submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUN 13 2008
Bureau of Land Management
Farmington Field Office

Sundry Notices and Reports on Wells

1. **Type of Well**
GAS

2. **Name of Operator**
CONOCOPHILLIPS COMPANY

3. **Address & Phone No. of Operator**
P.O. BOX 4289, FARMINGTON, NM 87499

4. **Location of Well, Footage, Sec., T, R, M**
Unit H (SENE), 1790' FNL & 1185' FEL, Section 35, T32N, R09W, NMPM

5. **Lease Number**
SF-079099-A

6. **If Indian, All. or Tribe Name**

7. **Unit Agreement Name**
San Juan 32 Federal Com 35

8. **Well Name & Number**
San Juan 32 Federal Com 35 1

9. **API Well No.**
30-045-29587

10. **Field and Pool**
Basin Fruitland Coal

11. **County and State**
San Juan Co., NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action			
_X_ Notice of Intent	_____ Abandonment	_____ Change of Plans	X Other - Deepen
	_____ Recompletion	_____ New Construction	
_____ Subsequent Report	_____ Plugging	_____ Non-Routine Fracturing	
	_____ Casing Repair	_____ Water Shut off	
_____ Final Abandonment	_____ Altering Casing	_____ Conversion to Injection	

RCVD JUN 19 '08
OIL CONS. DIV.
DIST. 3

13. Describe Proposed or Completed Operations

ConocoPhillips wishes to deepen this well an additional 90' to a new TD of 3537'. Please see the attached procedure and well bore diagram

- P.C. non-prod ; mudlogger will be on well to monitor for gas shows in P.C.
- sump request granted 6/16/08-CH.

14. I hereby certify that the foregoing is true and correct.

Signed Tamra Sessions Tamra Sessions Title Regulatory Technician Date 6/13/2008 .

(This space for Federal or State Office use)
APPROVED BY _____ Title Petr. Eng Date 6/17/08
CONDITION OF APPROVAL, if any:

Title 18 U S C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, PROPOSED ALTERNATIVE METHOD OR CLOSURE PLAN TO BE DESIGNED, CONSTRUCTED & OPERATED PURSUANT TO NMOCD RULE 19.15.17 EFFECTIVE 06/16/08

NMOCD

ConocoPhillips
San Juan 32 Federal Com 35 #1 (FRC)
Liner Cleanout/Deepen

Lat 36° 56' 35.88" N **Long** 107° 44' 39.228" W

Prepared By: Krista McWilliams Engineer Date: 6/5/08
BAE Peer review/approved By: Date:

Scope of work: The intent of this procedure is pull rods, pump and tubing, fish liner, cleanout 9-1/2" open hole, deepen to new TD, underream to 9-1/2" and re-run the production liner, tubing rods and pump.

Est. Cost:
Est. Rig Days: 16
WELL DATA:
API: 300452958700
Location: 1790 FSL & 1185 FWL, NMPM-32N-09W-35-H
PBTD: 3439' **TD:** 3447'
Perforations: 3225'-3378' (FRC) Perforated Liner
Coal Intervals: 3225'-29, 3230'-35', 3245'-48', 3271'-82', 3299'-3304', 3315'-16', 3345'-55', 3371'-72', 3374'-77', 3442'-45'

Well History: The San Juan 32 Federal 35 #1 was drilled and subsequently cavitated in June of 1998 as an OPE Fruitland Coal completion. In September of 1998 a rod pump was installed. Since that time there have been multiple pump changes with coal fines sticking the pump and tubing. The last pump repair was in April of 2006 and a wirewrap screen with 12 lb mesh was used on the bottom hole assembly in an attempt to keep coal fines out of the pump. Production is currently down approximately 755 mcfd but a fluid level and dyno shot in April confirms that the pump is working great. Very little water entry is coming into the wellbore and the well continually is going down on low suction. It is believed that the sudden rate loss is due to plugging of coal fines behind the liner. By deepening the well so that there is rathole, the pump will run more efficiently and will have to be pulled less often, and the liquid level in the wellbore will drop below all coal intervals removing backpressure off the reservoir. It is intended to pull the tubing, fish the liner, clean out and deepen the open hole, underream to 9-1/2" and re-run the liner, tubing, pump and rods.

Artificial lift on well (type): Lufkin- 114-133-48
Est. Reservoir Pressure (psig): 300 (FRC)
Well Failure Date: 7/09/2007

Current Rate (Mcfd): 230 **Est. Rate Post Remedial (Mcfd): 985**

Earthen Pit Required: YES

Special Requirements:
At least 8 additional joints of 2-7/8" EUE tubing (use yellow band if available), 200+ feet of 3-1/2" drill collars, 3550' 2-7/8" AOH drill pipe, mudloggers, 9.5" underreamser, 5-1/2" liner and accessories (see step 13 for details). New BHA (see step 15 for details) Rod pump, rods, sinker bars, and other pumping accessories (see step 16 for details)

BAE Production Engineer:	Krista McWilliams, Home: (505)334-3096, Cell: (505)419-1627	
BAE Backup:	Ben Kelly, Office: (505)599-3432, Cell: (505)320-8099	
MSO:	Craig Maley	Cell: (505)947-5736
Lead:	Jay Wendeborn	Cell: (505)320-0455
Area Foreman:	Jim Kennedy	Cell: (505)486-1915

ConocoPhillips
San Juan 32 Federal Com 35 #1 (FRC)
Liner Cleanout/Deepen

Lat 36° 56' 35.88" N **Long** 107° 44' 39.228" W

PROCEDURE:

1. Hold safety meeting. Comply with all NMOCD, BLM and ConocoPhillips safety and environmental regulations. Test rig anchors prior to moving in rig. Last rig date was 4/2006. Contact MSO for operating conditions.

2. MIRU. Remove polished rod from carrier bar. ND stuffing box. Check casing and bradenhead pressures and record them in Wellview. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with 2% KCL if necessary to maintain well control but minimize amount of fluid put on formation.

3. Pull 7/8" rods and pump (detail below). Note any indications of scale, rod or pump wear.
   (1) Polished Rod
   (1) 2" x 2' Rod Sub
   (131) 7/8" Grade D Rods
   (4) 1-1/4" x 25' Sinker Bars
   (1) 2-1/2" x 1-1/4" x 8' x 8' 3" x 12' RHAC Insert Pump

4. ND wellhead, NU BOP with capability to handle 5-1/2" casing rams. Pressure test BOP and pipe rams as per ConocoPhillips policies.

5. Release tubing hanger, pull one stand to allow any fill to settle, tag for fill, PU additional joints as needed. PBTD @ 3439', tubing landed @ 3425' (13' KB). Record the fill depth in Wellview.

6. TOOH with Tubing (detail below).
   (1) 2-7/8" 6.5# J-55 Tubing Jt
   (2) 2-7/8" 6.5# J-55 Tubing Subs 4' & 8'
   (104) 2-7/8" 6.5# J-55 Tubing Jts
   (1) 2-7/8" x 2.25" ID F Nipple set @ 3384'
   (1) 2-7/8" x 8' #12 Mesh Wirewrap Screen
   (1) 2-7/8" 6.5# J-55 Tubing Jt
   (1) 2-7/8" Bull Plug landed @ 3425'

7. Visually inspect tubing and record findings in Wellview. Make note of corrosion or scale. Please notify engineer of any unusual findings. Replace tubing as needed.

8. Fish Baker Hyflo 3, 5-1/2" x 7" with steel sleeve @ 3138', top of hanger @ 3134'.

9. TIH with 6.25" bit, 200+ feet of 3-1/2" drill collars and 2-7/8" AOH drill pipe. Clean out open hole to PBTD @ 3447'. Do not surge the well as we do not want to get the coal running.

10. Rig up mudloggers. Drill out to new TD @ 3537' reporting any additional coal stringers or gas shows in wellview. TOOH.

11. TIH with 9-1/2" unerreamer and underream openhole from below base of 7" to new TD. TOOH.

12. Pitot well and obtain pressure build up for one hour. Record results in 15 minute increments in Wellview. Do not surge the well as we do not want to get the coal running.

13. Run 5-1/2" liner on workstring (detail below). (Blank overlap-3221', Perf 3221'-3452', Blank to TD @ 3537')

(1) Bladed Guide Shoe
(2) 5-1/2" x 42' 15.5#, K-55, 8RD, LT&C Casing – blank
(5) 5-1/2" x 42' 15.5#, K-55, 8RD, LT&C Casing - pre-perforated at 4 spf
(1) 5-1/2" x 21' 15.5#, K-55, 8RD, LT&C Casing - pre-perforated at 4 spf
(1) 5-1/2" x 42' 15.5#, K-55, 8RD, LT&C Casing – blank
(1) Liner Hanger (Drop Off)

14. POOH. TIH with flat bottom Perf Mill and TIH and knock off the pre-perf plugs. TOOH.

15. TIH with tubing. Recommended F-Nipple landing depth is @ 3462' or deeper (+ 5') (13' KB), EOT @ 3494' or deeper (+5').
    (1) 2-7/8" EUE 10RD MULESHOE
    (1) 31' x 2-7/8" PRICE TYPE COVER JOINT (one 1/2" vent hole below upper upset)
    (1) 2-7/8" F Nipple @ 3462'
    2-7/8" 6.5# J-55 Tubing to surface
    Tubing subs as necessary to space out

16. ND BOP, NU B-1 Adapter, rod rattigan, and flow tee (place rod rattigan below flow tee). RIH with rods (detail below).

