

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.*FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.
NMSF079029

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM78424B

8. Well Name and No.
San Juan 32-8 Unit #242A

9. API Well No.
30-045-32119

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

11. County or Parish, State
San Juan
NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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

2. Name of Operator
ConocoPhillips Co.

3a. Address
P.O. Box 2197, WL3-6085 Houston Tx 77252

3b. Phone No. (include area code)
(832)486-2463

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 4 T31N R8W NWNW 1270FNL 785FWL

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"/> Other Sidetrack
	<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 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.)

This well was sidetracked due to 5.5" liner was collapsed and pinched at 3341'. Window cut in 7" casing @ 3031' and well sidetracked in order to install new liner. Daily summary report and sidetrack schematic is attached.



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Christina GustartisTitle
Regulatory Specialist

Signature

Date
10/03/2005**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date **OCT 06 2005**

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

BY

Title 18 U.S.C. Section 1001, makes 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 reverse)

NMOC

SAN JUAN 32.8 UNIT #242A

Drilling Sidetrack

Daily Summary

API/Surface Hole UWI 300453211900	County SAN JUAN	State/Province NEW MEXICO	Surface Legal Location NMPM-31N-08W-04-D	N/S Dist (ft) 1,270.00	N/S Ref N	E/W Dist (ft) 785.00	E/W Ref W
Ground Elevation (ft) 6,487.00	Spud Date 3/29/2004	Rig Release Date 4/1/2004	Latitude (DMS) 36° 55' 47.604" N	Longitude (DMS) 107° 41' 9.204" W			

Time Log

Dur (hrs)	Comm/Operation
6.00	BREAK CIRCULATION TRIP THRU WINDOW @ 3039'KB (NO DRAG)- W/ 1500 CFM AIR & 6-8 BPH MIST CONTAINING 1 GAL F 450 FOAMER & 1/4 GAL CORROSION INHIBITOR/ 10 BBLs KFC PRODUCED WATER @ 500 PSIG-DRILLING 6-1/4" OPEN HOLE SECTION W/ 8-10K WOB & 100 RPM'S F/3045-T/3353'KB- RECORD COAL INTERVALS DEPTH AND UNITS OF BGG-3076-3077 (1') 40 UNITS; 3100-3101' (1') 60 UNITS; 3133-3136' (3') 34 UNITS; 3150-3151' (1') 35 UNITS; 3168-3172' (4') 345 UNITS; 3173-3190' (17') 820 UNITS; 3247-3258' (11') 480 UNITS; 3260-3262' (2') & 3263-3264' (1') 412 UNITS; 3316-3320' (4') 354 UNITS; TAG OBSTRUCTION @ 3353'KB AROUND THE SAME DEPTH AS THE JUNK FOUND INSIDE THE 5-1/2" LINER FROM PREVIOUS WORKOVER IN THE ORIGINAL VERTICAL WELLBORE.
1.00	CIRCULATE W/ AIR MIST AND CONDUIT HOLE PRIOR TO TRIP
3.50	SHORT TRIP W/ POWER SWIVEL UP INTO 7"-NO DRAG THRU WINDOW-COOH W/ 6-1/4" DRLG ASSEMBLY-6-1/4" BIT GRADED (1-1-NO-A-E-I-SD-HP)

Report Start Date 8/18/2005	Last 24hr Summary INSPECT BIT-RE-RUN 6-1/4" DRLG ASSEMBLY & WORK AROUND AND DRILL PAST JUNK IN HOLE F/3353 - T/3479'KB/PBTD- R&R-DRY & WTR PROD TEST-SHORT TRIP-FLOW TEST-SIPBU-TRIP & URR-OPEN HOLE SECTION F/3059-T/3338'KB
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Time Log

Dur (hrs)	Comm/Operation
3.00	SAFETY MEETING-MU 6-1/4" RR EHP 62A BIT JETTED W/ 3-20'S-GIH W/ BIT SUB, 17 X 3-1/2" DC'S, X-O SUB TBHA (521'), TRIP IN W/ 2-7/8" DP T/ 3024'KB-RU POWER SWIVEL AND SLIDE THRU WHIPSTOCK AREA F/3031-3039' (NO DRAG)-TRIP IN T/3353'KB
3.00	BREAK CIRCULATION W/ 1500 CFM AIR & 8 BPH MIST & WORK AROUND THRU OBSTRUCTION @ 3353'KB-CONTINUE DRILLING T/3380'KB
3.00	DRILLING W/ AIR MIST F/3380 - T/3479'KB/PBTD COAL INTERVAL 3362 -T/3384'KB W/ 354 UNITS OF BGG, ESTIMATED TOP OF PC @ 3480'KB FROM ORIGINAL VERTICAL WELLBORE.
1.00	CIRC HOLE W/ AIR MIST RE-1 1/2" DOWN 1< BUCKETS/HR OF FINE COAL
1.00	DRY UP WELLBORE W/ 2200 CFM DOWN T/1500 CFM AIR ONLY; RETURNS: 2-1/2 GALS / 55 SECONDS = 90 BWPD.
0.50	SHORT TRIP UP INTO 7"-NO DRAG @ 3353'KB & THRU WHIPSTOCK
1.00	PERFORM FLOW TEST THRU 2"-RECORD FCP/MANIFOLD PRESSURE / 4 = PITOT #S = MSCFD & CONSISTENCY; 15MIN - 5# = 1.25# = 687 MSCFD DRY, 30-60 MIN 8#4 = 2#S = 869 MSCFD MIST.
2.50	SIPBU SIP 18" 15MIN - 8#4 30MIN - 12#4 45MIN - 16#4 60MIN - 18#4 75MIN - 20#4 90MIN - 22#4 105MIN - 24#4 240# PRESSURE WAS CONTINUING TO BUILD @ 10 PSIG/45 MIN BLEED WELL DOWN TO PIT
3.50	RD POWER SWIVEL-COOH W/ 6-1/4" DRLG ASSEMBLY (6-1/4" BIT GRADED 1-1-NO-A-F-I-NO-BHA)- MU 5-7/8" X 9.5" BAKER OIL TOOLS UNDER-REAMER / SHOCK SUB W/ (ROLLER CUTTERS), W/ 16/32" INCH JET W/ 17 (3-1/2") DC- GIH W/ BHA W/ 2-7/8" AOH DRILL PIPE W/ 1.875" ID FN RUN 1-JT ABOVE DRILL COLLARS T/ 3010'KB-RU POWER SWIVEL.
5.50	SLIDE UNDER-REAMER THRU WHIPSTOCK F/ 3031-T/3039'KB-CONTINUE IN HOLE F/3059'KB-BREAK CIRCULATION W/ AIR MIST UNDER-REAM W/ 900 PSIG W/ 2200 CFM AIR & 12 BPH MIST- F/3059-T/3338'KB/PBTD W/ 1200 FT LBS OF TORQUE W/ 16K WOB @ 120+ RPM'S

Report Start Date 8/19/2005	Last 24hr Summary URR OPEN HOLE-TRIP UNDER-REAMER-GIH W/ 6-1/4" BIT-R&R T/3390'KB
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Time Log

Dur (hrs)	Comm/Operation
1.00	SAFETY MEETING-UNDER-REAM OPEN HOLE SECTION F/6-1/4" - 9.5", F/3338-T/3353'KB, W/ 2200 CFM AIR & 10-12 BPH MIST @ 900 PSIG-UNABLE TO REAM PAST 3353'KB.
2.50	CIRC HOLE CLEAN AND WORK UNDER-REAMER UP INTO 7" @ 3024'KB
6.00	MU 6-1/4" RR HP43A BIT JETTED W/ 3-20'S-GIH W/ BIT SUB, 17 X 3-1/2" DC'S, X-O SUB TBHA (521'), TRIP IN W/ 2-7/8" DP T/ 3024'KB-RU POWER SWIVEL AND SLIDE THRU WHIPSTOCK AREA F/3031-3039' (NO DRAG)-
14.50	BREAK CIRCULATION W/ 1500-2200 CFM AIR & 8 BPH MIST CONTAINING 1 GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR @ 700 PSIG AND CIRC DOWN T/3368'KB- R&R T/3388 - T/3400'KB RETURNS: 2 UP 1 1/2 DOWN 1 1/2 BUCKETS/HR OF FACE POWDER TYPE OF COAL (99+%)

Report Start Date 8/20/2005	Last 24hr Summary R&R-FLOW TEST-NATURAL SURGES #1-#2-FLOW TEST-PADED SURGE #3
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Time Log

Dur (hrs)	Comm/Operation
6.00	SAFETY MEETING-R&R W/ 1500-2200 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR @ 700 PSIG F/ 3358 - T/3390'KB RETURNS: 2 DOWN 1< BUCKETS/HR OF FACE POWDER TYPE OF COAL (99+%)-TAGGING AN OBSTRUCTION @ 3375'KB.
1.00	DRY UP WELLBORE PRIOR TO FLOW TEST

SAN JUAN 32 8 UNIT #242A

Drilling Sidetrack

Daily Summary

API/Bottom Hole UWI 300453211900	County SAN JUAN	State/Province NEW MEXICO	Surface Legal Location NMPM-31N-08W-04-D	N/S Dist (ft) 1,270.00	N/S Ref N	E/W Dist (ft) 785.00	E/W Ref W
Ground Elevation (ft) 6,487.00	Spud Date 3/29/2004	Rig Release Date 4/1/2004	Latitude (DMS) 36° 55' 47.604" N	Longitude (DMS) 107° 41' 9.204" W			

Report Start Date 8/14/2004	Last 24hr Summary MIRU KEY 22-SJ 32-8 #242A LOCATED 1270'FNL & 785'FWL SEC 4 T31N R8W SAN JUAN CO, NM SPOT AUXIALRY EQUIPMENT-PULL & LAYDOWN RODS
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Time Log

Dur (hrs)	Comm/Operation
6.00	SAFETY MEETING-MIRU KEY 22-SPOT AUXILIARY EQUIPMENT-RU PUMP & LINES. (NOTIFY BLM & NMOC OF PENDING BOPE TEST & SIDETRACKING OPERATIONS @18:30, 8-14-2005)

Report Start Date 8/15/2005	Last 24hr Summary PULL RODS-SET BP IN FN-SET BPV-NU & PT BOPE-RU AUXILIARY EQUIPMENT-TRIP TBG
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Time Log

