

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG 14 2013

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

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.

Farmington Field Office

Jicarilla Contract 41

5. Lease Serial No.
6. Indian, Allottee or Tribe Name

Jicarilla Apache

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

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

8. Well Name and No.

Jicarilla 30 #4

2. Name of Operator

ConocoPhillips Company

9. API Well No.

30-039-08182

3a. Address

PO Box 4289, Farmington, NM 87499

3b. Phone No. (include area code)

(505) 326-9700

10. Field and Pool or Exploratory Area

W. Lindrith Gallup Dakota

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface UNIT F (SENW), 1750' FNL & 1750' FWL, Sec. 31, T25N, R4W

11. Country or Parish, State

Rio Arriba, 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

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Casing Repair

☐ Final Abandonment Notice

☐ Convert to Injection

☐ Plug and Abandon

☐ Temporarily Abandon

☐ 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 recompleat 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 recompleat 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.)

The NOI to clean out and flowtest the Chacra for the subject well was submitted on 2/4/13 and approved by the BLM on 2/5/13, and by the NMOCD on 2/7/13. During the work, a possible casing leak was found.

Please see the attached explanation of how the casing repair work was started without approvals.

RCVD AUG 21 '13
OIL CONS. DIV.
DIST. 3

- Note: If future unauthorized activities occur, you may be subject to immediate NOV, monetary assessment and/or possible shut-in.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Kenny Davis

Title

Staff Regulatory Technician

8/14/2013

Date

Signature

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved-by

Title

Date

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.

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.

(Instruction on page 2)

NMOCD

Jicarilla 30 4 Trouble Call 8/14/13

On Friday, August 9, 2013, a notification email was sent to BLM and NMOCD stating that "a casing leak had been identified attempting to remove the packer and commingle CH/Gallup-Dakota. During the procedure, the rig crew encountered large solids in their returns while pulling tubing strings, packer, and clean out. The particles were large enough to suspect a casing leak, so the rig crew started to isolate the suspected leak. They were able to identify the top of the leak @ 2990', but didn't have time to locate the bottom. The rig was shut down for the weekend. On Monday, the crew plans on locating the bottom of the leak. The Engineer will work out the procedure to repair the leak and BLM and NMOCD will be notified of our plan."

Unfortunately, COPC's internal communication process was not followed thus resulting in the unapproved work that commenced on Tuesday, August 13, 2013. The unapproved work consisted of a 15 bbl hesitation squeeze was performed to isolate the casing leak from 2,970'-3,226'. An RBP was set at 3,290' and sand was dumped on top of it. The hesitation squeeze was pumped, and the well was shut in.

COPC called Jim Lovato with the BLM @ 8:30 am on 8/14/13 to make him aware of the situation and get his direction. Jim requested COPC to let him know immediately where the plug was tagged up prior to COPC drilling and after drilling to pressure test to 500# for 30 min and obtain less than 10% leak off. Jim also requested an email supplement explaining the situation. Jim Furthermore and advised COPC to send in an NOI "after the fact" to explain the work that had been performed on August 13, 2013. COPC was directed to explain how this situation occurred with a statement that the BLM had been notified. Lastly Jim requested the pressure test performed, and sent in on a sundry to the BLM.

COPC then called Brandon Powell with NMOCD to bring him up to speed. Brandon concurred with the BLM's directions but added running a CBL after the pressure test and chart the squeeze.

COPC called Jim Lovato back and let him know of the NMOCD's additional requirements for the CBL and charting the squeeze. Jim concurred with the decision.

11:00 am: COPC received word from the well engineer that cement was tagged up at 2840' & that the plan was to drill out the cement with water so they can PT every 30'. After drill out, they plan to chart from the RBP set @ 3,290'.

COPC called the BLM and was unable to reach Jim Lovato. COPC called Steve Mason and he was aware of the situation and he gave verbal approval to proceed.

COPC called Brandon Powell back to inform him of the tag up and plans. Brandon gave verbal approval.