

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

WELL API NO. 30-045-21321
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

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	7. Lease Name or Unit Agreement Name: San Juan 32-7 Unit 009260
2. Name of Operator Phillips Petroleum Company 017654	8. Well No. SJ 32-7 Unit #43
3. Address of Operator 5525 Highway 64, NBU 3004, Farmington, NM 87401	9. Pool name or Wildcat Basin Dakota 71599
4. Well Location Unit Letter <u>B</u> : <u>1060'</u> feet from the <u>North</u> line and <u>1660'</u> feet from the <u>East</u> line Section <u>21</u> Township <u>32N</u> Range <u>7W</u> NMPM County <u>San Juan</u>	
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Repair Casing Leak <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input 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 recompilation.

The Operator suspected a casing leak on the subject well and a Bradenhead test was conducted. The Bradenhead failed to test on 2/6/02. We also tried to seal the bradenhed off with sealant without success. Plans are now to run a casing integrity test and squeeze casing as necessary to restore casing integrity and production.

If repairing the casing doesn't result in a productive well, we are requesting this well be SI until plans for the wellbore can be determined.

MUST BE IN COMPLIANCE WITH
RULE 108
BY MAY 1 2002

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 2/11/02
Type or print name Patsy Clugston Telephone No. 505-599-3454

(This space for State use)

APPROVED BY DEPUTY OIL & GAS INSPECTOR, DIST. 8 TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 8 DATE FEB 13 2002
Conditions of approval, if any: