

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.
NMSF 078543

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
SAN JUAN 32-7 #242A

9. API Well No.
30-045-31371

10. Field and Pool, or Exploratory Area
BASIN FRUITLAND COAL

11. County or Parish, State
**SAN JUAN
NEW MEXICO**

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 6108 HOUSTON TX 77252

3b. Phone No. (include area code)
(832)486-2326

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**A Sec. 33 T32N R7W
810' FNL & 1095' FEL**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 CAVITATE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	ADD LINER
	<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.)

ConocoPhillips proposes to cavitate this well as per the attached procedure.

Also attached is a copy of our proposed BOP program.

To request a variance from Onshore Order regarding BOP Test Pressure on San Juan 32-7 # 242A

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

RECEIVED
703 OCT -7 AM 9:40
070 Farmington, NM

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

Name (Printed/Typed)

DEBORAH MARBERRY

Signature

Deborah Marberry

Title

REGULATORY ANALYST

Date

10/06/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jim Lovelace

Title

Petr. Eng.

Date

10/17/03

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

BLM-AD

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)

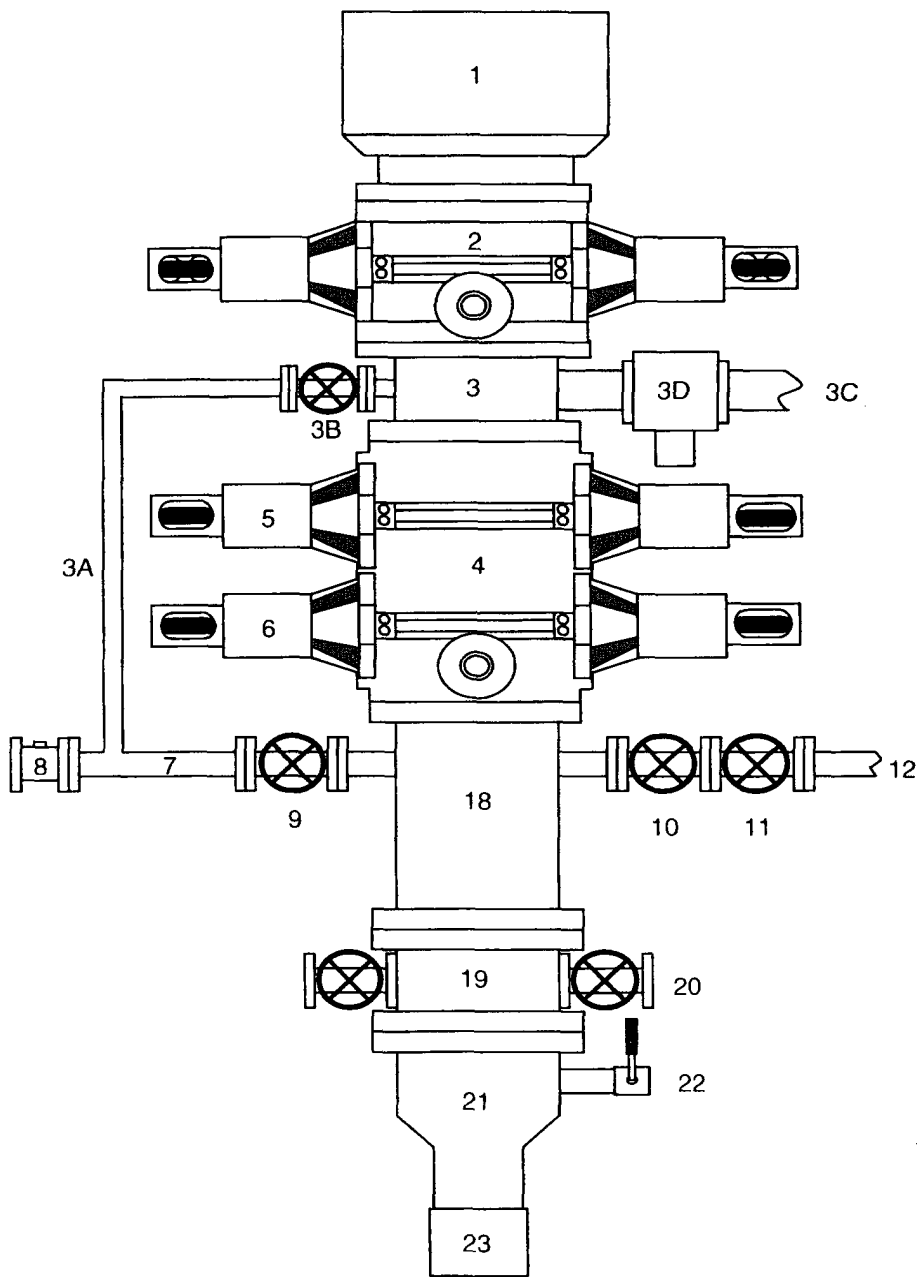
NMOCD

Procedure:

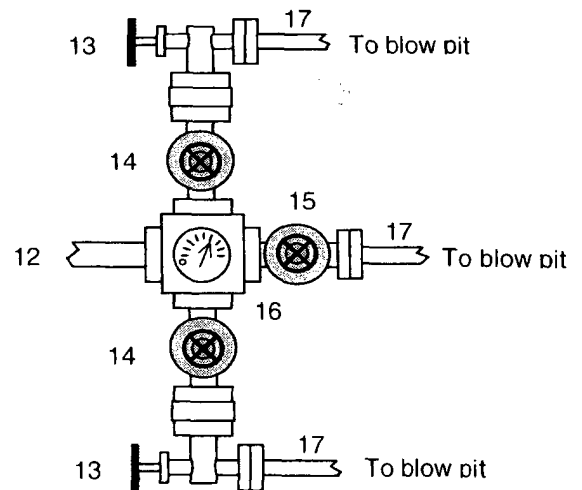
1. Shut in the well
2. Move in the Cavitation Rig
3. NU & test the BOP
4. Pull the tubing string
5. Cavitate the well
6. Complete via one of the following options:
 - Option A:
 - a. Run tubing (open hole completion)
 - b. Produce the well by flowing it up the tubing
 - Option B:
 - a. Run a 5-1/2, 15.5# J-55 LTC liner (this liner would not be cemented)
 - b. Perforate the liner
 - c. Run tubing in a flowing well configuration
 - d. Produce the well by flowing it up the tubing
 - Option C:
 - a. Run a 5-1/2, 15.5# J-55 LTC liner (this liner would not be cemented)
 - b. Perforate the liner
 - c. Run tubing
 - d. Run a pump and rods
 - e. Produce the well via the annulus and pump water up the tubing
7. Move out the Cavitation Rig

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Cavitation Program



1. Rotating Head
2. Single Ram BOP (7-1/16", 3M)
3. Mud Cross
- 3A. Equalizing Line (2")
- 3B. Wing Valve (2-1/16", 3M)
- 3C. Bore Line (2 ea, 5" OD)
- 3D. HCR Valve (1 ea per line, 4-1/16")
4. Double Ram BOP (7-1/16", 3M)
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. Vent Line (2")
18. Spacer Spool
19. Tubing Head
20. Tubing Head Valves (2- 9/16")
21. Casing Head "A" Section
22. Casing Head "A" Section 2" Valve
23. 9-5/8" Casing Collar



This BOP arrangement and test program is for the cavitation program. The BOP will be installed on the tubing head. The 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. The pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1800 psi (high pressure test) for 10 minutes - This test will be done with a test plug or possibly without a test plug (ie against casing). If we conduct this test without a test plug we will ensure that we have sufficient drillstring weight in the hole to exceed the upward force generated by the test.

We use a power swivel and air/mist to drill the 6-1/4" hole in our cavitation program. We do not use a kelly. In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

1. String floats will be used inside the drillpipe
2. Stab-in TIW valve for all drillstrings in use
3. Each bore line is equipped with a hydraulically controlled valve (HCR valve).