Form C-103 State of New Mexico Submit 3 Copies To Appropriate District Revised March 25, 1999 Energy, Minerals and Natural Resources Office District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-045-30967 District II OIL CONSERVATION DIVISION 5. Indicate Type of Lease 811 South First, Artesia, NM 87210 1220 South St. Francis Dr. District III STATE FEE Santa Fe, NM 87505 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Federal Lease - NMSF079047 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name: (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.) 1. Type of Well: San Juan 32-8 Unit 009261 Other Gas Well X Oil Well 8. Well No. 2. Name of Operator SJ 32-8 Unit #23M 017654 Phillips Petroleum Company 9. Pool name or Wildcat 3. Address of Operator Basin DK-71599: Blanco MV-72319 5525 Highway 64, NBU 3004, Farmington, NM 87401 4. Well Location 1224' line North feet from the 1261' feet from the line and Unit Letter _ San Juan **NMPM** County 14 Township 31N Range Section 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6662' GL 11. Check Appropriate Box to Indicate, Nature of Notice, Report, or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: ALTERING CASING PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK COMMENCE DRILLING OPNS. **PLUG AND** TEMPORARILY ABANDON **CHANGE PLANS** ABANDONMENT CASING TEST AND **MULTIPLE PULL OR ALTER CASING CEMENT JOB** COMPLETION \mathbf{X} OTHER: OTHER: DHC application 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: 3rd month - 3720 mcf 4th month - 3810 mcf 2nd month - 3850 mcf 1st month - 3870 mcf 8th month - 3400 mcf 7th month - 3770 mcf 6th month - 3780 mcf 5th month - 3680 mcf 11th month - 3710 mcf 12th month - 3580 mcf 9th month - 3730 mcf 10th month - 3610 mcf The original Reference Case where Partner notification was made was R-11189. Dakota perfs are between 8117' - 8198' with a pore pressure of 2900 psi. The Mesaverde perforations should be between 5178' -5935' with a pore pressure of 1025 psi. The value of production will not decrease by commingling. The BLM Office will also recejve 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. TITLE Sr. Regulatory/Proration Clerk DATE SIGNATURE-505-599-3454 Telephone No. Patsy Clugston Type or print name AUG 2 8 2002 DEPUTY OIL & GAS INSPECTOR, DIST. 44 (This space for State State by STEVEN N. HAYDEN _DATE TITLE APPROVED BY_

Conditions of approval, if any: