

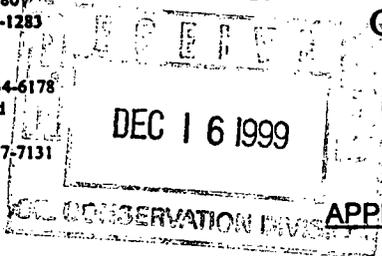
Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

SUBMIT ORIGINAL PLUS 2 COPIES TO THE SANTA FE OFFICE

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address: Phillips Petroleum Company, 5525 Hwy. 64, Farmington, New Mexico 87401. OGRID Number: 017654. Contact Party: Patsy Clugston. Phone: 505-599-3454. Property Name: San Juan 32-8 Unit. Well Number: 254. API Number: 30-045-29802. UL Section: M 23, Township: 32N, Range: 8W, Feet From The: 855', North/South Line: South, Feet From The: 990', East/West Line: West, County: San Juan.

II. Date/Time Information

Spud Date: 5/29/99, Spud Time: 0830 hrs, Date Completed: 11/18/99, Pool: Basin Fruitland Coal.

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico )
County of San Juan )

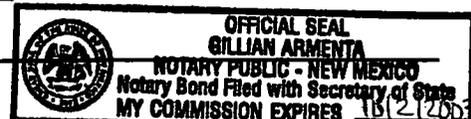
Patsy Clugston, being first duly sworn, upon oath states:

- 1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature: Patsy Clugston, Title: Regulatory Assistant, Date: 12/10/99

SUBSCRIBED AND SWORN TO before me this 10th day of December, 1999.

Gillian Armenta, Notary Public



My Commission expires: 10/2/2003

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature: Mark [unclear], Title: P.E. Spec., Date: JAN 18 2000

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 1/18/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

mailed 12/14

PVZV2007634834

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY WELL  Other \_\_\_\_\_  
 1b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR  Other \_\_\_\_\_

2. NAME OF OPERATOR  
**Phillips Petroleum Company**

3. ADDRESS AND TELEPHONE NO.  
**5525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
 At surface: **Unit M, 855' FSL & 990' FWL**  
 At top prod. interval reported below: **Same as above**  
 At total depth: **Same as above**

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_

5. LEASE DESIGNATION AND SERIAL NO.  
**SF-079380**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
UNIT/AGREEMENT NAME

**San Juan 32-8 Unit**

8. FARM OR LEASE NAME, WELL NO.  
**SJ 32-8 Unit #254**

9. API WELL NO.  
**30-045-29802**

10. FIELD AND POOL, OR WILDCAT  
**Basin Fruitland Coal**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Section 23, T32N, R8W**

12. COUNTY OR PARISH: **San Juan** 13. STATE: **NM**

15. DATE SPUDDED: **5/29/99** 16. DATE T.D. REACHED: **6/3/99** 17. DATE COMPL. (Ready to prod.): **11/18/99** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.): **6785'** 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD: **3608'** 21. PLUG, BACK T.D., MD & TVD: **3501'** 22. IF MULTIPLE COMPL., HOW MANY\* \_\_\_\_\_ 23. INTERVALS DRILLED BY: **X** ROTARY TOOLS: **X** CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
**Basin Fruitland coal - 3346' - 3608'** 25. WAS DIRECTIONAL SURVEY MADE: **no**

26. TYPE ELECTRIC AND OTHER LOGS RUN: **mud log** 27. WAS WELL CORED: **no**

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36#, K-55	366'	12-1/4"	195 sx Class H	10 bbls-surf.
7"	20#, K-55	3340'	8-3/4"	L-400 sx 35/65 POZ C1 H	
				T-100 sx C1 H	20 bbls-surf.

