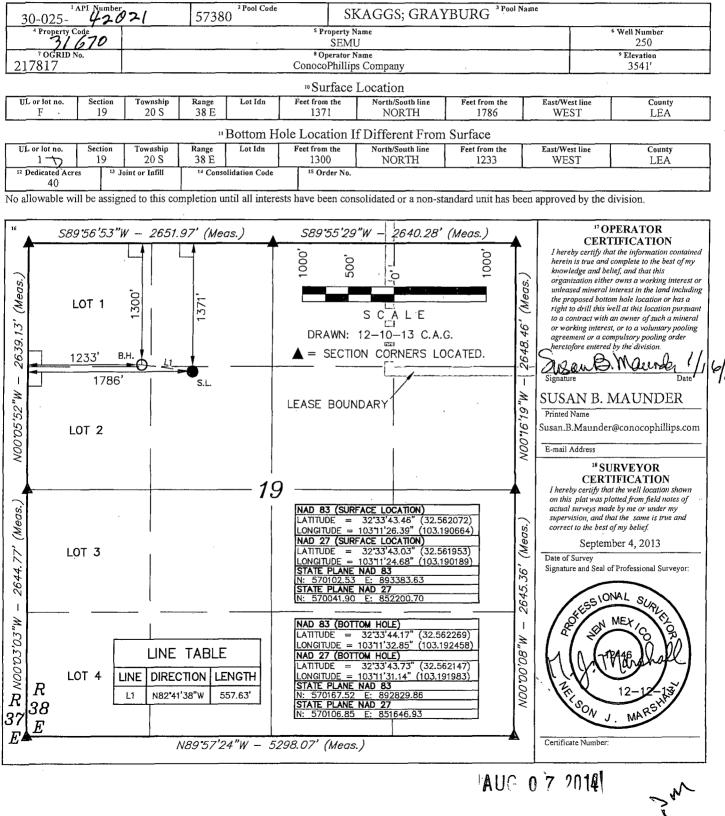
District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

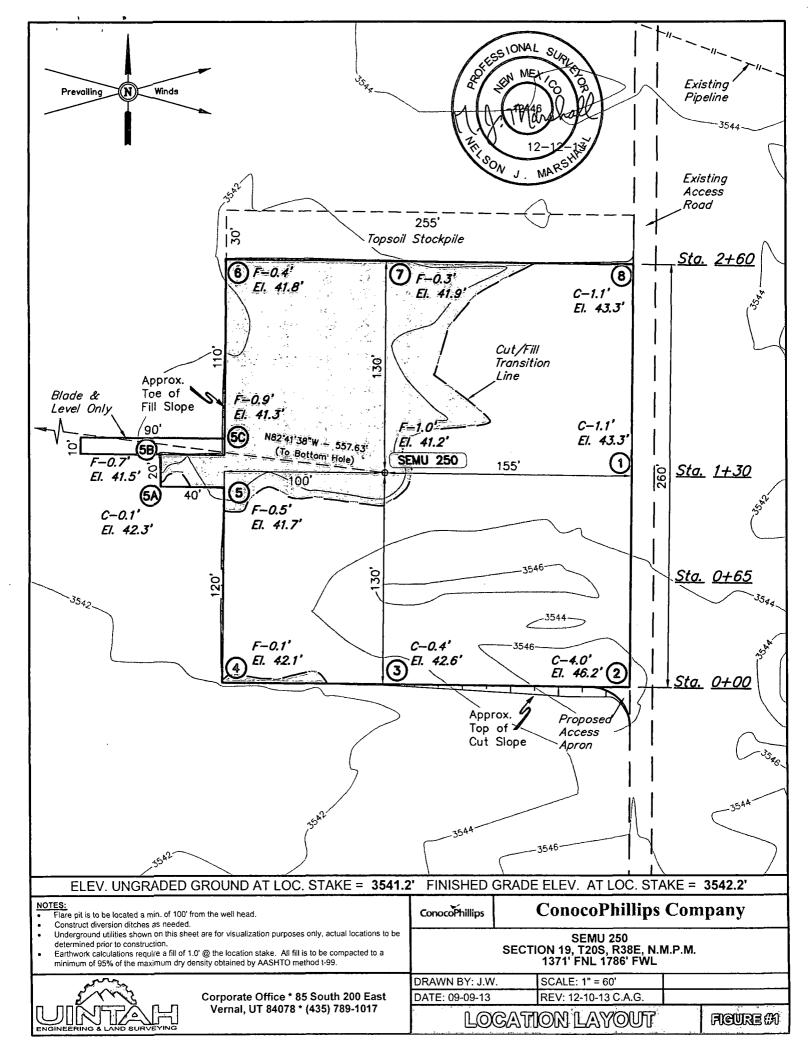
State of New Mexico Energy, Minerals & Natural Resources Department HOBBS OCD OIL CONSERVATION DIVISION 1220 South St. Francis Dr. AUG 0 5 2014 Santa Fe, NM 87505

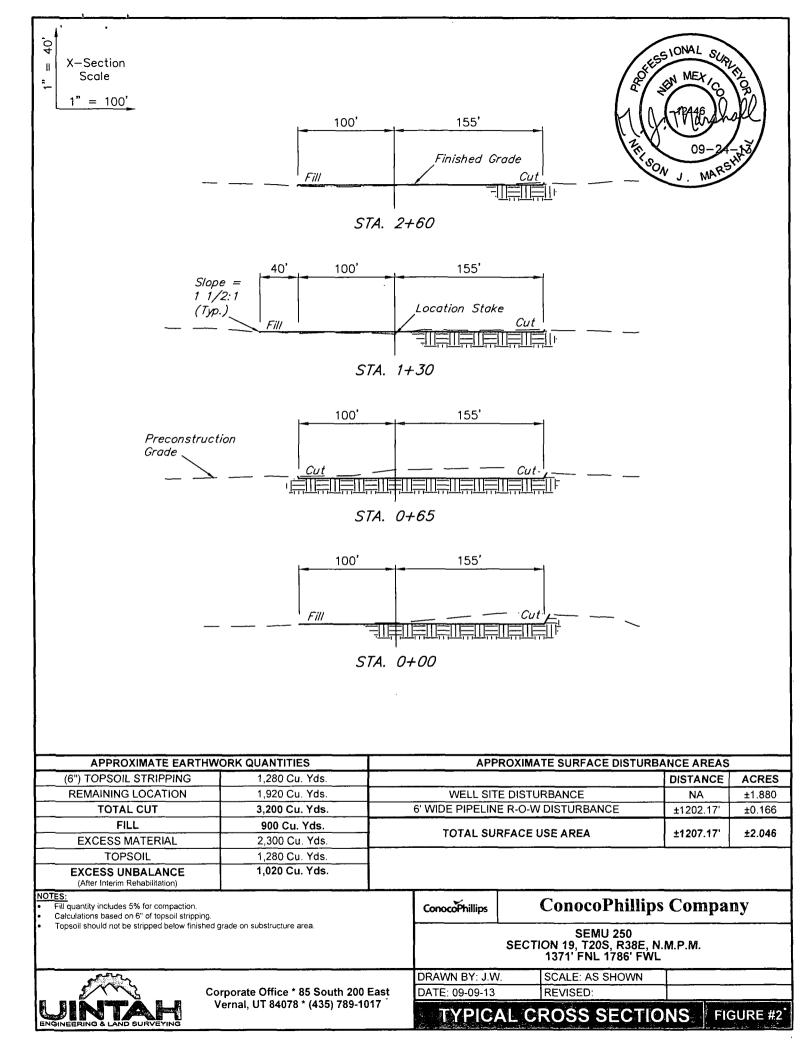
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

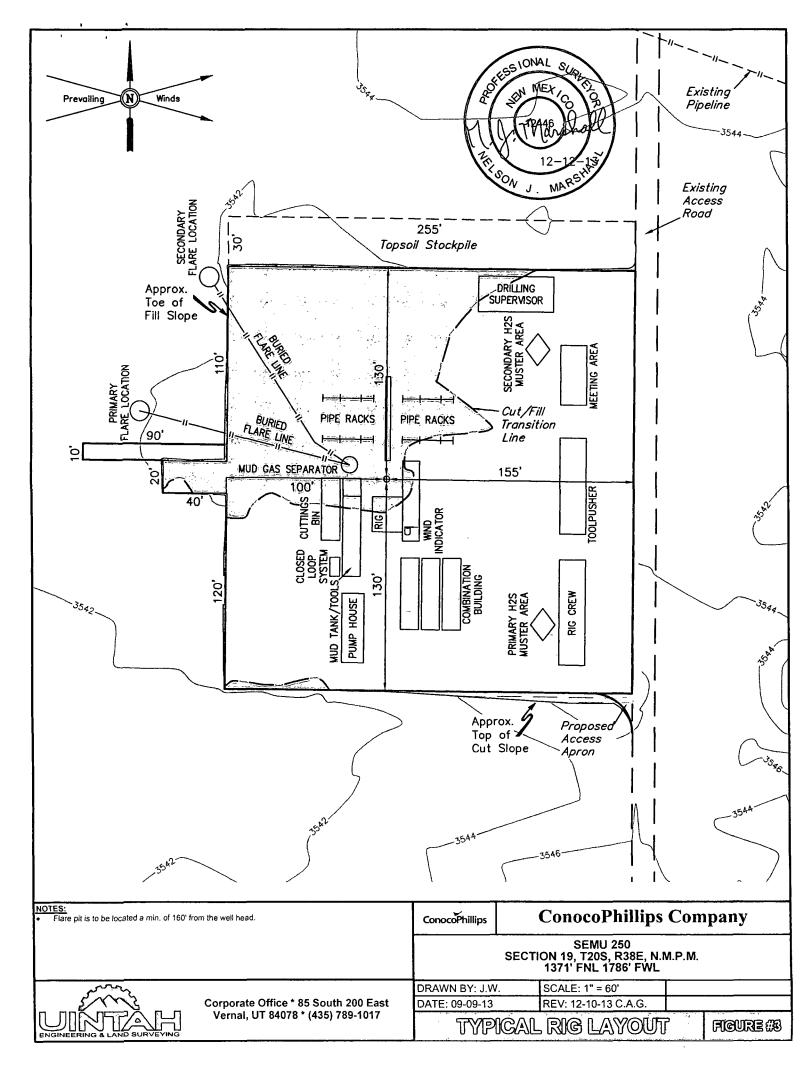
AMENDED REPORT

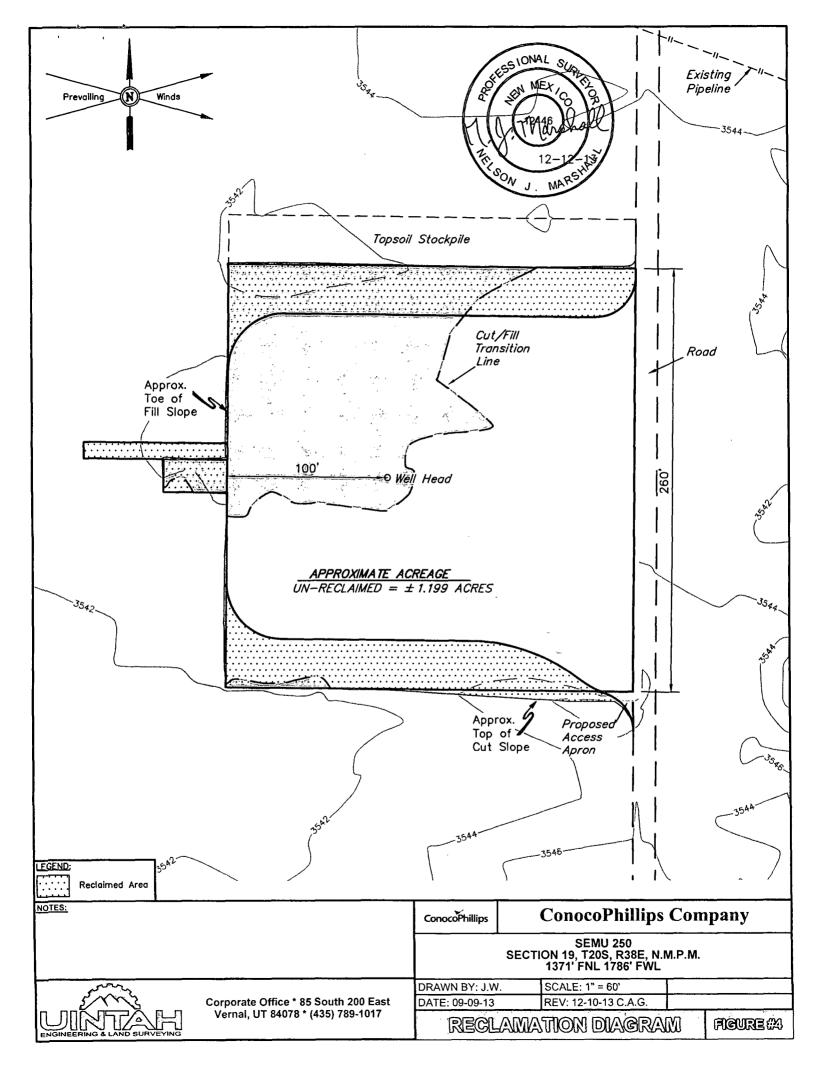
RECEIVED WELL LOCATION AND ACREAGE DEDICATION PLAT

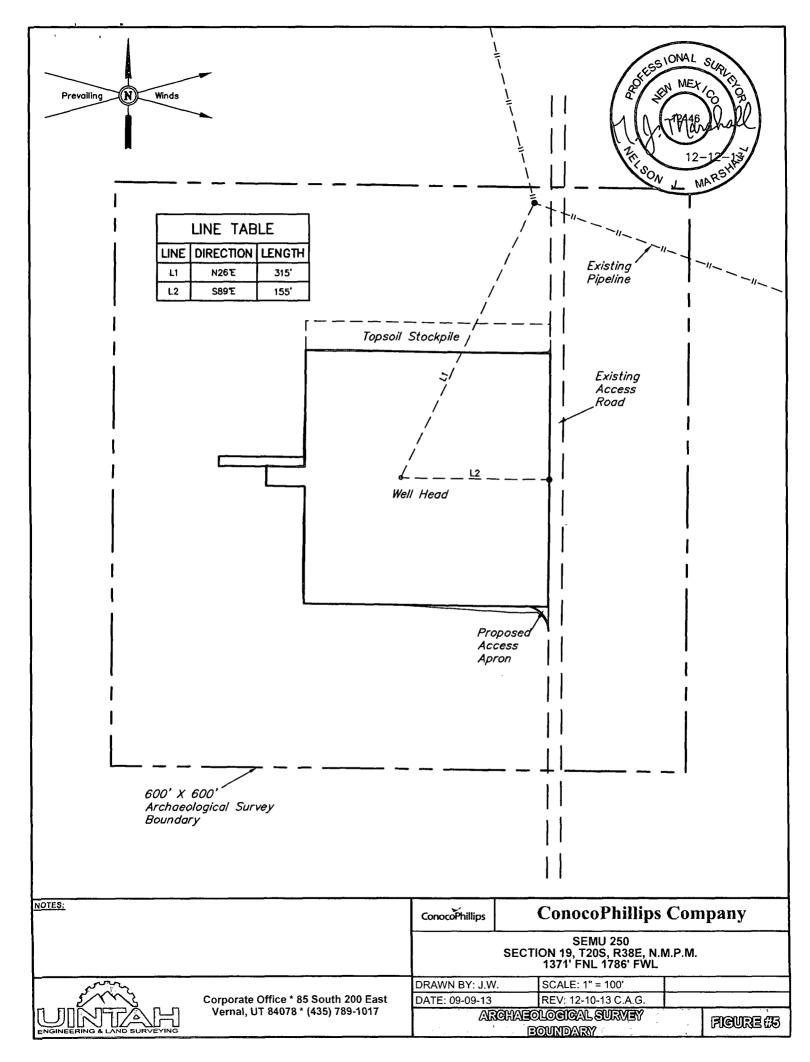


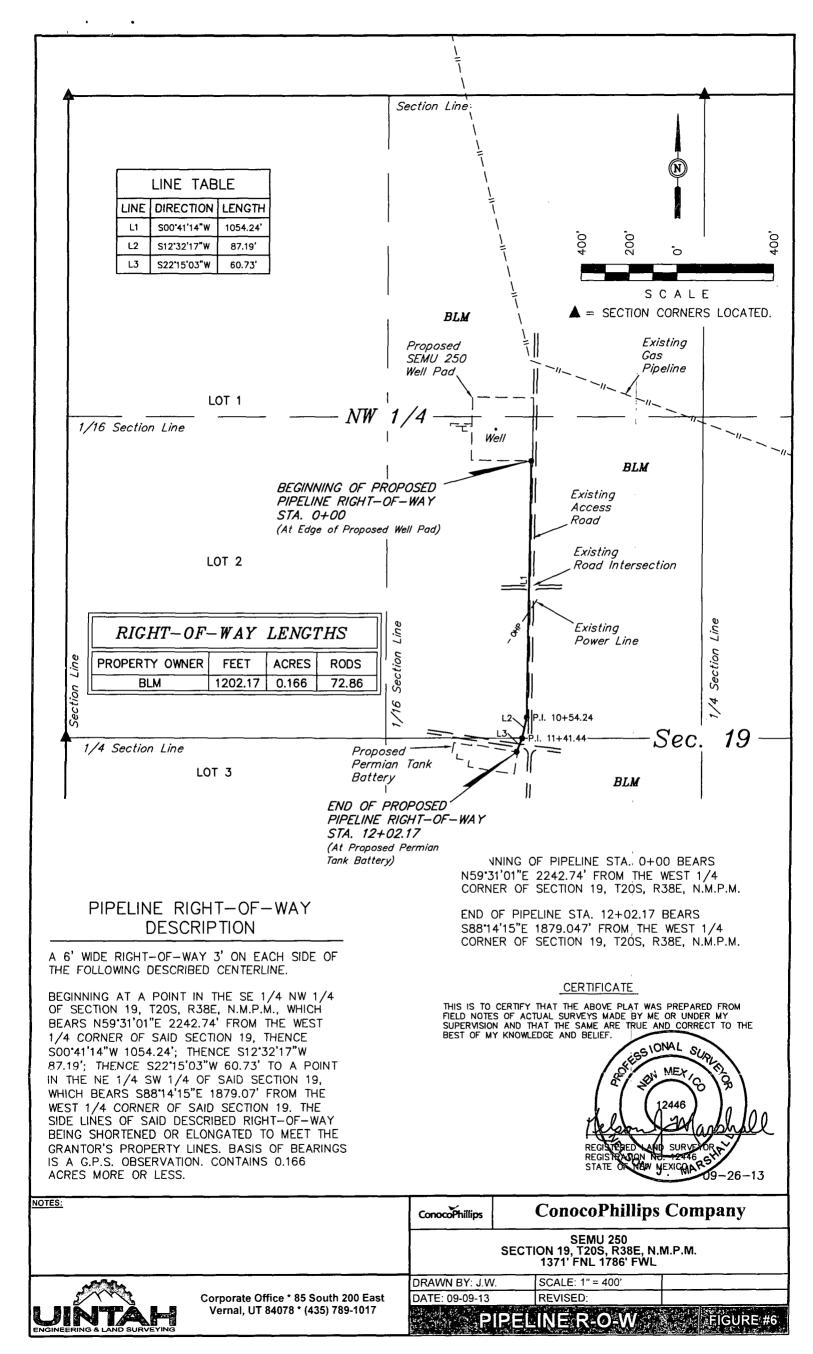








