Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.
NMSF079380

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
San Juan 32-8 Unit

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
265

2. Name of Operator **ConocoPhillips Company**

9. API Well No.
30-045-32829-00-X1

3a. Address
4001 Penbrook, Odessa, TX 79762

3b. Phone No. *(include area code)*
432-368-1352

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Section 14, T32N, R8W, NESW - 1412 FSL - 1949 FWL

11. County or Parish, 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			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other **revise completion to case and frac**
	☑ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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.)

ConocoPhillips Company requests to change the completion for this well from cavitation to case and frac. A revised well plan, cement calculations and BOP schematic supporting this change are attached to this sundry.

MAY 2005

RECEIVED
070 FARMINGTON NM
2005 MAY 2 AM 10 30

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* **Vicki Westby** Title **Staff Agent**

Signature Vicki Westby (pf) Date **04/29/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Adrienne Brumley Title Pet. Eng Date 5/4/05

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 FFO

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.

(Instructions on page 2)

NMOCD

ConocoPhillips

San Juan Business Unit

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 32-8 265

Lease:		AFE #: WAN.CBM.5131		AFE $:
Field Name: hPHILLIPS 32-8	Rig:	State: NM	County: SAN JUAN	API #: 3004532829
Geoscientist: Cloud, Tom A	Phone: +1 832 486-2377	Prod. Engineer: Limb, H G		Phone: 1-832-486-2427
Res. Engineer: Peterson, Brad T	Phone: 486-2055	Proj. Field Lead:		Phone:

Primary Objective (Zones):

Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

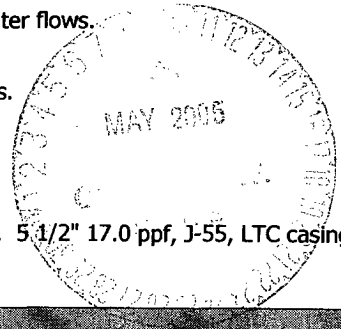
Location: Surface **Straight Hole**

Latitude: 36.98	Longitude: -107.65	X:	Y:	Section: 14	Range: 8W
Footage X: 1949 FWL	Footage Y: 1412 FSL	Elevation: 7070 (FT)	Township: 32N		
Tolerance:					

Location Type: Start Date (Est.): Completion Date: Date In Operation:

Formation Data: Assume KB = 7083 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SAN JOSE	13	7070	☐			
Surface Casing	213	6870	☐			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	1059	6024	☐			
OJAM	2528	4555	☐			Possible water flows.
KRLD	3143	3940	☐			
FRLD	3535	3548	☐			Possible gas.
BASE MAIN COAL	3756	3327	☐	1250		
PC TONGUE	3793	3290	☐			
BASE LOWEST COAL	3950	3133	☐			
Total Depth	3953	3130	☐			7-7/8" hole. 5 1/2" 17.0 ppf, J-55, LTC casing. Circulate cement to surface.
PCCF	3955	3128	☐			



Reference Wells:

Reference Type	Well Name	Comments
Intermediate	NWPL SJ 32-8 #45	

Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT

Additional Information: TD includes 80 feet sump/rathole & COPC will comply with the BLM's Conditions of Approval for the proposed sump/rathole in this non-producing Pictured Cliffs formation

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks

Comments: Location/Tops/Logging - Frac well completion. No intermediate casing.

Zones - A sundry notice is needed with a revised TD. The notice should include "Mudloggers will be used to prevent drilling into the Pictured Cliff Formation."

Printed on: 4/28/2005 7:40:54 AM

ConocoPhillips

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 32-8 265

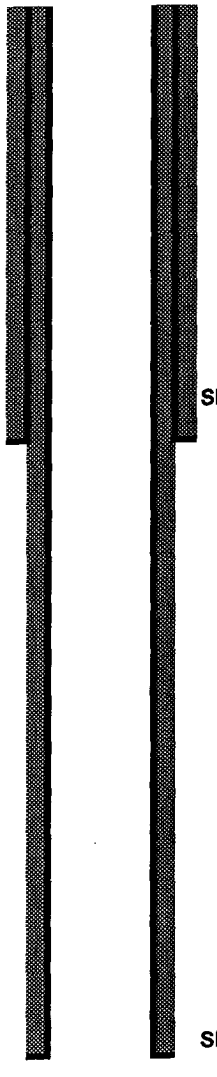
Well is within existing PCCF PA.
Prospective 8 ft lowest coal seam just above PCCF.

Mud Log from intermediate casing shoe to TD will be obtained.

Drilling Mud Program:
Surface: spud mud
Intermediate: fresh water mud with bentonite and polymer as needed
Below Intermediate: air/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

General/Work Description - Provide funds to drill and fracture stimulate the Fruitland Coal formation in the San Juan 32-8 # 265 located in the SW 1/4 of Section 14, T32N, R8W, Basin Fruitland Coal Field, San Juan County, New Mexico.

