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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 Santa Fe, NM 87505 DISTRICT II 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-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 8. Well No. 2. Name of Operator 38 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 1934 Feet From The Line and Feet From The Line Unit Letter 34-E LEA Township 17-S **NMPM** County 35 Range Section 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. SUBSEQUENT REPORT OF: **NOTICE OF INTENTION TO:** ALTERING CASING PLUG AND ABANDON REMEDIAL WORK PERFORM REMEDIAL WORK PLUG AND ABANDONMENT COMMENCE DRILLING OPNS. **CHANGE PLANS** TEMPORABILY ABANDON CASING TEST AND CEMENT JOB 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. 02/15/98 NOTIFIED CHRIS WILLIAMS (NHOCD) OF INTENT TO SPUD WELL. MIRU FATTERSON RIG. NO. 54. SPUD 11" SURF. HOLE @ 20:30. DRLD./SVYD. 0-606'. 02/16/98 DRLG. @ 1449', TOH FOR BIT #1, TIH W/ BIT #2. DRLG. 02/17/98 WOC. DRLD. TO 1602'. TOH, RAN 36 JTS. 8.625" 24# J-55 8RD ST&C CSG. SET CSG. @ 1602', FLOAT COLLAR @ 1566'. PUMPED 450 SX CL "C" CMT + 4% GEL, + 2% CACL2 LEAD CHT. MIXED @ 13.5 PPG/1.72 CFPS, TAILED W/ 150 SX CL "C" CHT + 2% CACL2 MIXED @ 14.8 PPG/1.32 CFPS. PRESS. TO 1250# 15 MIN. CIRC 140 SX TO RESERVE. RD HALLIBURTON. 02/18/98 NU 11" x 3000# WH & TEST. NU BOPE & TSTG. 02/19/98 DRLG. @ 2020'. FIN TSTG. BOPE. PU BIT #3 & BHA #2 & TIH. TAG CMT & PLUG @ 1563'. TST CSG, DRLG. CMT., PLUG, FLOAT COLLAR, CMT, SHOE & 10' FM FLT. 02/20/98 DRLG. @ 3075'. WL SVY @ 2452', 50 DEG, INSTALL ROTATING HEAD SCRUBBER, WL SVY @ 2942' 1.25 DEG. I hereby certify that the information above is true and complete to the best of my knowledge and belief. THIE Senior Regulation Analyst 02/20/98 TELEPHONE NO. TYPE OR PRINT NAME Larry M. Sanders (This space for State Use) THREE VILLIAMS JUH ZHIVIE QR TITLE DATE APPROVED BY

CONDITIONS OF APPROVAL, IF ANY: