Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135

Expires; March 31, 1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SF-078996 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - " for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE <u>San Juan 32-7 Unit</u> Type of Well Oit Well 8. Well Name and No. 2. Name of Operator SJ 32-7 Unit #228 Phillips Petroleum Company 9. API Well No. 3. Address and Telephone No 30-045- 🛪 🎾 5525 Highway 64, NBU 3004, Farmington, NM 87401 10. Field and Pool, or exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit G. 2628' FNL & 1436' FEL |Basin Fruitland Coal 11. County or Parish, State Section 7, T31N, R7W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Change of Plans Abandonment Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Water Shut-Off Casing Repair Final Abandonment Notice Altering Casing Conversion to Injection Other Mud Change Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled. give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Attached please find a proposed change to the mud program that will be used to drill the subject well. Also find attached plans for cathodic protection. 14. I hereby certify Regulatory Assistant ral or State office use). Spencer Approved by Title Date Conditions of approval, if any:

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

PROPOSED MUD PROGRAM SAN JUAN 32-7 Unit Well No. 228 San Juan County, NM

ES	لاي		
ADDIVITES	Bentonite & Lime	Water & Polymer	Water
% SOLIDS			
	1	1	1
CL-PPM		1200 PPM	1
FLUID LOSS	I	NC	I
VISCOSITY	1	27 - 40 Sec/Qt	27 Sec/Qt
MUD WEIGHT	Spud Mud Lime and Gel	8.34 - 8.8 ppg	8.34 PPG
DEPTH	0 - 350' +/-	350'+/- to 3195' +/- (top of coal)	3195' to TD

Clear water with Polymer sweeps as required to keep hole conditioned. 350' - 3195' +/-

Circulate hole with produced water and air.

Note: Estimated BHP is 900 psi

3195' - TD