Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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 reverse side.

5. Lease Serial No.
NMSF078673

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.
SCHLOSSER FED 3E

2. Name of Operator
CONOCOPHILLIPS COMPANY

Contact: YOLANDA PEREZ
E-Mail: yolanda.perez@conocophillips.com

9. API Well No.
30-045-24120-00-S1

3a. Address
5525 HIGHWAY 64
FARMINGTON, NM 87401

3b. Phone No. (include area code)
Ph: 281.293.1613
Fx: 281.293.5090

10. Field and Pool, or Exploratory
BASIN DAKOTA

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

Sec 27 T28N R11W SWSE 0985FSL 1530FEL
36.62853 N Lat, 107.98692 W Lon

11. County or Parish, and State

SAN JUAN COUNTY, NM

FEB 2004
RECEIVED
OIL CONS. DIV.
DIST. 3

12. CHECK 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 Workover Operations
	☐ 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

ConocoPhillips requests approval to repair Bradenhead on the above-mentioned well as per the attached procedure.

- Per telecon w/ Steve Skinner on 2/25/04, ConocoPhill. pd agreed to run a CBL from 1550' to 100' above TOC in lieu of Step 25.
- Perforations will be shot 50' above TOC

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #28143 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 02/24/2004 (04MXH1300SE)

Name *(Printed/Typed)* YOLANDA PEREZ — Title COORDINATOR

Signature (Electronic Submission) — Date 02/20/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Jim Lovato — Title Petr. Eng. — Date 2/25/04

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 NMOCD

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Bradenhead Repair Procedure
Also Test Casing for Leaks

Peer Reviewed by both RB & CEM – 1/15/04—(an A plus procedure –A plus will do work)
PM Order #2252991
Cost Estimate: $26,500.

November 18, 2003

Schlosser WN Federal #3E
API 30-045-24120
Unit O, 985' FSL and 1530' FEL, Section 27, T28N, R-11W

Objective: Pressure test the casing, stop the bradenhead water flow, clean out any fill and return the well to production.

Well Information:

Surface Casing: **8 5/8" – 24 lb/ft, K-55, Set at 603'**
Reported circulated 100 sxs to surface;
Surface/production casing annulus:
0.2471 cu/ft, 0.0440 bbls/ft

Production Casing: **4 ½" – 10.50 lb/ft J-55, Surface to 6229'**
Capacity - 0.0985 cf/ft, 0.0159 bbls/ft
DV Tool at 1940'
TOC 1st Stage at 2774' (Calc, 75%)
TOC 2nd Stage at – Calculates to surface using 75% efficiency; however, reported as "good returns throughout entire job".)
PBTD 6185'

Tubing: **2 3/8" – 4.70 lb/ft set at 6151'**
Capacity - 0.00387 bbls/ft (or .1624 gals/ft)
Drift diameter – 1.901"
Seating Nipple set at 6150'

Perforations: Dakota: 6112'-6156'

Formation Tops:
Ojo Alamo @ 355' (Estimate, behind casing)
Kirtland @ 550' (Estimate, behind casing)
Fruitland @ 1264'
Pictured Cliffs @ 1553'
Chacra @ 2495'
Cliffhouse @ 3097'
Gallup @ 5147'
Dakota @ 6110'

Bradenhead Test: Initial Pressures: Tubing -246#, Casing – 250#, BH – 77#
Open BH – steady water flow (analysis 336 TDS),
20# at 5 min, 10 min, 15 min, 20 min and 30 min;
Shut in at 24.5# after 5 min.

DO PRE-WORK SAFETY MEETING. Have Proj Leader do pre-job assessments. REMEMBER, SAFETY FIRST!!!

Procedure:

1. Prepare location for work. Test deadmen anchors.
2. Kill well with 2% KCL water if not already dead.
3. As pressure is bleed off the well's tubing and casing, monitor the bradenhead flow to determine a correlation.
4. Move in and rig up daylight pulling unit.
5. ND wellhead and NU BOP; pressure test.
6. PU tubing and tag bottom to check for fill.
7. TOH and tally 2 3/8" tubing; note condition of tubing and any scale.

If bradenhead pressure falls when casing pressure is bled down after well is killed, proceed with step 8 to identify if the production casing is leaking or the wellhead seal between the production and surface casing is leaking. If the bradenhead continues to flow without and correlation to the casing pressure. then proceed to step 22.

8. Run in hole with casing scraper to 6112', POOH.
9. Run in hole with RBP and packer for 4 ½" casing. Set the RBP and packer above the Dakota perforations (about 6150') and pressure test the RBP to 700#.
10. Begin moving up hole testing the casing to 500 psi to isolate the potential leak. If leak is not found, and bradenhead pressure has remained bled down, skip to step 15 and insure proper wellhead seal between production casing and bradenhead prior to rigging down. Pressure test the wellhead with packer 1 joint below the wellhead.
11. If leak is found, contact engineer for cementing recommendations.
12. Place 10' of sand on top of the RBP, set packer above leak and squeeze the leak as per recommendations. (Notify the State 24 hours prior to cementing).
13. POOH and WOC
14. Drill out cement and pressure test casing to 500 psi.
15. Go in hole with RBP retrieving head. Circulate or blow around with air to unload fluid and sand on top of RBP. Then swab well to reduce fluid on the formation, leave enough to keep well dead. POOH with RBP.
16. If fill was present in step 6, run bailer and clean out to PBTD.

17. RIH with 2 3/8" tubing and seating nipple and set at 6120' (MS &SN on Btm, open ended). Drift tubing after each connection is made to ensure connections are not crimped.
18. Nipple down BOP and nipple up wellhead. Make a plunger run (broach) before rigging down.
19. Swab in the well.
20. Rig down pulling unit.
21. Connect to sales.

If the bradenhead continues a steady water flow with the well dead and pressure bled down, then proceed with step 22.

22. Run in hole with casing scraper to 1600'.
23. RIH and set RBP at 1550'. Pressure test casing to 500 psi.
24. If casing holds, contact engineer for cementing recommendation. If not RIH with packer and test plug and casing. Isolate casing leak if present, contact engineer.
25. Perforate casing with four squeeze holes (90 degree phasing) at 1500' (above PC). Establish injection rate into squeeze perfs. Bradenhead should be open on the off chance that circulation to surface can be established.
26. RIH with tubing and packer to 1000' and squeeze as per recommendation. (Notify the State 24 hours prior to cementing).
27. WOC and then TOH.
28. If circulation to surface wasn't established in step 25, go in hole and perforate four squeeze holes (90 degree phasing) at 654'. Try to establish circulation back to surface through bradenhead. Run in hole with packer and set at 300' and cement as per engineering recommendation.
29. Release packer and TOH. Pressure up on casing and shut in well. WOC
30. Drill out cement squeeze(s) and pressure test casing to 500 psi. Note: do not retrieve RBP at 1660' until casing tests and bradenhead remains dead.
31. If casing tests, circulate well or blow around with air to unload fluid over RIBP, leave enough fluid to keep well dead. Retrieve RBP and TOH and LD. TIH and clean out to PBTD.
32. RIH with 2 3/8" tubing and seating nipple and set at 6120' MS & SN on Btm, open ended). Drift tubing after each connection is made to ensure connections are not crimped.
33. Nipple down BOP and nipple up wellhead. Make a plunger run (broach) before rigging down.
34. Swab in the well.
35. Rig down pulling unit.
36. Connect to sales