    (1) 2-1/2" x 1-1/4" x 12' RHAC-Z Insert Pump with a 12" x 1" Strainer Nipple with a .005" grooved plunger, double standing valve, single traveling valve, California pattern balls, w/ sand check
    (1) 1" x 1' lift sub
    (1) 7/8" x 8' guided rod sub
    (1) 22,000# Norris Shear Tool
    (4) Existing 1-1/4" x 25' Sinker Bars
    (2) 7/8" x 8' Pony Rods
    Existing 7/8" Grade "D" rods to surface
    Rod subs as necessary
    (1) 1-1/4" x 22' Polish Rod and Liner
    (1) Rod Rotator

    Note: the two 8' rod subs are being installed above the sinker bars so that during future remedial jobs they can be moved one at a time to the top of the string to spread the wear pattern between the rod couplings and the tubing.

17. NU stuffing box and rod rotator, space out and seat pump.

18. Load tubing with water to pressure test tubing and pump to 1500 psi. Test for good pump action. Verify well pumps up before moving out.

19. Notify operator to return well to production. RDMO.

Current Schematic

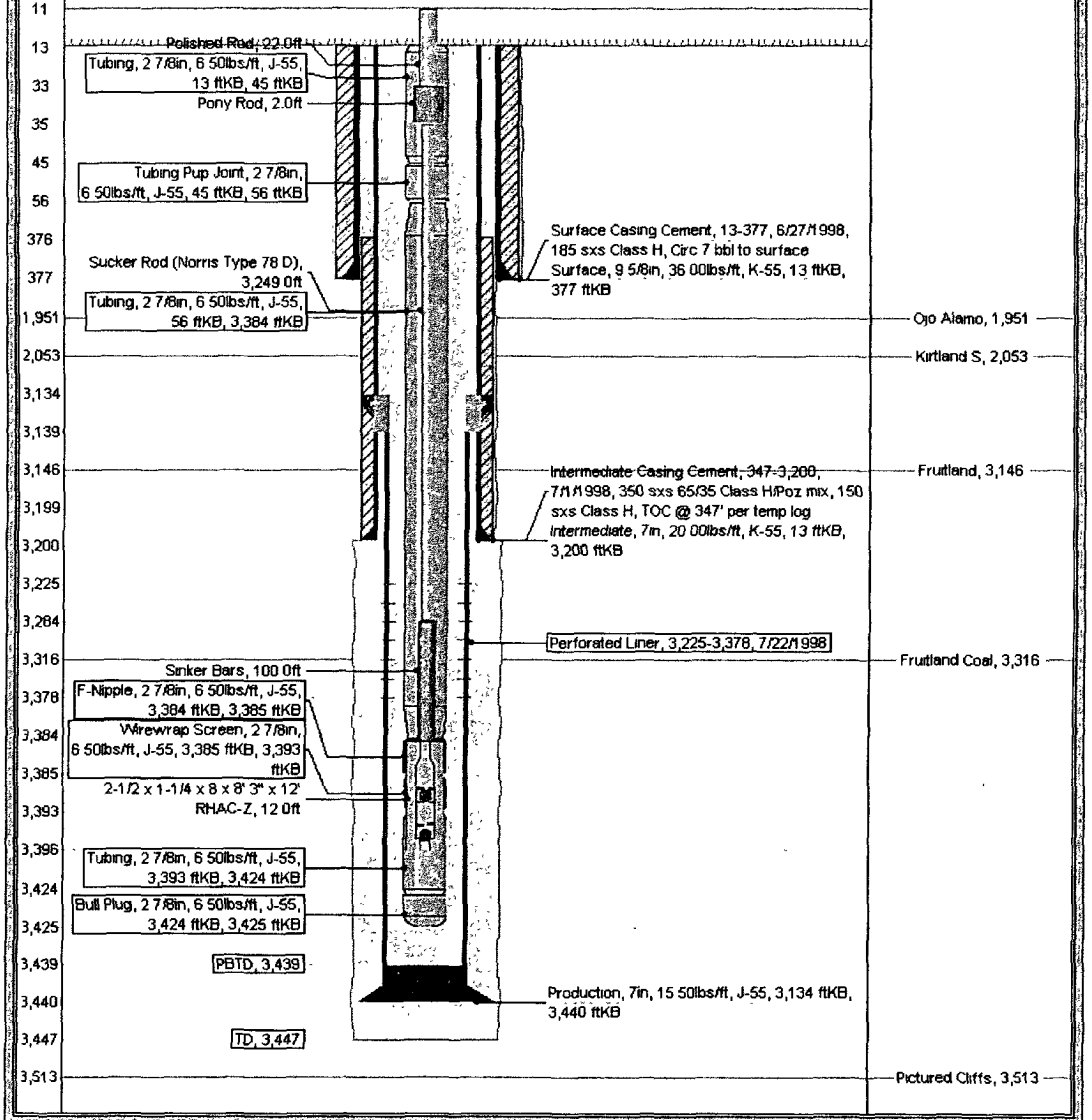
ConocoPhillips

Well Name: SAN JUAN 32 FED 35 #1

API / UWI	Surface Legal Location	Field Name	License No	State/Province	Well Configuration Type
300452958700	NMPM-32N-09W-35-H	FC		NEW MEXICO	Vertical

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,590.00	6,603.00	13.00		

Well Config: Vertical - Original Hole, 6/12/2008 2:46:13 PM



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