

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 August 1, 2011

WELL API NO.

30-025-07835

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
SEMU

8. Well Number 62

9. OGRID Number
217817

10. Pool name or Wildcat
Eumont Yates QN

SUNDRY NOTICES AND REPORTS ON WELLS

(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.)

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

2. Name of Operator
ConocoPhillips Company

3. Address of Operator
P. O. Box 51810
Midland, TX 79710

4. Well Location

Unit Letter K : 1880 feet from the South line and 1980 feet from the West line
Section 20 Township 20S Range 38E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

This well experienced leaking at the surface after the P&A was completed.

ConocoPhillips would like to perform the following procedure to isolate and fix leak.

1) Dig out cellar. Find leak in 5½, 7-5/8" or 10¼

2) MIRU. NU BOP. Weld on flanges. Install valves for well control. Install gauges on 5½ x 7-5/8 x 10¼ to monitor pressures

3) MI reverse unit. Drill out 5½ casing to +/- 320'. Monitor well.

4) RIH WL - Perf @ +/- 300'. Set PKR @ 50'. Circ 250sx to surface in 5½ x 7-5/8 (x 10¼ if possible). Close 7-5/8 x 10¼ surface valve, pump 50sx cmt down 5½ into formation. Shut well in under positive pressure overnight.

5) Check well in A.M. Fill wellbore.

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 Charles Rogers TITLE Staff Regulatory Technician DATE 06/13/2013

Type or print name Rhonda Rogers E-mail address: rogerrs@conocophillips.com PHONE: (432)688-9174

For State Use Only

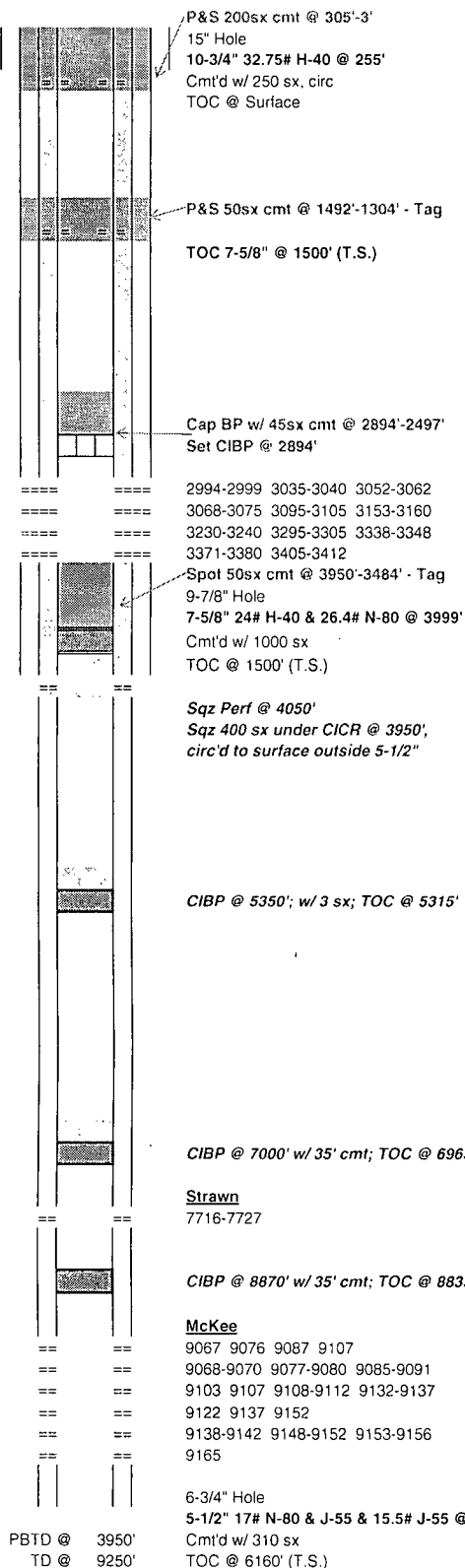
APPROVED BY: [Signature] TITLE Dist. Mgr. DATE 6-13-2013
Conditions of Approval (if any):

JUN 13 2013

WELLBORE SKETCH
ConocoPhillips Company -- Lower 48 - Mid-Continent BU / Permian Operations

Date: Dec. 20, 2012

RKB @ 3564'
 DF @ 3563'
 GL @ 3551'



Subarea: Hobbs
 Lease & Well No.: SEMU No. 62
 Legal Description: 1880' FSL & 1980' FWL, Sec. 20, T20S, R38E
 Unit Letter "K"
 County: Lea State: New Mexico
 Field: Eumont Yates 7 RVRs Queen (GAS)
 Spud: 7/2/57 Rig Released: 8/31/57
 API Number: 30-025-07835
 Status:
 Lse Serial No. NMLC031670B

Stimulation History:

Interval	Date	Type	Gals	Lbs. Sand	Max Press	ISIP	Max Rate	Max Down
	9/5/57	Perf McKee w/ 1 JSPF @ 9067, 9076, 9087, 9107, 9122, 9137, 9152 and 9165 (8 holes)						
	7/12/59	Re-perforate w/ 4 SPF @ 9068-9156						
9067-9166	7/13/59	Frac	40,000	60,000				
	9/75	Cleanout to 9150'						
	5/11/78	Cleanout from 9140-9186. Convert to wtr inj in McKee						
	7/78	Cleanout from 9114-6186						
	12/80	Cleanout from 9100-9186						
	3/88	Cleanout from 9160-9186						
	1/90	Cleanout from 9060-9184						
		Perf McKee 9070-90, 9110-30, 9142-46, 9158-78 w/ 2 SPF						
9067-9178	1/90	15% NEFE HCl	8,400					
		0.3% Dichlor-S	8,400	1260# 100 Mesh Sd				
	6/7/96	Set RBP @ 8823', TA'd						
	2/00	Cleanout from 8823-9152						
9067-9178	2/00	15% HCl	1,000					
		Return to water injection						
	4/25/01	Set CIBP @ 8870' w/ 35' cmt on top; TOC @ 8835'						
	8/01	Perf Strawn 7716-7727 w/ 2 SPF						
	8/01	Set CIBP @ 7000' w/ 35' cmt; TOC @ 6965'						
	3/15/04	Set CIBP @ 5350' w/ 3 sx cmt; TOC @ 5315'. Perf squeeze holes @ 4040'.						
	3/16/04	Set CIBP @ 3950'.						
	3/17/04	Circ 400 sx C cmt thru CIBP @ 3950', circ 75 sx to surface outside 5-1/2" casing. Well TA'd.						
	7/7/11	Perf @ 2994-2999; 3035-3040; 3052-3062; 3068-3075; 3095-3105; 3153-3160; 3230-3240; 3295-3305; 3338-3348; 3371-3380 and 3405-3412						
2994-3412	8/5/11	15% NEFE HCl	756					
3295-3412	8/5/11	15% NEFE HCl	1,848		2000	2000	2.0	
32999-3240	8/5/11	15% NEFE HCl	3,150		2000	1850	2.0	

Formation Tops:

Rustler	1404'	Tubb	6363'
Salado	1492'	Abo	6956'
Tansill	2547'	Devonian	7821'
Yates	2696'	Montoya	8488'
Seven Rivers	2960'	Simpson LS	8683'
Queen	3534'	Simpson SS	8744'
Glorieta	5350'	McKee	9064'
Blinberry	5866'		

Closed Loop System Design, Operating and Maintenance, and Closure Plan

ConocoPhillips Company
Well: SEMU 62
Location: Sec. 20, T20S, R38E
Date 06/13/2013

RECEIVED
JUN 13 2013
HOBBSUCD

ConocoPhillips proposes the following plan for design, operating and maintenance, and closure of our proposed closed loop system for the above named well:

1. We propose to use a closed loop system with steel pits, haul-off bins, and frac tanks for containing all cuttings, solids, mud, water, brine, and liquids. We will not dig a pit, nor will we use a drying pad, nor will we build an earth pit above ground level, nor will we dispose of or bury any waste on location.

All drilling waste and all drilling fluids (fresh water, brine, mud, cuttings, drill solids, cement returns, and any other liquid or solid that may be involved) will be contained on location in the rig's steel pits or in haul-off bins or in frac tanks as needed. The intent is as follows:

- We propose to use the rig's steel pits for containing and maintaining the drilling fluids.
- We propose to remove cuttings and drilled solids from the mud by using solids control equipment and to contain such cuttings and drilled solids on location in haul-off bins.
- We propose that any excess water that may need to be stored on location will be stored in tanks.

The closed loop system components will be inspected daily by each tour and any need repairs will be made immediately. Any leak in the system will be repaired immediately, and any spilled liquids and/or solids will be cleaned immediately, and the area where any such spill occurred will be remediated immediately.

2. Cuttings and solids will be removed from location in haul-off bins by an authorized contractor and disposed of at an authorized facility. For this well, we propose the following disposal facility:

R-360 Inc.
4507 West Carlsbad Hwy, Hobbs, NM 88240,
P.O. Box 388; Hobbs, New Mexico 88241
Toll Free Phone: 877.505.4274, Local Phone Number: 432.638.4076

The physical address for the plant where the disposal facility is located is Highway 62/180 at mile marker 66 (33 miles East of Hobbs, NM and 32 miles West of Carlsbad, NM).

The Permit Number for R-360 is NM-01-0006.

A photograph showing the type of haul-off bins that will be used is attached.

3. Mud will be transported by vacuum truck and disposed of at R-360 Inc at the facility described above.
4. Fresh Water and Brine will be hauled off by vacuum truck and disposed of at an authorized salt water disposal well. We propose the following for disposal of fresh water and brine as needed:
 - Nabors Well Services Company, 3221 NW County Rd; Hobbs, NM 88240, PO 5208 Hobbs, NM, 88241, Permit SWD 092. (Well Location: **Section 3, T19S R37E**)
 - Basic Energy Services, P.O. Box 1869; Eunice, NM 88231 Phone Number: 575.394.2545, Facility located at Hwy 18, Mile Marker 19; Eunice, NM.

James Chen
Drilling Engineer
Office: 832.486.2184
Cell: 832.678.1647