Dur (hrs)	Comm/Operation
2.50	SAFETY MEETING-SITP 20 PSIG & SICP 395 PSIG-BLEED CASING DOWN TO PIT-UNSEAT PUMP-COOH & LAYDOWN 22' X 1-1/4" POLISH ROD, 4', 4', & 8' X 3/4" PONY RODS, 127 X 3/4" RODS, 3-1 1/4" SINKER BARS, & 1-1/2" RHAC INSERT PUMP.
1.00	RUBER SUCKER LINE WITH 150 PSI GAUGE RING TAG IN @ 3270'KTB. SET 178 BPV IN FN-ROD SUCKER LINE.
1.00	SET 2-WAY 2-3/8" BPV IN TBG HGR-ND BONNET & NU BOPE.
1.00	RUBER SUCKER LINE-AUXILIARY EQUIPMENT.
1.00	RIG INSPECTION & CORRECTIONS.
1.50	PT BLINDS T/200 PSIG-15 MIN & 2000 PSIG-15 MIN (OK)-PT AIR RAMS T/200 PSIG-15 MIN & 1800 PSIG-20 MIN (OK)-PT PIPE RAMS-3 HGR W/ VES T/200 PSIG-10 MIN & 2000 PSIG-15 MIN (OK).
0.50	BLEED CASING PRESSURE DOWN TO PIT-EQUALIZE & STRIP 2-3/8" X 7-1/16" TBG HGR W/ BPV-RU WOOD GROUP LUBRICATOR & PULL BPV IN TBG HGR (NO PRESSURE BELOW BPV)-RD WOOD GROUP.
1.50	COOH W/ PT 2-3/8" TBG-2-3/8" X 7-1/16" TBG-PT JOINT @ 3300' T/2-3/8" TBG (321768) & 2-3/8" X 1-1/2" FN WSP-PT MUD ANCHOR.
0.50	PICK UP TOOLS, SIW, & SDON.

Report Start Date 8/15/2005	Last 24hr Summary SET,LOAD CSG, & PT CIBP-GIH W/ WHIPSTOCK & BHA-CUT 7" WINDOW
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Time Log

Dur (hrs)	Comm/Operation
1.00	SAFETY MEETING-SICP 290 PSIG-BLEED WELL DOWN T/ PIT, X-O 2-3/8" PIPE RAMS FOR 2-7/8" PIPE RAMS-RU PERFORATING ADAPTER.
2.00	RUBER SUCKER LINE WITH 150 PSI GAUGE RING TAG IN @ 3270'KTB. CORRECTED BPV IN FN-ROD SUCKER LINE-PT RUN CIBP'S SET @ 3060'KTB-BLOW COHAR @ 3034'KTB. SET SINKER COLLARS @ 3031' & 3024'KTB.
1.50	LOAD 7" CASING W/ Kfo WATER & PT BLINDS / 7" CASING / CIBP @ 3060'KTB T/1700 PSIG (OK).
8.00	SUB TALLY: CALIPER 4-3/4" DCS SUB TALLY 2-7/8" DP PICKUP-PT 3112' T/DR 3113' ANCHOR WHIPSTOCK / STARTER MILD / WINDOW MILL ASSEMBLY-RU 4-3/4" DCS W/ 3-1/2" IF X 2-7/8" IF & 2-3/8" IF X 2-7/8" ACH X-O SUBS-TBHA 2616' / PT CIBP-GIH W/ WHIPSTOCK ASSEMBLY W/ 2-7/8" DP & 6" K SOLID @ 3047'KTB. REVIEW PIPE/BHA TALLY & COLL. CORRECTED B / 10' HGR-PT @ 3050'KTB AND CASING COLLARS @ 3048'KTB ACTUALLY @ 3017'KTB. SET ANCHOR & SHEAR OFF WHIPSTOCK @ 3013'KTB. (TRAIN & MUDDY LOCATION CONDITIONS)
1.50	PT 2-7/8" #1 & #2 PIPE RAMS T/200 PSIG-10 MIN & 1800 PSIG -15 MIN (OK)-PT AIR LINES & MIST PUMP IN STAGES T/ 1750 PSIG (OK)
3.00	BREAK CIRCULATION W/ 2200 CFM AIR & 15 BPH MIST (CONTAINING 1 GAL F-450 FOAMER & 1/4 GAL CORRISSON INHIBITOR / 10 BELLS Kfo PRODUCED WATER & CUT WINDOW F3031-T/3089'KTB 6-1/4" NEW HOLE F3089-T/3045'KTB-BACK REAM WORK THRU WINDOW.

Report Start Date 8/17/2005	Last 24hr Summary TRIP & LAYDOWN MILLING ASSEMBLY-GIH & DRILLOUT 6-1/4" OPEN HOLE T/3553'KTB-OBSTRUCTION IN HOLE-COOH W/ BHA
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Time Log

Dur (hrs)	Comm/Operation
0.50	SAFETY MEETING-WORK THRU SIDETRACKED WINDOW F3031-T/3039'KTB-(NO DRAG)
8.50	COOH & LAYDOWN MILLING BHA W/ 6-1/2" ERP-62A RHBIT (SN: MA3682) W/ 3-1/2" REG X 2-3/8" IF BIT SUB BORED, TAPPED, AND CONTAINING FLOAT VALVE. WAIT 3-1/2" DCS W/ 2-3/8" IF X 2-7/8" ACH X-O SUB-TBHA 518' TRIP IN W/ 2-7/8" DRILL PIPE W/ 2-7/8" X 1-1/2" ID FN-RUN-PT ABOVE DCS T/3026'KTB.
4.50	MUDLOGGER EQUIPMENT WAS SHOWING INCORRECT CYCLES & VOLTAGE-WAIT ON ELECTRICIAN TO WORK ON POWER OUTPUT FROM GENERATOR.

