

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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. 30-039-22302
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Phillips Petroleum Company 017654		6. State Oil & Gas Lease No. E-341-39
3. Address of Operator 5525 Highway 64, NBU 3004, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: San Juan 31-6 Unit 009259
4. Well Location Unit Letter <u>C</u> : <u>1000'</u> feet from the <u>North</u> line and <u>1800'</u> feet from the <u>West</u> line Section <u>2</u> Township <u>30N</u> Range <u>6W</u> NMPM County <u>Rio Arriba</u>		8. Well No. SJ 31-6 Unit #38
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6444' GL		9. Pool name or Wildcat Basin Dakota 71599

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐OTHER: Add MV pay to existing DK well & DHC ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

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 recompilation.

DHC 961AZ

Plans are to add the MV interval to the existing DK well and then commingle production from both zones per DHC Order 11363. A sundry detailing the DK forecast will be filed before actual commingling occurs. A brief detail of the procedure we will be using is as follows:

MIRU. COOH w/production tubing. Isolate existing DK interval with bridge plug. PT casing and remediate with cement if casing fails pressure test. Run GR/CCL/CBL & remediate with cement if the interval completing isn't adequately covered. Perforate and stimulate the Mesaverde intervals. Remove bridge plug and return well to production with the Mesaverde and Dakota intervals commingled. May flow test the MV before commingling occurs.

A workover pit will be used during the workover and will be lined and fenced. Once the workover is complete the pit will be closed. Attached is the C102 for the Mesaverde zone. The State Land Commissioner will also receive a copy of the DHC application.

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 Clerk DATE 10/25/02Type or print name Patsy Clugston Telephone No. 505-599-3454

(This space for State use)

Original Signed by STEVEN M. HANSEN

APPROVED BY STEVEN M. HANSEN TITLE STATE OIL & GAS INSPECTOR, ENCL. DATE OCT 29 2002

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22302	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 009259	⁵ Property Name San Juan 31-6 Unit	⁶ Well Number 38
⁷ OGRID No. 017654	⁸ Operator Name PHILLIPS PETROLEUM COMPANY	⁹ Elevation 6444' GL

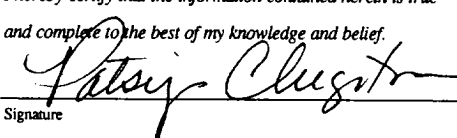
¹⁰ **Surface Location**

UL or lot no. C	Section 2	Tnship 30N	Range 6W	Lot Idn	Feet from the 1000'	North/South line NORTH	Feet from the 1800'	East/West line WEST	County RIO ARriba
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¹¹ **Bottom Hole Location If Different From Surface**

UL or lot no. C	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320.19 W/2	¹³ Joint or Infill I	¹⁴ Consolidation Code U	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div><div>16</div><div>1800'</div><div>1000'</div><div>E-341-39 319.96 acres</div><div>SECTION 2</div><div>E-341-40</div></div>	<div><div>¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature PATSY CLUSTON Printed Name SR. REGULATORY/PRORATION CLERK Title 10/25/02 Date</div><div><div>¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> SEE ORIGINAL C102 DATED February 1, 1980 Date of Survey Signature and Seal of Professional Surveyor: SIGNED BY FRED B KERR, JR on January 26, 1980 3950 Certificate Number</div></div></div>
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