

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

5. Lease Serial No.
NMLC031696A
6. If Indian, Allottee or Tribe Name

HOBBES OCD
SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

DEC 31 2012

2. Name of Operator

ConocoPhillips Company

3a. Address

P. O. Box 51810 Midland TX 79710

3b. Phone No. (include area code)

(432) 688-9174

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

8. Well Name and No.
SEMU 146

9. API Well No.
30-025-34977

10. Field and Pool or Exploratory Area

Skaggs; Grayburg

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

UL F, 1980' FNL & 1830' FWL, Sec 25, 20S, 37E

11. County or Parish, State

LEA

NM

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

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

TYPE OF ACTION

☐ 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 recompleate 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 recompleation 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.)

ConocoPhillips would like to recompleate the Skaggs; Grayburg (57380) pool. We will set a CIBP over the North Hardy @ 7050' and spot 35' fo cmt on top of CIBP (if dump bailer is used, tag cmt cap afterward).

Set 2nd CIBP @ 6440' spot 35' fo cmt on top of CIBP (if dump bailer is used, tag cmt cap afterward). Then we will perf Grayburg f/3858'-4009'.

Attached is the procedures and the C-102.

**SUBJECT TO LIKE
APPROVAL BY STATE**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Rhonda Rogers

Title Staff Regulatory Technician

Signature

Date 12/03/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

APPROVED

DEC 27 2012

Date
Jenny M. Mason
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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.

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)

JAN 08 2013

Chm

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd. Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-1

Revised February 21, 11
Instructions on b

Submit to Appropriate District Office
State Lease - 4 Cop
Fee Lease - 3 Cop

☐ AMENDED REPO

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34977	2 Pool Code 57380	3 Pool Name Skaggs, Grayburg
4 Property Code 13492	5 Property Name SEMU	6 Well Number #146
7 OGRID No. 217817	8 Operator Name ConocoPhillips Company	9 Elevation 3519'

10 Surface Location

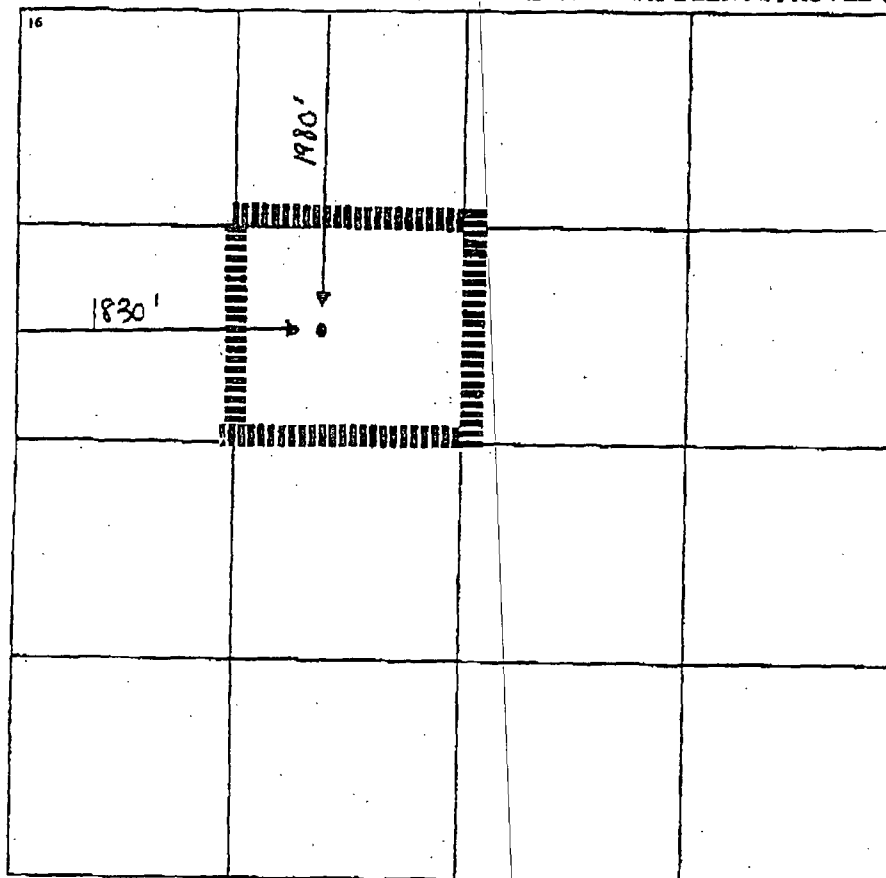
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	25	20S	37E		1980	North	1830	West	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

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

Signature
Shanda Rogers
Printed Name
Staff/Regulator Tech.
Title
Date 12/3/12

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number



SEMUR 146
 API#: 30-025-34977
 Hardy North (Tubb-Drinkard) Field
Lea County, New Mexico

Currently a Blinbry/Tubb producer with low production. It is being review for a recompletion to the Grayburg. The Grayburg formation became a subject of interest after the initial success of the SEMU #151 Grayburg recompletion.

