State of New Mexico Submit 3 Copies To Appropriate District Form C-103 Office Energy, Minerals and Natural Resources Revised March 25, 1999 District I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 District II 30-025-35571 OIL CONSERVATION DIVISION 811 South First, Artesia, NM 87210 5. Indicate Type of Lease 2040 South Pacheco District III 1000 Rio Brazos Rd., Aztec, NM 87410 STATE X FEE Santa Fe, NM 87505 District IV 6. State Oil & Gas Lease No. 2040 South Pacheco, Santa Fe, NM 87505 B-2118 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.) LEAMEX 1. Type of Well: Oil Well Gas Well G Other Water Injection 2. Name of Operator 8. Well No. Phillips Petroleum Company 59 3. Address of Operator 9. Pool name or Wildcat 4001 Penbrook Street Odessa, TX 79762 Maljamar (Grayburg/San Andres) 4. Well Location 760 Unit Letter South 700 feet from the line and feet from the line Section 24 Township 17-s Range **NMPM** County LEA 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4120' GL 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 COMMENCE DRILLING OPNS. TEMPORARILY ABANDON **CHANGE PLANS** PLUG AND **ABANDONMENT** PULL OR ALTER CASING MULTIPLE CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: ACIDIZE GRAYBURG WATER INJECTION WELL 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 or recompilation. 09/10/02 LAY IN F/WH T/FRAC TK OPEN WELL T/BLOW BK T/FRAC TK TP 1650 PSI CP 0 PSI LEFT FLOWING T/TK 09/11/02 FLOWING BK INTO FRAC TK TOTAL 58 BBL 09/12/02 CONTINUE FLOWING BK TOTAL BEFORE ACID JOB 110 BBL TP 450 MIRU HES PERFORM ACID JOB GRAYBURG PERFS 4320-4549 @ 4-5 BPM DROP 255 BIOBALLS BALLSFALERS SPACED EVENEY THRU MID 6000 GAL TRIMIT 3100 PSI AVG PRESS 3315 MAX 2910 MIN 3.9 BPM AVG RATE 4.18 MAX 3.7 MIN ISIP 2424 5 MIN 2238 10 MIN 2178 15 MIN 2132 RD HES START FLOWING BK INTO FRAC TK T/RECOVER LOAD 331 BBLS T/REC 09/13/02 FLOW BK T/REC LOAD 108 BBL BACK 09/14/02 FLOW BK T/REC LD 46 BBL TOT REC 154 BBL AFTER ACID JOB 09/15/02 FLOW BK 20 BBL OVERNITE TOTAL 174 BBLS 09/16/02 FLOW BK 10 BBL TOTAL 184 BBL CONN WH PUT WELL BK ON INJECTION LAST REPORT - DROP F/DIMS I hereby certify that the information above is true and complete to the best of my knowledge and belief. 000 TITLE SUPVR., REGULATION/PROPATION 09/16/02 DATE. EMA Type or print name L. M. SANDERS Telephone No. 915/368-1488 (This space for State Gold AL SIGNED BY SEP 18 2002 GARY W. WINK

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Conditions of approval, if any:

APPROVED BYOC FIELD REPRESENTATIVE ILISTAFF MANAGED LE