

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. 30-039-26464
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-347-46
7. Lease Name or Unit Agreement Name: San Juan 31-6 Unit 009259
8. Well No. SJ 31-6 Unit #48M
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> 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 <u>L</u> : <u>1762'</u> feet from the <u>South</u> line and <u>660'</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>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6280' GL

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"/>		OTHER: <input 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.

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 - 5430 mcf	2nd month - 5050 mcf	3rd month - 5020 mcf	4th month - 4690 mcf
5th month - 4690 mcf	6th month - 4550 mcf	7th month - 4000 mcf	8th month - 4300 mcf
9th month - 4060 mcf	10th month - 4090 mcf	11th month - 3870 mcf	12th month - 3910 mcf

The original Reference Case where Partner notification was made was R-11188. Dakota perfs are between 7684' - 7767' with a pore pressure of 2850 psi. The Mesaverde perforations should be between 5172' - 5700' with a pore pressure of 1050 psi. The value of production will not decrease by commingling. The State Land Office will also 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 7/17/02

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

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any: