Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office Energy, Minerals and Natural Resources Revised March 25, 1999 District I 1625 N. French Dr., Hobbs, NM 87240 WELL API NO. District II OIL CONSERVATION DIVISION 30-025-35571 811 South First, Artesia, NM 87210 5. Indicate Type of Lease District III 2040 South Pacheco 1000 Rio Brazos Rd., Aztec, NM 87410 STATE x Santa Fe, NM 87505 FEE \square District IV 2040 South Pacheco, Santa Fe, NM 87505 6. State Oil & Gas Lease No. 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 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 Unit Letter 760 feet from the 700 line and West feet from the line Section Township 17-S 24 Range **NMPM** County LFA 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 **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT **PULL OR ALTER CASING MULTIPLE** CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: ACIDIZE GRAYBURG PERFS & SWAB 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. 10/21/01 MI RU BASIC ENERGY DOU. 10/22/01 NIPPLE UP B.O.P. PU & TALLY CSG SCRAPER & WORK STG IN HOLE. SCRAPER RAN TO 4583'. CIRC WELL BORE CLEAN. COOH W/SCRAPER. SISD. 10/23/01 MI RU HALLIBURTON ELECT LINE. NU LUBRICATOR & PACK OFF. GIH w/GR-CCL & PULL STRIP LOG FROM 4690'-4100'. FLUID LEVEL AT 330' FROM SURFACE. PERFORATE GRAYBURG ZONES W/4 SPF. AS FOLLOWS: RUN 1 ZONE 7; 4547'-4529' 8 HOLES, 4538'-4542' 16 HOLES, ZONE 6 4502'-4507' 20 HOLES. RUN 2 ZONE 6; 4488'-4494' 24 HOLES, 4475'-4481' 24 HOLES, ZONE 5; 4465'-4468' 12 HOLES. RUN 3 ZONE 5; 4450'-4455' 20 HOLES, 4423'-4428' 20 HOLES. RUN 4 ZONE 4; 4362'-4369' (CORRECTED TO 4363'-4370') 28 HOLES, ZONE 3; 4320'-4328' 32 HOLES. FLUID LEVEL AT 330' THRU OUT JOB. RD HES. RU TBG TESTERS & TEST TBG TO 4000 PSI. RBP SET AT 4573', SET PKR & TEST RBP TO 1000 PSI, PULL UP & SET PKR AT 4522' 144 JTS IN. SISD. *** CONTINUED ON BACK *** I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Supv., Regulation/Proration Type or print name L.M. Sanders (915)368-1488 Telephone No. (This space for State use) APPROVED BY

TITLE

Conditions of approval, if any:

DATE

LEAMEX #59

10/24/01 MI RU EQUIPMENT TO ACIDIZE GRAYBURG PERFS. RU HALLIBURTON. ACIDIZE GRAYBURG PERF WITH 15% NEFE HCL ACID. STAGE 1; PERFS 4538'-4549', RBP @ 4573'. PUMP 600 GAL ACID DROP 36 BALLS. STAGE 2; PERFS 4450'-4507', RBP SET @ 4522'. PUMPING 2500 GAL ACID DROPPING 150 BALLS. STAGE 3; PERFS 4423'-4507', RTTS PKR @ 4345'. PUMPING 500 GAL ACID. STAGE 4; PERFS 4362'-4364'. RBP @ 4385'. SPOT ACID TO EOT & SET PKR AT 4345'. STAGE 5; PERFS 4320'-4328', RBP SET AT 4344'. SPOT ACID TO EOT, SET PKR AT 4231'. PUMP 800 GAL ACID. COME UP AND SETPKR AT 4271'. SHUT WELL IN. RD HALLIBURTON. RU AND SWAB, FLUID AT SURFACE, SWAB BACK 25 BBLS ALL WATER, PULLING FORM PKR, WELL DRY, SISD.

10/25/01 TBG PRESS 50 PSI, CSG PRESS 0. MAKE SWAB RUN, FLUID AT 3500', 20% OIL CUT. SWAB FROM PKR. RELEASE PKR, GIH CATCH RBP & RELEASE. COOH LAYING DOWN WORK STG & TOOLS. PU & GIH w/INJ PKR & 134 Jts IPC TK-70 TBG. RAN; 4528.08' OF 2-3/8 IPC TK-70 TBG, 2-3/8 ON/OFF TOOL w/1.78 F PROFILE, AT 4260.05', 5-1/2 x 2-3/8 G-6 INJ PKR AT 4263.78', 2-3/8 RE-ENTRY GUIDE AT 4264.19'. (ALL PKR COMPONENTS HAVE BEEN NICKEL COATED, IN-OUT). CIRC 100 BBLS PKR FLUID MIX, AROUND. NUPPLE DOWN BOP. SET INJ PKR, IN 12,000# COMPRESSION. EOT AT 4264.19'. NIPPLE UP WELL HEAD ASSEY. PRESS UP ON CSG TO 500 PSI. HOLD PRESS FOR 30 MIN, NO LEAK OFF. RIG DOWN BASIC ENERGY DDU. DROP FROM REPORT. JOB DONE.