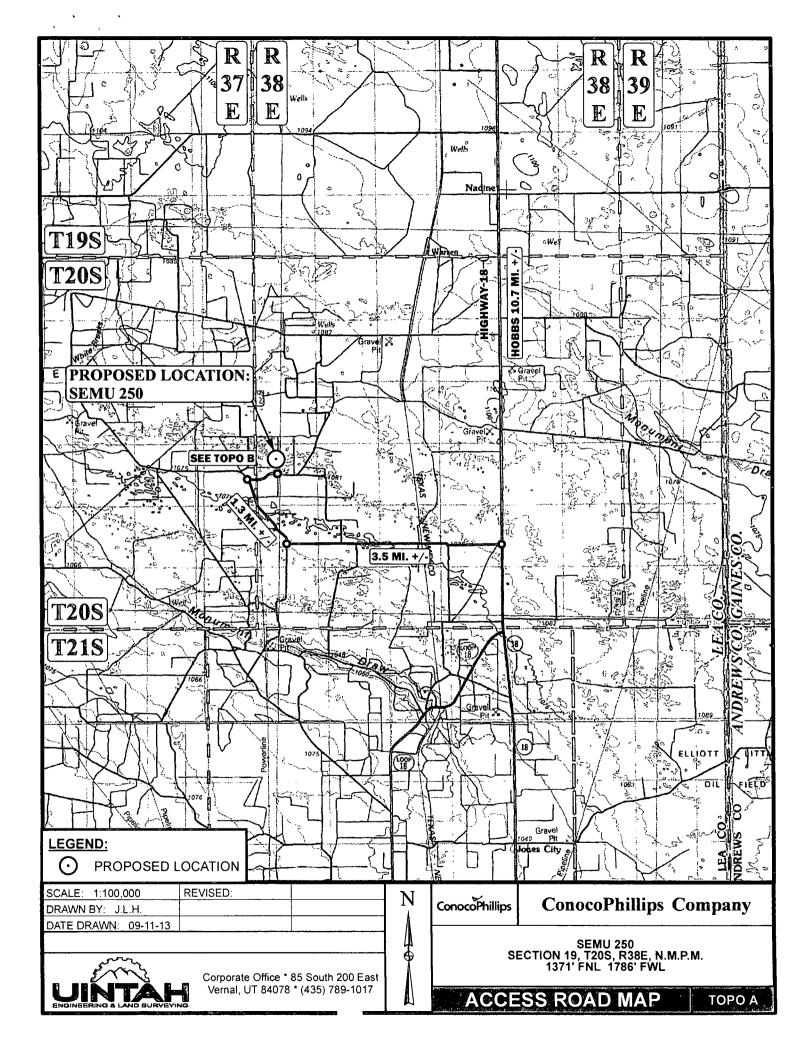


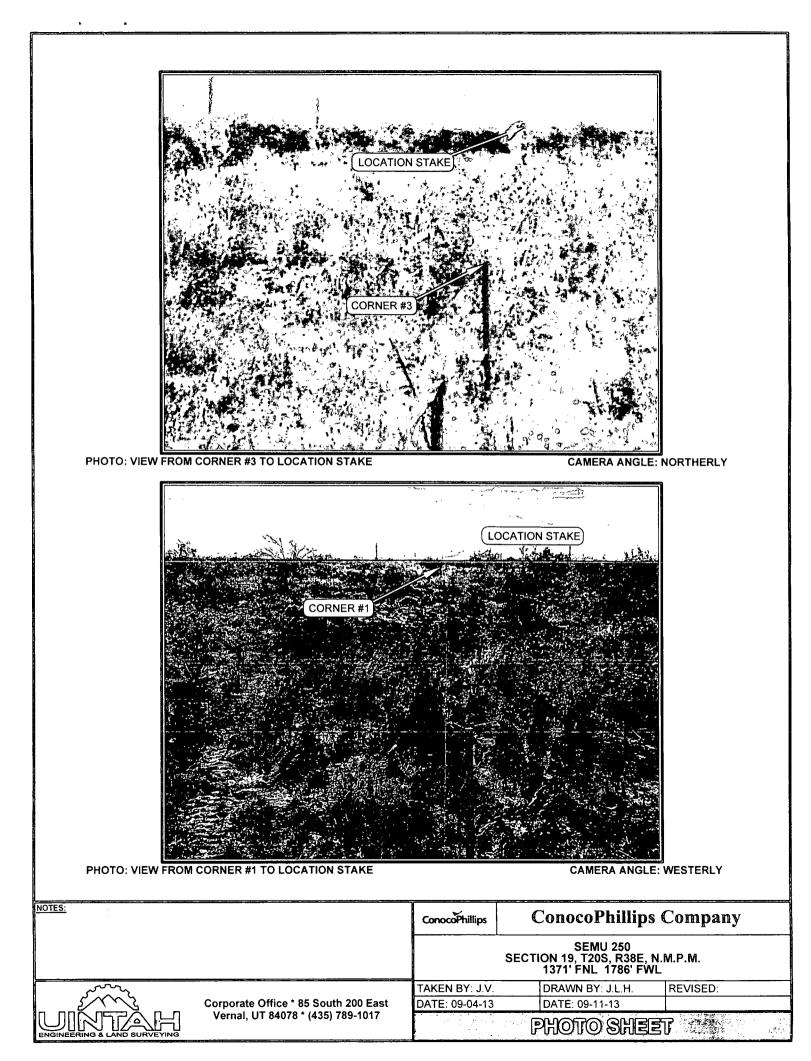


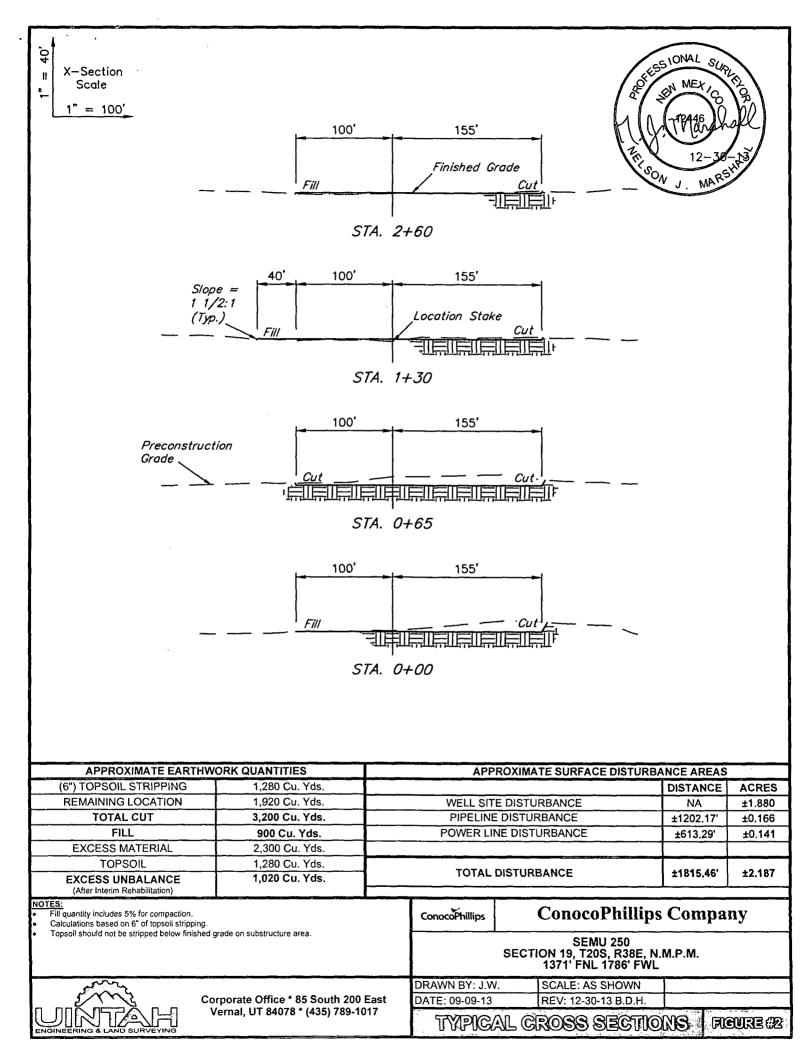
ConocoPhillips Company SEMU 250 SECTION 19, T20S, R38E, N.M.P.M.

