

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

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. 30-039-26581
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 - NM-011348
3. Address of Operator 5525 Highway 64, NBU 3004, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: San Juan 29-5 Unit 009256
4. Well Location Unit Letter I : 1898 feet from the South line and 934 feet from the East line Section 31 Township 29N Range 5W NMPM County Rio Arriba		8. Well No. SJ 29-5 Unit #59M
		9. Pool name or Wildcat Basin DK-71599; Blanco MV-72319
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6484' GL		

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: DHC application <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.

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 - 7.387	2nd month - 6.362	3rd month - 5.981	4th month - 5.525
5th month - 4.660	6th month - 4.858	7th month - 4.455	8th month - 4.386
9th month - 4.061	10th month - 4.029	11th month - 3.881	12th month - 3.627

The original Reference Case where Partner notification was made was R-10770. Dakota perfs are between 7727' - 7840' with a pore pressure of 2156 psi. The Mesaverde perforations will be between 4397' - 5720' with a pore pressure of 525 psi. The value of production will not decrease by commingling. Also 100% of the liquid production will be allocated to the Mesaverde. The BLM will also receive a copy of this notification.

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 Clerk DATE 10/10/02

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

(This space for State use)

APPROVED BY [Signature] TITLE STATE CLERK DATE OCT 13 2002

Conditions of approval, if any: