

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

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. 30-045-30190
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Phillips Petroleum Company 017654		6. State Oil & Gas Lease No. Federal Lease - SF-078459
3. Address of Operator 5525 Highway 64, NBU 3004, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: San Juan 32-7 Unit 009260
4. Well Location Unit Letter <u>F</u> : <u>1725</u> feet from the <u>North</u> line and <u>2495'</u> feet from the <u>West</u> line Section <u>22</u> Township <u>32N</u> Range <u>7W</u> NMPM County <u>San Juan</u>		8. Well No. SJ 32-7 Unit #35M
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. Pool name or Wildcat Basin DK-71599; Blanco MV - 72319

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

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OTHER:

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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 - 1840 mcf	2nd month - 1790 mcf	3rd month - 1840 mcf	4th month - 1830 mcf
5th month - 1770 mcf	6th month - 1830 mcf	7th month - 1770 mcf	8th month - 1820 mcf
9th month - 1820 mcf	10th month - 1640 mcf	11th month - 1800 mcf	12th month - 1750 mcf

The Reference Case where Partner notification was made was R-11210. Dakota perms are between 8166' - 8294' with a pore pressure of 2800 psi. The Mesaverde perforations will be between 6348' - 5494'. The estimated pore pressure of 1200 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 Patsy Clugston TITLE Sr. Regulatory/Proration Clerk DATE 4/29/02

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

(This space for State use)

APPROVED BY Original Signed by STEPHEN H. HAYDEN TITLE DEPUTY OIL & GAS INSPECTOR, N.M. DATE APR 30 2002
Conditions of approval, if any: