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Form C-103 .

Revised March 25, 1999

Submit 3 Copies To Appropriate District Office

District 1
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

| WELL API NO. |
| 30-039-26343 |

5. Indicate Type of Lease

STATE ☐   FEE ☐

6. State Oil & Gas Lease No.
Federal Lease NMNM03471

7. Lease Name or Unit Agreement Name:

San Juan 29-6 Unit   C09257

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.)

MAR 2002

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

8. Well No.
SJ 29-6 Unit #85M

9. Pool name or Wildcat
Basin DK-71599; Blanco MV-72319

4. Well Location

Unit Letter ____0____ : ___794'___ feet from the ___South___ line and ___1848'___ feet from the ___East___ line

Section ___27___   Township 29N   Range 6W   NMPM   County Rio Arriba

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
6317' 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 ☐

OTHER: DHC application ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

COMMENCE DRILLING OPNS. ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

ALTERING CASING ☐

PLUG AND ABANDONMENT ☐

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.

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 - 5369 mcf   2nd month - 5337 mcf   3rd month - 4971 mcf   4th month - 4958 mcf
5th month - 4790 mcf   6th month - 4483 mcf   7th month - 4490 mcf   8th month - 4170 mcf
9th month - 4185 mcf   10th month - 4069 mcf   11th month - 3576 mcf   12th month - 3857 mcf

The original Reference Case where Partner notification was made was R-11187. Dakota perfs are between 7547' - 7644' with a pore pressure of 2041 psi. The Mesaverde perforations are between 4991' - 5527' with a pore pressure of 575 psi. The value of production will not decrease by commingling. Also 100% of liquids allocations is to 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_____ TITLE Sr. Regulatory/Proration Clerk DATE ___3/13/02___

Type or print name   Patsy Clugston

Telephone No.   505-599-3454

(This space for State use)

APPROVED BY_____ TITLE_____ DATE

MAR 1 1 2002

Conditions of approval, if any: