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State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

to Appropriate District Office

OIL CONSERVATION DIVISION WELL API NO. P.O. Box 1980, Hobbs NM 88240 P.O. Box 2088 30-025-33419 DISTRICT II Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 STATE X FEE 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 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 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) HALE, M. E. 1. Type of Well: GAS WELL WELL X OTHER 2. Name of Operator 8. Wall No. Phillips Petroleum Company 9. Pool name or Wildcat 3. Address of Operator 4001 Penbrook Street, Odessa, TX 79762 VACUUM GRAYBURG/SAN ANDRES 4. Well Location SOUTH 560' I : 2600' Feet From The Line and Feet From The Line 17-S LEA Range County Section Township 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4008' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. **NOTICE OF INTENTION TO:** SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON ALTERING CASING REMEDIAL WORK PLUG AND ABANDONMENT CHANGE PLANS COMMENCE DRILLING OPNS. TEMPORARILY ABANDON CASING TEST AND CEMENT JOB X PULL OR ALTER CASING OTHER: . OTHER: 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. RU NABORS RIG #447, NOTIFIED DENISE W/NMOCD OF INTENT TO SPUD @ 8:30 PM CDT, MIXED 06/15/96 SPUD MUD, SPUD 12-1/4" SURFACE HOLE, DRILL AHEAD. DRILLED TO 1575', NOTIFIED NMOCD OF INTENT TO RUN/CMT CSG, RU LD MACHINE, LD DC'S, 06/16/96 RU CASERS, RAN 36 JTS 8-5/8" 24#, J-55, STC SURFACE CSG, SET SHOE @ 1575', SET FLOAT @ 1529', RU HALLIBURTON, PUMP 650 SXS CLASS "C" CMT + 4% GEL + 2% CACL2, MIXED @ 13.5 PPG & 1.72 FT3/SX, TAILED W/200 SXS CLASS "C" CMT + 2% CACL2 MIXED @ 14.8 PPG & 1.32 FT3/SX, DISPLACED W/98 BBLS FW, BUMPED PLUG W/600 PSI PRESSURED TO 1300 PSI, OK, RELEASED PRESSURE, FLOAT HELD, CIRC 150 SXS TO SURFACE. FINISHED CMT, WOC, CUT CSG, WELDED ON BRADENHEAD, TESTED OK, NU BOPE & TESTED, OK. 06/17/96 TAGGED CMT @ 1505', DRLD CMT TO 1523', TESTED TO 800 PSI, OK, DRILLING AHEAD 06/18/96 TO 2863'. (OVER)

(This space for State Use) JUL **10 1**995 TITLE APPROVED BY CONDITIONS OF APPROVAL, IF ANY:

____ TITLE Senior Regulation Analyst DATE 07/03/96

TELEPHONE NO. (915)368-1488

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

TYPE OR PRINT NAME Larry M. Sanders

HALE, M. E. WELL NO. 027 PAGE 2.

06/19/96 DRILLED/SURVEYED 2863'-3620'.

06/20/96 DRILLED/SURVEYED 3620'-4280'.

06/21/96 DRILLED/SURVEYED 4280'-4911'. 06/22/96 DRILLED TO TD OF 5000'. CIR

DRILLED TO TD OF 5000', CIRC HOLE FOR LOGS, RU HLS, LOGGED WELL, RD HLS, RU CASERS, RAN 115 JTS 5-1/2" 15.5#, J-55, STC PROD CSG, SET SHOE @ 5000', FLOAT @ 4955', RU HALLIBURTON, PUMPED 20 BBLS FW, FOLLOWED BY 625 SXS CLASS "C" CMT + 3% ECONOLITE + 3% SALT +1/4# CELLOFLAKE, TAILED W/ 250 SXS CLASS "C" CMT (EACH SX CONTAINED 50# POZMIX & 33# CLASS "C") + 7% CALSEAL + 3% SALT +0.5% DIACEL FL + 0.5% CFR-3 + 0.5% ECONOLITE, DISPLACED W/ 118 BBLS FW, BUMPED PLUG W/1200 PSI, PRESSURED CSG TO 1700 PSI, HELD OK, RELEASED PRESSURE, FLOAT HELD, CEMENT DID NOT CIRC TO SURFACE, ND BOPE, SET SLIPS, CUT CSG, INSTALLED TBG HEAD, TESTED, JETTED PITS, RELEASED RIG @ 7:00 PM CST, RU JARRELL WL & RUN TEMP SURVEY, SURVEY INDICATED TOC @ 250', RD JARRELL WL, TEMP DROP FROM REPORT PENDING COMPLETION.

WILL PROVIDE LOGS RUN ON COMPLETION FORMS.