Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office Energy, Minerals and Natural Resources District 1 Revised March 25, 1999 1625 N. French Dr., Hobbs, NM 87240 WELL API NO. District II OIL CONSERVATION DIVISION 30-025-29815 811 South First, Artesia, NM 87210 District III 2040 South Pacheco 5. Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 STATE X District IV FEE \square 2040 South Pacheco, Santa Fe, NM 87505 6. State Oil & Gas Lease No. B-4118 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name: DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) LEAMEX 1. Type of Well: Oil Well X Gas Well Other 2. Name of Operator 8. Well No. Phillips Petroleum Company 39 3. Address of Operator 9. Pool name or Wildcat 4001 Penbrook Street Odessa, TX 79762 MALJAMAR GRABURG/SAN ANDRES 4. Well Location Unit Letter 1805 feet from the SOUTH 1980 line and feet from the EAST line Section 21 Township 17S Range **NMPM** County LEA 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 41<u>66'</u> GL 4177' RKB 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND PULL OR ALTER CASING ABANDONMENT **MULTIPLE** CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: PERF, ACIDIZE, & FRAC. [X]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 3/14/00 MI RU POOL DDU # 682. 3/15/00 COOH w/ROD STG LAYING RODS DOWN. EXTREME PITTING, CORKSCREWED. NU BOP. COOH w/PROD TBG. TBG HAS HOLES IN IT. TRIP SAND PUMP-BAILER, TAG @ 4660. FORMATION, PARAFFIN, ASPHALTENES BACK IN SAMPLE. RE-RUN TBG IN, COOH LAYING DOWN TBG ON RACKS. SISD. 3/16/00 COOH LAYING DOWN PROD TBG, USING A LAY DOWN CYLINDER ASSEMBLY. UNLOAD, TALLY, 2-7/8 WORK STG. GIH w/CSG SCRAPER ON 2-7/8 TO 4300'. START OUT. SISD. *** CONTINUED ON BACK *** I hereby certify that the information above is true and complete to the best of my knowledge and belief. A.M.S. TITLE SUPV., REGULATION/PROPATION DATE Type or print name L.M. SANDERS Telephone No. 915/368-1488 (This space for State use) ned by

TITLE

39.0.5**2**

DATE

APPROVED BY

Conditions of approval, if any:

LEAMEX # 39 "CONTINUED"

3/19/00 COOH w/ KILL STG. RU HES LOGGING. RUN LOG FROM 3550-4550'. PERFORATE QUEEN, 4059-4069' w/4 SPF-90 Deg PHASING. FLUID LEVEL BEFORE PERFORATION, 3480', LEVEL AFTER 3360', WITH A STRONG GAS BLOW @ LUBRICATOR VALVE. RD HES. GIH w/CIBP, SET @ 4120'. COOH w/TBG. GIH w/PKR ASSEMBLY, TESTING TBG TO 6000#. TEST CIBP TO 1000#. PU 1 Jt. RU HES, SPOT ACID ACROSS QUEEN PERFS; 4059-4069'. PU SET, LOAD BACK SIDE. 2-3/8 WIRE LINE RE-ENTRY GUIDE @ 3993.39, 2-3/8 X 1.81 PROFILE NIPPLE @ 3992.49, 8'X 2-3/8 N-80 SUB @ 3984.42, 5-1/2 X 2-3/8 17-20# G VI PKR @ 3980.72, 5-1/2 X 2-3/8 X L ON-OFF TOOL w/2-3/8 X 1.875 F PROFILE NIPPLE @ 3978.75, 2-7/8 X 2-3/8 X-OVER @ 3978.31. 126 Jts N-80 TBG. GET BACK ON TBG, PUMP REMAINDER OF ACID, w/ 1 BBL ACID LEFT IN TBG. PRESS COMES UP TO 1000#. SHUT WELL IN w/ 1000# @ SURFACE. SISD.

3/20/00 TBG PRESS 10 PSI, WELL STANDING FULL. RU HES ON WELL. TEST LINES. PRESS UP ON B/SIDE TO 500 & HOLD. DELTA FRAC TREAT QUEEN PERFS 4059-4069°. PUMP AS FOLLOWS; STAGE 1=2000 GAL WATER FRAC 20, MAX PRESS 2954 PSI @ 6.7 BPM. STAGE 3=2000 GAL DELTA FRAC 20, MAX PRESS 2954 PSI @ 6.7 BPM. STAGE 3=2000 GAL DELTA FRAC 20 w/1-4 PPG 16/30 BROWN SAND. MAX PRESS 3164, PSI @ 8.2 BPM. ((LOST IN LINE RATE METER, KEEPING UP w/VOLUMES USING TANG GUAGES, METERS ON BLENDER, & COUNTER ON SAND MOVER)). STAGE 4=2000 GAL DELTA FRAC 20 w/1-6 PPG 16/30 BROWN SAND. MAX PRESS 3536 PSI @ 8.2 BPM. HES RUNS OUT OF SAND, APPROX 60 SX SHORT. FLUSH TO BTM w/SLICK WATER. RIG HES OFF WELL HEAD, RD FLOW BACK EQUIP. LOAD 188 BBL, TOTAL SAND PUMPED 14,000# (140 SX). ISIP 3535 PSI. 5 MIN SHUT IN 39 PSI. 10 MIN WELL ON VACUUM. RU TO SWAB; FLUID LEVEL @ 500° FROM SURFACE, SWAB BACK FRAC FLUID & SAND. SWAB BACK 35 WATER w/GOOD AMOUNT OF SAND SUSPENDED. AT 16:30 FLUID @ 2900-3300. SETTING DOWN ON SAND PLUG, PLUG MOVING, USING A UP/DOWN MOTION. PLUG BREAKS UP & WE PULL SWAB OUT. COOH & TAG FLUID @ 300° FROM SURFACE, WELL KICKS OFF TO FLOWING. FROM 17:30 TO 02:00 AM TBG PRESS STAYING @ 100 PSI, © 300° FROM SURFACE, WELL KICKS OFF TO FLOWING. FROM 17:30 TO 02:00 AM, PRESS BEGINS TO CLIMB TO FLOWING BACK @ 1-1.5 BBL PER HR, GETTING A LOT OF SAND BACK. AT 02:00 AM, PRESS BEGINS TO CLIMB TO 600 PSI IN @ 15 MIN. AT 02:30 TBG PRESS 625 PSI, AT 02:45 TBG PRESS AT 650 PSI. AT THIS TIME NOZZEL ON FLOW BACK TANK CUTS OUT, SHUT WELL IN @ 650 PSI ON TBG. AT 06:00 AM TBG PRESS 700 PSI.

3/21/00 TBG PRESS 700 PSI. WELL OPENED UP 07:00 AM @ 16/64 CHOKE @ 700 PSI ON TBG, GETTING BACK GAS ONLY. AT 12:30,CHOKE SETTING 16:64 @ 560 TBG PRESS, NO FLUID/NO SAND. 14:15 PUT WELL INTO TEST SEPERATOR, THRU 2" ORIFICE PLATE. 16/64 CHOKE @ 565 TBG PRESS, 707 MCF GAS FLOW RATE. 14:30 OPEN WELL UP TO 32/64 ON CHOKE, PRESS WENT TO 350 PSI, FLOW RATE OF 1,775 MMCF GAS, GETTING BACK FLUID & SAND. 15:30 CUT BACK TO 24/64 ON CHOKE, TBG PRESS 420 PSI, FLOW RATE 1,461 MMCF GAS, GETTING BACK SAND & 16:00 CHOKE SET ON 20/64, TBG PRESS @440 PSI, FLOW RATE @ 1,201 MMCF GAS, GETTING BACK GAS ONLY, NO FLUID OR SAND. 17:00, CHOKE @ 20/64, TBG PRESS 450 PSI, FLOW RATE 1,124 MMCF GAS. GAS CONTENT RESULTS (84% NITROGEN). SHUT WELL IN w/450 PSI ON TBG.

3/22/00 TBG PRESS 700 PSI. OPEN WELL UP THRU 16/64 CHOKE, TEST SEPERATOR IS OUT OF SYSTEM. 10:00 AM CHOKE SET @ 32/64, w/400 PSI ON TBG, GETTING BACK FLUID & SAND. 11:00 CHOKE FULLY OPEN, TBG PRESS 200 PSI. 14:00 CHOKE FULLY OPEN, TBG 200 PSI, & GOT GAS SAMPLE FOR ANALYSIS. 14:15 CHOKE SET 16/64, 200 PSI ON TBG. 15:00 SHUT WELL IN 200 PSI ON TBG.

3/23/00 TBG PRESS 750 PSI. CALL OUT JSI WIRELINE. RUN IN w/ BLANKING PLUG (1.875). SET PLUG @ 3978.75' IN F PROFILE NIPPLE. CHECK FOR FLOW. COOH w/WIRELINE. LOAD TBG w/WATER, CHECK FOR FLOW AGAIN. GET OFF PKR & COOH w/WORK STG, LAYING DOWN TBG. PU 30 Jts 2-3/8 PROD & RUN IN FOR KILL STG. RD POOL DDU. TEMP DROP FROM REPORT (WAITING ON ORDERS).