WELL CATEGORY, BOP CLASS AND EXCEPTIONS

Well Category One:

H2S: 0 ppm.
 Well Rate:

<u>H2S</u>	<u>ROE- ft.</u>
100 ppm	0
500 ppm	0

BOPE Class One: Hydraulic BOP recommended per Projects Group.

PROCEDURE

1. Prior to service unit MI & RU, dump 20 bbl xylene down 2-7/8" x 5-1/2" annulus. Pump back xylene (contact time: 7.2 hrs at current surface displacement of 79 BPD). Test anchors. Last well service 2.13.2003.
2. Spot 6 clean 500 bbl frac tanks. Load tanks w/ fresh water prior to frac date. Water to be biocide-treated by Service Company.
3. MI & RU service unit. Un-seat pump. POOH w/ rods & pump. ND well. NU hydri1 1 X 7-1/16" 5K Blowout Preventer (Double BOP: blind ram & pipe ram) and environmental tray. Scan 2-7/8", 6.5# L-80 production tbg out of hole.
4. The following is a summary of the current well configuration:

Spud Date: 9.29.00 Rls Date: 10.19.00	Depth RKB		Elev.: 3519 KB; 3530 GL (KB - GL: 11 ft.)
	top	btm	
8-5/8", 8.097, 24#, J-55	11	1511	Lead: 480 Sxs, Class C @ 12.7 ppg
			Tail: 195 sxs, Class C @ 14.8 ppg
			TOC @ Surface
5-1/2", 17# J55, Hole: 7 7/8"	11	4307	1 st Stage:
			Lead: 235 sxs, class C @ 12.7 ppg
			Tail: 620 sxs, Class C @ 14.8 ppg
5-1/2", 17# K55, DV tool	4307	4309	
5-1/2", 17# J55	4309	7614	2 nd Stage:
5-1/2", 17# K55, Float Collar	7614	7615	
5-1/2", 17# J55	7615	7699	Lead: 700 sxs, Class C @ 12.7 ppg.

5-1/2", 17# K55, Float Shoe	7699	7700	Returns to surface.
Mud weight : 10.1 ppg @ TD (7700')			
PBTD @ 7614 Tagged Cement.			
Bottom Up:			
ABO Perforated Intervals	7100	7106	11.30.00: Perforate @ 2 spf
Gun: 4" HSC csg guns, 60 deg, .41" diam, 24" Penetration	7125	7134	11.30.00: Perforate @ 2 spf
TUBB Perforated Intervals			
Gun: 4" HSC csg guns, 60 deg, .41" diam, 24" Penetration	6490	6510	12.06.00: Perforate @ 2 spf
	6514	6518	12.06.00: Perforate @ 2 spf
	6521	6531	12.06.00: Perforate @ 2 spf
	6555	6564	12.06.00: Perforate @ 2 spf
	6603	6610	12.06.00: Perforate @ 2 spf
	6621	6624	12.06.00: Perforate @ 2 spf
	6642	6647	12.06.00: Perforate @ 2 spf

Tops	MD
Tansil	2560
Yates	2704
Seven Rivers	2954
Queen	3520
Penrose	3646
Grayburg	3780
San Andres	4012
Glorieta	5282
Blinberry	5896
Tubb	6400
Drinkard	6724
Abo	7026

5. PU & RIH w/ 2-7/8", 6.5#, L-80 work string tbg w/ 4-3/4" bit & 5-1/2", 17# csg scraper to 7614. Circulate bottoms up. Well Capacity w tubing 160 bbl. POOH with WS and bit.

6. RIH w/ packer & CIBP-1. Set CIBP-1 @ 7050. Pressure test against CIBP @ 2500 #. POOH w/ tbg and packer. Spot 35 ft of cement on top of CIBP (if dump bailer is to be used tag cement cap afterwards).
7. RIH w/ packer & CIBP-2. Set CIBP-2 @ 6440. Pressure test against CIBP @ 2500 #. POOH w/ tbg and packer. Spot 35 ft of cement on top of CIBP (if dump bailer is to be used tag cement cap afterwards).
8. RU SLB. NU lubricator & test @ 500#.

