

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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.*

HOBBS OCD

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

JUN 02 2014

|  |  |   |  |
|--|--|---|--|
| 1. Type of Well<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other                   |  | 8. Well Name and No.<br>WILDER FEDERAL AC 28 4H           |  |
| 2. Name of Operator<br>CONOCOPHILLIPS COMPANY  |  | 9. API Well No.<br>30-025-40502-00-X1                     |  |
| 3a. Address<br>MIDLAND, TX 79710   |  | 10. Field and Pool, or Exploratory<br>WC-025 G05 S263208P |  |
| 3b. Phone No. (include area code)<br>Ph: 281-206-5282  |  | 11. County or Parish, and State<br>LEA COUNTY, NM         |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 28 T26S R32E NWNW 330FNL 330FWL<br>32.011184 N Lat, 103.411515 W Lon |  |   |  |

RECEIVED

**12. CHECK 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 |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Change to Original APD                    |
|  | <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 recompletable 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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 Company respectfully requests a variance to the submitted APD Drill Plan and BLM Conditions of Approval. Per the conditions of approval, the cement should tie-back at least 500 feet into previous casing string. However, during the two-stage cementing job, the ACP ruptured during inflation and resulted with failure to bring cement above to tie-back into the previous casing string from the 2nd stage.

Per BLM requirements, we wish to propose cement remediation after fracture stimulation on the well. The intention is to allow completion of this well before remediation for the reason that there is sufficient cement above any hydrocarbon bearing zones of interest. Therefore, we strongly feel that we would have a more effective cement sheath without micro-annulus from a post-frac cement remediation.

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #246515 verified by the BLM Well Information System  
For CONOCOPHILLIPS COMPANY, sent to the Hobbs  
Committed to AFMSS for processing by LINDA JIMENEZ on 05/22/2014 (14LJ0176SE)

Name (Printed/Typed) KRISTINA MICKENS

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 05/21/2014

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By EDWARD FERNANDEZ

Title PETROLEUM ENGINEER

Date 05/28/2014

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.

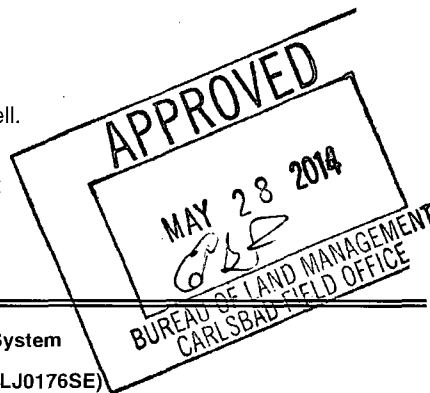
Office Hobbs

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

YMSB-OCD 6/3/2014

JUN 03 2014



**Additional data for EC transaction #246515 that would not fit on the form**

**32. Additional remarks, continued**

Attached is the following:  
Summary of Events  
Proposed Completions and Remediate Cementing Operations

Thank you for your time in reviewing this request.

**Request for Variance**  
**ConocoPhillips Company**  
**30-025-40502**  
**WILDER FEDERAL AC COM 28 4H**

Lea County, New Mexico

**Request:**

ConocoPhillips Company respectfully requests a variance to the submitted APD Drill Plan and BLM Conditions of Approval. Per the conditions of approval, the cement should tie-back at least 500 feet into previous casing string. However, during the two-stage cementing job, the ACP ruptured during inflation and resulted with failure to bring cement above to tie-back into the previous casing string from the 2<sup>nd</sup> stage.

Per BLM requirements, we wish to propose cement remediation after fracture stimulation on the well. The intention is to allow completion of this well before remediation for the reason that there is sufficient cement above any hydrocarbon bearing zones of interest. Therefore, we strongly feel that we would have a more effective cement sheath without micro-annulus from a post-frac cement remediation.

**Summary:**

Spud: March 9, 2014; 11:30 hrs.

Release: March 29, 2014; 10:00 hrs.

20" Conductor was pre-set at 99' below ground level.

13-3/8", 54.5#, J-55, BTC Surface Casing was set at 966.2' and cemented to surface, returns 120 bbls of cement to surface. No problems reported.

9-5/8", 36.0#, J-55, LTC Intermediate Casing was set at 4,403.1' and cemented to surface, returns 95 bbls of cement to surface. No problems reported.

5-1/2", 20.0#, P-110, Tenaris XP BTC Production Casing was set at 15,960.2' MD. Float Shoe Top at 15,958.7' MD and Float Collar Top at 15,917.8' MD, and 14.66' Marker Joint Top at 8,631.1' MD. Performed 2-stage cement job with ACP (Annulus Casing Packer) Top at 8,160.2' MD and Stage Tool Top at 8,158.0' MD. ACP ruptured during inflation, no cement returns were observed during either stages of the cement job, top of tail cement is estimated to be at minimum 6,700' MD at the end of 1<sup>st</sup> stage based on hydrostatic lift pressures (differential lift was 641 psi prior to bump plug). Lost complete returns during 2nd stage of the cement job, believed to have broken down the formation when ACP ruptured and inflation pressure applied was above the formation breakdown pressure. Mud level was at the wellhead spool; however, did not have returns at any point during the 2nd stage after the initial 5 bbl return made when stage tool opened. (Attached is SLB Post-Job Cement Report). Based on our estimated open hole volume (8-7/8" gauged hole) vs. cement pumped during 1<sup>st</sup> stage (485.5 bbl), assuming no seepage or channeling, the top of cement should be at approximately 5,700' MD.

Fluid left inside the well: Fresh Water.

Fluid in uncemented casing annulus: 8.9+ ppg cut-brine.

On April 24, 2014, SLB completed 0 psi & 1000 psi pass of CBL with Isolation Scanner logging run per BLM requirements. The CBL log indicates the top of cement to be approximately at 6,200 ft MD shown from the reduction in amplitude. The VDL was not conclusive in determining where the top of cement was located. The additional data from the isolation scanner show some ratty cement at 5,700' MD and another thin interval of cement at 5,380' to 5,520' MD. Therefore, based on these interpretations, we conclude there are two sections of uncemented casing.

The hardcopy of the CBL with Isolation Scanner was sent to the BLM Carlsbad Office and should be in their file records.

Therefore, based on these interpretations that indicates top of cement to be at least ~ 2,750' above the top of the estimated perms, we proposed to proceed with completion and remediate once the well has been completed prior to turning the well over to production.

### Proposed Completion and Remediate Cementing Operation:

1. Bleed off any pressure on each casing annulus, install frac valves, and close all valves on the casing head.
2. MIRU Pump Truck. Pressure Test casing to 9,800 psi for 30 min.
3. Pressure Test the 9-5/8" x 5-1/2" annulus to 500 psi (low) and 4,500 psi (high), hold and monitor for 30 min with pressure charts. If the pressure test fails to hold pressure (no less than 10%), then establish an injection and record the pressure and rate.
4. Bleed off any pressure and install gauge to monitor the pressure on the 9-5/8" x 5-1/2" annulus.
5. MIRU CTU. RIH, TCP Stage Perfs. RDMO CTU.
6. MIRU Stimulation Crew, WL and Water Transfer.
7. Perform Stimulation on the well. During the Stimulation monitor the pressure on the annulus. If significant pressure increase is observed from the annulus, immediately shut-down frac'ing operations and contact BLM engineer to discuss path forward. RDMO Stimulation Crew and Water Transfer.
8. RU WL and RIH and Set a CBP at ~ 8,700'.
9. MIRU cementers: Test lines to 3,000 psi. Max Pressure is 2,500 psi or 4 bpm.
  - Establish injection pressure and rate. Ensure injectivity for Braden Head Squeeze.

**(Note: Do not mix cement until both are established)**

  - Pump 40 bbl LCM and 10 bbl water spacer at 3 bpm.
  - Mix and pump 486 sacks (LiteCrete 9.5 ppg, 2.46 cuft/sk yield, 35% excess and 213 bbl) of cement and displace with 112 bbls of freshwater with biocide.

**(Note: As soon as stop pumping shut-in 9-5/8" Casing Valves to help prevent cement from potential falling)**
10. Bleed off any pressure.
11. MIRU WL unit with 5K lubricator, pack off, WL BOP, Tool Trap and Pump in Sub. Test Lubricator.
12. Run CBL with Isolation Scanner to determine new TOC and base of cement from the Braden Head Squeeze. Log from 6,200' MD to surface. TOC should be above 3,903' MD to meet BLM Requirements.
13. If remedial cement is placed successfully and TOC is above 3,903' MD, then proceed to flowback.
14. MIRU CTU and Mill Out plugs from the well. RDMO CTU.
15. Flowback the well for 72 hrs monitoring casing pressure, fluid and gas rates.
16. MIRU WSU. TIH with Tubing and Gas Lift. Land Tubing and NU Production Tree.
17. RDMO WSU.
18. Turn Well Over to Production.

See  
COA

See  
COA

### Anticipated starting date and duration of operations:

This proposal will only be implemented for the frac'ing operation and cement remediation of this well after this request has been approved and authorizations by all agencies have been obtained. We will monitor the annulus pressure during the frac'ing operation.

### Contact Information:

Sundry Request proposed 21 May 2014 by:  
James Chen  
Drilling Engineer, ConocoPhillips Company  
Phone (832) 486-2184  
Cell (832) 768-1647

ConocoPhillips Company: May 21, 2014

**Conditions of Approval**  
**Sundry dated 05/21/2014**  
**Wilder Federal AC Com 28 4H**  
**30-025-40502**  
**ConocoPhillips Company**

**Note that this is approval to proceed with fracture stimulation and remedial cement work will be required to meet the original APD conditions of approval which is to tie-back cement 500 feet into previous casing string.**

1. Operator to notify the BLM at least 36hrs before work is to begin on well.
2. **Step 12 of procedure: operator to provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log. The CBL must be reviewed and approved by the BLM prior to flowback of well. The CBL may be submitted via email to a BLM Engineer. The CFO BLM on call engineer may be reached at 575-706-2779.**
3. **Step 13 of procedure: Pressure test 9-5/8" by 5-1/2" annulus to 500 psi for 30 minutes and record on chart. Send CBL, post-job cement report, and chart to the BLM.**
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 minimum of 3000 (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.
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. Approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

**EGF 052814**