Submit 3 Copies to Appropriate District Office

CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

District Office **OIL CONSERVATION DIVISION** DISTRICT I WELL API NO. P.O. Box 1980, Hobbs NM 88240 P.O. Box 2088 30-025-33489 DISTRICT II Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 STATE X FEE . DISTRICT III 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 B-3196 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.) STATE H-35 UNIT 1. Type of Well: GAS WELL WELL X 8. Well No. 2. Name of Operator Phillips Petroleum Company 8 3. Address of Operator 9. Pool name or Wildcat 4001 Penbrook Street, Odessa, TX 79762 VACUUM GRAYBURG/SAN ANDRES 4. Well Location NORTH 660' : 1120' Feet From The Feet From The Unit Letter Line and Line 17-S 34-E Range County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4010' GL 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON ALTERING CASING PERFORM REMEDIAL WORK REMEDIAL WORK CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT TEMPORARILY ABANDON CASING TEST AND CEMENT JOB PULL OR ALTER CASING OTHER: ADD PERFS AND ACIDIZE 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. 09/24/96 24 HRS - 5 BOPD 317 BWPD 0 GAS "TEMP DROP F/REPORT" MIRU DIAMOND RENTAL DDU, COOH W/ROD STRING, PMP NU BOP, COOH W/PROD TBG, TRIP CSG 02/06/97 SCRAPER T/4900' T/CLEAN UP ANY SCALE IN PERFS, RUN KILL STRING, SD. COOH W/KILL STRING, RU HEL, GIH & PERF USING 4", 2 SPF, SPIRAL PHASING 02/07/97 SHOTS DEPTH FEET 4685-4696' 11 4710-4756' 46 92 FL @ 1200' F/SURF AFTER PERFING, RD HES, PU PKR & TST TBG IN HOLE, TBG TST T/5000# BELOW SLIPS, PKR SET @ 4610', SD MIRU HES, TST LINES, BEGIN PMPG, 3000 GAL 15% NEFE HCL, ESTAB PI RATE 2500 PSI, .01 BPM, OPEN BY-PASS, PMP ACID T/1 BBL F/PKR BTM, CLOSE BYPASS, PMP 1000 GAL (CONTINUED ON BACK) I hereby certify that the information above is true and complete to the bosy of my knowledge and belief. TITLE Senior Regulation Analyst DATE 3-10 TYPE OR PRINT NAME Larry M. TELEPHONE NO. (915) 368-1488 Sanders (This space for State Use) ORIGINAL SIGN'SD BY JERRY SEXTON MAR 17 1997 DISTRI # 1 SUPERVISOR APPROVED BY_ TITLE

STATE 35 #8

02/11/97

02/10/97	CONTINUED

ACID, PMP 1500 GAL BRINE W/1500# ROCK SALT, PRESS WENT T/4000 PSI, .02 BPM RATE, REVERSED SALT MIX OUT OF TBG T/FRAC TK, CONTINUE & COMPLETE JOB, DIDN'T PMP MORE ROCK SALT OR BRINE, PMPD ALL REMAINING ACID & FR WTR FLUSH, MAX PRESS 4000 PSI MIN PRESS 2152 PSI AVG PRESS 2750 PSI AVG RATE 3.2 BPM ISIP 2754, 5 MIN 1800, 10 MIN 1389, 15 MIN 1158, CLOSE WELL IN, RD HES, OPEN UP 1000 PSI, FLOWED DWN IN 15 MIN ALL WTR, START SWAB REC 80 BBL WTR, FL @ 1800' CONSTANT SI

CONSTANT, SI.
TBG PRESS 150 PSI, FL @ 900', SWAB BK 75 BBL WTR, LAST LEVEL @ 2800, RELSE PKR & COME UP

HOLE T/4400', SET PKR, PERFS 4450-4756' UNDER PKR, RU FREEMYER TRUCKING, PMP CHEMICAL SQZ

IN SA PERFS, SI RD FREEMYER, SION.

02/12/97 OPEN UP, TBG ON VAC, COOH W/PKR-TBG, GIH W/TBG T/4685 SET TAC ND BOP RUN ROD STRING

HANG WELL ON ROTAFLEX UNIT, PMPG T/BATT, TO BE IN TEST SCHEDULE, RD DIAMOND RENTAL

DDU, TEMP DROP F/REPORT

03/07/97 24 HR TST, 0 OIL 362 BWPD, 7 MCF GAS, COMPLETE DROP F/REPORT - JOB COMPLETE