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APPROVED BY

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 88241-1980 2040 Pacheco St. 30-025-34277 DISTRICT II Santa Fe, NM 87505 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATE X FEE DISTRICT III 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 B-2317-A 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 35 UNIT 1. Type of Well: WELL X WELL | OTHER 2. Name of Operator 8. Well No. Phillips Petroleum Company 38 3. Address of Operator 9. Pool name or Wildcat 4001 Penbrook Street, Odessa, TX 79762 VACUUM GRAYBURG/SAN ANDRES 4. Well Location SOUTH 1934 560 Unit Letter Feet From The Line and Feet From The Line 17-S 34-E 35 Range LEA Section Township County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4008'G.L./4022'K.B. 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 REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON COMMENCE DRILLING OPNS. CHANGE PLANS PLUG AND ABANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOB 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. 03/04/98 MI RU SIERRA WELL SVC. DDU #209, NU BOP, SET FRAC TANK 03/05/98 PU CSG SCRAPER, TALLY TBG, GIH, RIH TO 4915", CIRC WB CLEAN, COOH STANDING BACK, SD 03/06/98 SD DUE TO SCHEDULING OF EQUIPMENT 03/09/98 RU HALLIBURTON, RUN STRIP LOG, PERF 4572-4710', GIH W/PKR, TSTG TBG GIH,PKR SET @ 4477', SI SD 03/10/98 OPEN WELL UP, 0 TBG PRESS, FLUID @ 200', SWAB BACK 228 BBL WTR, SO, ENDING LEVEL 1900' CONSTANT 03/11/98 OPEN WELL UP.200 PSI ON TBG.FLUID AT SURF.1 SWAB RUN.30.PUMP 4000 GAL15% NEFE ACID 4574-4710°.SWAB 03/12/98 WELL FLOWING WTR BACK TO TANK, COOH W/PKR, RUN KILL STRING PERF 4329-4522', GIH W/RBP, CIRC WELL W/ FRESH WTR, RIH W/RBP & PKR, GET READY TO SWAB 03/13/98 03/14/98 SWAB, 25 PSI ON TBG, FLUID @ 200', SWAB BACK 166 BBLS WTR, FLUID @ 2800' 03/17/98 GIH & RESET PKR & PLUG.PUMP 2000 GAL 15% NEFE ACID 4478-4522 PROBLEMS OCCURRED ON RESET OF TOOLS RUN COLLAR LOG 4178-4549', TEST TBG IN, SET RBP @ 4440", SET PKR @ 4395' 03/18/98 03/19/98 ACIDIZE 4369-4420'W/3000 GAL 15% ACID. SET PKR @ 4225'. SWAB I hereby certify that the information above is true and complete to the best of my knowledge and belief. THILE Senior Regulation Analyst DATE TYPE OR PRINT NAME Larry M. TELEPHONE NO. (915)368-1488 (This space for State Use) LERU NILLIAMS PERMINE

TITLE