Daily Summary

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Ground Elevation (ft) 6,487.00	Spud Date 3/29/2004	Rig Release Date 4/1/2004	Latitude (DMS) 36° 55' 47.604" N	Longitude (DMS) 107° 41' 9.204" W			

Time Log

Dur (hrs)	Comm/Operation
1.00	SHORT TRIP UP INTO 7", (NO DRAG THRU 3353 OR THRU WINDOW 3031-3039'KB).
1.25	PERFORM FLOW TEST THRU 2" RECORD FCP/MANIFOLD PRESSURE / 4" PITOT #S - MSCFD & CONSISTENCY 15MIN - 5-1/4" F125# - 687 MSCFD DRY 30-60 MIN 6-5/4" - 163#S - 752 MSCFD DRY
9.75	SIPBU & PERFORM NATURAL SURGES. #1: ISIP -14#, 15MIN -100#, 30MIN -100#, 45MIN -135#, 60MIN -165#, 75MIN -190#, 90 MIN -210#, 2HR -235#, 2-1/2HR -250#, 3HR-260# NATURAL SURGE #1 W/ 260 PSIG CIRC W/ AIR MIST AFTER SURGE VERY LITTLE DUST, DRY UP W/ AIR ONLY & ALLOW WELL TO VENT TO ATMOSPHERE PRIOR TO SIPBU- #2: ISIP -17#, 15MIN -70#, 30MIN -120#, 45MIN -150#, 60MIN -180#, 75MIN -200#, 90 MIN -215#, 2HR -240#, 2-1/2HR -250#, 3HR-250# NATURAL SURGE #2 W/ 250 PSIG CIRC W/ AIR MIST AFTER SURGE VERY LITTLE COAL DUST, DRY UP W/ AIR ONLY PRIOR TO FLOW TEST.
2.00	PERFORM FLOW TEST THRU 2" RECORD FCP/MANIFOLD PRESSURE / 4" PITOT #S - MSCFD & CONSISTENCY 15MIN - 6-1/4" F152# - 752 MSCFD MIST 30-60 MIN 6-5/4" - 163#S - 782 MSCFD DRY
3.00	PERFORM 10 BBL PADED SURGE T/500 PSIG RECORD TIME TO BUILD SURGE, RETURNS IN BUCKETS/HR; #3 SURGE IN 120 MIN T/ 500 PSIG (BREAKOVER), RE: 1-1/2 BUCKETS/HR OF FACE POWDER TYPE OF COAL.

Report Start Date 8/21/2005 Last 24hr Summary
PADED SURGES #4-#8-CO / R&R

Time Log

Dur (hrs)	Comm/Operation
19.50	SAFETY MEETING-PERFORM 10 BBL PADED SURGES T/580 PSIG RECORD TIME TO BUILD SURGE, RETURNS IN BUCKETS/HR; #4 SURGE IN 125 MIN T/ 500 PSIG (BREAKOVER), RE: 1-1/4 BUCKETS/HR OF FACE POWDER TYPE OF COAL, #5 SURGE IN 140 MIN T/ 580 PSIG (BREAKOVER), RE: 1-1/2 BUCKETS/HR OF FACE POWDER TYPE OF COAL, #6 SURGE IN 105 MIN T/ 500 PSIG (BREAKOVER), RE: 1-1/2 BUCKETS/HR OF FACE POWDER TYPE OF COAL, #7 SURGE IN 120 MIN T/ 500 PSIG (BREAKOVER), RE: 1-1/4 BUCKETS/HR OF FACE POWDER TYPE OF COAL, #8 SURGE IN 135 MIN T/ 500 PSIG (BREAKOVER), RE: 1-1/2 BUCKETS/HR OF FACE POWDER TYPE OF COAL
1.00	TRIP B-1/4" DRUG ASSEMBLY THRU WHIPSTOCK WINDOW T/3031-T/3039'KB (NO DRAG) CONTINUE IN HOLE T/3148'KB
3.50	CIRC DOWN F/ 3148-T/3176'KB-R&R F/3176 - T/3206'KB- W/2200 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 700 PSIG, RE: UP T/3 BUCKETS/HR OF FACE POWDER SIZE OF COAL.

