Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No. NMSF079358

| 6. | If Indian | . Alƙ | ttee or | Tribe | Name |
|----|-----------|-------|---------|-------|------|

| abandoned wei | 6. If Indian | 6. If Indian, A Nottee or Tribe Name | | | | | |
|--|---|--|--------------------------------------|---|--|----------------------|--|
| SUBMIT IN TRI | 7. If Unit o | 7. If Unit or CA/Agreement, Name and/or No. | | | | | |
| Type of Well ☐ Oil Well | | 8. Well Name and No. SAN JUAN 32-8 UNIT 260 | | | | | |
| Name of Operator PHILLIPS PETROLEUM COM | Contact: | PATSY CLUGS E-Mail: plclugs@p | | 9. API Wel 30-045 | 9. API Well No. 30-045-30996-00-X1 | | |
| 3a. Address 5525 HIGHWAY 64 NBU 300- FARMINGTON,, NM 87401 | 4 | 3b. Phone No. (in Ph: 505.599.3 Fx: 505-599-34 | 454 |) 10. Field an BASIN | 10. Field and Pool, or Exploratory BASIN FRUITLAND COAL | | |
| 4. Location of Well (Footage, Sec., 7 | 11. County | 11. County or Parish, and State | | | | | |
| Sec 18 T32N R8W NESW 13 36.98056 N Lat, 107.71830 W | SAN JI | SAN JUAN COUNTY, NM | | | | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) T | O INDICATE N | ATURE OF | NOTICE, REPORT, O | R OTHER | DATA | |
| TYPE OF SUBMISSION | | | ТҮРЕ О | F ACTION | | | |
| Nation of Intent | ☐ Acidize | □ Deepen | | ☐ Production (Start/R | esume) | ☐ Water Shut-Off | |
| ✓ Notice of Intent | ☐ Alter Casing | Alter Casing | | | ■ Well Integrity | | |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Co | nstruction | □ Recomplete | | Other | |
| ☐ Final Abandonment Notice | □ Change Plans | Plug an | d Abandon | □ Temporarily Aband | on | Drilling Operations | |
| | ☐ Convert to Injection | Plug Ba | ick | ■ Water Disposal | | | |
| testing has been completed. Final Aldetermined that the site is ready for for NOTICE OF INTENT TO CHAP Phillip's contract geologist rev 3648'. He revised the progno prognosis indicating new tops | inal inspection.) ANGE DRILLING TD DEF Vised the geologic prognous is to inclue the lowermous is to inclue the lowermous is the lowermous is to inclue the lowermous incluence. | PTH. osis for this well a | nd has chan | ged the TD to | completed, a | ind the operator has | |
| 14. I hereby certify that the foregoing is | s true and correct. Electronic Submission For PHILLIPS PE Committed to AFMSS for p | TROLEUM COMP. | ANY, sent to Lovato on 06 | the Farmington 5/14/2002 (02JXL0022SE) | | | |
| Name (Printed/Typed) PATSY C | LUGSTON | T | tle AUTHO | DRIZED REPRESENTA | TIVE | | |
| Signature (Electronic | Submission) | D | ate 06/11/2 | 2002 | | | |
| CI SI CI | THIS SPACE F | OR FEDERAL | OR STATE | OFFICE USE | | | |
| | | | | | | | |
| _Approved_By JIM LOVA | | | Title PET | ROLFUM ENGINEER | Date 06 | 6/14/2002 | |
| Conditions of approval, if any, are attacherify that the applicant holds legal or eqwhich would entitle the applicant to conditions. | es not warrant or he subject lease | Office Farm | nington | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent | 3 U.S.C. Section 1212, make it statements or representations | a crime for any pers as to any matter with | on knowingly an n its jurisdictio | nd willfully to make to any don. | epartment or | agency of the United | |

GEOLOGIC PROGNOSIS

Company: Phillips Petroleum Company
Project: 2002 Fruitland Fm. Coal Program

Area: San Juan 32-8 Unit

Operator: Phillips Petroleum Company
Well Name: San Juan 32-8 Unit No. 260 (Kfc)

Location: NESW 18-32N-08W
Footage: 1328' FSL & 0863' FWL
County/State: San Juan/New Mexico

Surveyed GL: 6748 Est. (15') KB: 6763

| Formation | Thickness | Depth | Struct. Elev. |
|---------------------|------------------|--------------|---------------|
| San Jose Fm. | 1048 | Surface | 6748 |
| Nacimiento Fm. | 1230 | 1048 | 5715 |
| Oio Alamo Ss. | 80 | 2278 | 4485 |
| Kirtland Sh. | 860 | 2358 | 4405 |
| Fruitland Fm. | 150 | 3218 | 3545 |
| Int. Csg. Depth | 20 | <u> 3368</u> | 3395 |
| Top Coal Interval | 260 | 3388 | 3375 |
| Base Coal Interval | 0 | 3648 | 3115 |
| Total Depth | 2 | <u> 3648</u> | 3115 |
| Pictured Cliffs Ss. | NA | 3650 | 3113 |

Mud Log: Mud log (5"=100") from intermediate casing to TD

(Mud Logger to pick intermediate casing point and TD)

Mechanical Logs: None

Correlation Logs: San Juan 32-9 Unit No. 52-13 (SWSW 13-32N-09W)

Trail Canyon No. 2 (SENE 18-32N-08W)

Estimated intervals of water, oil, and gas:

 Water:
 Ojo Alamo
 2278-2358

 Oil:
 None
 NA

 Gas:
 Fruitland Coal
 3388-3648

 Gas & Water:
 Fruitland Coal
 3388-3648

Note: Revised to deepen well thourgh the lowermost

Fruitland coal

John E. Bircher Rev: May 22, 2002