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

HOBBS OCD
MAR 14 2012
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State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO. 30-015-25962

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. K-3271

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)

7. Lease Name or Unit Agreement Name: James A

1. Type of Well: Oil Well [X] Gas Well [ ] Other

8. Well Number 5

2. Name of Operator: ConocoPhillips Company

9. OGRID Number 217817

3. Address of Operator: 3300 N "A" St, Midland, TX 79705

10. Pool name or Wildcat: Delaware; Cabin Lake-Cherry Canyon

4. Well Location
Unit Letter O : 660 feet from the South line and 1800 feet from the East line
Section 2 Township 22S Range 30E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3178' GR

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]	COMMENCE DRILLING OPNS. [ ]	P AND A [ ]
PULL OR ALTER CASING [ ]	MULTIPLE COMPL [ ]	CASING/CEMENT JOB [ ]	
DOWNHOLE COMMINGLE [ ]			
OTHER. add pay [X]		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.

ConocoPhillips would like to add pay in the Deleware; Cherry Canyon by adding perfs @ 5532' - 5550', 5372' - 5385'.

Attached are the procedures.

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MAR 30 2012
NMOCD ARTESIA

Spud Date: 08/20/1988 Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [signature] TITLE Staff Regulatory Technician DATE 03/05/2012

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

For State Use Only

APPROVED BY: T.C. Shepard TITLE Geologist DATE 4/5/2012

Conditions of Approval (if any):

BOPE Class: 1 This well will require Class 1 BOPE or better since it is not capable of building up to 1000 psi.

Well Information / Elevations:

AFE Number:	**TBD**
API Number:	30-015-25962
Field:	Cabin Lake
Location:	660' FSL & 1800' FEL, Sec. 2, T22S, R30E, Eddy Co., NM
Depths:	TD = 6,258' PBTD = 3,238'
Elevation:	GL = 3178' KB = 3186'
Spud Date:	8/20/1988

Casing Data:

Existing & Casing, Tubing and Packer Information

	OD (in)	Depth (ft)	ID (inches)	Weight (#/ft)	Grade	Burst (psi)	Collapse (psi)	Volume (Bbls/Ft)
Sur Csg	13-3/8"	402'	12.615	54#	K-55	2730	1130	.1545
Inter Csg.	8-5/8"	3537'	8 097	24#	K-55	2950	1370	0624
Prod Csg.	5-1/2"	6258'	4 950	15.5#	K-55	4040	4810	/0 0238

Existing Perfs: Open 5,627' – 5,650'

PROCEDURE

1. Hold safety meeting. Prepare and review a JSA prior to proceeding with each phase of work.
2. Verify that wellbore is static. If necessary, flow back to remove pressure and confirm wellhead is isolated from flow line.
3. MI-RU well service unit and necessary ancillary equipment.
4. ND WH and NU BOPE (blind rams and a Hydril) according to standard ConocoPhillips policy (well falls under Category 1 blanket exception).
5. PU-RIH w/ a tapered mill (**5½" casing 15.5#/ft, nominal id = 4.950", drift id = 4.825"**) on 2⅞" production tubing to ~ 600' in order to confirm 5½" production casing is fully open prior to running/cementing tie-back casing in place. POOH and stand tubing back in derrick.

Casing tie-back Installation:

6. Hold pre-job safety meeting. Prepare and review JSA prior to running casing.
7. Prior to running casing confirm the following conditions exist:

- Wellbore is static
- WSU & ancillary equipment on location as required (circulating pump, frac tanks, etc.)
- Shop tested BOP equipment (blind rams and a 5k Hydril)
- Tubing is standing in derrick or laid down based on space in derrick

8. MI-RU a high pressure pump and frac tanks (for water supply and returns). Pressure test surface lines to 2,000 psi above highest observed surface pressure.

Note: Only use inhibited water

9. Prepare 5 ½", 15.5#/ft, K-55 (or J-55, if K-55 not available) to run according to standard ConocoPhillips policy (well falls under Category 1 blanket exception).

Note: (5½" casing 15.5#/ft, nominal id = 4.950", drift id = 4.825")

10. PU-RIH w\ a lead collar thirteen (13) joints (5 ½", 15.5#/ft, K-55) casing + landing joint to tag up @ ± 573'. Set casing weight on lead collar in order to seal casing connection.

Note: load hole w\ additional water while running if casing tries to float

11. RD-MO casing crew and tools.

12. PU-RIH w/ bit and gauge ring on production tubing. RIH to ~600' to confirm casing / seal is full and open. POOH. Laydown bit and gauge ring. Stand tubing back in derrick.

13. MI-RU e-line services with packoff (or full lubricator shop tested to 2,000 psig, if needed). Pressure test lubricator to a minimum of 1000 psi.

14. PU-RIH w/ a 5 ½" CIBP and set @ 5,620'. POOH.

15. PU-RIH w/ a dump bailer on e-line and spot a minimum of 20' (~3 sacks) cement atop CIBP. POOH.

16. PU-RIH w/ a 5 ½" CIBP and set @ 2520'±. POOH.

17. PU-RIH w/ a dump bailer on e-line and spot a minimum of 20' (~3 sacks) cement atop CIBP. POOH.

18. PU-RIH w/ treating packer on production tubing. Set test packer @ 2,470'± and pressure down tubing to confirm CIBP is holding. Release pressure and test packer. Close Hydril and pressure down tubing to confirm casing seal is holding. Release pressure and POOH.

19. RD-MO the high pressure pump truck.

Skip to step #33 to test Cherry Canyon w/o cementing casing

20. PU-RIH with a combination CBL/GR/CCL tool. Log casing from RBP @ 2,500'± - and locate top of cement behind production casing. POOH.

21. PU-RIH w/ GR/CCL tools on perforating run. Correlate newly acquired CBL/GR/CCL log to ***Wireline Services*** Z-Densilog / Compensated Neutron / Gamma Ray Log dated 09/03/1988. Get on depth and perforate 5½" production casing immediately above established TOC with @ 4 SPF (**w/ large diameter & to only penetrate 5 ½" production casing**) on 60 degree phasing.

22. POOH. Confirm all shots fired. RD-MO e-line services.

23. RIH w/ cement retainer on production tubing. Set retainer a minimum of 100' above perforations.
    Pull out of cement retainer.

24. Sting back into cement retainer. Apply pressure and break circulate up the production x intermediate casing annulus. Once circulation is established continue to circulate until returns clean up. Release high pressure pump truck.

Note: It may be necessary to include a friction reducing product such as MORFLO2 (or equivalent)
and make a sweep w/ a 10% Mud Control Acid to improve circulation

Cement production casing:

25. MI-RU ***Schlumberger*** cement services. Pressure test surface lines to wellhead to 2000 psi (returns go to open top frac tank).

26. Mix & pump ***Schlumberger*** cement slurry down the 2 7/8" production tubing and up into the 5 ½" X 8 5/8" casing annulus. Displace cement slurry to cement retainer w/ flush water (volume based on setting depth of cement retainer).

27. Release from cement retainer and reverse any excess cement to circulating tank, record circulating pressure, rate, and cement volume circulated to surface/pit.

NOTE: Provide *Schlumberger* w\ a water sample prior to job.
Estimated volume of 5 ½" x 8 5/8" casing annulus is 425 ft^3 (or ±75 bbls).

28. Flush out all surface lines and wellhead/valves.

29. RD-MO ***Schlumberger*** cement services. WOC.

30. Once the cement has sufficient time to set (as per ***Schlumberger*** instructions), ND BOP, cut off casing, and install 5 ½" wellhead w/ tubing hanger for 2 7/8" tubing.

31. NU a shop tested BOP assembly on 5 ½" production casing (w/ blinds) and a 5k hydril. RU circulating and ancillary equipment in preparation to drill up cement.

32. PU-RIH w\ bit and collars on 2⅞" tubing. Drill up /cleanout wellbore to 5,600'± (cement atop CIBP'). Circulate the wellbore clean, POOH, laydown bit & collars, and stand tubing back in derrick.

[redacted]

Cherry Canyon perforation and stimulation:

33. MI-RU ***Schlumberger*** e-line services with packoff (or full lubricator shop tested to 2,000 psig, if needed). RIH w/ ***Schlumberger*** Gamma Ray / CCL correlation log on along w/ select-a shot perforating guns. Perforate with ***Schlumberger's*** 2⅞" HSD guns with PowerJet 3106, HMX charges or equivalent loaded @ 2 SPF on 60 degree phasing. Perforate the casing as follows, ***from the bottom up***:

Cherry Canyon (18')	Intervals	Feet	Shots
	5532' – 50'	18	36
	5372' – 85'	13	26
		31	62

34. POOH with perforating guns and inspect to verify number of shots fired. Record information in WellView.

35. RDMO ***Schlumberger*** e-line service.

36. PU-RIH w/ 2⅞" production tubing per Wellview and land EOT @ 5430'±.

37. ND BOPE and NU WH according to standard ConocoPhillips policy (well falls under Category 1 blanket exception).

38. PU-RIH w/ pump and rod string as per Rodstar design (see in Wellview).

39. Long stroke to confirm good pump action. Hang well off.

40. RDMO WSU and ancillary equipment.

Clean- up location, remove trash, dispose of produced fluids, and release any remaining ancillary equipment