

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078917
2. Name of Operator PHILLIPS PETROLEUM COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 5525 HIGHWAY 64 NBU 3004 FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No. NMNM78415A
3b. Phone No. (include area code) Ph: 505.599.3454 Fx: 505-599-3449		8. Well Name and No. SJ 29-5 106
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T29N R5W NESW 1950FSL 1450FWL 36.69453 N Lat, 107.31245 W Lon		9. API Well No. 30-039-23033-00-D1
		10. Field and Pool, or Exploratory BASIN BLANCO
		11. County or Parish, and State RIO ARRIBA COUNTY, NM

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recompleate 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 recompleation 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 is a dual completed MV/PC well which recently failed the NMOCD's packer leakage test. We will be adding the Lewis Shale interval to the Mesaverde zone and then DHC MV/PC production. The DHC'ing application has been submitted. See attached for a copy of the forecast presented on the application. The following is a brief description of the procedure we will be using.

MI & RU workover rig. Kill well and pull 1-1/4" PC and 2-3/8" MV tubing. Drill out packer between MV & PC, set a CIBP above MV, and run CBL log. Perforate the Lewis Shale. Acidize Lewis Shale through a 2-3/8" tubing string with packer. Run 4-1/2" frac string with packer, fracture stimulate the Lewis Shale. COOH w/CIBP above MV and then C/O to PBTD. Run 2-3/8" production tubing commingling MV, Lewis, & PC.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #14219 verified by the BLM Well Information System For PHILLIPS PETROLEUM COMPANY, sent to the Farmington Committed to AFMSS for processing by Matthew Halbert on 09/27/2002 (02MXH0714SE)	
Name (Printed/Typed) PATSY CLUGSTON	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 09/24/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>/s/ Jim Lovato</u>	Title <u>PE</u>	Date
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 <u>BLM/FEO</u> SEP 27

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

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

NMOCD

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-039-23033
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Phillips Petroleum Company 017654		6. State Oil & Gas Lease No. Federal Lease - NMSF078917
3. Address of Operator 5525 Highway 64, NBU 3004, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: San Juan 29-5 Unit 009256
4. Well Location Unit Letter K 1950' feet from the South line and 1450' feet from the West line Section 25 Township 29N Range 5W NMPM County Rio Arriba		8. Well No. SJ 29-5 Unit #106
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. Pool name or Wildcat Blanco MV-723191 Gobernador PC-77440

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: DHC application <input checked="" type="checkbox"/>			

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This is a dual ocmpleted well which recently failed the yearly packer tests. We have determined that we will be adding the Lewis Shale interval to the Mesaverde zone and then commingle MV/PC production. Production will be reported using the subtraction method for 6-12 months and then convert to the ratio method for the life of the well. The Pictured Cliffs forecast for the next 12 months is as follows:

1st month - 385 mcf	2nd month - 395 mcf	3rd month - 393 mcf	4th month - 353 mcf
5th month - 388 mcf	6th month - 373 mcf	7th month - 383 mcf	8th month - 368 mcf
9th month - 378 mcf	10th month - 376 mcf	11th month - 362 mcf	12th month - 371 mcf

The original Reference Case where Partner notification was made was R-10770. The PC perf's are between 3724' - 3884' with a pore pressure of 485 psi. The Mesaverde perf's are now between 5640' - 6150' with a pore pressure of 510 psi. The value of produciotn will not decrease by commingling. The BLM will receive a copy of this notification.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Patsy Clugston TITLE Sr. Regulatory/Proration Clerk DATE 9/23/02

Type or print name Patsy Clugston Telephone No. 505-599-3454

(This space for State use)

APPROVED BY NMOCD TITLE NMOCD DATE
Conditions of approval, if any: