

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

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

WELL API NO. 30-045-08346
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. FEE
7. Lease Name or Unit Agreement Name WM Hanley
8. Well Number 1
9. OGRID Number 14538
10. Pool name or Wildcat Basin Dakota

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
Burlington Resources Oil Gas Company LP

3. Address of Operator
P.O. Box 4289, Farmington, NM 87499-4289

4. Well Location
Unit Letter **F** : **1650** feet from the **North** line and **1650** feet from the **West** line
Section **18** Township **29N** Range **10W** NMPM **San Juan** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5606' GR

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Burlington Resources requests permission to P&A the subject well per the attached procedure, current and proposed wellbore schematics.

RCVD OCT 16 '12
OIL CONS. DIV.
DIST. 3

Spud Date:

Rig Released Date:

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

SIGNATURE *Dollie L. Busse* TITLE Staff Regulatory Technician DATE 10/16/12

Type or print name Dollie L. Busse E-mail address: dollie.l.busse@conocophillips.com PHONE: 505-324-6104

For State Use Only

APPROVED BY: *[Signature]* TITLE Deputy Oil & Gas Inspector, DATE 11/8/12

Conditions of Approval (if any):

AY

ConocoPhillips
HANLEY W M 1
Expense - P&A

Lat: 36°43' 41.9514"

Long: -107°55' 40.08"

PROCEDURE

This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COPC safety and environmental regulations. Test rig anchors prior to moving in rig.
2. MIRU work over rig. Check casing, tubing, and bradenhead pressures and record them in Wellview.
3. When an existing primary valve (i.e. casing valve) is to be used, the existing piping should be removed and replaced with the appropriate piping for the intended operation.
4. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with water, as necessary, unseat pump and at least pump tubing capacity of water down tubing.
5. ND wellhead and NU BOPE. Pressure and function test BOP. PU and remove tubing hanger.

6. TOOH with tubing/rods (per pertinent data sheet). Round trip casing scraper through to just above top perforation (6408').

Rods: Yes **Size:** 3/4" **Length:** 6538'

Tubing: Yes **Size:** 2-3/8" **Length:** 6554'

All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type II mixed at 15.6 ppg with a 1.18 cf/sk yield.

7. Plug 1 (Dakota, 6258-6358', 12 Sacks Class B Cement)

TIH and set 4-1/2" cement retainer at 6358'. Load hole with water and circulate well clean. Pressure test tubing to 1000#. Pressure test casing to 800#. If the casing does not test, then spot or tag subsequent plugs as appropriate. **Run CBL.** Mix 12 sxs Class B cement and spot inside the casing above the CR to isolate the Dakota perforations and formation top. PUH.

8. Plug 2 (Gallup, 5423-5523', 12 Sacks Class B Cement)

Mix 12 sxs of Class B cement and spot a balanced plug to cover the Gallup formation top. PUH.

9. Plug 3 (Mancos, 4556-4656', 12 Sacks Class B Cement)

Mix 12 sxs of Class B cement and spot a balanced plug to cover the Mancos formation top. TOOH.

10. Plug 4 (Mesa Verde, 3438-3538', 36 Sacks Class B Cement)

Perforate 3 holes at 3495'. Establish rate into squeeze holes. RIH and set 4-1/2" CR at 3488'. Mix 36 sxs Class B cement, squeeze 24 sxs behind casing and leave 12 sxs inside casing to isolate & cover the Mesa Verde formation top. TOOH.

11. Plug 5 (Pictured Cliffs, 1870-1970', 51 Sacks Class B Cement)

Perforate 3 holes at 1970'. Establish rate into squeeze holes. RIH and set 4-1/2" CR at 1920'. Mix 51 sxs Class B cement, squeeze 39 sxs behind casing and leave 12 sxs inside casing to isolate & cover the Pictured Cliffs formation top. TOOH.