Report Start Date 8/22/2005 Last 24hr Summary
R&R T/3206-PULL UP INTO 7" (AIR BOOSTER MOUNTING BRACKET REPAIR)-GIH R&R T/ 3206'KB

Time Log

Dur (hrs)	Comm/Operation
11.00	SAFETY MEETING-R&R F/3176 - T/3206'KB- W/2200 -1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 700 -500 PSIG, RE: F/ 3 DOWN 1-1/2 BUCKETS/HR OF FACE POWDER SIZE OF COAL (99+%).
4.00	PULL UP INTO 7" CIRC CLEAN TO BLOW PIT-SIW REPAIR BRACKET ON AIR BOOSTERS, RADIATOR & ENGINE MOUNTS, 2HR SIPBU 220 PSIG BLEED WELL DOWN GIH F/3024-T/3116'KB
9.00	CIRC DOWN F/ 3116-T/3176'KB-R&R F/3176 - T/3206'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 450 PSIG, RE: UP T/ 3 AND DOWN 1+ BUCKETS/HR OF FACE POWDER SIZE OF COAL (99% COAL)

Report Start Date 8/23/2005 Last 24hr Summary
R&R F/3176-3320'KB

Time Log

Dur (hrs)	Comm/Operation
2.50	SAFETY MEETING-R&R F/3176 - T/3206'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 450 PSIG, RE: 1 DOWN 1< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL (99% COAL)
7.50	R&R F/3206 - T/3266'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 450 PSIG, RE: 3 DOWN 1< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL (99% COAL)
6.00	R&R F/3236 - T/3266'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 450 PSIG, RE: 2-1/2+ DOWN 1< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL (99% COAL)
5.00	R&R F/3266 - T/3297'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 450 PSIG, RE: 2 DOWN 1< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL (99% COAL) IS SLOUGHING IN FROM THE UPPER COALS
3.00	R&R F/3297 - T/3320'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORROSION INHIBITOR/10 BBLS Kfc PRODUCED WATER @ 460 PSIG, RE: 2+ BUCKETS/HR OF FACE POWDER SIZE OF COAL (99% COAL)

SAN JUAN 32 8 UNIT #242A

Drilling Sidetrack

Daily Summary

API/Bottom Hole UWI 300453211900	County SAN JUAN	State/Province NEW MEXICO	Surface Legal Location NMPM-31N-08W-04-D	N/S Dist (ft) 1,270.00	N/S Ref N	E/W Dist (ft) 785.00	E/W Ref W
Ground Elevation (ft) 6,487.00	Spud Date 3/29/2004	Rig Release Date 4/1/2004	Latitude (DMS) 36° 55' 47.604" N	Longitude (DMS) 107° 41' 9.204" W			

Report Start Date 8/24/2005 Last 24hr Summary
R&R T/3320'KB-PULL UP FLOW TEST-CIRC & CO T/3266'KB-R&R F/3266 - T/3360'KB

Time Log

Dur (hrs)	Comm/Operation
4.50	SAFETY MEETING-R&R F/3297 - T/3320'KB- W/1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F-450 FOAMER & 1/4 GAL CORRISION INHIBITOR/10 BBLs Kfc PRODUCED WATER @ 450 PSIG, RE: 2+ DOWN 1< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL (99% COAL).
1.00	DRY UP WELLBORE PRIOR TO FLOW TEST W/ 1500 CFM AIR ONLY.
0.50	PULL UP INTO 7".
1.50	PERFORM FLOW TEST THRU 2" RECORD FCP/MANIFOLD PRESSURE / 4 = PITOT #S = MSCFD & CONSISTENCY; 15MIN - 75MIN 6.5 #/4 = 1.63#S = 782 MSCFD DRY 90 MIN 6.5 #/4 = 1.63#S = 782 MSCFD LITE MIST
7.00	GIH T/ 3116'KB-BREAK CIRC W/ 1500 CFM AIR & 8 BPH MIST CONTAINING 1-GAL F450 FOAMER, 1/4 GAL CORRISION INHIBITOR, 1-GAL EMI-744, & 1/4 GAL ALCOMER POLYMER/ 10 BBLs Kfc PRODUCED WATER @ 450 PSIG & CIRC DOWN F/3316-T/3266'KB (BRIDGE).
3.50	R&R F/3266-T/3360'KB W/ 1500 CFM AIR & 8 BPH MIST W/ ABOVE CHEMICALS @ 450-700 PSIG RETURNS: 1-1/2+ DOWN 1-1/2< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL (99% COAL), COAL INTERVALS: 3316-3320' AND 3362-84' ARE CAVITATED.

Report Start Date 8/25/2005 Last 24hr Summary
CO T/3480'KB/PBTD-CONDITION HOLE FOR LINER.

Time Log

Dur (hrs)	Comm/Operation
22.00	SAFETY MEETING-CLEANOUT FILL /R&R F/3360-T/3480'KB/PBTD W/ 2200 CFM & 8 BPH MIST W/ CONTAINING 1-GAL F450 FOAMER, 1/4 GAL CORRISION INHIBITOR, 1-GAL EMI-744, & 1/4-1/2 GAL ALCOMER POLYMER/ 10 BBLs Kfc PRODUCED WATER @ 700 PSIG RETURNS: 1-1/2+ DOWN T/1/2< OF A BUCKET/HR OF FACE POWDER SIZE OF COAL, SAND, SILTSTONE (99+% COAL), COAL INTERVALS: 3316-3320' AND 3362-84' ARE CAVITATED, WORK BY OBSTRUCTION (POSSIBLE PREVIOUS 5-1/2" LINER @ 3375'KB).
1.00	SHORT TRIP UP INTO 7" T/ 3024'KB-NO DRAG BY 3375' 3363' OR THRU WINDOW F/3039-T/3021- HANG BACK POWER SWIVEL COLLAR W/ 6-1/4" DRUG ASSEMBLY @ 1/4" BIT GRADED / 2 SD-A-E-116 NO TD-MU TW SET COLLAR ON 1ST JOINT OF DRILL PIPE
1.00	CONDITION HOLE FOR LINER.