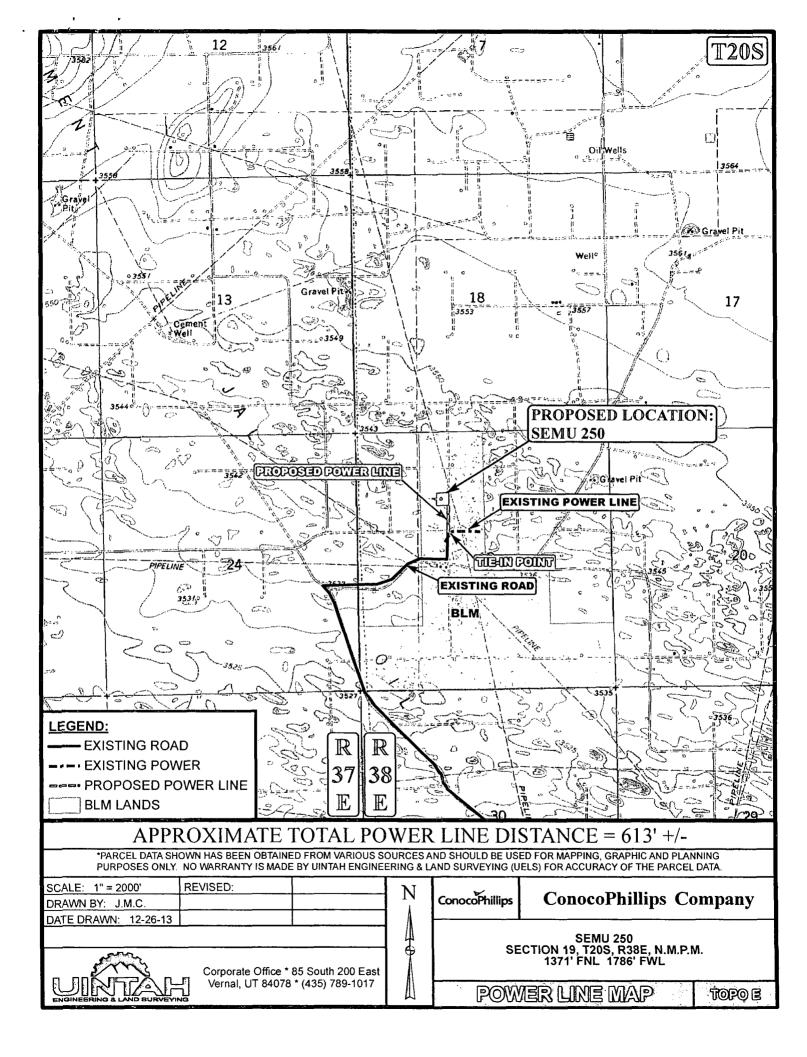
BEGINNING AT THE INTERSECTION OF U.S. HIGHWAY 62/U.S. HIGHWAY 180 AND HIGHWAY 18, PROCEED IN A SOUTHERLY DIRECTION FROM HOBBS, NEW MEXICO ALONG HIGHWAY 18 APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST: TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 3.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN RIGHT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

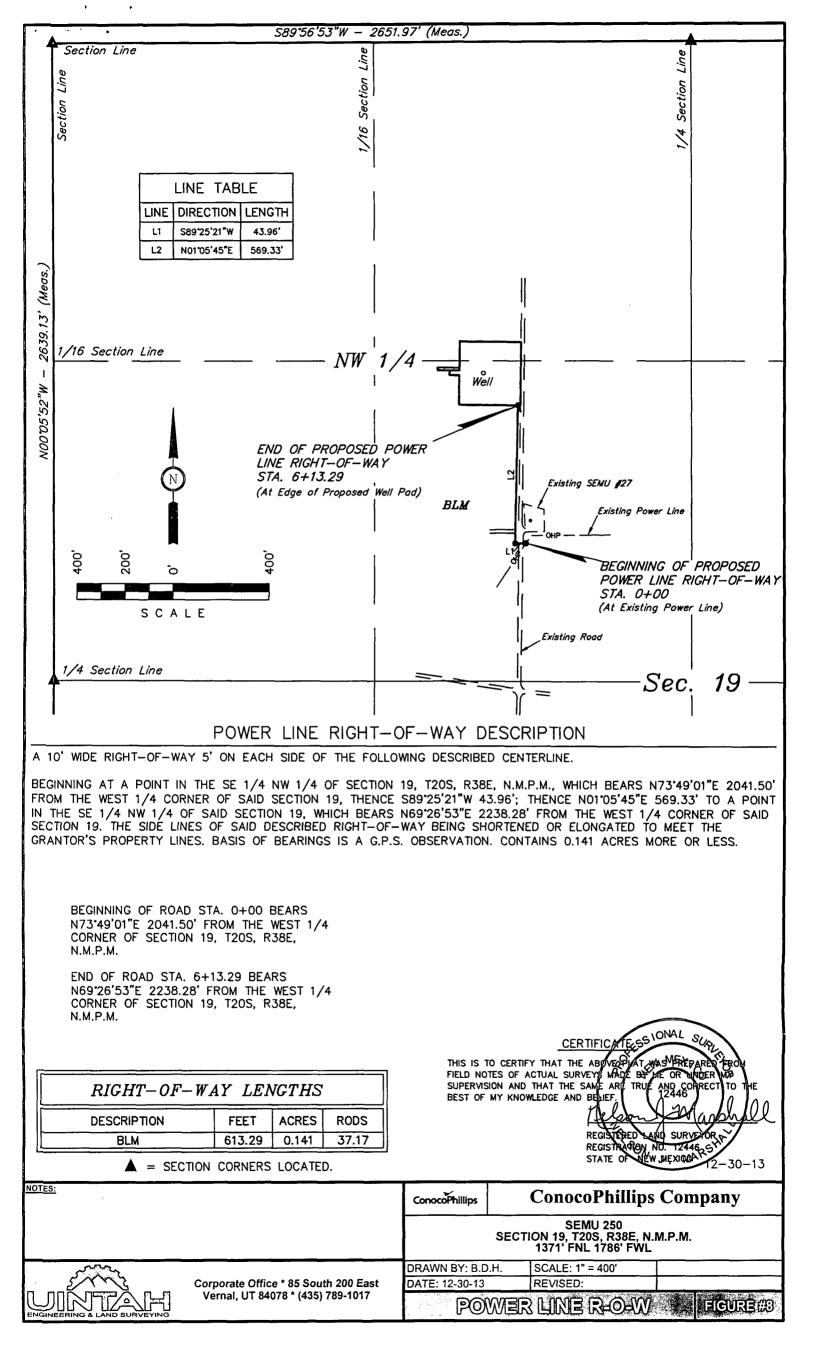
TOTAL DISTANCE FROM HOBBS, NEW MEXICO TO THE PROPOSED LOCATION IS APPROXIMATELY 16.2 MILES.











