

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBES

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.

JAN 28 2013

5. Lease Serial No.
NMLC031620A
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

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 158

9. API Well No.
30-025-35539

10. Field and Pool or Exploratory Area

Skaggs; Grayburg

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

UL M, 660' FSL & 660' FWL, Sec 24, 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	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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 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 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.)

ConocoPhillips would like to recompleate the Skaggs; Grayburg (57380) pool. Plug back the Tubb w/2 CIBP sat @ 6700' & spot 35' cmt on top of CIBP (if dump bailer used, tag cmt cap afterwards). Set 2nd CIBP @ 6400' pot 35' cmt on top of CIBP (if dump bailer used, tag cmt cap afterwards). Perf will be shot in the Grayburg f/3780'-3951'.

Attached is a procedures and a 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

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 continue 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)

APPROVED

Date JAN 2 2013

BUREAU OF LAND MANAGEMENT

DISTRICT I
1823 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

HOBBS OCD

IAN 28 2013

RECEIVED

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35539	Pool Code 57380	Pool Name Skaggs, Grayburg
Property Code 13492	Property Name SEMU	Well Number 158
OGRID No. 217817	Operator Name ConocoPhillips Company	Elevation 3525'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	24	20 S	37 E		660	SOUTH	660	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Rhonda Rogers Printed Name Regulatory Tech. Title 12/3/12 Date
	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. February 9, 2001 Date Surveyed Signature Professional Surveyor W.O. No. 1126 Certificate No. Gary L. Jones 7977 BASIC SURVEYERS

ELG 1-29-2013



SEMU 158
 API#: 30-025-35539
 Hardy North (Strawn) Field
 Lea County, New Mexico

Currently a Blinberry/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:

H ₂ S	ROE- ft.
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 5.19.2011.
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 hydriil 1 X 7-1/16" 5K Blowout Preventer (Double BOP: blind ram & pipe ram) and environmental tray. Scan 2-7/8", 6.5# J-55 production tbg out of hole.
4. The following is a summary of the current well configuration:

Spud Date: 10.13.01 Rls Date: 11.2.01	Depth RKB		Elev.: 3525 KB; 3536 GL (KB - GL: 11 ft.)
	top	btm	
8-5/8", 8.097, 24#, J-55	0	1520	Lead: 465 Sxs, Class C @ 12.4 ppg
Hole Size: 12.25, Shoe Jt length: 40Ft			Tail: 200 sxs, Class C @ 14.8 ppg
			TOC @ Surface
5-1/2", 17# L80, Hole: 7 7/8"	0	5795	1st Stage: Lead: 565 sxs, class C @ 11.85 ppg Tail: 425 sxs, Class C @ 13.6 ppg
5-1/2", 17# L80, Marker Joint	5795	5809.5	
5-1/2", 17# L80	5809.5	7848.7	
5-1/2", 17# L80, Float Collar	7848.7	7886.4	
5-1/2", 17# L80	7886.4	7943	
5-1/2", 17# L80, Float shoe	7943	7975	

Mud weight : 10.1 ppg @ TD (8059')			
Bridge Plug :	7215	7217	7/27/2007
Bottom Up:			
Drinkard Perforated Intervals	6780	6788	Perforated @ 2 Spf 1.15.2002
Gun: 4" HSC csg guns, 60 deg, .41" diam, 24" Penetration	6806	6810	Perforated @ 2 Spf 1.15.2002
Effective footage 37' , Total shots: 79	6817	6822	Perforated @ 2 Spf 1.15.2002
	6842	6848	Perforated @ 2 Spf 1.15.2002
	6854	6868	Perforated @ 2 Spf 1.15.2002
Tubb Perforated Intervals			
Gun: 4" HSC csg guns, 60 deg, .41" diam, 24" Penetration	6458	6462	Perforated @ 4 Spf 1.17.2002
Effective footage: 16, Total Shots: 40	6474	6486	Perforated @ 2 Spf 1.17.2002

Tops	MD
Tansil	2560
Yates	2704
Seven Rivers	2954
Queen	3520
Penrose	3646
Grayburg	3730
San Andres	3956
Glorieta	5282
Blinberry	5896
Tubb	6400
Drinkard	6724
Abo	7026

5. PU & RIH w/ 2-7/8", 6.5#, J55 work string tbg w/ 4-3/4" bit & 5-1/2", 17# csg scraper to 7210. Circulate bottoms up. POOH w 2 7/8" , 6.5 # , J55 WS and bit.
6. MI-RU cased hole logging services w\ a packoff (or 1000 psi shop tested lubricator, if required). PU RIH w\ a combination GR/CCL/CBL tool from 7000'± to surface.
7. PU CIBP & packer. RIH w/ tbg, packer & CIBP-1. Set CIBP-1 @ 6700. Pressure test against CIBP @ 2500 #. POOH w/ tbg & packer. Spot 35 ft of cement on top of CIBP (if dump bailer is to be used tag cement cap afterwards).

8. PU CIBP. RIH w/ tbg, packer & CIBP-2. Set CIBP-2 @ 6400. Pressure Test against CIBP @ 2500 #. POOH w/ tbg. Spot 35 ft of cement on top of CIBP (if dump bailer is to be used tag cement cap afterwards).
9. RU SLB. NU lubricator & test @ 500#.

Perforate following intervals at 2 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	3780	3785	5	2	10
	3801	3806	5	2	10
	3837	3849	12	2	24
	3869	3875	6	2	12
	3881	3887	6	2	12
	3895	3900	5	2	10
	3906	3911	5	2	10
	3915	3921	6	2	12
	3926	3932	6	2	12
	3947	3951	4	2	8
			64		124

Correlate to previous GR/CBL from step 6.

10. RIH w/ tbg, PKR & RBP. Acidize Grayburg perforations w/ total 160 bbl (6720 gal) 15% NE Fe HCl:

Acidize Gross Interval:

- a. Set RBP @ 4100
- b. Pull EOT to 3730. Pump 15% NE Fe HCl using 1.1 SG, 5/8" bio balls followed by 4.3 bbl 2% KCl.
- c. SD and allow well to equalize.
- e. Pump 23 bbl 2% KCl to flush to bottom perf.
- f. Record ISIP, SITP (5 min), SITP (10 min) & SITP (15 min).

POOH w/ PKR on Ws. LD 2 7/8" WS.

11. 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 @ 3720 Test 3-1/2" x 5-1/2" annulus & PKR @ 500#.

12. 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#.

ProTechnic to tag frac (Ir-192 @ 0.425 mCi per 1000# 20/40 Brown & Sb-124 @ 0.4 mCi per 1000# resin-coated 20/40 Brown)

Frac 3780-3955 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/ 1360 gal WF110 (capacity to uppermost perforation: 1393 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.

13. 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.
14. RU ProTechnic. NU lubricator. RIH w/ ProTechnic post-frac SpectraScan Spectral Gamma Ray memory tool. Log from 4050 to 3750. POOH. ND & LD lubricator.
15. RIH. w / 2 7/8" . NDBOP. NUWH and run with. 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 158

API 30-025-35539

T20S-R37E, Sec 24

January 2, 2013

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

Work to be completed by April 2, 2013.

- 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. Tag and verify CIBP is at 7215'. If CIBP is at 7215' a minimum of 25 sx of Class C cement shall be placed on top of the CIBP.**
- 5. If CIBP is not tagged at 7215' operator shall place a balance cement plug at 7020' and shall be 171' in length to isolate the Abo formation. The plug shall be set at approximately 7020'-7192'. Tag required. If this is not feasible contact the BLM.**
- 6. CIBP shall be set at 6700' (80' above the top perforation). A minimum of 35' of Class C cement shall be placed on top of the CIBP. Tag required if dump bailer is used.**
- 7. CIBP shall be set at 6400' (58' above the top perforation). A minimum of 35' of Class C cement shall be placed on top of the CIBP. Tag required if dump bailer is used.**
- 8. A balanced cement plug shall be set at 5306' and shall be 154' in length to isolate the Glorietta formation. The plug shall be set at approximately 5306'-5152'. Tag required.**
- 9. 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.**
- 10. Functional H₂S monitoring equipment shall be on location.**
- 11. Subject to like approval by the New Mexico Oil Conservation Division.**
- 12. 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.**
- 13. Surface disturbance beyond the originally approved pad must have prior approval.**
- 14. 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.**

15. A minimum of 2,000 (2M) 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 (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.
16. 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.
17. 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.
18. 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.
19. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
20. 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.
21. Submit the BLM Form 3160-4 **Completion Report for the Grayburg** within 30 days of the date all BLM approved procedures are complete. **Include all formation tops.**
22. Workover approval is good for 90 days (completion to be within 90 days of approval). A detailed justification is necessary for extension of that date.
23. 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).
24. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

JAM 010213