

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMSF078460

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM78423A

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE

8. Well Name and No.
SAN JUAN 32-7 UNIT 243

2. Name of Operator
PHILLIPS PETROLEUM COMPANY

Contact: PATSY CLUGSTON
E-Mail: plclugs@ppco.com

9. API Well No.
30-045-29931

3a. Address
5525 HWY. 64
FARMINGTON, NM 87401

3b. Phone No. (include area code)
Ph: 505.599.3454
Fx: 505-599-3442

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T32N R7W Mer NWSW 1715FSL 300FWL

11. County or Parish, and State
SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> DRG
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

7" CASING REPORT

8/15/01 MIRU Key Energy #53. NU BOP, lines and choke manifold. PT 9-5/8" casing-good test. RIH w/8-3/4" bit & tagged cement @ 180'. Drilled cement from 180' to 250'. Drilled new formation to 450'. COOH. RIH w/directional tools, drilling ahead to 3645' TMD (3416.72 TVD). COOH w/directional tools.

RIH & circ. hole. RIH w/7", 20#, J-55 casing and set @ 3641'. RU BJ to cement. Pumped a preflush of 10 bbls FW, 10 bbls mud clean, 10 bbls FW w/red dye. Then lead - 735 sx (1751.8 cf - 312 bbl slurry) Type 3 35:65 POZ w/5#/sx Gilsonite, 1/4#/sx cello-flake, 6% gel, 10#/sx CSE, 3% KCl, 0.4% FL-25, 0.02#/sx Static Free. Tail - 50 sx (70.2 cf - 12.5 bbl slurry) Type 3 w/1/4#/sx Cello-flake, 1% CaCl₂. Dropped plug & displace w/147 bbls FW. Plug down @ 1809 hrs 8/31/01. Circ. 20 bbls cement to surface. WOC. ND BOP, Set slips and cut off casing. RD & released rig 8/31/01.

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

Electronic Submission #7086 verified by the BLM Well Information System
For PHILLIPS PETROLEUM COMPANY, sent to the Farmington
Committed to AFMSS for processing by Maurice Johnson on 09/10/2001 ()

Name (Printed/Typed) PATSY CLUGSTON

Title AUTHORIZED REPRESENTATIVE

Signature

Date 09/10/2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

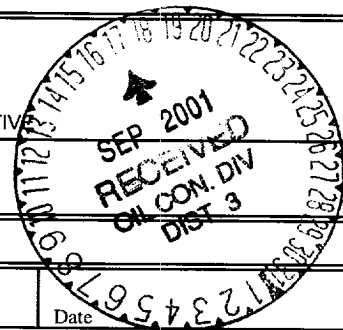
Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



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OFFICE

Additional data for EC transaction #7086 that would not fit on the form

32. Additional remarks, continued

9/5/01 MIRU Key Energy #18. NU BOP, PT 7" casing & rams to 200 psi - 3 minutes and 500 psi for 30 minutes. Good Test.