Drilling Plan ConocoPhillips Company <u>SEMU; Grayburg</u>

SEMU #250

Lea County, New Mexico

1. Estimated tops of geological markers and estimated depths to water, oil, or gas formations:.

The datum for these depths is RKB (which is 13' above Ground Level).

Formations	Top Depth FT TVD	Top Depths FT MD	Contents
Quaternary	Surface	Surface	Fresh Water
Rustler	1376	1376	Anhydrite
Salado (top of salt)	1462	1462	Salt
Tansill (base of salt)	2575	2576	Gas, Oil and Water
Yates	2675	2677	Gas, Oil and Water
Seven Rivers	2908	2913	Gas, Oil and Water
Queen	3480	3509	Gas, Oil and Water
Penrose	3616	3655	Gas, Oil and Water
Grayburg	3764	3817	Gas, Oil and Water
San Andres	3989	4065	Gas, Oil and Water
Deepest estimated perforation	3989	4065	Deepest estimated perf. is above Top of San Andres
Total Depth (maximum)	4189	4286	200' below deepest estimated perforation

All of the water bearing formations identified above will be protected by setting of the <u>8-5/8</u> surface casing <u>25' – 70' into the Rustler formation</u> and circulating of cement from casing shoe to surface in accordance with the provisions of Onshore Oil and Gas Order No. 2 and New Mexico Oil Conservation Division Title 19.

The targeted oil and gas bearing formations identified above will be protected by setting of the <u>5-1/2</u>" production casing <u>10' off bottom of TD</u> and circulating of cement from casing shoe to surface in accordance with the provisions of Onshore Oil and Gas Order No. 2 and New Mexico Oil Conservation Division Title 19.

2. Proposed casing program:

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Tuno	Hole Size	Interval MD RKB (ft)		OD .	Wt	- Gr	Conn	MIY	Col	Jt Str	Safety Factors Calculated per ConocoPhillips Corporate Criteria		
Туре	(in)	From	То	(inches)	(lb/ft)	G	Com	(psi)	(psi)	(klbs)	Burst DF	Collapse DF	Jt Str DF (Tension) Dry/Buoyant
Cond	20	· 0	40' – 85' (30' – 75' BGL)	16	0.5" wall	В	Line Pipe	N/A	N/A	N/A	NA	NA	NA
Alt. Cond	20	0	40' – 85' (30' – 75' BGL)	13-3/8	48#	H-40	PE	1730	740	N/A	NA	NA	NA
Surf	12-1/4	0	1401' – 1446'	8-5/8	24#	J-55	STC	2950	1370	244	1.38	2.13	3.04
Prod	7-7/8	0	4231' – 4276'	5-1/2	17#	L-80	LTC	7740	6290	338	3.48	4.90	2.69

The casing will be suitable for H₂S Service. All casing will be new.

The surface and production casing will be set approximately 10' off bottom and we will drill the hole with a 45' range uncertainty for casing set depth to fit the casing string so that the cementing head is positioned at the floor for the cement job.

The production casing will be set 155' to 200' below the deepest estimated perforation to provide rathole for the pumping completion and for the logs to get deep enough to log the interval of interest.

Casing Safety Factors - BLM Criteria:

Туре	Depth	Wt	MIY	Col	Jt Str	Drill Fluid	Burst	Collapse	Tensile-Dry	Tens-Bouy
Surface Casing	1446	24	2950	1370	244000	8.5	4.62	2.14	7.0	8.1
Production Casing	4276	17	7740	6290	338000	10	3.48	2.83	4.65	5.49

Casing Safety Factors – Additional ConocoPhillips Criteria:

ConocoPhillips casing design policy establishes Corporate Minimum Design Factors (see table below) and requires that service life load cases be considered and provided for in the casing design.

ConocoPhillips C	ornorate Criteria	for Minimum	Design Fact	ore
	orporate oriteria		Design race	013

		tona for minimum Design Factors	
	Burst	Collapse	Axial
Casing Design Factors	1.15	1.05	1.4

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DRAW	VN BY: J.L.H.	EVISED:		ConocoPhillips	ConocoPhillips	Company
DATE	DRAWN: 09-11-13]			SEMU 250	
5 1 •		Corporate Office * 85 Sout	th 200 East		SEMU 250 CTION 19, T20S, R38E, N. 1371' FNL 1786' FWL	
		Vernal, UT 84078 * (435)	189-101/	ACCE	SS ROAD MAP	

