

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-019388

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.

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

ConocoPhillips Company

3a. Address

PO Box 4289, Farmington, NM 87499

3b. Phone No. (include area code)

(505) 326-9700

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

8. Well Name and No.

Phillips 1E

9. API Well No.

30-045-23993

10. Field and Pool or Exploratory Area

Basin Dakota

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

Surface

Unit B (NWNE), 790' FNL & 1530' FEL, Sec. 16, T28N, R11W

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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recomple 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 recomple 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 subject well is part of the proposed Mangum SRC 1C P&A program agreed to with the NMOCD. The attached revised procedure replaces the procedure filed with the P&A NOI submitted on 3/30/2016

OIL CONS. DIV DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operations

JUN 01 2016

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Dollie L. Busse

Title Regulatory Technician

Signature

Dollie L. Busse

Date

5/16/16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joel Savage

Title

PE

Date

5/31/16

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

FFO

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.

ConocoPhillips
PHILLIPS 1E
Expense - P&A

Lat 36° 40' 1.996" N

Long 108° 0' 17.604" W

PROCEDURE

This project requires the use of a steel tank to handle waste fluids circulated from the well and cement wash up.

Prior to commencing abandonment operations, ensure that the bradenhead valve is dug out and properly plumbed to the surface. Record the casing, intermediate and bradenhead pressures with an appropriately ranged gauge. Contact the Engineer if bradenhead pressure is present (per Exhibit "A-3").

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COP safety and environmental regulations. Test rig anchors prior to moving in rig. Before RU, run slickline to remove downhole equipment. If an obstruction is found, set a locking-3-slip-stop in the tubing.

2. MIRU workover rig. Check casing, tubing, and bradenhead pressures and record them in WellView. If there is pressure on the BH, contact the Wells Engineer (per Exhibit "A-3").

3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.

5. ND wellhead and NU BOPE. Pressure and function test BOP to 250 psi low and 1000 psi over SICP high to a maximum of 2000 psi held and charted for 10 minutes per COP Well Control Manual. PU and remove tubing hanger.

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

Tubing size: 2-3/8" 4.7# J-55 EUE

Set Depth: 6,105'

KB: 12'

6. PU 3-3/4" bit and watermelon mill and round trip as deep as possible above top perforation at 6,020'.

7. PU 4-1/2" CR on tubing, and set at 5,970'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, spot or tag subsequent plugs as appropriate. POOH with tubing.

8. RU wireline and run CBL with 500 psi on casing from CR at 5,970' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to Wells Engineer, Troy Salyers (BLM) at tsalyers@blm.gov, and Brandon Powell (NMOCD) at brandon.powell@state.nm.us upon completion of logging operations.

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

9. Plug 1 - Dakota Perforations and Dakota Formation Top, 5870' - 5970', 12 Sacks Class B Cement

Mix 12 sx Class B cement and spot a balanced plug inside the casing to cover the Dakota top and Dakota perforations. PUH.

10. Roll the hole with water and ensure that the wellbore is in a stabilized condition with no flow of gas and/or water before spotting the next plug. If flow occurs, the fluid weight must be increased until a stabilized condition is established (per Exhibit "A-3").

11. Plug 2 - Gallup Formation Top, 5073' - 5173', 12 Sacks Class B Cement

Mix 12 sx Class B cement and spot a balanced plug inside the casing to cover the Gallup top. PUH.

12. Plug 3 - Mancos Formation Top, 4190' - 4290', 12 Sacks Class B Cement

Mix 12 sx Class B cement and spot a balanced plug inside the casing to cover the Mancos top. POOH.

13. Plug 4 - Mesaverde Formation Top, 3060' - 3160', 51 Sacks Class B Cement

RIH and perforate 3 squeeze holes at 3,160'. Establish injection rate into squeeze holes. RIH with a 4-1/2" CR and set at 3,110'. Mix 51 sx Class B cement. Squeeze 39 sx outside the casing, leaving 12 sx inside the casing to cover the Mesaverde top. POOH.

14. Plug 5 - Pictured Cliffs and Fruitland Formation Tops, 995' - 1576', 272 Sacks Class B Cement

RIH and perforate 3 squeeze holes at 1,576'. Establish injection rate into squeeze holes. RIH with a 4-1/2" CR and set at 1,526'. Mix 51 sx Class B cement. Squeeze 39 sx outside the casing, leaving 12 sx inside the casing to cover the Pictured Cliffs and Fruitland tops. POOH.

