

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**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.**

NOBES/OCD  
JUN 19 2012  
RECEIVED

5. Lease Serial No.  
NMLC029509A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
MCA 67

9. API Well No.  
30-025-00610

10. Field and Pool or Exploratory Area  
Maljamar; Grayburg-San Andres

11. County or Parish, State  
Lea NM

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well  
 Oil Well     Gas Well     Other I

2. Name of Operator  
ConocoPhillips Company

3a. Address  
3300 N "A" St Midland TX 79705

3b. Phone No. (include area code)  
(432)688-9174

4. Location of Well (Footage, Sec., T, R, M, or Survey Description)  
UL L, 1980' FSL & 660' FWL, Sec 21, 17S, 32E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>MIT</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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/BLA. 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.)

RU wireline truck TIH and TFF. Note: (last clean out to 4036', had fill and junk below that). TOO and run back in and set plug in 1.71" profile nipple. Rig up pump truck and pressure test tubing to 2200 psi. If tubing fails, close tubing valve, RU pump truck to casing and pressure test casing/packer to 550 psi. If casing/packer test fails, TIH and retrieve plug, COOH with plug and RD wireline. If casing/packer test passed, leave plug in profile nipple, and RD wireline. Notify NMOCD of impending rig up on well. Review JSA, RU, WSU, NDWH, NUBOP, If tubing failed and packer held, get off no/off tool and scan tubing COOH, inspect top of on/off tool for pitting, wash out or broken shamrock, repair or replace if needed. TIH, pressure test going in hole with top of on/off tool, get on on/off tool. RU pump truck and pressure test tubing to 2200 psi. If tubing passes, get off on/off tool, and circulate packer fluid. Get back on on/off tool and run chart, notify NMOCD of test. If packer/casing test failed, COOH with tubing, on/off tool and packer, lay down injection tubing, MI workstring and tally, if fill was indicated with wireline, TIH with bit and tubing and clean out to 4036', TOO with tubing and bit, TIH with RBP & packer and set RBP @ +/- 3625, pull up one joint, set packer and test RBP/packer to 550 psi, if test passes, RU pump truck to casing and test casing/packer to 550 psi, if casing fails, isolate hole. If casing/packer test passes, TIH retrieve RBP, COOH laying down tubing, packer and RBP. MO workstring. MI injection tubing, TIH with packer, on/off tool and packer, pressure test tubing GIH. Set packer @ 3627', RU pump truck and pressure test packer/casing to 550 psi. If test holds, get off on/off tool and circulate packer fluid, get back on on/off tool, notify NMOCD of impending test, RU chart recorder with 1000 psi chart, pressure test casing/packer to 550 psi for 30 mins. NDBOP, NUWH, pump out plug, RD, clean up location.

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

Rhonda Rogers

Title Staff Regulatory Technician

approval attached  
COA 06/15/2012 PRD

Signature

*Rhonda Rogers*

Date 05/20/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

L PET

Date

6/8/12

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

CFO

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.

(Instructions on page 2)

JUN 20 2012

## **Conditions of Approval**

**ConocoPhillips Company**

**MCA 67**

**API 3002500610**

June 15, 2012

1. **Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
2. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 3650 or below to top of cement..**
3. Surface disturbance beyond the existing pad shall have prior approval.
4. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
5. Functional H<sub>2</sub>S monitoring equipment shall be on location.
6. A 2000 (2M) BOPE to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 (attachment 1, 2M diagrams of choke manifold equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
7. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
8. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

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### Well with a Packer - Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) At least 24 hours before the test: email Andy Cortez [acortez@blm.gov](mailto:acortez@blm.gov), (phone 575-393-3612 or 575-631-5801). If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact notification method, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
  - a) Approved injection pressure compliance is required.
  - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 9) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 10) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of the annular fluid level at any time.

- 11) A “Best Management Practice” is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.
- 12) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 13) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 14) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0 psia. Notify the BLM’s authorized officer (“Paul R. Swartz” <[pswartz@blm.gov](mailto:pswartz@blm.gov)>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
- 15) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in-line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.

**Access information for use of Form 3160-5 “Sundry Notices and Reports on Wells”**

NM Fed Regs & Forms - [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.