12 Plug 6 (Fruitland, 1329-1429', 51 Sacks Class B Cement)

Perforate 3 holes at 1429'. Establish rate into squeeze holes. RIH and set 4-1/2" CR at 1379'. Mix 51 sxs Class B cement, squeeze 39 sxs behind casing and leave 12 sxs inside casing to isolate & cover the Fruitland formation top. TOOH.

13. Plug 7 (Ojo Alamo & Kirtland, 560-853', 141 Sacks Class B Cement)

Perforate 3 squeeze holes at 853'. RIH and set 4-1/2" CR at 803'. Establish rate into squeeze holes. Mix 141 sxs Class B cement; squeeze 114 sxs behind casing leaving 27 sxs inside casing & cover Ojo Alamo & Kirtland formation tops. TOOH.

14. Plug 8 (Surface Shoe, 0-187', 158 Sacks Class B Cement)

Perforate 3 squeeze holes at 187'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix 158 sx Class B cement and pump down production casing to circulate good cement out bradenhead if possible. Top off cement in casing annulus. Shut in well and WOC.

15. Nipple down BOP and cut off casing below the casing flange. Install P&A marker with cement to comply with regulations. Rig down, move off location, cut off anchors, and restore location.

Current Schematic

ConocoPhillips

Well Name: W/M HANLEY #1

API/UVI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type	Edit
3004508346	NMPM,018-029N-010W	BASIN DRIVE (APPROVED GAS)		NEW MEXICO		
Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Grout Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)		
6,507.00	6,519.00	12.00	6,519.00	6,519.00		

Well Config: - Original Hole, 10/3/2012 2:00:12 PM

ftKB (MD)	ftKB (TVD)	Schematic - Actual	Frm Final
0			
6			
12		Polished Rod, 8.0ft	
14		Surface Casing Cement, 12-137,	
136		11/9/1960, Cemented w/ 150 sx Portland cement. Cement circulated to surface.	
137		Surface, 13 3/8in, 12.715in, 12 ftKB, 137 ftKB	
143			
187		Unable to find ID of 36# surface casing. Used ID & capacity of 48# for cement calculations	
610			OJO ALAMO, 610
803			KIRTLAND, 803
1,379			FRUITLAND, 1,379
1,920			PICTURED CLIFFS, 1,920
2,010			LEWIS, 2,010
3,488		Tubing, 2 3/8in, 4.70lbs/ft, J-55, 12 ftKB, 6,521 ftKB	MESA VERDE, 3,488
3,500			
3,691		Corrod (semi-elliptical), 6,415.2ft	
3,722		Cement Squeeze, 3,500-3,722, 3/10/2008	
4,606		Cement Plug, 3,455-3,740, 3/10/2008, SQUEEZE-200 SKS 3,723 TO 3,734', SET PLUG 3,670 TO 3,740'	
5,473			MANCOS, 4,606
5,787			GALLUP, 5,473
6,234			GREENHORN, 6,234
6,293			GRANEROS, 6,293
6,356			DAKOTA, 6,356
6,408			
6,429			
6,430		Shear Coupling, 0.8ft	
6,434		Sucker Rod, 4.0ft	
6,459		Sinker Bar, 25.0ft	
6,463		Sucker Rod, 4.0ft	
6,463		Sinker Bar, 25.0ft	
6,488		Hydraulic Fracture, 11/27/1960, Frac'd w/ 60,000# 20/40 sand, 56,798 gals water.	
6,492		Dakota, 6,408-6,549, 11/27/1960	
6,517		Sucker Rod, 4.0ft	
6,521		Sinker Bar, 25.0ft	
6,522		Sucker Rod, 4.0ft	
6,537		Rod Insert Pump, 16.0ft	
6,538		Strainer Nipple, 1.0ft	
6,549		Production Casing Cement, 3,691-6,646, 11/26/1960, Cemented 1st stage w/ 300 sx 50/50 poz followed by 150 sx of Neat. Cemented 2nd stage w/ 360 sx 50/50 poz followed by 140 sx of Neat. TOC @ 3691' w/ 75% eff. (Records unclear on location of DV tool, so had to combine stages.)	
6,553		Cement Plug, 6,583-6,646, 11/26/1960	
6,554		Production, 4 1/2in, 4.000in, 12 ftKB, Records incomplete: unsure of location of DV tool or total number of joints in wellbore., 6,646 ftKB	
6,583		Cement Plug, 6,646-6,650, 11/26/1960, PBTB	MORRISON, 6,597
6,597			
6,645			
6,646			
6,650		TD, 6,650, 11/26/1960	

ConocoPhillips

Well Name: W/M HANLEY #1

Proposed Schematic

API/UNI	State Legal Locality	Field Name	License No.	State/Province	Well Construction Type	Edit
3004508346	NMPM 018-029N-010W	W/M HANLEY #1		NEW MEXICO		
Graded Elevation (ft)	Original B.P.T. Elevation (ft)	11-Graded Elevation (ft)	11-Casing Floor Elevation (ft)	11-Tubing Hanger Elevation (ft)		
6,507.00	6,519.00	12.00	6,519.00	6,519.00		

Well Config: - Original Hole, 1/1/2020

ftKB (MD)	From Final	Schematic - Actual
0		Surface, 13,380, 12,715 ftKB
12		Surface Casing Cement, 12-137, 11/31/1960, Cemented w/ 150 sx Portland cement. Cement circulated to surface.
136		Unable to find ID of 36# surface casing. Used ID & capacity of 48# for cement calculations
143		Plug #8, 12-187, 1/1/2020, Mix 158 sx Class B cement and pump down production casing to circulate good cement out bradenhead.
560		Plug #8, 12-187, 1/1/2020
803	OJO ALAMO, 610 KIRTLAND, 803	Plug #7, 560-853, 1/1/2020
853		Plug #7, 560-853, 1/1/2020, Mix 141 sx Class B cement, squeeze 114 sx behind casing and leave 27 sx inside casing cover Ojo Alamo & Kirtland formation tops.
1,379	FRUITLAND, 1,379	Plug #6, 1,329-1,429, 1/1/2020
1,429		Plug #6, 1,329-1,429, 1/1/2020, Mix 51 sx Class B cement, squeeze 39 sx behind casing and leave 12 sx inside casing to cover the Fruitland formation top.
1,920	PICTURED CLIFFS, 1,920	Plug #5, 1,870-1,970, 1/1/2020, Mix 51 sx Class B cement, squeeze 39 sx behind casing and leave 12 sx inside casing to cover the Pictured Cliffs formation top.
1,970		Plug #5, 1,870-1,970, 1/1/2020
3,438	LEWIS, 2,010	Plug #4, 3,438-3,500, 1/1/2020
3,489	MESA VERDE, 3,488	Plug #4, 3,438-3,538, 1/1/2020, Mix 36 sx Class B cement, squeeze 24 sx behind casing and leave 12 sx inside casing to cover the Mesaverde formation top.
3,500		Cement Squeeze, 3,500-3,722, 3/10/2008
3,691	MANCOS, 4,606	Cement Plug, 3,455-3,740, 3/10/2008, SQUEEZE 200 SKS 3,723 TO 3,734', SET PLUG 3,670 TO 3,740'
4,556		Plug #3, 4,556-4,656, 1/1/2020, Mix 12 sx Class B cement and spot a balanced plug to cover the Mancos formation top.
4,656		Plug #2, 5,423-5,523, 1/1/2020, Mix 12 sx Class B cement and spot a balanced plug to cover the Gallup formation top.
5,473	GALLUP, 5,473	Plug #1, 6,258-6,358, 1/1/2020, Mix 12 sx Class B cement and spot inside the casing above the CR to isolate the Dakota perforations and formation top.
5,787	GREENHORN, 6,234	
6,258	GRANEROS, 6,293	
6,356	DAKOTA, 6,356	
6,359		
6,429		
6,434		
6,463		
6,492		
6,521		
6,537		
6,549		
6,554		
6,597	MORRISON, 6,597	
6,646		