Perforate following intervals at 3 spf @ 60-degree phasing w/ 3-3/8", HSD Power Jet 3406, HMX, 22.8 gm. (EHD: 0.37 in.; Penetration: 37 in.)...

	top	btm	ft.	SPF	Perfs
Grayburg	3858	3864	6	3	18
	3888	3896	8	3	24
	3919	3921	2	3	6
	3922	3925	3	3	9
	3930	3935	5	3	8
	3955	3958	3	3	9
	3961	3968	7	3	21
	3975	3979	4	3	12
	3994	4005	11	3	33
	4006	4009	3	3	9
			52		156

Note: collars recorded on Baker Atlas CBL of 09.29.00; KB – GL: 11 ft.):

Collar	Collar-Collar
3208	
3250	42
3292	42
3332.5	40.5
3374.5	42
3416.5	42
3458.5	42
3500	41.5
3536	36
3578	42
3620	42
3662	42
3702	40
3744	42
3786	42
3824	38
3860	36

3896	36
3938	42
3978.5	40.5
4020	41.5

9. RIH w/ tbg, PKR & RBP. Acidize Grayburg perforations w/ total 156 bbl (6552 gal) 15% NE Fe HCl:

Acidize Gross Interval:

- Set RBP @ 4100
- Pull EOT to 3830. Pump 15% NE Fe HCl using 1.1 SG, 5/8" bio balls followed by 4.3 bbl 2% KCl.
- SD and allow well to equalize.
- Pump w/ 23 bbl 2% KCl to flush to bottom perf.
- Record ISIP, SITP(5 min), SITP(10 min) & SITP(15 min).

POOH w/ tbg, PKR .LD 2 7/8" Tubing.

10. PU & RIH w/ 3-1/2", 9.3#, N-80 tbg w/ PKR (5-1/2", 17#). Test tbg @ 8500# while RIH (3-1/2", 9.3#, N-80 Internal Yield Prs: 10,160#).

Set PKR @ 3750 Test 3-1/2" x 5-1/2" annulus & PKR @ 500#.

11. RU SLB. Set treating line pop-off to release @ 8500#.

Set pump trips @ 8000#.

Install spring-operated relief valve on csg-tbg annulus. Pre-set @ 500#.

Load 3-1/2" x 5-1/2" annulus. Note annulus fills volume. Place 200# on csg.

Test surface lines @ 9000#.

Frac 3858-4009 down 3-1/2", 9.3#, N-80 tbg w/ 89,000 gal YF120ST w/ 68,250# 20/40 Brown sand & 57,750# resin-coated 20/40 Brown sand. Mark flush @ 1#. Flush w/ 1378gal WF110 (capacity to uppermost perforation: 1408 gal). Anticipated treating rate:

30 BPM @ 6000#:

	Fluid	Proppant	Clean Vol.			Proppant			Slurry Vol			Pump Time @ 30 BPM	
			gal	bbl	cum bbl	ppg	lbs	cum lbs	gal	bbl	cum bbl	min.	cum min.
Pad	YF120ST		35000	833.3	833.3	0.00	0	0	35000	833.3	833.3	27.8	27.8
Stage	YF120ST	20/40 Brown	3000	71.4	904.8	0.25	750	750	3034	72.2	905.6	2.4	30.2
Stage	YF120ST	20/40 Brown	3000	71.4	976.2	0.50	1500	2250	3068	73.0	978.6	2.4	32.6
Stage	YF120ST	20/40 Brown	3000	71.4	1047.6	0.75	2250	4500	3102	73.9	1052.5	2.5	35.1
Stage	YF120ST	20/40 Brown	3000	71.4	1119.0	1.00	3000	7500	3136	74.7	1127.1	2.5	37.6
Stage	YF120ST	20/40 Brown	3000	71.4	1190.5	1.25	3750	11250	3170	75.5	1202.6	2.5	40.1
Stage	YF120ST	20/40 Brown	3000	71.4	1261.9	1.50	4500	15750	3204	76.3	1278.9	2.5	42.6
Stage	YF120ST	20/40 Brown	3000	71.4	1333.3	1.75	5250	21000	3238	77.1	1356.0	2.6	45.2
Stage	YF120ST	20/40 Brown	3000	71.4	1404.8	2.00	6000	27000	3272	77.9	1433.9	2.6	47.8
Stage	YF120ST	20/40 Brown	3000	71.4	1476.2	2.25	6750	33750	3306	78.7	1512.6	2.6	50.4
Stage	YF120ST	20/40 Brown	3000	71.4	1547.6	2.50	7500	41250	3340	79.5	1592.1	2.7	53.1
Stage	YF120ST	20/40 Brown	3000	71.4	1619.0	2.75	8250	49500	3374	80.3	1672.4	2.7	55.7
Stage	YF120ST	20/40 Brown	3000	71.4	1690.5	3.00	9000	58500	3408	81.1	1753.6	2.7	58.5
Stage	YF120ST	20/40 Brown	3000	71.4	1761.9	3.25	9750	68250	3442	81.9	1835.5	2.7	61.2

