State of New Mexico Form C-103 Submit 3 Copies To Appropriate District Office Energy, Minerals and Natural Resources Revised March 25, 1999 Distri I WELL API NO. 1625 N. French Dr., Hobbs, NM 87240 30-025-02978 District II 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 Santa Fe, NM 87505 FEE [ District IV 6. State Oil & Gas Lease No. 2040 South Pacheco, Santa Fe, NM 87505 B-1838-1 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.) VACUUM GB/SA UNIT EAST 1. Type of Well: **TRACT 3236** Oil Well X Gas Well Other 2. Name of Operator 8. Well No. Phillips Petroleum Company 003 3. Address of Operator 9. Pool name or Wildcat 4001 Penbrook Street, Odessa, TX 79762 VACUUM GRAYBURG/SAN ANDRES 4. Well Location Unit Letter 660' NORTH 1980' feet from the line and feet from the line Section 32 Township 17-S Range 35-E **NMPM** County LEA 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3974' GL/3984' 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 **ABANDONMENT** PULL OR ALTER CASING MULTIPLE CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: DRILL A 1400' LATERAL (ON PRODUCTION) ſχ 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. 6/19/02 - DRILLING RIG MOVING OFF LOCATION. STANDBY TO MOVE IN AND RIG UP. MOVE IN AND RU DDU. SET UP PIPE RACKS. UNLOADED AND TALLIED 2-7/8" TBG. LAID DOWN 4 JTS 2-7/8" DRILL PIPE. PICKED UP PERFORATED SUB AND GIH PICKING UP 2-7/8" TBG OFF RACK. PICKED UP 187 JTS. TAGGED BOTTOM AT 5847'. COOH W/ 27 STDS OUT OF OPENHOLE. SDFN. 6/20/02 - GIH W/ PERFORATED SUB AND TBG. RIGGED UP HES PUMP TRUCK AND LOGGING TRUCK. PUMPED DOWN LOG. RAN GAMMA RAY LOG. RIGGED DOWN HES TRUCKS. PUMPED 2 SWEEPS TO CLEAN HOLE. COOH. LAID DOWN 45 JTS 2-7/8" TBG. STOOD BACK 71 STDS. PICK UP BIT AND SCRAPER AND GIH TO 4917'. COOH. LEFT WELL STRING IN HOLE. SDFN. 6/21/02 - FINISHED COOH W/ BIT AND SCRAPER. RIGGED UP HYDRO TESTERS AND TESTED TBG IN HOLE. RIGGED DOWN TESTERS. NIPPLED DOWN BOP. SET PKR AT 4119' W/ TAILPIPE TO 4432'. FLANGED UP WELLHEAD. TESTED CSG TO 500 PSI, HELD OK. RIGGED DOWN DDU AND MOVED OFF WELL. 6/22/02 - HEATED WATER FOR ACID JOB. RIGGED UP HES PUMP TRUCKS. ROLLED CHEMICALS AND ACID. COILED TBG UNIT. GIH W/ COILED TBG TO 5869'. STARTED ACID. WASHED FROM 5869' TO 5630'. HOLE IN I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Supervisor, Regulation/Pror. DATE 7/22/02 Type or print name L. M. Sanden's Telephone No. (915)368-1488 (This space for State use) ORIGINAL SIGNED BY AUG 1 2 2002 PAUL F. KALITZ APPROVED BY TITLE DATE Conditions of approval, if any: PETROLEUM ENGINEER

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## VACUUM GB/SA UNIT EAST TRACT 3236-003

COILED TBG. FLUSHED TBG. COOH W/ COILED TBG. RIGGED DOWN COILED TBG UNIT. WAIT ON ANOTHER COILED TBG UNIT. RIGGED UP NEW COILED TBG UNIT. TESTED LINES AND COILED TBG. GIH W/ COILED TBG TO 5702'. WASHED W/ 15,000 GALLONS 15% FERCHEK SC ACID FROM 5702' TO 5851'. WASH BACK TO 4800'. TOTAL INTERVAL TREATED 4800' TO 5869'. PULLED UP TO 4400'. FLUSHED TBG. SHUT DOWN AND PUMPED BALL TO SHIFT PULSONIC TOOL. START JETTING W/ 70 QUALITY FOAM. COULD NOT GET PAST 4510'. TRIED TO WORK THRU 4510'. COILED TBG WOULD NOT GO THRU. JETTED OUT OF HOLE W/ 70 QUALITY FOAM. 6/23/02 – RIGGED DOWN HES PUMP TRUCKS AND COILED TBG UNIT. RIGGED UP SWAB UNIT. SWAB BACK WELL. 120 SIP. STARTING FLUID LEVEL AT 1300'. MADE 48 RUNS. RECOVERED 25 OIL AND 180 WATER. ENDING FLUID LEVEL AT 1400'.

6/24/02 – SWAB BACK WELL. 10# SIP PSI. STARTING LEVEL AT 1100'. MADE 43 RUNS. RECOVERED 100 OIL AND 85 WATER. ENDING LEVEL AT 1400'. 6/25/02 – SHUT DOWN FOR WEEKEND.

6/26/02 – SWAB BACK WELL. 180# SIP. BLEW WELL TO FRAC TANK. MADE 8 BBLS OIL ON 1 HOUR BLEED OFF. STARTING FLUID LEVEL AT 900'. MADE 38 RUNS. RECOVERED 125 OIL AND 65 WATER. ENDING LEVEL AT 1100'. 6/27/02 – SWAB BACK WELL. 80# SIP. STARTING LEVEL AT 1100'. MADE 39 RUNS. RECOVERED 130 OIL AND 55 WATER. ENDING LEVEL AT 1400'. 6/28/02 – SWAB BACK WELL. 120# SIP. MADE 5 BBLS OF OIL ON BLEED OFF. STARTING LEVEL AT 900'. MADE 38 RUNS. RECOVERED 125 OIL AND 60 WATER. ENDING LEVEL AT 1200'. RIGGED DOWN SWAB UNIT AND MOVED OFF WELL

6/29/02 – MOVE IN RIGGED UP DDU. KILLED WELL. UNFLANGED UP WELLHEAD. UNSET PKR. CHANGED OUT WELLHEAD AND NIPPLED UP BOP. COOH W/ TBG & PKR. LAID DOWN PKR. GIH W/ KILL STRING. 6/30/02 – KILL WELL. COOH W/ KILL STRING. RIGGED UP SPOOLER. PICKED UP PUMP, MOTOR, AND FIVE JTS TK99 TBG. GIH W/ PRODUCTION: 2-7/8" TBG. EOT DEPTH @ 4127'

PUMP INTAKE AT 4180'.

LATERAL SECTION TD AT 5861'.

PBTD AT 4390'.

SPLICED REDA CABLE. NIPPLED DOWN BOP. PLUMBED WELLHEAD AND FLOWLINE. RIGGED DOWN DDU AND MOVED OFF WELL. WELL ON PRODUCTION. :

7/01/02 – WELL ON TEST. 24 HR SCALED TEST: 601 OIL, 566 WATER & 168 GAS. 13% CO2. FTP PSI. 180#, CSG PRESSURE: 180#, OIL GRAVTIY 39.

7/02/02 - WELL ON TEST: 559 OIL, 559 WATER & 223 GAS. 21% CO2.

7/03/02 - WELL ON TEST: 403 OIL, 533 WATER & 196 GAS. 24% CO2.

7/04/02 - WELL ON TEST: 376 OIL, 485 WATER & 178 GAS. 20% CO2.

7/05/02 – WELL ON TEST: 349 OIL, 463 WATER & 160 GAS. 26% CO2.