15. Cease operations for 30 minutes allowing the bradenhead to be observed for pressure build. Record pressures with crystal gauge for accuracy. If pressures are observed, notify Wells Engineer and Production Engineering for path-forward discussion with NMOCD (per Exhibit "A-3").

Continued on next page

16. Plug 6 - Ojo Alamo and Kirtland Formation Tops and Surface Plug, 0' - 511', 146 Sacks Class B Cement

RU WL and perforate 4 big hole charge (if available) squeeze holes at 511'. TOOH and RD wireline. Observe well for 30 minutes per BLM regulations. RU pump, close blind rams and establish injection rate with water. TIH with 4-1/2" CR and set at 461'. Mix 112 sx Class B cement and squeeze under retainer. Shut BH valve and squeeze to max 200 psi. Sting out of CR and reverse circulate cement out of tubing. TOOH and LD stinger. TIH with open ended tubing to 461'. Mix 34 sx Class B cement and pump inside plug. TOOH and LD Tubing. SI 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. RDMO.

Exhibit "A-3"

To Final Agreement - Withdrawal of Notice of Violation (3-15-02)
dated May 4, 2016 from ConocoPhillips Company to NMOCD

Updated Abandonment Procedures

The following procedural changes will be required for the P&A Program:

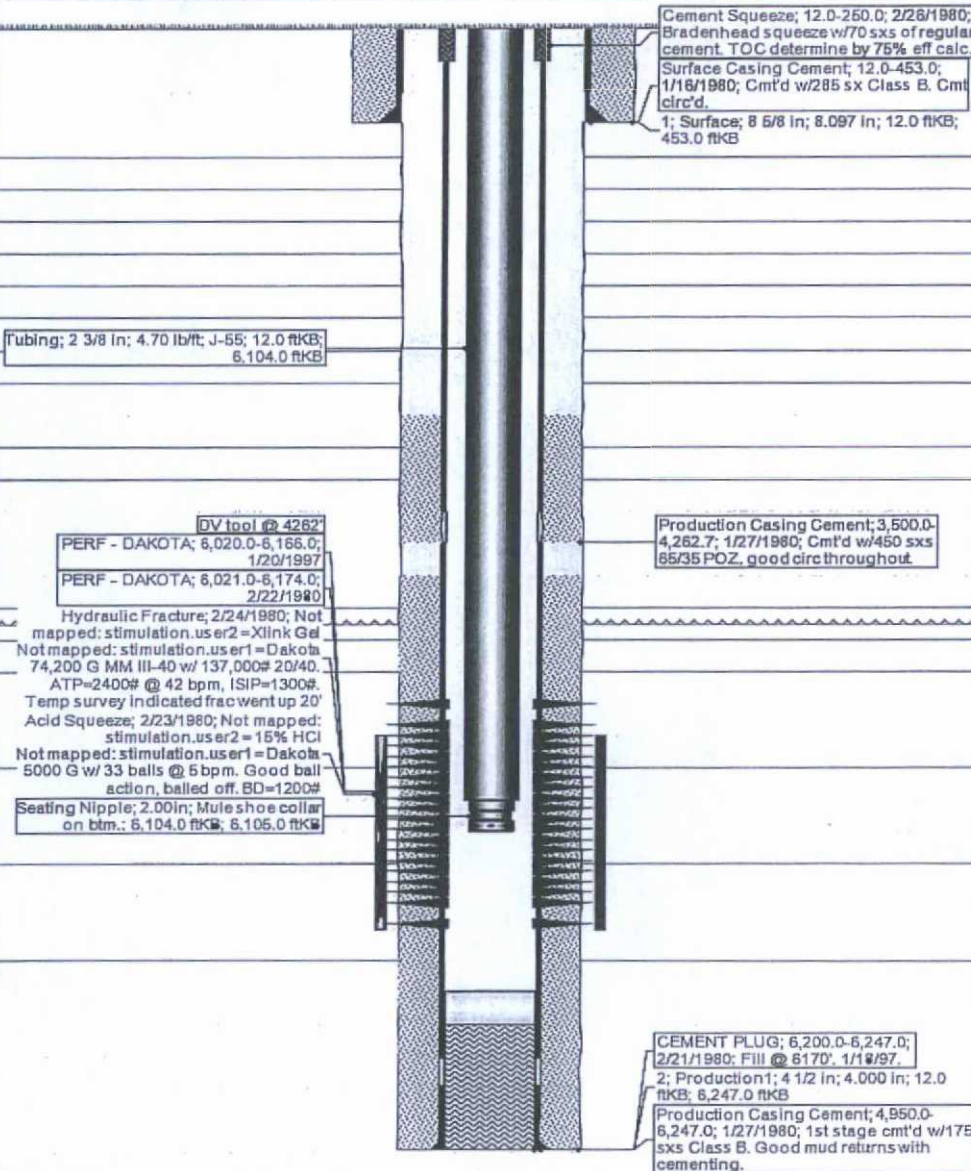
- 1) Prior to commencing abandonment operations, ensure that the bradenhead valve is dug out and properly plumbed to the surface. Record the casing, intermediate and bradenhead pressures with an appropriately ranged gauge. Contact the Engineer if bradenhead pressure is present. After the last set of completion perforations are abandoned with cement, roll the hole with water and ensure that the wellbore is in a stabilized condition with no flow of gas and/or water before spotting the next plug. If flow occurs, the fluid weight must be increased until a stabilized condition is established.
- 2) Following the plug over the Fruitland Formation Top, and prior to the plug over the Kirtland and Qiq Alamo Tops:
 - a. Operations will cease for 30 minutes allowing the Bradenhead to be observed for pressure build.
 - b. Pressures will be recorded with a crystal gauge for accuracy.
 - c. If pressures are observed, notify Wells Engineer and Production Engineering for path-forward discussion with NMOCD.
- 3) Within 24 hours of the abandonment and after two weeks, BLM will check for the presence of gas at the base of the dry hole marker and at the weep hole. Note ambient weather conditions when recording the results. If gas is detected, contact the Engineer.
- 4) If a Cathodic Protection well is on the well pad, check for the presence of gas at the vent cap. If gas is present, record results in AFMSS and contact the Engineer.

