

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

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

|  |  |   |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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.)         |  | WELL API NO.<br>30-025-42072  |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> <b>HOBBS OCD</b>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator ConocoPhillips Company   |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator 600 N. Dairy Ashford Rd., P10-3096<br>Houston, Texas 77079-1175   |  | 7. Lease Name or Unit Agreement Name<br>Vacuum Abo Unit   |
| 4. Well Location<br>Unit Letter <u>B</u> : <u>285</u> feet from the <u>north</u> line and <u>1674</u> feet from the <u>east</u> line<br>Section <u>34</u> Township <u>17S</u> Range <u>35E</u> NMPM Lea County |  | 8. Well Number 707  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3926'  |  | 9. OGRID Number 217817  |
|  |  | 10. Pool name or Wildcat<br>Vacuum; Abo Reef  |

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

| NOTICE OF INTENTION TO:                        |  | SUBSEQUENT REPORT OF:                            |  |
|--|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/>        | REMEDIAL WORK <input type="checkbox"/>           | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input checked="" type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>          | CASING/CEMENT JOB <input type="checkbox"/>       |  |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |  |  |  |
| CLOSED-LOOP SYSTEM <input type="checkbox"/>    |  |  |  |
| OTHER: <input type="checkbox"/>                |  | OTHER: <input type="checkbox"/>                  |  |

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

ConocoPhillips Company (COPC) respectfully requests approval of these proposed changes to our drilling plan for this well. These issues have been discussed with Mr. Brown by Steven Herrin, ConocoPhillips Drilling Engineer. The changes are listed below.

1. COPC will pressure test the BOP to our corporate standards of 70% of working pressure.
2. COPC plans on running a cement bond log on the production casing in accordance with NMOCD requirements.
3. COPC plans on having the option of a two stage cement job. The procedure is attached.

The expected spud date for this well is November 15, 2014.

Thank you for your time spent reviewing this request.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Susan B. Maunder TITLE Senior Regulatory Specialist DATE 11/16/14

Type or print name Susan B. Maunder E-mail address: Susan.B.Maunder@cop.com PHONE: 281-206-5281

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 11/24/14  
Conditions of Approval (if any):

NOV 25 2014

## ATTACHMENT 1

### 7-5/8" Intermediate Casing Cementing Program – Two-Stage Cementing Option (Yates Gas Flow and CO2 & Waterflood in Grayburg/San Andres):

ConocoPhillips Company respectfully requests approval of this additional option for our cementing program for the Vacuum Abo Unit wells; 687, 706, and 707. The goal for this Intermediate Casing – Two-Stage Cementing Option is to:

- Provide a contingency plan for using a Stage Tool and Annulus Casing Packer(s) to isolate shallow gas flow in Yates and/or gas/water flow in Grayburg/ San Andres if either of these events occurs while drilling the well.
- Place the Stage 1 Cement from the casing shoe to surface.
- Proceed with Stage 2 Cement only if cement returns are contaminated or flow was observed after pumping 1<sup>st</sup> stage.
- Annulus Casing Packer and DV tool planned to be set inside 9-5/8" casing.

Spacer: 15 bbls Fresh Water

| Stage 1 - Slurry |                        | Intervals<br>Ft MD |               | Weight<br>ppg | Sx  | Vol<br>Cuft | Additives  | Yield<br>ft <sup>3</sup> /sx |
|------------------|------------------------|--------------------|---------------|---------------|-----|-------------|--|------------------------------|
| Lead             | C<br>Gas Blk<br>Slurry | Surface            | 3000'         | 11.5          | 255 | 479         | Class C<br>40 lb/sx<br>6% Extender<br>2.5% BWOB<br>2.5% CaCl <sub>2</sub><br>1.34 gal/sk Gas Migration<br>Control<br>0.061 gal/sk Anti foam<br>0.366 gal/sk Dispersant | 1.88                         |
| Tail             | TX1+Gas<br>Blk Slurry  | 3000'              | 5100' – 5200' | 13.2          | 337 | 465         | Cement<br>75 lb/sk<br>2.0 gal/sk<br>1.0% Expanding Agent<br>0.2% Anti foam<br>5.0% Extender<br>0.2% Dispersant   | 1.38                         |

1<sup>st</sup> stage displacement: FW followed by Weighted Spacer

Spacer: Remaining Weighted Spacer in cementing lines from the 1<sup>st</sup> stage displacement

| Stage 2 - Slurry |         | Intervals<br>Ft MD |                      | Weight<br>ppg | Sx  | Vol<br>Cuft | Additives   | Yield<br>ft <sup>3</sup> /sx |
|------------------|---------|--------------------|----------------------|---------------|-----|-------------|---|------------------------------|
| Tail             | Class C | Surface            | Stage Tool<br>~1600' | 11.5          | 200 | 376         | 1% CaCl <sub>2</sub><br>Excess = 100% based on<br>gauge hole volume | 1.88                         |

2<sup>nd</sup> stage displacement: Fresh Water

### Proposal for Option to Adjust Intermediate Casing Cement Volumes:

The Intermediate casing cement volumes for the proposed single stage and two-stage option presented above are estimates based on gauge hole. We will adjust these volumes based on the caliper log data for each well and our trends for amount of cement returns to surface. Also, if no caliper log is available for any particular well, we would propose an option to possibly increase the production casing cement volume to account for any uncertainty in regard to the hole volume.