| Submit 1 Copy To Appropriate District | State of New Me | exico | | Form C-103 |
|--|---|---|--|--|
| Office <u>District I</u> – (575) 393-6161 | Energy, Minerals and Natu | ıral Resources | Type y AB | Revised August 1, 2011 |
| 1625 N. French Dr., Hobbs, NM 88240 District II – (575) 748-1283 | | | WELL API | NO. 30-025-20290 |
| 811 S. First St., Artesia, NM 88210 | OIL CONSERVATION | | 5. Indicate | Type of Lease |
| <u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 | 1220 South St. Fran | | STA | TE X FEE |
| <u>District IV</u> – (505) 476-3460 | Santa Fe, NM 8' | /505 | 6. State Oi | l & Gas Lease No. |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | | | B-2354-2 | N to the |
| | CES AND REPORTS ON WELLS | | 7. Lease N | ame or Unit Agreement Name orieta East Unit |
| (DO NOT USE THIS FORM FOR PROPOSE DIFFERENT RESERVOIR. USE "APPLICE "APPLICE" | LATION LEON DEDNAMEN (CORNAG 101) E | OD GLIGHT | Tract 37 | onicia Last Onit |
| PROPOSALS.) | Con Well Datharti | BBS OCD | 8. Well Nu | imber 003 |
| Type of Well: Oil Well Name of Operator | Gas Well Other Injection We | 0015 | 9. OGRID | 003 |
| ConocoPhillip | os Company III | JN 0 1 2015 |). Coldb | 217817 |
| 3. Address of Operator P. O. Box 5 | 1810 | | 10. Pool na | ame or Wildcat |
| Midland, T. | X 79710 | RECEIVED | Vacuum; Gl | orieta . |
| 4. Well Location | | | 0 | |
| | feet from the North | line and 198 | | eet from the East line |
| Section 31 | Township 17S Ra 11. Elevation (Show whether DR | ange 35E | NMPM | County Lea |
| Table 1 | 3986' RKB | , MMD, M1, GM, e1c., | , | Printer or see the second seco |
| NOTICE OF IN PERFORM REMEDIAL WORK TEMPORARILY ABANDON PULL OR ALTER CASING DOWNHOLE COMMINGLE OTHER: add pay 13. Describe proposed or compost of starting any proposed wo proposed completion or recomposed completion or recomposed. | PLUG AND ABANDON CHANGE PLANS MULTIPLE COMPL | SUB REMEDIAL WOR COMMENCE DRI CASING/CEMEN OTHER: pertinent details, and C. For Multiple Con | SEQUENT K ILLING OPNS T JOB d give pertine mpletions: A | T REPORT OF: ALTERING CASING P AND A control dates, including estimated dates |
| Attached is a current/proposed we | Ilbore schematic | , , | | |
| | | Cond | ition of Ap | proval: notify |
| | | OCI | Hobbs of | fice 24 hours |
| | | | • | IT Test & Chart |
| | | 1 | | • |

| Spud Date: | Rig Release Date: | |
|--|---|-----------------------------|
| I hereby certify that the information above is true and co | omplete to the best of my knowledge and belief. | |
| SIGNATURE Monde Boys. | TITLE Staff Regulatory Technician | _DATE_05/28/2015 |
| Type or print name Rhonda Rogers | E-mail address: rogerrs@conocophillips.com | PHONE: <u>(432)688-9174</u> |
| For State Use Only | | . • • |

_title Dist

S. DAWIANA DATE

E 6/8/2015

VGEU 37-03W API# 30-025-20290 ADD PAY

Project Scope

<u>Justification and Background:</u> Determine why annulus has high pressure while on injection (on/off tool, packer, tubing, or casing leak). Drill out 73' of cement and add ~40' of new perforations & reshoot ~40' of squeezed perforations

This well is only taking roughly 100 bwpd. All the perforations will be acidized to increase the injection rate. The pay add will target the Paddock dolomite beneath the limestone flood to provide pressure support from the bottom. The pay add will also help with the water handling issues that will occur as the new drill program begins. This well was targeted due to low injectivity. All perforations will be acidized and rock salt will be used for diversion.

| Estimated H2S (ppm) | 15,000 | Max anticipated MCFPD | 8 |
|----------------------|--------|-----------------------|---------------|
| 100 ppm H2S ROE (ft) | 27 | Well Category | 1 |
| 500 ppm H2S ROE (ft) | 12 | BOP Class | 1 (Hydraulic) |

| Perforations : | | | |
|----------------|-----------|--------|--------|
| Type | Formation | Тор | Bottom |
| Perforations | Paddock | 5,997' | 6,085' |
| PBTD | | 6,100' | |
| TD | | 6,900' | |

Well Service Procedure:

- 1) MIRU pulling unit. Kill well.
- 2) RU wireline services. NU 5,000 psi lubricator (note: use lubricator shop tested to 2,000 psig is acceptable). PU & RIH w/ plug to land in 1.875" profile nipple @ 5,941'. Set plug & TOOH w/ wireline. ND lubricator & release wireline services.
- 3) Load & test Tbg to 3,000 psi.
- 4) If Tbg passes, load & test the backside to 500 psi. <u>If a leak is discovered on the backside contact engineer for path</u> foward
- 5) NDWH, NUBOP. Test BOP. RU scanners. Release packer & TOOH w/ 2 3/8" 4.7# J-55 IPC production Tbg. Visually inspect all Tbg out of hole. Stand yellow and blue band Tbg back in derrick. Lay down packer.
- 6) MI lay down machine. PU & TIH w/ bit & drill collars on 2 7/8" 6.5# L-80 workstring to top of fill @ 6,100'.
- 7) RU swivel & clean out fill, cement, and CIBP from 6,100'-6,198'. RU reverse unit if circulation isn't attainable.
- 8) Cleanout to top of cement @ 6,198'. RD reverse unit & LD swivel.
- 9) TOOH w/ bit & drill collars on work string. Stand back work string in derrick. LD bit & drill collars.
- 10) PU & TIH w/ bit and scraper sized for 5 1/2" 20# N-80 casing on work string to PBTD @ 6,198'.
- 11) TOOH w/ bit and scraper. LD bit and scraper. Stand work string back in Derrick.

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12) MIRU wireline services. NU 5000 psi lubricator (note: use lubricator shop tested to 2,000 psig is acceptable) and RIH w/ perf guns to perforate using 4" Titan Slick Gun w/ super deep penetrating charges (ch-40g, eh-0.52", pen-52.13") or equivalent loaded at 4 SPF to accomplish 120 degreee phasing. Wireline Service Company needs to bring gamma ray and CCL tool to get on depth. Perforate as follows:

Note: Correlate w/ Schlumberger Formation Analysis Log – Movable Oil Plot dated 01/30/1964

| Lower Blinebry | Feet | Shots | |
|-------------------------|---------|-------|--|
| 6,086' - 6,128' (Propos | sed) 42 | 168 | |
| 6,158' – 6,195' (Propo | sed) 37 | 148 | |
| Total | 79 | 316 | |

- 13) TOOH with perforating guns and inspect to verify number of shots fired. Record perforations in Wellview. ND lubricator. **RD and release wireline services.**
- 14) RU hydro-test services. PU & RIH w/ treating packer on work string testing to 8,200 psig below slips. Set packer @ 5,781' (5 bbl capacity between packer and top perf). Load backside & test packer to 500 psi surface pressure.
- 15) RU Acid stimulation services. Set pump trips @ 7,800 psi. Set treating line pop-off to release @ 8,000 psi. Test surface lines @ 8,700 psi. Pump 12,000 gal (286 bbls) of 15% Ferchek SC Acid to perforations (5,997' 6,040') and drop 6,000 lbs of rock salt (anticipated treating pressure: ~3,500 psi @ 4-5 BPM, assumes .9 frac gradient). Flush with 36 bbls of brine water. Ensure spring operated relief valve installed, set no higher than 500 psi, on the 2 7/8" x 5 ½" Annulus. Record ISIP, SITP (5 min), SITP (10 min), SITP (15 min).

Acid Stimulation

- a) Pump, establish and record injection rate and pressure w/ field brine water
- b) Pump 2,000 gallons (~48 bbls) of acid
- c) Pump 24 bbls (1,000 gal.) of field brine water containing up to a .5#/gal concentration of rock salt (500 lbs) as diverting agent (concentration bases on injection rate / pressure response of existing perforations)
- d) Pump 2.000 gallons (~48 bbls) of acid
- e) If pressure increase is marginal on .5#/gal then proceed with 1#/ gal.
- f) Pump 24 bbls (1,000 gal.) of field brine water containing up to a 1#/gal concentration of rock salt (1,000 lbs) as diverting agent (concentration bases on injection rate / pressure response of existing perforations).
- g) Pump 2,000 gallons (~48 bbls) of acid
- h) Repeat step f & g until acid is put away (~2 more salt stages, ~3 more acid stages @ 2,000 gallons)
- i) Displace acid treatment w/ 36 bbls of brine water

Note 1: Pressure may not allow for all the rock salt to be pumped.

Note 2: If interval screens off, release pressure, back flush to open top frac tank, then return to acid stimulation.

| TREATING LINE TEST PRESSURE: A minimum 500 psig over MAWP. Acceptable test will be no more than 300 psi leak off in 5 minutes, with no more than 1% leak off in last minute, AND NO VISIBLE LEAKS. | | PSIG |
|--|-------|------|
| MAXIMUM ALLOWABLE WORKING PRESSURE: Based on weakest component in system (COP define 1.2 SF for 2 7/8" L-80 workstring burst) | 8,200 | PSIG |

VGEU 37-03W API# 30-025-20290 ADD PAY

| NITROGEN POP-OFF SETTING: the valve is to be tested prior to pumping, and must pop within 500 psi of set pressure. | 8,000 | PSIG |
|--|--------|------|
| TRUCK KILL SETTING | 7,800 | PSIG |
| ANTICIPATED TREATING PRESSURE: | ~3,500 | PSIG |

- 16) Obtain ISIP. Continue monitoring and recording for 15 minutes following shut-in (every 5 minutes).
- 17) RD stimulation equipment. Check pressures and bleed pressure down on casing & Tbg. MI lay down machine. Release packer and TOOH. LD work string & packer.
- 18) RU wireline services. NU lubricator. RIH w/ injection packer, XN profile nipple (with plug in profile), and On/Off tool (seal nipple). Set packer @ ~5,942' (same depth as existing). ND lubricator and release wireline services. (See proposed Tbg Design attachment)
- 19) RU Hydro-test services. PU & RIH w/ 2 3/8" 4.7# J-55 IPC production Tbg testing to 5,000 psi below slips. Release Hydro-test services.
- 20) Circulate packer fluid to surface (5,942 x 0.0178 bbl/ft = 106 bbls). Latch onto On/Off tool.
- 21) RU pump truck and chart recorder w/ 1000 psi chart to casing and pressure test casing/packer to 500 psi for 35 mins.

 Note: Notify the NMOCD of the impending test
- 22) Land Tbg in hanger. NDBOP. NUWH.
- 23) RU wireline services. NU lubricator. RIH & retrieve plug from 1.875" profile. TOOH w/ plug. ND lubricator & release wireline services.
- 24) Notify MSO to sign off on well and return well to injection.
- 25) RDMO and release all ancillary rental equipment.

ConocoPhillips

Schematic - Current

VACUUM GLORIETA EAST UNIT 037-03

API / UWI County State/Province PERMIAN CONVENTIONAL VACUUM 300252029000 LEA **NEW MEXICO** Original Spud Date North/South Distance (ft) Surface Legal Location East/West Distance (ft) East/West Reference North/South Reference 1/14/1964 Section 31, T-17S, R-35E 1,980.00 E 2,310.00 N VERTICAL - MAIN HOLE, 5/28/2015 9:42:19 AM MD (ftKB) Vertical schematic (actual) Vertical schematic (proposed) 2-1; Casing Joints; 5 1/2; 4.778; 9.8 10.0; 574.59 10.2 2-2; Casing Joints; 5 1/2; 4.778; 584.6; 206.05 1-1; Casing Joints; 8 5/8; 8.097; 10.0; 1,547.00 1,557,1 2-3; Casing Joints; 5 1/2; 4.892; 1,560,0 790.7; 3,544.08 2,680.1 SQUEEZE PERFS; 2,680.0-2,681.1 2,681.0; 5/1/1980 2.734 9 2,826.1 2-1; Tubing TK-99; 2 3/8; 1.995 10.0; 5,861.00 3,127.0 3.695.9 4.328.1 4.334.6 2-4; Casing Joints; 5 1/2; 4.892; 2-2; Tubing Marker Sub TK-99; 2 5 871.1 4,334.7; 2,533.16 3/8; 1.995; 5,871.0; 8.00 5 878 9 2-3; Tubing TK-99; 2 3/8; 1.995; 5,901.9 5,879.0; 62.00 5,940,6 2-4; On-Off Tool; 3 3/4; 1.995; 5,940.9 5,941.0; 1.00 5.941.9 2-5; XN Profile Nipple (1.875 x 5,942,3 1.791); 2 3/8; 1.791; 5,942.0; 0.73 5,942.9 2-6; Packer 5-1/2 X 2- 3/8; 4.56; 1.995; 5,942.7; 7.05 5,949.1 Perforated; 5,997.0-6,040.0; 6,003.9 2/6/1964 Re-Perforated; 5,997.0-6,085.0; 8/9/2010 Re-Perforated; 5,997.0-6,128.0; 11/13/1971 Perforated: 6.048.0-6.128.0: 6.086.0 11/6/1971 6.091.9 6,100.1 6,109.9 6,111.9 6,112.9 Perforated; 6,159.0-6,165.0; 7/27/1982 6,165.0 erforated; 6,158.0-6,195.0 5-1/2" CIBP; 4.85; 6,185.0-6,188.0 6,188.0 6,194.9 5-1/2" CIBP; 4.85; 6,210.0-6,213.0 2-5; Casing Joints; 5 1/2; 4.892; 6.899.9 6,867.9; 32.10 7 660 1 Report Printed: 5/28/2015 Page 1/1