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	3451'	
					4.7#		

31. PERFORATION RECORD (Interval, size and number)  
**Basin Fruitland Coal**  
**Open Hole**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3346' - 3608'	Underreamed only
	6-1/4" hole to 9-1/2"
	Rotated and reciprocated w/air & mist

33. PRODUCTION

DATE FIRST PRODUCTION: **SI** PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump): **Flowing** WELL STATUS (Producing or shut-in): **SI**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
11/16/99	1 hr	1/4"			187 mcf	1 bwpd	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)	
	flowing -125#			187 mcf	1 bwpd		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): **SI waiting to first deliver. This is an amended report and replaces the one** TEST WITNESSED BY: **Drew Bates**

35. LIST OF ATTACHMENTS  
**dated 6/24/99. We will now be producing this well into WFS conventional system.**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED: *Patsy Clugston* TITLE: **Regulatory Assistant** DATE: **11/19/99**

\*(See Instructions and Spaces for Additional Data on Reverse Side)

NOV 24 1999

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	2550	2600	Sandstone			
Kirtland	2600	3250	Shale & sandstone			
Fruitland	3250	3365	Shale, coal & sandstone			
Fruitland Coal	3365	3575	Shale & coal			
Pictured Cliffs	3575					

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

RECEIVED  
BLM

SUNDRY NOTICES AND REPORTS ON WELLS

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

070 FARMINGTON, NM

SUBMIT IN TRIPPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. SF-079380
2. Name of Operator Phillips Petroleum Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 5525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454	7. If Unit or CA, Agreement Designation San Juan 32-8 Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit M, 855' FSL & 990' FWL Section 23, T32N, R8W	8. Well Name and No. SJ 32-8 Unit #254
	9. API Well No. 30-045-29802
	10. Field and Pool, or exploratory Area Basin Fruitland Coal
	11. County or Parish, State San Juan, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Spud Report</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)\*

5/28/99

MIRU Key Energy #53. Spud 12-1/4" hole @ 0830 hrs 5/29/99. Drilled ahead to 374'. Circ. hole. RIH w/9-5/8" 36#, K-55 casing and set @ 366'. RU BJ to cement. Pumped 10 bbls mud clean and 10 bbls water ahead of 195 sx (236 cf) C1 H cement w/2% CaCl2 & 1/4#/sx Cello-flake, mixed at 15.6 ppg & 1.20 yield. Dropped plug & displace with 26 bbls water. Had 10 bbls (56 cf) cement returns to surface. WOC.

NU WH & BOP. PT casing, blind rams, and manifold to 200 psi 3 min and 1500 psi for 10 min. Good test.

14. I hereby certify that the foregoing is true and correct  
Signed Patsy Clugston Title Regulatory Assistant Date 6/1/99

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

ACCEPTED FOR RECORD

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.

JUN 02 1999

\* See Instruction on Reverse Side

FARMINGTON FIELD OFFICE  
BY sm

OPERATOR

**SAN JUAN 32-8 UNIT #254**

OWNER NAME	ADDRESS	WI
PHILLIPS PETROLEUM COMPANY		0.053487
PHILLIPS-NEW MEXICO PARTNERS, L.P.		0.436183
PHILLIPS-SAN JUAN LTD PARTNERSHIP		0.164082
BURLINGTON RESOURCES OIL & GAS COMPANY	ATTN: SAN JUAN PROPERTIES ONLY, P.O. BOX 4289, FARMINGTON, NM 87401-4982	0.042971
CBP SAN JUAN LIMITED PARTNERSHIP	P O BOX 451, ALBUQUERQUE, NM 87103-0451	0.026749
CINCO GENERAL PARTNERSHIP	P O BOX 451, ALBUQUERQUE, NM 87103-0451	0.006687
FOUR STAR OIL & GAS COMPANY	P O BOX 46513, DENVER, CO 80201	0.127393
ANDREW B. KELLY, JR.	2575 SUNSET DR., ATLANTA, GA 30345	0.000302
CHARLES E. KELLY	4585 JORDAN SPUR RD, BOZEMAN, MT, 59715	0.000303
SUSANNA P KELLY	P O BOX 147, CAMERON, MT 59720	0.000461
SUSANNA P KELLY JR.	8383 CHAPMAN, BOZEMAN, MT 59715	0.000201
WILLIAMS PRODUCTION COMPANY	~ONE WILLIAMS CENTER, P O BOX 3102, MS 37-5, TULSA, OK 74101	0.138159
WINTERGREEN ENERGY CORP.	ATTN: GENE GARNETT SUITE 125, 5735 PINELAND DR., CODA PLACE, DALLAS, TX 75231	0.003022