Stage	YF120ST	RC 20/40 Brown	3000	71.4	1833.3	3.50	10500	78750	3476	82.8	1918.3	2.8	63.9
Stage	YF120ST	RC 20/40 Brown	3000	71.4	1904.8	3.75	11250	90000	3510	83.6	2001.8	2.8	66.7
Stage	YF120ST	RC 20/40 Brown	3000	71.4	1976.2	4.00	12000	102000	3544	84.4	2086.2	2.8	69.5
Stage	YF120ST	RC 20/40 Brown	3000	71.4	2047.6	4.00	12000	114000	3544	84.4	2170.6	2.8	72.4
Stage	YF120ST	RC 20/40 Brown	3000	71.4	2119.0	4.00	12000	126000	3544	84.4	2255.0	2.8	75.2
Flush	WF110		1400	33.3	2152.4	0	0	126000	1400	33.3	2288.3	1.1	76.3
			90400	2152			126000		96108	2288		76.3	

Report ISIP, SITP (5 min), SITP (10 min) & SITP (15 min). RD SLB. SDON.

12. SION to allow resin-coated sand to cure. Flow back well until dead. POOH & LD 3-1/2", 9.3#, N-80 frac string & PKR.
13. RIH. w / 2 7/8" . NDBOP. NUWH and run with rods. Space pump, hang well, load tubing and check pump action. RDMO. Handover to Operations.

	Capacity		Internal Diam. : in.		Internal Yield (Burst): psi	
	bbl / ft	gal /ft	nom.	drift	100%	80%
2-7/8", 6.5#, J-55	0.00579	0.2431	2.441	2.347	7260	5808
3-1/2", 9.3#, N-80	0.0087	0.3652	2.992	2.867	10160	8128
5-1/2", 17#, J-55	0.02324	0.9764	4.892	4.767	5320	4256
2-7/8" x 5-1/2", 17#	0.0152	0.6392				
3-1/2" x 5-12", 17#	0.0113	0.4766				

Conditions of Approval

Conoco Phillips Company

SEMU 146

API 30-025-34977

T20S-R37E, Sec 25

December 27, 2012

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by April 1, 2013. An extension can be submitted if necessary.

- 1. Recompletion not in current Plan of Development (POD) dated 2/28/2012.**
- 2. Operator shall indicate on POD their plans to further develop the Grayburg formation.**
- 3. A commercial well determination shall be done on this well after 6 to 8 months of production from the Grayburg formation.**
- 4. CIBP to be set at 7050' (50' above the top perforation). A minimum of 35' of Class C cement shall be placed on top of the CIBP. Tag required.**
- 5. CIBP to be set at 6440' (50' above the top perforation). A minimum of 35' of Class C cement shall be placed on top of the CIBP. Tag required.**
- 6. Balanced cement plug shall be set from 4257'- 4359' across the DV tool.**
- 7. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.**
- 8. Functional H₂S monitoring equipment shall be on location.**
- 9. Subject to like approval by the New Mexico Oil Conservation Division.**
- 10. Notify BLM 575-200-7902 before plug back procedures. The procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. If there is no response, 575-361-2822. Note the contact, time, & date in your subsequent report.**
- 11. Surface disturbance beyond the originally approved pad must have prior approval.**
- 12. 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.**

13. A minimum of 3,000 (3M) BOPE shall 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 size of 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 I (3M) 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.
14. 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.
15. The BLM PET witness is to run tbg tally and agree to cement placement. Sample each plug for cement curing time and tag and/or pressure test (WOC time of 4 hours recommended) as requested by BLM PET witness.
16. Class H > 7,500' & Class C < 7,500') cement plugs(s) will be necessary. The minimum pumped volume of 25 sacks of cement slurry is to exceed a 100' cement plug across the drilled wellbore. Add 10% to the 100' slurry volume for each 1,000' of plug depth when calculations indicate the need. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 15.6#/gal, 1.18ft³/sx, 5.2gal/sx water.
17. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
18. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry. File the subsequent sundry for the frac separately if it is delayed as much as 20 days.
19. Submit the BLM Form 3160-4 **Completion Report** within 30 days of the date all BLM approved procedures are complete. **Include all formation tops.**
20. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) before 05/10/2013.
21. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

JAM 122712

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

§ 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.