Report Start Date 8/26/2005 Last 24hr Summary
COOH W/ 6-1/4" DRLG ASSEMBLY-RUN & SET 5-1/2" LINER-LDDP, SETTING TOOL, DC'S-RU & PERF Kfc INTERVALS-FLOW TEST-RIG REPAIR.

Time Log

Dur (hrs)	Comm/Operation
1.50	SAFETY MEETING-R&R & CONDITION HOLE FOR LINER F/3450-T/3480'KB/PBTD W/ 2200 CFM & 8 BPH MIST W/ CONTAINING 1-GAL F450 FOAMER, 1/4 GAL CORRISION INHIBITOR, 1-GAL EMI-744, & 1/2 GAL ALCOMER POLYMER/ 10 BBLs Kfc PRODUCED WATER @ 700 PSIG RETURNS: 1/2+ DOWN T/1/10TH OF A BUCKET/HR OF FACE POWDER SIZE OF COAL, SAND, SILTSTONE (99+% COAL), COAL INTERVALS: 3316-3320' AND 3362-84' ARE CAVITATED, WORK BY OBSTRUCTION (POSSIBLE PREVIOUS 5-1/2" LINER @ 3375'KB).
4.00	SHORT TRIP UP INTO 7" T/ 3024'KB-NO DRAG BY 3375' 3363' OR THRU WINDOW F/3039-T/3021- HANG BACK POWER SWIVEL COLLAR W/ 6-1/4" DRUG ASSEMBLY @ 1/4" BIT GRADED / 2 SD-A-E-116 NO TD-MU TW SET COLLAR ON 1ST JOINT OF DRILL PIPE
1.00	RU TO RUN 5-1/2" LINER-X-O #1 PIPE RAMS T/5-1/2"-MU 6.016" ROTARY FLOAT SHOE ON 1-ST JOINT OF CASING.
0.50	EQUALIZE & SET PIPE RAMS T/ 100 PSIG OK BLEED WELL DOWN TO PIPE
5.00	GIH W/ 6.016" OD ROTARY FLOAT SHOE W/ BOTTOM BLADES MACHINED DOWN T/ ~ 5.80" OD (1.0"), W/ 11- JTS 5-1/2" 15.5 PPF J-55 LT&C CASING (473.68"), W/ 5-1/2" X 7" TIW "H" ROTATING COLLAR (2.40") TOTAL LINER ASSEMBLY (477")- GIH W/ A TOTAL OF 83 JTS T/ 2970'KB-RU POWER SWIVEL- GIH & TAG/SLIDE THRU SIDETRACK WINDOW F/3031-3039'KB, CONTINUE IN HOLE T/ 3375'KB (SOLID) -BREAK CIRC W/ AIR MIST @ 275 PSIG & BACK DOWN TORQUE ON POWER SWIVEL & APPLY 1000 FT-LBS OF TORQUE ON LINER AND ABLE TO WORK BY OBSTRUCTION @ 3375'KB W/ 12K OVER PULL & 20K SET DOWN -CONTINUE IN HOLE T/ 3478'KB.PICK UP & RELEASE / HANG OFF 5-1/2" LINER W/ EOL @ 3478'KB-3477'KB/PBTD-TOL @ 3001'KB, 7" WINDOW F/3031-T/3039'KB ~ 30' OF OVERLAP ABOVE WINDOW.
1.00	PICK UP SETTING TOOL F/3295'KB-CIRC 2-7/8" X 7" ANNULUS CLEAN W/ AIR MIST
4.00	RD POWER SWIVEL-COOH & LDDP, SETTING TOOL, & DC'S.
2.50	RU BLUENET PERFORATORS LUBRICATORS PERFORATE Kfc INTERVALS: 3356-3360' (22'), 3316-3320' (4'), 3188-3194' (6'), 3168-3180' (4'), 3150-3152' (2'), 3246-3264' (18'), 3188-3189' (20'), 3138-3142' (4'), 3133-3135' (2'), 3099-3101' (2'), & 3076-3078' (2') @ 4 SPP TOTAL 344' @ 75% DIA 120 DEGREE PHASED HOLES RD PERFORATORS
2.00	PERFORM FLOW TEST THRU 2"-RECORD FCP/MANIFOLD PRESSURE / 4 = PITOT #S = MSCFD & CONSISTENCY; 15MIN - 12 #/4 = 3.0#S = 1065 MSCFD WET, 30-45 MIN 16# / 4 = 4.0#S = 1236 MSCFD WET, 60 MIN 4# / 4 = 1.0#S = 615 MSCFD DRY AND LOADING UP, 75-90 MIN 12# / 4 = 3.0#S = 1065 MSCFD WET, 105-120 MIN 11# / 4 = 2.75#S = 1030 MSCFD WET.
1.00	WORK ON ACCUMULATOR UNABLE TO PRESSURE UP W/ HYDRAULIC PUMPS
0.50	X-O #1 & #2 PIPE RAMS T/2-3/8".

