

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  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources  
 OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-103  
 Revised March 25, 1999

WELL API NO. <b>30-025-35573</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name:  <b>LEAMEX</b>
8. Well No. <b>61</b>
9. Pool name or Wildcat <b>MALJAMAR (GRAYBURG-SAN ANDRES)</b>

**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.)

1. Type of Well:  
 Oil Well  Gas Well  Other **INJECTION**

2. Name of Operator  
**Phillips Petroleum Company**

3. Address of Operator  
**4001 Penbrook Street Odessa, TX 79762**

4. Well Location  
 Unit Letter **C** : **660** feet from the **NORTH** line and **1940** feet from the **WEST** line  
 Section **25** Township **17-S** Range **33-E** NMPM County **LEA**

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**4126' KB/ 4125' DF/ 4112' GL**

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<p><b>NOTICE OF INTENTION TO:</b></p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/></p> <p>OTHER: <b>PERFORM STEP RATE TEST</b> <input checked="" type="checkbox"/></p>	<p><b>SUBSEQUENT REPORT OF:</b></p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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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.

**PER ATTACHED PROCEDURE & WELL BORE SCHEMATIC, PHILLIPS WISHES TO PERFORM A PRESSURE STEP RATE TEST IN THE GRAYBURG FORMATION.**

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *L.M. Sanders* TITLE SUPV., REGULATION/PRORATION DATE 10/29/01

Type or print name **L.M. SANDERS** Telephone No. **915/368-1488**

(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of approval, if any: \_\_\_\_\_

5  
C

PHILLIPS PETROLEUM COMPANY

Odessa, Texas

October 26, 2001

LEAMEX #61W

PERFORM STEP RATE TEST

CHARGE AFE #WA5.B53

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To: D. T. Thorp  
From: J. T. Lowder *JTL*

A. IMPORTANCE OF SAFETY

Safe operations are of utmost importance at all Phillips Petroleum Company properties and facilities. To further this goal, the Phillips Supervisor at the location shall request tailgate safety meetings prior to initiation of work and also prior to any critical operations. All Company, contract, and service personnel then present shall attend these tailgate safety meetings at the location. All parties shall review the proposed upcoming steps, procedures, and potentially hazardous situations. Occurrence of these meetings shall be recorded in the Daily Report.

B. History / Justification

The purpose of the proposed project is to obtain a formation parting pressure in the Leamex #61W. This formation parting pressure data will be submitted to the NMOCD to increase the maximum allowable injection pressure of all four water injection wells in the Maljamar Grayburg Waterflood Pilot project. An increase in the maximum injection pressure in the Maljamar Grayburg Waterflood Pilot project will result in a corresponding increase in injection volumes and a quicker response in the offset Grayburg producers.

C. Formation Properties:

Estimated frac gradient = 0.9 psi/ft  
Estimated BHP = < 400 psi  
BHT = 100°F

H2S Concentration = 1000 ppm  
H2S ROE @ 100 ppm = 2'  
H2S ROE @ 500 ppm = 1'

D. Well Category:

Well Category 1 due to a 100 ppm H2S ROE < 50'. This well is not capable of hydrocarbon flow.  
**ONE BOP EXCEPTION:** One untested barrier – packer.

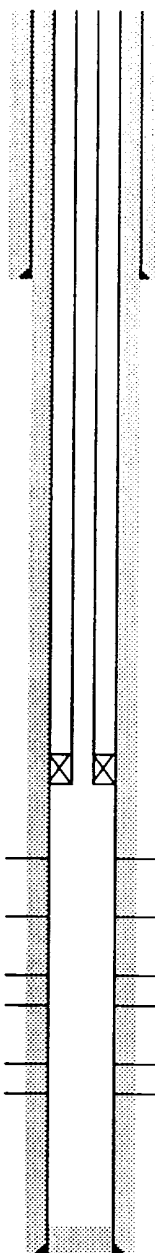
*Jack T. Lowder* J. T. Lowder

E. Recommended Procedure

1. MIRU pump truck and water transport truck. Test surface lines to 4000 psig.
2. Perform step rate test by pumping at the following rates: 0.2 BPM, 0.4 BPM, 0.7 BPM, 1.0 BPM, 1.4 BPM, 1.7 BPM, and 2.0 BPM. Maintain constant injection rate during each step for the lesser of 45 minutes or until injection pressure stabilizes. Record and plot surface pressures and rates throughout the test. Inject fresh water from Conoco. Record specific gravity of fluid to be pumped. Rates may be adjusted or eliminated based on well response.
3. RDMO pump truck. Clean location.

Phillips Petroleum Company - Southwest Region

October 26, 2001



GL 4112'  
DF 4125'  
RKB 4126'

8 5/8" Casing (12 1/4" hole)  
set @ 1500', 770 sx cmt.  
Circ. 113 sx.  
34 jts - 24#, J-55, ST&C

Packer at 4293'

Grayburg Perforations  
4332' - 4346' w/ 4 SPF (56 holes) Z3  
4378' - 4386' w/ 4 SPF (32 holes) Z4  
4440' - 4445' w/ 4 SPF (20 holes) Z5  
4476' - 4480' w/ 4 SPF (16 holes) Z5  
4503' - 4511' w/ 4 SPF (32 holes) Z6  
4523' - 4528' w/ 4 SPF (20 holes) Z6

5 1/2" Casing (7 7/8" hole)  
set @ 4742', 1000 sx cmt.  
Circ. 109 sx.  
99 jts - 15.5#, J-55, LT&C

PBTD: 4691'  
TD: 4750'

Lease & Well No.: **Leamex #61W**

Well Category: One Status : Water Injection Well  
Area: New Mexico  
Subarea: Caprock  
Field : Maljamar Grayburg/San Andres  
API Number: 30-025-35573  
Legal Description: 660' FNL, 1940' FWL, Sec 25, T-17-S, R-33-E  
Lea County, New Mexico  
Spudded: 07/22/2001  
Completed:

Well History:

10/01 Perf'd Grayburg 4332-46', 4378-86', 4440-45', 4476-80', 4503-11', 4523-28' w/ 2 spf (176 holes). Acdzd 4476-80' w/ 400 gal heated 15% NEFE HCl. Acdzd 4440-45' w/ 500 gal heated 15% NEFE HCl. Acdzd 4332-86' overall w/ 2200 gal heated 15% NEFE HCl. Acdzd 4503-28' overall w/ 1300 gal heated 15% NEFE HCl. Set G-6 Injection packer w/ 1.78" F nipple & on-off tool at 4293' on 2 3/8" tubing IPC w/ TK-70.

Formation Tops:

Queen	3807'	Grayburg Z5	4424'
Grayburg Z1	4196'	Grayburg Z6	4496'
Grayburg Z2	4232'	Grayburg Z7	4564'
Grayburg Z3	4329'	San Andres	4600'
Grayburg Z4	4370'		