Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 200

5. Lease Serial No.



SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on reverse side NMNM78424A & D 8. Well Name and No. 1. Type of Well Oil Well X Gas Well SJ 32-8 Unit #17M 2. Name of Operator 9. API Well No. Phillips Petroleum Company 3b. Phone No. (include area code) 30-045-30968 10. Field and Pool, or Exploratory Area 3a. Address 505-599-3454 5525 Highway 64, NBU 3004, Farmington, NM 87401 Basin DK and 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Blanco MV Unit E, 1570' FNL & 663' FWL 11. County or Parish, State Section 23, T31N, R8W NM San Juan. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Production (Start/Resume) Deepen Acidize Notice of Intent Well Integrity Reclamation Fracture Treat Alter Casing Other Recomplete New Construction X Subsequent Report Casing Repair casing report Temporarily Abandon Plug and Abandon Change Plans Final Abandonment Notice Water Disposal Plug Back Convert to Injection Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. 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 final site is ready for final inspection.)

RIH w/8-3/4" bit & drilled cement shoe @ 352', then drilled ahead to 3760'. Circ. hole. RIH w/7", 20#, J-55 casing and set @ 3758'. RU BJ to cement. Pumped a preflush of 10 bbls water, 10 bbls mud clean and 10 bbls dye water ahead of Lead - 580 sx (1398 cf - 248.97 bbl slurry) Premium Lite High Strength FM. 3#/sx CSE, 3% Potassium Chloride, 0.4% FL-25, 0.25#/sx Cello-flak, 4#/sx Pheno-seal, 5#/sx Gilsonite,

Pumped Tail - 50 sx (70 cf - 12.46 bbl slurry) Type 3, 1% CaCl2, 0.25#/sx Cello-flake. Displaced w/150 bbl water, plug down @ 1045 5/19/02. Circ. 20 bbls cement to surface. WOC. PT casing to 200 psi low and 1500 psi high. Good test.

Title I hereby certify that the foregoing is true and correct Name (Printed/Typed) Sr. Regulatory/Proration Clerk Patsy Clugston 5/29/02 Date ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE JUN 1 7 2002 Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or Office **FARMINGTON FIELD OFFICE** 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.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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.