San Juan 32-8 # 265
Halliburton Cementing Program



SURFACE CASING :

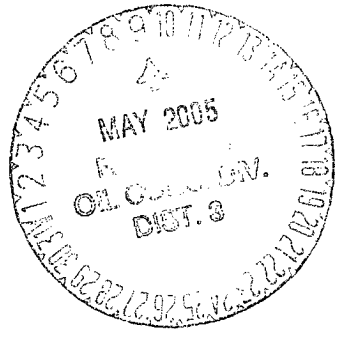
Drill Bit Diameter	12.25	"	
Casing Outside Diameter	9.625	"	Casing Inside Diam. 9.001 "
Casing Weight	32.3	ppf	
Casing Grade	H-40		
Shoe Depth	230	'	
Cement Yield	1.21	cuft/sk	
Cement Density	15.6	lb/gal	
Excess Cement	125	%	
Cement Required	141	**sx**	

SHOE **230 ', 9.625 ", 32.3 ppf, H-40 STC**

INTERMEDIATE CASING :

Drill Bit Diameter	7.875	"	
Casing Outside Diameter	5.5	"	Casing Inside Diam. 4.892 "
Casing Weight	17	ppf	
Casing Grade	J-55		
Shoe Depth	3953	'	
Lead Cement Yield	2.91	cuft/sk	
Lead Cement Density	11.5	lb/gal	
Lead Cement Excess	160	%	
Tail Cement Length	440	'	
Tail Cement Yield	1.33	cuft/sk	
Tail Cement Density	13.5	lb/gal	
Tail Cement Excess	160	%	
Lead Cement Required	529	**sx**	
Tail Cement Required	149	**sx**	

SHOE **3953 ', 5.5 ", 17 ppf, J-55 LTC**



SAN JUAN 32-8 #265

HALLIBURTON OPTION

9-5/8 Surface Casing		
Cement Recipe	Standard Cement	
	+ 3% Calcium Chloride	
	+ 0.25 lb/sx Flocele	
Cement Volume	141	sx
Cement Yield	1.21	cuft/sx
Slurry Volume	170.7	cuft
	30.4	bbls
Cement Density	15.6	ppg
Water Required	5.29	gal/sx

7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Standard Cement	
	+ 3% Econolite (Lost Circulation Additive)	
	+ 10 lb/sx Gilsonite (Lost Circ. Additvie)	
	+ 0.25 lb/sx Flocele (Lost Circ. Additive)	
Cement Required	529	sx
Cement Yield	2.91	cuft/sx
Slurry Volume	1539.5	cuft
	274.2	bbls
Cement Density	11.5	ppg
Water Required	16.88	gal/sx

7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ:Standard Cement	
	+ 2% Bentonite (Light Weight Additive)	
	+ 5 lbm/sk Gilsonite (Lost Circ. Additive)	
	+ 0.25 lbm/sk Flocele (lost Circ. Additive)	
	+ 2% Calcium Chloride (Accelerator)	
Cement Required	149	sx
Cement Yield	1.33	cuft/sx
Slurry Volume	198.3	cuft
	35.3	bbls
Cement Density	13.5	ppg
Water Required	5.36	gal/sx