Note: when checking any sample point for the presence of gas, please be prepared for the possibility of anomalous pressure and the H₂S gas.

District NORTH	Field Name DK	API / UWI 3004523993	County SAN JUAN	State/Province NEW MEXICO
Original Spud Date 1/14/1980	Surface Legal Location 018-028N-011W-B	East/West Distance (ft) 1,530.00	East/West Reference FEL	North/South Distance (ft) 790.00
North/South Reference FNL				

Vertical - Original Hole, 2/26/2016 11:21:39 AM

Vertical schematic (actual)	MD (ftKB)	Formation Tops
	12.1	
	250.0	
	452.1	
	453.1	
	470.1	OJO ALAMO
	685.0	KIRTLAND
	1,040.0	FRUITLAND
	1,527.9	PICTURED CLI...
	1,671.9	LEWIS
	2,490.2	CHACRA
	3,109.9	CLIFF HOUSE
	3,210.0	MENEFEE
	3,500.0	
	3,890.1	POINT LOOKO...
	4,240.2	MANCOS
	4,261.2	
	4,262.8	
	4,950.1	
	5,123.0	GALLUP
	5,902.9	GREENHORN
	5,996.1	TWO WELLS
	6,020.0	
	6,021.0	
	6,064.0	PAGUATE
	6,104.0	
	6,105.0	
	6,119.1	CUBERO
	6,166.0	
	6,173.9	
	6,182.1	ENCINAL
	6,184.1	
	6,200.1	
	6,202.8	
	6,204.7	
	6,246.4	
	6,247.0	



District NORTH	Field Name DK	API # UWI 3004523993	County SAN JUAN	State/Province NEW MEXICO
Original Spud Date 1/14/1980	Surface Legal Location 016-028N-011W-B	East/West Distance (ft) 1,530.00	East/West Reference FEL	North/South Distance (ft) 790.00
				North/South Reference FNL

Vertical - Original Hole, 1/1/2020 7:00:00 AM

Vertical schematic(actual)	MO (ftKB)	Formation Tops
Cement Squeeze; 12.0-250.0; 2/26/1980; Bradenhead squeeze w/70sxs of regular cement. TOC determine by 75% eff calc.	12.1	
Plug 7; 250.0-511.0; 1/1/2020; MIX 112 SX CLASS B CEMENT AND SQUEEZE UNDER RETAINER. TIH OPEN ENDED, MIX 34 SX CLASS B CEMENT AND PUMP INSIDE PLUG	250.0	
	452.1	
	453.1	
	470.1	OJO ALAMO
1; Surface; 8 5/8 in; 8.097 in; 12.0 ftKB; 453.0 ftKB	511.2	
	685.0	KIRTLAND
Surface Casing Cement; 12.0-453.0; 1/16/1980; Cmt'd w/285 sx Class B. Cmt circ'd.	955.1	
	1,040.0	FRUITLAND
Plug 7; 12.0-511.0; 1/1/2020; MIX 104 SX CLASS B CEMENT AND SQUEEZE UNTIL GOOD CEMENT RETURNS OUT BH VALVE. TIH OPEN ENDED, MIX 42 SX CLASS B CEMENT AND PUMP INSIDE PLUG	1,527.9	PICTURED CL...
	1,576.1	
	1,671.9	LEWIS
	2,490.2	CHACRA
	3,060.0	
Plug 5; 955.0-1,576.0; 1/1/2020; MIX 51 SX CLASS B CEMENT. SQUEEZE 39 SX OUTSIDE THE CASING AND LEAVE 12 SX INSIDE THE CASING	3,109.9	CLIFF HOUSE
	3,160.1	
Plug 5; 955.0-1,576.0; 1/1/2020; MIX 51 SX CLASS B CEMENT. SQUEEZE 39 SX OUTSIDE THE CASING AND LEAVE 12 SX INSIDE THE CASING	3,210.0	MENELEE
	3,500.0	
Plug 4; 3,060.0-3,160.0; 1/1/2020; MIX 51 SX CLASS B CEMENT. SQUEEZE 39 SX OUTSIDE THE CASING AND LEAVE 12 INSIDE THE CASING	3,890.1	POINT LOOKO...
	4,190.0	
Plug 4; 3,060.0-3,160.0; 1/1/2020; MIX 51 SX CLASS B CEMENT. SQUEEZE 39 SX OUTSIDE THE CASING AND LEAVE 12 INSIDE THE CASING	4,240.2	MANCOS
	4,261.2	
Plug 4; 3,060.0-3,160.0; 1/1/2020; MIX 51 SX CLASS B CEMENT. SQUEEZE 39 SX OUTSIDE THE CASING AND LEAVE 12 INSIDE THE CASING	4,262.8	
	4,290.0	
Production Casing Cement; 3,500.0-4,262.7; 1/27/1980; Cmt'd w/450 sxs 65/35 POZ. good circ throughout	4,950.1	
	5,073.2	
Plug 3; 4,190.0-4,290.0; 1/1/2020; MIX 12 SX CLASS B CEMENT AND SPOT A BALANCED PLUG INSIDE THE CASING	5,123.0	GALLUP
	5,172.9	
Plug 2; 5,073.0-5,173.0; 1/1/2020; MIX 12 SX CLASS B CEMENT AND SPOT A BALANCED PLUG INSIDE THE CASING	5,870.1	
	5,902.9	GREENHORN
Plug 1; 5,870.0-5,970.0; 1/1/2020; MIX 12 SX CLASS B CEMENT AND SPOT A BALANCED PLUG INSIDE THE CASING	5,970.1	
	5,972.1	
	5,996.1	TWO WELLS
	6,020.0	
	6,021.0	
	6,064.0	PAGUATE
	6,119.1	CUBERO
	6,166.0	
	6,173.9	
	6,182.1	ENCINAL
	6,184.1	
	6,200.1	
2; Production; 4 1/2 in; 4,000 in; 12.0 ftKB; 6,247.0 ftKB	6,202.8	
Production Casing Cement; 4,950.0-6,247.0; 1/27/1980; 1st stage cmt'd w/175 sxs Class B. Good mud returns with cementing.	6,204.7	
	6,246.4	
CEMENT PLUG; 6,200.0-6,247.0; 2/21/1980; Fill @ 6170'. 1/18/97.	6,247.0	

Cement Retainer; 5,970.0-5,972.0
PERF - DAKOTA; 6,020.0-6,166.0;
1/20/1997
PERF - DAKOTA; 6,021.0-6,174.0;
2/22/1980

Acid Squeeze; 2/23/1980; Not mapped:
stimulation.user2 = 15% HCl
Not mapped: stimulation.user1 = Dakota
5000 G w/ 33 balls @ 5 bpm. Good ball
action, balled off. BD=1200#
Hydraulic Fracture; 2/24/1980; Not
mapped: stimulation.user2 = Xlink Gel
Not mapped: stimulation.user1 = Dakota
74,200 G MM III-40 w/ 137,000# 20/40.
ATP=2400# @ 42 bpm, ISIP=1300#.
Temp survey indicated frac went up 20'

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: Phillips # 1E

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) Set plug #3 (4271-4171) ft. to cover the Mancos top. BLM picks top of Mancos at 4221 ft.
- b) Set plug #6 (530-0) ft. inside/outside to cover the Kirtland and Ojo Alamo tops. BLM picks top of Kirtland top at 480 ft. BLM picks top of Ojo Alamo at 280 ft.

Operator will run CBL from CR @ 5,970 ft. to surface to verify cement top. Submit electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

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.