Submit 3 Copies to Appropriate District Office

State of New Mexico Emergy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-8

Revised 1-1-89 DISTRICT I **OIL CONSERVATION DIVISION** P.O. Box 1980, Hobbs NM 88240 WELL API NO. P.O. Box 2088 DISTRICT II 30-025-02221 Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATE X DISTRICT III FEE 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. B-2317 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" 7. Lease Name or Unit Agreement Name (FORM C-101) FOR SUCH PROPOSALS.) M. E. HALE 1. Type of Well: GAS WELL WELL X 2. Name of Operator 8. Well No. Phillips Petroleum Company 3. Address of Operator 9. Pool name or Wildcat 4001 Penbrook Street, Odessa, TX 79762 VACUUM GB/SA 4. Well Location Unit Letter 660 SOUTH Fost From The 660 Line and **EAST** Feet From The Line 17-S Range **NMPM** County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4088.2 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PILUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOB OTHER: . OTHER: CLEAN OUT / TREAT/ ACIDIZE 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. 1/10/96 GIH W/6.25 BIT ON COLLARS & PROD TBG., TAG FILL @ 4550' CLEAN OUT TO TD 4721', CIRC WELL BORE CLEAN, PULL UP INTO 7" CSG 4099', W/BIT & COLLARS, SDON. 1/11/96 GIH TAG FILL, 4721' TD, COOH W/BIT, GIH W/PKR TAIL PIPE 4694, SET PKR, RU, PUMP 1700 PSI MAX 2 BPM RATE SWI. 1/10/96 TBG PRESS 95 PSI, FISH SPOT CONTROL VALVE, RIG UP TO SWAB, RECOVER 143 BBLS WATER, FLUID ST CONSTANT 2400'-2450'. 1/15/96 MAKE SWAB RUNS TO GET SAMPLES, IRON, WATER, TRACE OF OIL FOUND, RELEASE PKR, COME UP RESET PKR, LOAD CSG, TEST TO 500# PSI, PKR AT 3298', T-PIPE 4015', TEST LINES, PUMP JOB, OPEN WELL UP, 900 PSI ON TBG, WELL FLOWED BACK 35 BBL WATER. RIG UP, SWAB; START LEVEL 500', END LEVEL 1000', RECOVERED 117 BBLS WATER, SLIGHT SHOW OF OIL, WELL SHUT-IN. (OVER) I hereby certify that the information above is true and a implete to the best of my knowledge and belief. On the Senior Regulation Analyst DATE 2/16/96 TYPE OR PRINT NAME LAPRY M. Sanders TELEPHONE NO. (915) 368-1488 (This space for State Use) 1. 18 2 6 4 11 APPROVED BY TITLE CONDITIONS OF APPROVAL, IF ANY:

M. E. HALE #3 CONTINUED:

1/16/96	SHUT DOWN DUE TO WINDS, 45 MPH & GUSTING.
1/17/96	150 PSI ON TBGM WELL FLOWING BACK, WATER WITH SHOW OF OIL, WELL FLOWING ACK, CIRC WELL BORE W/ TBG & TAC, ANCHOR @ 3917', 15,000# TENSION, S/NIPPLE @ 4546', OPEN HOLE @ 4099'-4721', ND BOP, NU WELL HEAD, SDON.
1/18/96	GIH W/ PUMP & ROD STRING, HANG WELL ON PRODUCTION, WELL TO BE TESTED, RD, DDU.
1/19/96	24 HR TEST, 14.8 BBL OIL, 363 BBL WATER, 0 MCF GAS.
1/20/96	0 BBL OIL, 389 BBL WATER, 0 MCF GAS.
1/21/96	WELL PUT ON MAIN PROD., MAKING REPAIRS TO FIRE TUBE.
2/09/96	24 HR TEST, 0 BBL OIL, 360 BBL WATER, 0 MCF GAS.
2/10/96	24 HR TEST OBBLOIL 305 DDL WATER, OMCF GAS.
2/11/96	24 HR TEST, 0 BBL OIL, 385 BBL WATER, 0 MCF GAS. 24 HR TEST, 0 BBL OIL, 372 BBL WATER, 0 MCF GAS. DROP FROM REPORT