

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

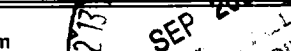
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		8. Well Name and No. SAN JUAN 32-8 UNIT 255
2. Name of Operator PHILLIPS PETROLEUM COMPANY		Contact: PATSY CLUGSTON E-Mail: pclugs@ppco.com
3a. Address 5525 HWY. 64 FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 505.599.3454 Fx: 505-599-3442	9. API Well No. 30-045-30424
4. Location of Well <i>(Footage, Sec., T., R., M., or Survey Description)</i> Sec 24 T32N R8W Mer SENE 2050FNL 970FEL 36.96944 N Lat, 107.62060 W Lon		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
		11. County or Parish, and State SAN JUAN COUNTY, NM

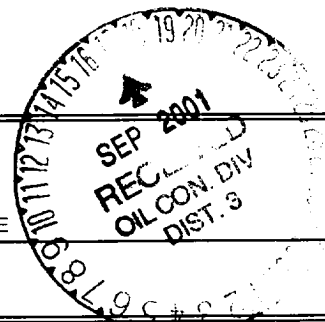
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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 recomplate 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 recompletion 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.)

9/2/01 MIRU Key Energy. Spud 12-1/4" hole @ 0915 9/4/01. Drilled ahead to 230'. Circ. hole. RIH w/9-5/8", 32.3# H-40 casing. Set @ 226'. RU to cement. Pumped a preflush of 10 bbls mud clean, 10 bbls FW w/red dye ahead of 200 sx (176.5 cf - 31.43 bbl slurry) Type 3 cement w/2% CaCl₂ & 1/4"/#sx Cello-flake. Dropped plug & displaced w/15 bbls FW. No cement to surface. WOC. Ran 1" down backside and tagged down 20". Pumped 100sx Type 3 Neat cement down backside of 9-5/8" casing to top out cement job. Got back 2 bbls cement to surface. WOC. NU WH & BOP. PT casing to 200# - 3 minutes and then 1500# 10 minutes, lost 60-80# per minute. 9/5/01 - Tom Ferg and Richard Allred called Denny Foust with NMOCD and discussed well. They guaranteed OCD that the 7" casing would be cemented to surface and thus sealing off the 9-5/8" casing. OCD approved plan.

14. I hereby certify that the foregoing is true and correct. <div style="text-align: center;"> Electronic Submission #7073 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 () </div>		
Name (Printed/Typed) PATSY CLUGSTON	Title AUTHORIZED REPRESENTATIVE	
Signature	Date 09/07/2001	



THIS SPACE FOR FEDERAL OR STATE OFFICE USE

<u>Approved By</u> _____ 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.	Title _____ Office _____	Date _____
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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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