

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. 30-039-25128
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		6. State Oil & Gas Lease No. Federal Lease - NMSF078999
3. Address of Operator 5525 Highway 64, NBU 3004, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: San Juan 31-6 Unit 009259
4. Well Location Unit Letter <u>J</u> : <u>1850'</u> feet from the <u>South</u> line and <u>1751'</u> feet from the <u>East</u> line Section <u>34</u> Township <u>31N</u> Range <u>6W</u> NMPM County <u>Rio Arriba</u>		8. Well No. SJ 31-6 Unit #28E
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6530' GL		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:		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 recompilation.

DHC 979A2
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 - 9100 mcf	2nd month - 9342 mcf	3rd month - 9282 mcf	4th month - 8330 mcf
5th month - 9163 mcf	6th month - 8811 mcf	7th month - 9047 mcf	8th month - 8699 mcf
9th month - 8932 mcf	10th month - 8876 mcf	11th month - 8535 mcf	12th month - 8764 mcf

The original Reference Case where Partner notification was made was R-11188. Dakota perms are between 7943'-8085' with pore pressure of 2550 psi. The proposed MV interval will be between 5462' - 5884' with a pore pressure of 1350 psi. Also 100% of the fluids production will be allocated to the MV interval. The value of production will not decrease by commingling. 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 SHEAR Administrative Assistant DATE 11/6/02

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

(This space for State use)
OIL & GAS INSPECTOR BY STEVEN N. HAYDEN

APPROVED BY _____ TITLE _____ DATE _____
Conditions of approval, if any:

NOV - 8 2002