SAN JUAN 32 8 UNIT #242A

Drilling Sidetrack

Daily Summary

API/Bottom Hole UWI 300453211900	County SAN JUAN	State/Province NEW MEXICO	Surface Legal Location NMPM-31N-08W-04-D	N/S Dist (ft) 1,270.00	N/S Ref N	E/W Dist (ft) 785.00	E/W Ref W
Ground Elevation (ft) 6,487.00	Spud Date 3/29/2004	Rig Release Date 4/1/2004	Latitude (DMS) 36° 55' 47.604" N	Longitude (DMS) 107° 41' 9.204" W			

Report Start Date 8/27/2005	Last 24hr Summary RD MISC DRLG EQUIPMENT-RUN & LAND PROD TBG-ND BOPE & NU WELLHEAD-RUN INCLINATION SURVEY-ROD UP
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Time Log

Dur (hrs)	Comm/Operation
6.50	SAFETY MEETING-RD MISC DRLG EQUIPMENT.
0.50	PT 2-3/8" PIPE RAMS T/110' PSIG (CK)
2.50	MU 2-1/16" SAW TOOTH COLLAR (0.33'), W/ 2-1/16" X 1.50" ID SN (0.78'), W/ 2-1/16" X 2-3/8" X-O SWEDGE (0.44'), W/ 1-JT 2-3/8" EUE 8RD TBG W/ 1/2" HOLE DRILLED BELOW UPPER UPSET (32.18'), W/ 2-3/8" X 1.78" ID FN (0.85'), W/ 2-3/8" X 8.10' EUE 8RD PUP JOINT, W/ 104 JTS 2-3/8" EUE 8RD TBG (3375.71'), -LAND TBG ASSEMBLY W/ 2-3/8" X 7-1/16" TBG HANGER W/ BPV. EOT @ 3429.3'KB, 1.50" SN @ 3428'KB, 1.78" FN @ 3395'KB.
1.50	ND BOPE & NU 2-3/8" X 7-1/16" X 3M BONNET PULL BRY
2.50	RU B&R SERVICE LUBRICATOR-GIH W/ 1.906" GAUGE RING T/3395'KB/(1.78" FN)-TRIP & RUN IN SNAKE SURVEY EOT @ 3390'KB @ 3390'KB BURN LINE
4.00	RU 2-3/8" X 7-1/16" ROD ROTATOR W/ 2-3/8" PUMPING TEE W/ 2-1/2" OUTLET IS W/ NIPPLE & BALL VALVES, MU 2-1/16" X 1-1/2" RWAG ZDV INSERT PUMP (SN OF 288) TEST PUMP (OK) GIMMIE T/1" PARSINKER BARS W/ 1-1/2" X 3/4" GUIDED RODS & GUIDES/ROD W/ 119.14' TIME 53' GRADE-DY NORRIS RODS W/ 8' & 8' CONY RODS W/ 22' X 1/4" POLISH ROD W/ DOUBLE PACKOFF 2-3/8" X 1-1/2" VALVE STUFFING BOX ROD/ROTATOR SEAT PUMP IN FN @ 3395'KB PT TBG & STANDING VALVE T/500 PSIG OK BLEED DOWN & STROKE PUMP & TEST TRAVELING VALVE T/500 PSIG OK HANG OFF PUMP W/ EIGHT TAG
1.50	RD MISC EQUIPMENT-SDON.

Report Start Date 8/29/2005	Last 24hr Summary RIG REPAIR-EQUIPMENT SKID & ACCUMULATOR-INSPECT DC'S-RIG DOWN & REL RIG @ 17:00, 8-29-2005-DROP FRM RPT-TURN OVER TO PROD OPERATIONS-RESERVE & BLOW PIT FENCED-"JOB COMPLETE"
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Time Log

Dur (hrs)	Comm/Operation
10.50	SAFETY MEETING-3-1/2" DC'S INSPECTION (3 BAD), RIG REPAIR ACCUMULATOR ELECTRIC HYDRAULIC MOTOR, REPAIR EQUIPMENT SKID-RIG DOWN MISC EQUIPMENT-RIG DOWN & RELEASE RIG @ 17:00, 8-29-2005/9J 30-5 #237R-DROP FROM REPORT-TURN OVER TO PRODUCTION OPERATIONS-RESERVE & BLOW PIT FENCED-"JOB COMPLETE"

Well Name: San Juan 32-8 #242AAPI #: 30-045-32119Surface Loc.: 1270' FNL & 785' FWLSec. 4 - T31N - R8WSan Juan County, NMElevation: 6487' GL (above MSL)Drl Rig RKB: 13' above Ground LevelDatum: Drl Rig RKB = 13' above GL

