

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

Form C-103
 Revised March 25, 1999

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

WELL API NO. 30-039-22574
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal Lease NMSF078994
7. Lease Name or Unit Agreement Name: San Juan 30-5 Unit 009258
8. Well No. SJ 30-5 Unit #52
9. Pool name or Wildcat Basin DK-71599; Blanco MV-72319

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.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Phillips Petroleum Company 017654

3. Address of Operator
 5525 Highway 64, NBU 3004, Farmington, NM 87401

4. Well Location
 Unit Letter N : 800 feet from the South line and 1785 feet from the West line
 Section 15 Township 30N Range 5W NMPM County Rio Arriba

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6328' GL

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

SUBSEQUENT REPORT OF:

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

OTHER: DHC application 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 940AZ

Phillips will be DHC'ing the Mesaverde and Dakota intervals of the subject well per Order # 11363. Production will be reported using the subtraction method for 12 months and then convert to the ratio method for the life of the well. The Dakota forecast for the next 12 months is as follows:

1st month - 3295 mcf	2nd month - 3393 mcf	3rd month - 3382 mcf	4th month - 3044 mcf
5th month - 3359 mcf	6th month - 3240 mcf	7th month - 3337 mcf	8th month - 3219 mcf
9th month - 3315 mcf	10th month - 3305 mcf	11th month - 3188 mcf	12th month - 3283 mcf

The original Reference Case where Partner notification was made was R-10771. Dakota perms are between 7928' -7952' with a pore pressure of 2406 psi. Mesaverde interval will be logged before perms can be picked. The pore pressure for MV should be @ 510 psi. The value of production will not decrease by commingling. Also 100% of liquids allocations will be from the Mesaverde. The BLM will receive a copy of this notification also.

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 10/16/02

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

(This space for State use)

APPROVED BY *[Signature]* TITLE DATE

Conditions of approval, if any: