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OCT 09 2012

Farmington Field Office
Bureau of Land Management

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No.
NM-01369

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No
Huerfano Unit

1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8 Well Name and No
Huerfano Unit 168E

2 Name of Operator
Burlington Resources Oil & Gas Company LP

9. API Well No.
30-045-26677

3a. Address
PO Box 4289, Farmington, NM 87499

3b Phone No (include area code)
(505) 326-9700

10 Field and Pool or Exploratory Area
Basin Dakota

4 Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
Surface Unit A (NENE), 1180' FNL & 1080' FEL, Sec. 23, T26N, R10W

11. Country or Parish, State
San Juan , New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once Testing has been completed Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Burlington Resources requests permission to P&A the subject well per the attached procedure, current and proposed wellbore schematics.

* Extend MV plug to 3713'-3840'
* Extend Chacra plug to 3010'-3144'

RCVD OCT 18 '12
OIL CONS. DIV.
DIST. 3

* Submit CBL for review prior to cementing plug #1

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Dollie L. Busse Title **Staff Regulatory Technician**

Signature Dollie L Busse Date 10/8/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
Original Signed: Stephen Mason Title Date OCT 16 2012

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon Office

Title 18 U S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

NMOCD

(Instruction on page 2)

ABANDONMENT PROCEDURE
Huerfano Unit 168E (DK)

October 1, 2012

1180' FNL & 1080' FEL, Section 23 -T 026N - R 010W
San Juan County, New Mexico / API 3004526677
Lat 36° 28' 40.004" N / Long 107° 34.848" W

This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

1. Conduct a safety meeting for all personnel on location. Comply with all NMOCD, BLM, and Operator safety regulations. Install and test location rig anchors.

2. MI RU work over rig. Record casing, tubing and bradenhead pressures and record in Wellview. *During each stage the cement plugs are squeezed, monitor and record the bradenhead pressures for any increases. Should pressures rise, immediately notify the Production Engineer to evaluate.*
3. When an existing primary valve (i.e. casing valve) is to be used, the existing piping should be removed and replaced with the appropriate piping for the intended operation.

4. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing.

5. ND wellhead and NU BOP. Function and pressure test BOP. PU and remove tubing hanger.

6. TOOH with tubing (per pertinent data sheet).

7.

Rods:	No	**Size**	n/a	**Length**	n/a
Tubing:	Yes	**Size**	2 3/8"	**Length**	6701'
Packer:	No	**Size**	n/a	**Type**	n/a

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

****There is a section of the casing that has been identified as a possible leak(s) between 3637' to 3883' that was found with RBP on 9/28/12. No other diagnostics below 4053' (RBP) have been performed. Therefore, tag each cement plug after waiting on cement where warranted by the identified casing leak.****

8. **Plug #1 (Dakota, 6481-6581', 12 Sacks Class B Cement)**
   RIH and set 4-1/2" CR at 6581'. Pressure test the tubing to 500 psi. If possible, pressure test the casing to 500 psi. .
   1. Load casing with water and attempt to establish circulation. Run a cement bond log (CBL) to verify cement integrity and confirm remaining plugs are set appropriately.

Contact Production Engineer prior to continuing to ensure any changes to P&A design have been identified and approved.

2. Mix 12-sx Class B cement and spot inside the casing above CR to isolate the Dakota perforations and formation top. POOH.

9. **Plug #2 (Gallup, 5595 - 5695', 51 Sacks Class B Cement)**
   Perforate 3 HSC holes at 5695'. Set a cement retainer at 4-1/2" CR at 5645'. Establish injection rate into squeeze holes. Mix 51-sx Class B cement. Squeeze 39-sx cement into HSC holes and leave 12-sx cement inside the casing to isolate the Gallup formation top. PUH.

10. **Plug #3 (Mancos, 4807-4907', 12 Sacks Class B Cement)**
    Mix 12-sx Class B cement and spot a balance plug inside the casing to isolate the Mancos formation top. PUH.

11. **Plug #4 (Mesa Verde, 3713-3813, 12 Sacks Class B Cement)**
    Mix 12-sx Class B cement and spot a balance plug inside the casing to isolate the Mesa Verde formation top. POOH.

12. **Plug #5 (Chacra, 3010-3110', 51 Sacks Class B Cement)**
    Perforate 3 HSC holes at 3110'. Set a cement retainer at 4-1/2" CR at 3060'. Establish injection rate into squeeze holes. Mix 51-sx Class B cement. Squeeze 39-sx cement into HSC holes and leave 12-sx cement inside the casing to isolate the Chacra formation top. PUH.

13. **Plug #6 (Pictured Cliffs, 2114-2214', 12 Sacks Class B Cement)**
    Mix 12-sx Class B cement and spot a balance plug inside the casing to isolate the Pictured Cliffs formation top. PUH.

1971 1871

14. **Plug #7 (Fruitland, ~~1663~~-~~1763~~', 12 Sacks Class B Cement)**
    Mix 12-sx Class B cement and spot a balance plug inside the casing to isolate the Fruitland formation top. PUH.

15. **Plug #8 (Kirtland and Ojo Alamo, 1175-1440', 24 Sacks Class B Cement)**
    Mix 24-sx Class B cement and spot a balance plug inside the casing to isolate the Kirtland and Ojo Alamo formation top. POOH.

16. **Plug #9 (8-5/8"Surface Casing Shoe, 0-274', 25 Sacks Class B Cement):**
    Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix 25-sx Class B cement and spot a balanced plug from 274' to surface circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 274' and the annulus from the squeeze holes to surface. Shut in well and WOC.

17. Nipple down BOP and cut off casing below the casing flange. Install P&A marker with cement to comply with regulations. Rig down, move off location, cut off anchors and restore location

Current Schematic

ConocoPhillips

Well Name: HUERFANO UNIT #168E

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3004526677	NMPM,023-026N-010W	(GAS) BASIN DAKOTA (PRORATED GAS)		NEW MEXICO	Edit

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,653.00	6,665.00	12.00		

Well Config: - Original Hole, 10/2/2012 3:49:23 PM

ftKB (MD)	Schematic - Actual	Frm Final
12		
222	Surface Casing Cement, 12-224, 1/25/1986, CEMENT WITH 150 SX of Class B CIRCULATED TO SURFACE.	
223		
224	Surface, 8 5/8in, 8.097in, 12 ftKB, 224 ftKB	
225		
1,225		OJO ALAMO, 1,225
1,390		KIRTLAND, 1,390
1,713		FRUITLAND, 1,713
2,164		PICTURED CLIFFS, 2,164
2,382	Stage Tool @ 2382' / Production Casing Cement, 12-2,382, 2/2/1986, Cemented with 668 sx of 65/35. CIRCULATED TO SURFACE	
2,384		
3,060	Tubing, 2 3/8in, 4.70lbs/ft, J-55, 12 ftKB, 6,669 ftKB	CHACRA, 3,060
3,743		
3,763		MESA VERDE, 3,763
4,857		MANCOS, 4,857
5,020	Stage Tool @ 5020' / Production Casing Cement, 3,743-5,020, 2/2/1986, Cemented with 277 sx of 65/35. TOC at 3943' using 75% Eff.	
5,022		
5,645		GALLUP, 5,645
5,791		
6,520		
6,626	Profile Nipple, F-NIPPLE, 2 3/8in, 6,669 ftKB, 6,670 ftKB	DAKOTA, 6,626
6,631	Tubing, 2 3/8in, 4.70lbs/ft, J-55, 6,670 ftKB, 6,701 ftKB	
6,669	Hydraulic Fracture, 3/6/1986, FRAC DAKOTA WITH 59000# 40/60 SAND AND 74770 GAL SLICKWATER	
6,670		
6,701	Mule Shoe, COLLAR, 2 3/8in, 6,701 ftKB, 6,701 ftKB / PERF DAKOTA, 6,631-6,755, 3/6/1986	
6,701		
6,755		
6,855	PBTD, 6,855	
6,856	Production Casing Cement, 5,791-6,872, 2/2/1986, Cemented with 178 sx 65/35, plus 100 sx of 50/50 with 1/4" fine tuff plug. TOC at 5791' using 75% Eff.	
6,871		
6,872	TD, 6,872, 2/2/1986 / Production1, 4 1/2in, 4.052in, 12 ftKB, 6,872 ftKB	

Proposed Schematic

ConocoPhillips

Well Name: HUERFANO UNIT #168E

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3004526677	NMPM,023-026N-010W	BASIN DAKOTA (PRORATED GAS)		NEW MEXICO	Edit

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,653.00	6,665.00	12.00		

Well Config: - Original Hole, 1/1/2020

ftKB (MD)	Frm Final	Schematic - Actual
12		Surface Casing Cement, 12-224, 1/25/1986, CEMENT WITH 150 SX of Class B CIRCULATED TO SURFACE.
222		
223		Surface, 8 5/8in, 8.097in, 12 ftKB, 224 ftKB
224		Plug #9, 12-274, 1/1/2020, Mix 25 sx Class B cement and spot a balanced plug from 274' to surface, circulate good cement out casing valve.
225		
274		
1,175		Plug #7, 1,175-1,440, 1/1/2020, Mix 24 sx Class B cement and spot a balance plug inside the casing to isolate the Kirtland and Ojo Alamo formation top.
1,225	OJO ALAMO, 1,225	
1,390	KIRTLAND, 1,390	
1,440		
1,663		Plug #7, 1,663-1,763, 1/1/2020, Mix 12 sx Class B cement and spot a balance plug inside the casing to isolate the Fruitland formation top.
1,713	FRUITLAND, 1,713	
1,763		
2,114		Plug #6, 2,114-2,214, 1/1/2020, Mix 12 sx Class B cement and spot a balance plug inside the casing to isolate the Pictured Cliffs formation top.
2,164	PICTURED CLIFFS, 2,164	
2,214		
2,382		Stage Tool @ 2382'
2,384		Production Casing Cement, 12-2,382, 2/2/1986, Cemented with 668 sx of 65/35. CIRCULATED TO SURFACE
3,010		
3,060	CHACRA, 3,060	Cement Retainer, 3,060-3,061
3,061		Plug #5, 3,010-3,110, 1/1/2020
3,110		SQUEEZE PERFS, 3,110, 1/1/2020
3,713		Plug #5, 3,010-3,110, 1/1/2020, Mix 51 sx Class B cement, squeeze 29 sx behind casing and leave 12 sx inside the casing to isolate the Chacra formation top.
3,743		
3,763	MESA VERDE, 3,763	Plug #4, 3,713-3,813, 1/1/2020, Mix 12 sx Class B cement and spot a balance plug inside the casing to isolate the Mesaverde formation top.
3,813		
4,807		
4,857	MANCOS, 4,857	Plug #3, 4,807-4,907, 1/1/2020, Mix 12 sx Class B cement and spot a balance plug inside the casing to isolate the Mancos formation top.
4,907		
5,020		Stage Tool @ 5020'
5,022		Production Casing Cement, 3,743-5,020, 2/2/1986, Cemented with 277 sx of 65/35. TOC at 3943' using 75% Eff.
5,595		
5,645	GALLUP, 5,645	Cement Retainer, 5,645-5,646
5,646		Plug #2, 5,595-5,695, 1/1/2020
5,695		SQUEEZE PERFS, 5,695, 1/1/2020
5,791		Plug #2, 5,595-5,695, 1/1/2020, Mix 51 sx Class B cement, squeeze 29 sx behind casing and leave 12 sx inside the casing to isolate the Gallup formation top.
6,481		
6,520		
6,581		Cement Retainer, 6,581-6,582
6,582		Plug #1, 6,481-6,581, 1/1/2020, Mix 12 sx Class B cement and spot inside the casing above CR to isolate the Dakota perforations and formation top.
6,626	DAKOTA, 6,626	
6,631		
6,669		
6,670		PERF DAKOTA, 6,631-6,755, 3/6/1986
6,701		
6,701		
6,755		
6,855		PBTD, 6,855
6,856		Production Casing Cement, 5,791-6,872, 2/2/1986, Cemented with 178 sx 65/35, plus 100 sx of 50/50 with 1/4" fine tuff plug. TOC at 5791' using 75% Eff.
6,871		Production1, 4 1/2in, 12 ftKB, 6,872 ftKB
6,872		TD, 6,872, 2/2/1986

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 168E Huerfano Unit

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. The following modifications to your plugging program are to be made:

a) Place the Fruitland plug from 1971' – 1871'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.