Note- This well equipped with rods and pump

7- 1/16" #M x 2- 3/8" EUE 8RD Bonnet

11" 3M x 7 - 1/16" 3M Tubing Head

9-5/8" 8 RD x 11" 3M Casing Head

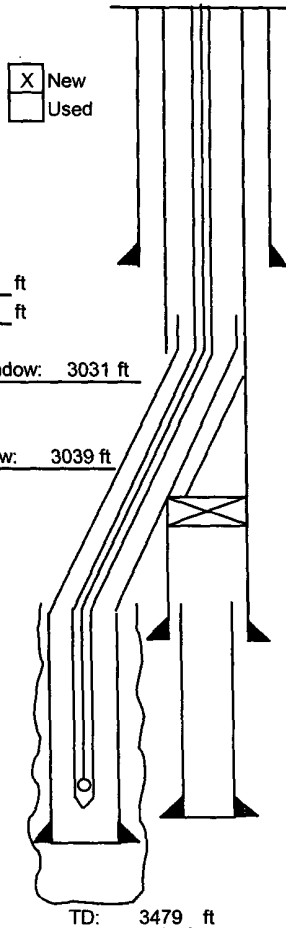
Spud: 29-Mar-04Original Completion: 5-May-04Sidetrack Start: 14-Aug-05Completion Date: 27-Aug-05**Surface Casing**Date set: 29-Mar-04Size 9 5/8 inSet at 234 ftWt. 32.3 ppfHole Size 12 1/4 inExcess Cmt 125 %T.O.C. SURFACE# Jnts: 5Grade H-40Conn STCCsg Shoe 235 ftTD of 12-1/4" hole 245 ftwindow: 3031 ftwindow: 3039 ft**Intermediate Casing**Date set: 2-Apr-04Size 7 inSet at 3111 ftWt. 20 ppfHole Size 8 3/4 inExcess Cmt 160 %T.O.C. SURFACEPup @ 2450 ftPup @ ftTop of Float Collar 3061 ftBottom of Casing Shoe 3110 ftTD of 8-3/4" Hole 3111 ft

72 jts

1 pups

Grade J-55Conn STC**Production Liner**Date set: 26-Aug-05Size 5 1/2" inNominal Wt. 15.5 ppfGrade J-55# Jnts: 11Hole Size 6.25/ 9.5 inches

Underreamed 6-1/4" hole to 9.5" from 3059' to 3353'

Top of Liner 3001 ftPBDT 3477 ftBottom of Liner 3478 ftConnections: LTC**Surface Cement**Date cmt'd: 29-Mar-04Lead : 150 sx Standard Class G Cement

+ 2.0% S001 Calcium Chloride

+ 0.25 lb/sx D029 Cellophane Flakes

1.16 cuft/sx, 174 cuft at 15.8 ppgDisplacement: 15.3 bbls fresh wtrBumped Plug at: 01:45 hrs w/ 300 psiFinal Circ Press: 70 psi @ 0.5 bpmReturns during job: yesCMT Returns to surface: 10 bblsFloats Held: yesW.O.C. for hrs (plug bump to start NU BOP)W.O.C. for hrs (plug bump to test csg)**Intermediate Cement**Date cmt'd: 2-Apr-04Lead : 405 sx Standard Class G cement

+ 3.0% D079 Extender

+ 0.25 lb/sx D029 Cellophane Flakes

+ 0.05 gal/sx D047

+ 0.2% D046 Antifoam

2.61 cuft/sx, 1057.1 cuft at 11.7 ppgTail : 100 sx 50/50 Standard cement: POZ

+ 0.25 lb/sx D029 Cellophane Flakes

+ 2.0% D020 bentonite

+ 5 lb/sx D024 Gilonite

+ 2.0% S001 Calcium Chloride

+ 0.2% D046 Antifoam

1.27cuft/sx, 127 cuft at 13.5 ppgDisplacement: 124 bblsBumped Plug at: 18:52 hrs w/ 1450 psiFinal Circ Press: 700 psi @ 2.0 bpmReturns during job: yesCMT Returns to surface: 34 bblsFloats Held: X Yes No

Schematic prepared by:

Aaron Fuhr, Development Engineer

30-Aug-2005

COMMENTS:

5.5" Liner	Ran 6.016" OD rotary float shoe with blades machined down to 5.8" OD on bottom of liner. Ran and set the liner w/ TIW H-Latch Drop Off Tool (no liner hanger).
Perforations	Perforated 5-1/2" liner with guns on E-line at 4 spf, 0.75" diameter, 120 degree phased holes Perf. Intervals: 3358'-3380', 3316'-3320', 3188'-3194', 3156'-3160', 3150'-3152', 3246'-3264', 3168'-3188', 3138'-3142', 3133'-3135', 3099'-3101', 3076'-3078': Total 344 holes
Tubing	2-1/16" sawtooth collar w/ 2 1/16" x 1.50" ID SN and 2 1/16" x 2 3/8" XO swedge. 2 3/8" EUE 8RD tubing with 1/2" hole drilled below upper upset, 2 3/8" FN w/ 1 ea 2 3/8" x 8.1' EUE 8RD pup joint, and 104 jts 2-3/8" 4.7# J-55 EUE 8rd tubing Bottom of Mud Anchor at 3428'. Top of F-Nipple at 3395' MD RKB.
Pump & Rods	2 3/8" x 1 1/4" rod ratagan, 2 3/8" pumping tee w/ 2" and 1" outlets w/ nipple & ball valves. 2" x 1-1/2" x 12' RWAC-ZDV pump, 5 ea 25' x 1 1/4" sinker bars, 11 ea 3/4" guided rods (5 guides/rod). 119 each 3/4" Type 54 grade "D" Norris rods, spaced out with 2 ea 8', pony rods & 1 ea 1-1/4" OD x 22' polished rod Set pump in F-Nipple at 3395' MD RKB