

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Jun 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-25204
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-347-47
7. Lease Name or Unit Agreement Name San Juan 31-6 Unit
8. Well Number 38E
9. OGRID Number 217817
10. Pool name or Wildcat Blanco MV/Basin DK
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 8100' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
ConocoPhillips Company

3. Address of Operator
P.O. Box 4289, Farmington, NM 87499-4289

4. Well Location
Unit Letter **B** : **848** feet from the **FNL** line and **1843** feet from the **FEL** line
Section **2** Township **30N** Range **6W** NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
8100' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☒ Water Shut off

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

ConocoPhillips wishes to pull tbg, remove obstructions, find the source of excessive water production and shut it off per attached Procedures and current schematic.

RCVD AUG 26 '10
OIL CONS. DIV.
DIST. 3

Spud Date:

Rig Released Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jamie Goodwin TITLE Regulatory Technician DATE 8/25/10

Type or print name _____ E-mail address: Jamie.L.Goodwin@conocophillips.com PHONE: 505-326-9784

For State Use Only

APPROVED BY: Felix G. Roosa TITLE Deputy Oil & Gas Inspector, District #3 DATE AUG 31 2010

Conditions of Approval (if any):

NOTIFY NMOCD AZTEC 24 HRS PRIOR TO ANY SQUEEZE JOB
IF NECESSARY.

ConocoPhillips
SAN JUAN 31-6 UNIT 38E
Expense - Repair Tubing

Lat 36° 50' 47.688" N

Long 107° 25' 43.932" W

PROCEDURE

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COPC safety and environmental regulations. Test rig anchors prior to moving in rig.

2. MIRU. Check casing, tubing, and bradenhead pressures and record them in Wellview. RU relief line and blow well down. Kill well with 2% KCL if necessary. ND wellhead NU BOP. Caution: For obstructions in tubing @ 7713', set appropriate barriers.

3. Release tubing hanger and tag for fill, PU additional joints as needed. Tubing landed @ 7822', PBTD @ 7956'. Record fill depth in Wellview. RU Tuboscope wellhead tubing inspection unit and TOOH with tubing (details below).

Number	Description
258	2-3/8" 4.70# J-55 EUE tubing joints
1	2-3/8" (1.810" ID) F-nipple
1	2-3/8" 4.70# J-55 pup joint (4')
1	2-3/8" expendable check

Visually inspect tubing and record findings in Wellview. Make note of paraffin, corrosion or scale. If scale or paraffin is present, contact engineer so the chemical company can pick up a sample. LD and replace any bad joints. Re-use only yellow band tubing.

4. PU and TIH with bit and string mill. Run down to PBTD @ 7956', clean out fill as needed. TOOH and LD string mill and bit.

5. PU and TIH with 4-1/2" RBP and packer to pressure test casing. Set RBP @ 7781' (50' above top DK perf), set packer @ 5885' (50' below bottom MV perf). Test casing between perfs to 1000 psi for 10 min. Reset packer to 5310' (50' above top MV perf). Test casing to surface to 1000 psi for 10 min. TIH and retrieve RBP. TOOH and LD packer and RBP.

6. Contact engineer with pressure test results. If pressure test passes, proceed to step 7. If pressure test fails, locate casing leak and contact engineer with casing leak information. Prepare for remedial cement squeeze work.

7. TIH with tubing. Using air, unload well @ 7946', test water production for 4 hours. Contact engineer with results. TOOH with tubing. If excessive water production is not found, skip to step 9. If excessive water production is found, proceed to the next step.

8. PU and TIH with 4-1/2" RBP. Set RBP @ 5885', using air, unload well @ 5835', test water production for 4 hours. Contact engineer with results. Retrieve RBP, TOOH and LD RBP. Visit with engineer on options to shut off water production, depending on test results.

9. TIH with tubing (detail below) using Tubing Drift Check Procedure (tubing drift = 1.901" ID). If scale was on the tubing, spot acid. Contact engineer to request an acid job. Land tubing, recommended landing depth is @ 7850'.

Number	Description	Recommended	
1	2-3/8" muleshoe/ expendable Check	Land Tubing At:	7850'
1	2-3/8" (1.780" ID) F-nipple	Tubing Drift ID:	1.901"
1	2-3/8" 4.70# J-55 EUE tubing joint		
1	2-3/8" 4.70# J-55 pup joint (2')		
256	2-3/8" 4.70# J-55 EUE tubing joints		
X	Pup joints as needed to achieve proper landing depth		
1	2-3/8" 4.70# J-55 EUE tubing joint		

5. ND BOPE, NU Wellhead. Pressure test tubing slowly with air package as follows: pump 3 BBL pad, drop ball, pressure tubing up to 500 psi and bypass air. Monitor pressure for 15 min, then pump off expendable check. Note in Wellview the pressure at which the check pumped off.
6. Make swab run if necessary to kick off well. Notify lease operator to return well to production. RDMO.

Tubing Drift Check

Procedure

1. Set flow control in tubing. With air, on location, use expendable check. With no air on location, use wire line plug.
2. RU drift tool to a minimum 70' line. Drift tool will have an OD of at least the API drift specification of the tubing, (i.e.—2 3/8", EUE, 4.7# tbg drift = 1.901"), and will be at least 15" long. The tool will not weigh more than 10# and will have an ID bore the length of the tool, so fluids may be pumped through the tool if it becomes stuck.
3. Drop the tool into the tubing string and retrieve it after every 2 joints of tubing ran in hole. If any resistance to the tool movement is noticed, going in or out, that joint will be replaced.
4. In order to stimulate the plunger lift operation, all equipment must be kept clean and free of debris.

The drift tool should be measured with calipers before each job, to ensure the OD is the correct size for the tubing being checked. The maximum allowable wear of the tool is .003".

Current Schematic

ConocoPhillips

Well Name: SAN JUAN 316 UNIT #38E

API/UVI 3003925204	Surface Legal Location NMPM-30N-06W-02-B	Field Name MV/DK COM	License No.	State/Province NEW MEXICO	Well Configuration Type Vertical	Edit
Ground Elevation (ft) 6,421.00	Original KB/RT Elevation (ft) 6,434.00	KB-Ground Distance (ft) 13.00	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)		

Well Config: Vertical - Main Hole (0 - 2439.6), 8/10/2010 1:37:25 PM