SCHLUMBERGER OPTION

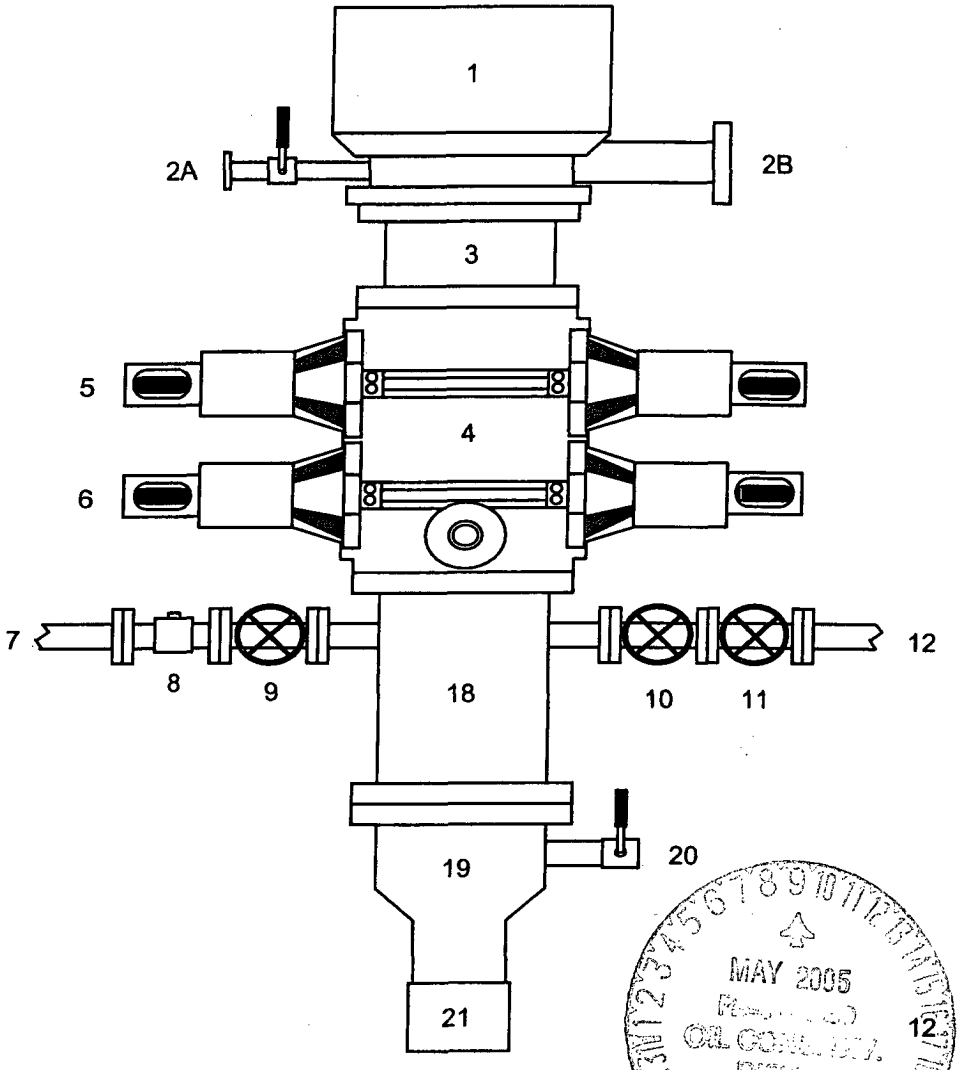
9-5/8 Surface Casing		
Cement Recipe	Class G Cement	
	+ 3% S001 Calcium Chloride	
	+ 0.25 lb/sx D029 Cellophane Flakes	
Cement Volume	147	sx
Cement Yield	1.16	cuft/sx
Slurry Volume	170.7	cuft
	30.4	bbls
Cement Density	15.8	ppg
Water Required	4.983	gal/sx

7" Intermediate Casing		
Lead Slurry		
Cement Recipe	Class G Cement	
	+ 3% D079 Extender	
	+ 0.25 lb/sx D029 Cellophane Flakes	
	+ 0.2% D046 Antifoam)	
Cement Required	593	sx
Cement Yield	2.61	cuft/sx
Slurry Volume	1548.6	cuft
	275.8	bbls
Cement Density	11.7	ppg
Water Required	15.876	gal/sx

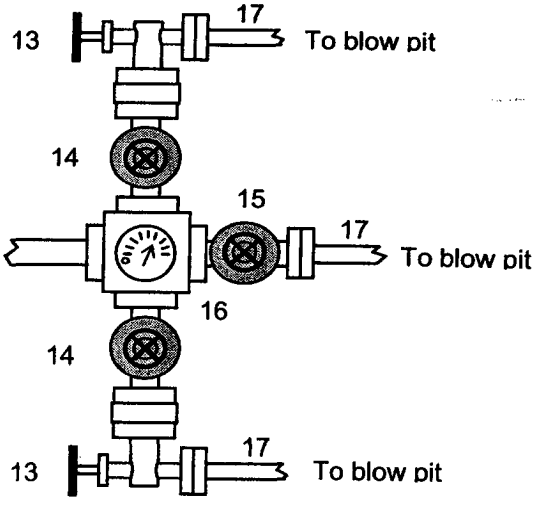
7" Intermediate Casing		
Tail Slurry		
Cement Slurry	50 / 50 POZ : Class G Cement	
	+ 2% D020 Bentonite	
	+ 5 lb/sx D024 Gilsonite extender	
	+ 0.25 lb/sx D029 Cellophane Flakes	
	+ 2% S001 Calcium Choloride	
	+ 0.2% D046 Antifoam	
Cement Required	149	sx
Cement Yield	1.27	cuft/sx
Slurry Volume	189.3	cuft
	33.7	bbls
Cement Density	13.5	ppg
Water Required	5.182	gal/sx

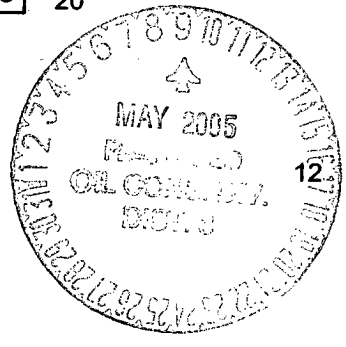
BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Drilling to Intermediate Casing Point & Setting 5 1/2" Intermediate Casing



1. Rotating Head
2A. Fill-up Line & valve
2B. Flowline
3. Spacer Spool
4. Double Ram BOP (11", 3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10 Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Choke Line (2")
18. Mud Cross Spacer Spool
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar





A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 10 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed, and the **9-5/8" casing will be pressure tested** against closed blind rams to 200 psi to 300 psi for 10 minutes and **to 1000 psi for 30 minutes** (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then a 7-7/8" hole will be drilled to production casing point and 5 1/2" intermediate casing will be run and cemented.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

Revision Date: April 28, 2005