

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. 30-039-26564 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name: San Juan 29-5 Unit 009256 |
| 8. Well No. SJ 29-5 Unit #55M |
| 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 OR TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-1007) 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>C</u> : <u>1262'</u> feet from the <u>North</u> line and <u>1978'</u> feet from the <u>West</u> line Section <u>18</u> Township <u>29N</u> Range <u>5W</u> NMPM County <u>Rio Arriba</u> | |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6518' 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 #11353. 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 - 5,869 mcf | 2nd month - 5,399 mcf | 3rd month - 5,675 mcf | 4th month - 5,400 mcf |
| 5th month - 5,487 mcf | 6th month - 5,222 mcf | 7th month - 5,306 mcf | 8th month - 5,217 mcf |
| 9th month - 4,965 mcf | 10th month - 5,045 mcf | 11th month - 4,801 mcf | 12th month - 4,878 mcf |

The original Reference Case where partner notification was made was R-10770. Dakota perfs are between 7786' - 7942' with a pore pressure of 1850 psi. The Mesaverde perforations are between 5270' - 5894', with a pore pressure of 550 psi. The value of production will not be decreased by commingling.

DHC 587AZ

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 12/13/01

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

(This space for State use)

Original Signed by STEVEN N. HAYDEN

DEPUTY OIL & GAS INSPECTOR

APPROVED BY _____ TITLE _____ DATE DEC 17 2001

Conditions of approval, if any: