

RECEIVED

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 18 2016

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

Farmington Field Office
Bureau of Land Management

5. Lease Serial No. **NM-010063**
6. Landowner Name or Tribe Name

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

ConocoPhillips Company

3a. Address

PO Box 4289, Farmington, NM 87499

3b. Phone No. (include area code)

(505) 326-9700

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Unit D (NWNW), 990' FNL & 990' FWL, Sec. 17, T28N, R11W

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

Lucerne A 1

9. API Well No.

30-045-07514

10. Field and Pool or Exploratory Area

Basin Dakota

11. Country or Parish, State

San Juan New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent

Acidize

Deepen

Production (Start/Resume)

Water Shut-Off

Subsequent Report

Alter Casing

Fracture Treat

Reclamation

Well Integrity

Final Abandonment Notice

Casing Repair

New Construction

Recomplete

Other

Change Plans

Plug and Abandon

Temporarily Abandon

Convert to Injection

Plug Back

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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once Testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The subject well is part of the proposed Mangum SRC 1C P&A program agreed to with the NMOCD. The attached revised procedure replaces the procedure filed with the P&A NOI submitted on 3/31/2016.

Notify NMOCD 24 hrs prior to beginning operations

OIL CONS. DIV DIST. 3

JUN 01 2016

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Dollie L. Busse

Title **Regulatory Technician**

Signature

Dollie L. Busse

Date

5/16/16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jack Lawrence

Title **PE**

Date **5/31/16**

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 **FFO**

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.

(Instruction on page 2)

NMOCD

7

ConocoPhillips
LUCERNE A 1
Expense - P&A

36° 39' 59.864"

108° 1' 55.92"

PROCEDURE

This project requires the use of a steel tank to handle waste fluids circulated from the well and cement wash up.

Prior to commencing abandonment operations, ensure that the bradenhead valve is dug out and properly plumbed to the surface. Record the casing, intermediate and bradenhead pressures with an appropriately ranged gauge. Contact the Engineer if bradenhead pressure is present (per Exhibit "A-3").

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COP safety and environmental regulations. Test rig anchors prior to moving in rig. Before RU, run slickline to remove downhole equipment. If an obstruction is found, set a locking-3-slip-stop in the tubing.

2. MIRU workover rig. Check casing, tubing, and bradenhead pressures and record them in WellView. If there is pressure on the BH, contact the Wells Engineer (per Exhibit "A-3").

3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.

4. ND wellhead and NU BOPE. Pressure and function test BOP to 250 psi low and 1000 psi over SICP high to a maximum of 2000 psi held and charted for 10 minutes per COP Well Control Manual. PU and remove tubing hanger.

5. TOOH with tubing (per pertinent data sheet).

Tubing size: 2-3/8" 4.7# J-55 EUE

Set Depth: 6,095'

KB: 10'

6. PU 3-7/8" bit and watermelon mill and round trip as deep as possible above top perforation at 6,052'.

7. PU 4-1/2" CR on tubing, and set at 6,002'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, spot or tag subsequent plugs as appropriate. POOH with tubing.

8. RU wireline and run CBL with 500 psi on casing from CR at 6,002' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to Wells Engineer, Troy Salyers (BLM) at tsalyers@blm.gov, and Brandon Powell (NMOCD) at brandon.powell@state.nm.us upon completion of logging operations.

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 Class B mixed at 15.6 ppg with a 1.18 cf/sk yield.

9. Plug 1 - Dakota and Graneros Formation Tops, Dakota Perforations, 5902' - 6002', 12 Sacks Class B Cement

Mix 12 sx Class B cement and spot a balanced plug inside the casing to cover the Dakota and Graneros tops and the Dakota perforations. POOH.

10. Roll the hole with water and ensure that the wellbore is in a stabilized condition with no flow of gas and/or water before spotting the next plug. If flow occurs, the fluid weight must be increased until a stabilized condition is established (per Exhibit "A-3").

11. Plug 2 - Gallup Formation Top, 5117' - 5217', 36 Sacks Class B Cement

RIH and perforate 3 squeeze holes at 5,217'. Establish injection rate into squeeze holes. RIH with a 4-1/2" CR and set at 5,167'. Mix 36 sx Class B cement. Squeeze 2410 sx outside the casing, leaving 12 sx inside the casing to cover the Gallup top. POOH.

12. Plug 3 - Mancos Formation Top, 4237' - 4337', 36 Sacks Class B Cement

RIH and perforate 3 squeeze holes at 4,337'. Establish injection rate into squeeze holes. RIH with a 4-1/2" CR and set at 4,287'. Mix 36 sx Class B cement. Squeeze 24 sx outside the casing, leaving 12 sx inside the casing to cover the Mancos top. POOH.

13. Plug 4 - Mesaverde Formation Top, 3120' - 3220', 36 Sacks Class B Cement

RIH and perforate 3 squeeze holes at 3,270'. Establish injection rate into squeeze holes. RIH with a 4-1/2" CR and set at 3,220'. Mix 36 sx Class B cement. Squeeze 24 sx outside the casing, leaving 12 sx inside the casing to cover the Mesaverde top. PUH.

14. Plug 5 - Pictured Cliffs Formation Top, 1509' - 1609', 12 Sacks Class B Cement

Mix 12 sx Class B cement and spot a balanced plug inside the casing to cover the Pictured Cliffs top. POOH.

15. Plug 6 - Fruitland Formation Top, 990' - 1090', 36 Sacks Class B Cement

RIH and perforate 3 squeeze holes at 1,090'. Establish injection rate into squeeze holes. RIH with a 4-1/2" CR and set at 1,040'. Mix 36 sx Class B cement. Squeeze 24 sx outside the casing, leaving 12 sx inside the casing to cover the Fruitland top. POOH.

16. Cease operations for 30 minutes allowing the bradenhead to be observed for pressure build. Record pressures with crystal gauge for accuracy. If pressures are observed, notify Wells Engineer and Production Engineering for path-forward discussion with NMOCD (per Exhibit "A-3").

Continued on next page

17. Plug 7 - Ojo Alamo and Kirtland Formation Tops and Surface Plug, 10' - 518', 185 Sacks Class B Cement

RU WL and perforate 4 big hole charge (if available) squeeze holes at 578'. TOOH and RD wireline. Observe well for 30 minutes per BLM regulations. RU pump, close blind rams and establish circulation out bradenhead with water. Circulate BH clean. TIH with 4-1/2" CR and set at 468'. Mix 142 sx Class B cement and squeeze until good cement returns to surface out BH valve. Shut BH valve and squeeze to max 200 psi. Sting out of CR and reverse circulate cement out of tubing. TOOH and LD stinger. TIH with open ended tubing to 468'. Mix 43 sx Class B cement and pump inside plug. TOOH and LD Tubing. SI well and WOC.

18. Nipple down BOP and cut off casing below the casing flange. Install P&A marker with cement to comply with regulations. RDMO.

Exhibit "A-3"

To Final Agreement - Withdrawal of Notice of Violation (3-15-02)
dated May 4, 2016 from ConocoPhillips Company to NMOCD

Updated Abandonment Procedures

The following procedural changes will be required for the P&A Program:

- 1) Prior to commencing abandonment operations, ensure that the bradenhead valve is dug out and properly plumbed to the surface. Record the casing, intermediate and bradenhead pressures with an appropriately ranged gauge. Contact the Engineer if bradenhead pressure is present. After the last set of completion perforations are abandoned with cement, roll the hole with water and ensure that the wellbore is in a stabilized condition with no flow of gas and/or water before spotting the next plug. If flow occurs, the fluid weight must be increased until a stabilized condition is established.
- 2) Following the plug over the Fruitland Formation Top, and prior to the plug over the Kirtland and Qjo Alamo Tops:
 - a. Operations will cease for 30 minutes allowing the Bradenhead to be observed for pressure build.
 - b. Pressures will be recorded with a crystal gauge for accuracy.
 - c. If pressures are observed, notify Wells Engineer and Production Engineering for path-forward discussion with NMOCD.
- 3) Within 24 hours of the abandonment and after two weeks, BLM will check for the presence of gas at the base of the dry hole marker and at the weep hole. Note ambient weather conditions when recording the results. If gas is detected, contact the Engineer.
- 4) If a Cathodic Protection well is on the well pad, check for the presence of gas at the vent cap. If gas is present, record results in AFMSS and contact the Engineer.

Note: when checking any sample point for the presence of gas, please be prepared for the possibility of anomalous pressure and the H₂S gas.

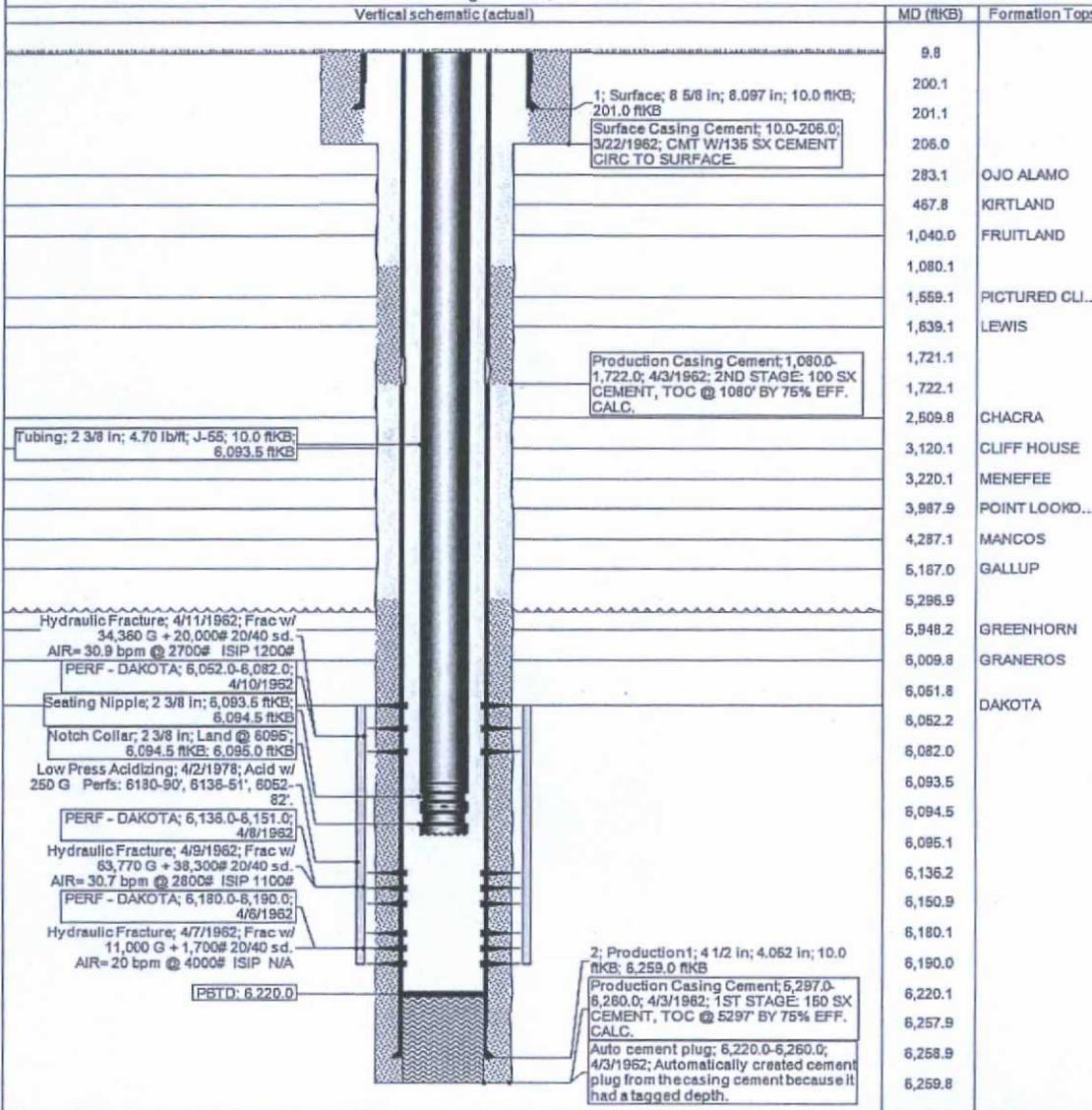


Basic- Schematic - Current

LUCERNE A 001

District NORTH	Field Name DK	API / UWI 3004507514	County SAN JUAN	State/Province NEW MEXICO
Original Spud Date 3/21/1962	Surface Legal Location 017-028N-011W-D	East/West Distance (ft) 990.00	East/West Reference FWL	North/South Distance (ft) 990.00
North/South Reference FNL				

Vertical - Original Hole, 2/29/2016 10:05:11 AM



LUCERNE A 001

District NORTH	Field Name DK	API / UWI 3004507514	County SAN JUAN	State/Province NEW MEXICO
Original Spud Date 3/21/1962	Surface Legal Location 017-028N-011W-D	East/West Distance (ft) 990.00 FWL	North/South Distance (ft) 990.00 FNL	North/South Reference FNL

Vertical - Original Hole, 1/1/2020 8:00:00 AM

Vertical schematic (actual)		MD (ftKB)	Formation Tops
	1; Surface; 8 5/8 in; 8.097 in; 10.0 ftKB; 201.0 ftKB	9.8	
	Surface Casing Cement; 10.0-208.0; 3/22/1962; CMT W/135 SX CEMENT CIRC TO SURFACE	201.1	
	Plug 7; 10.0-518.0; 1/1/2020; Mix 142 sx Class B cement and squeeze until good cement returns out BH valve. Mix 43 sx and pump inside plug	283.1	OJO ALAMO
Cement Retainer: 468.0-470.0		470.1	KIRTLAND
SQUEEZE PERFS: 518.0; 1/1/2020			
	Plug 7; 10.0-518.0; 1/1/2020; Mix 142 sx Class B cement and squeeze until good cement returns out BH valve. Mix 43 sx and pump inside plug	990.2	FRUITLAND
Cement Retainer: 1,040.0-1,042.0		1,042.0	
SQUEEZE PERFS: 1,090.0; 1/1/2020			
	Plug 6; 990.0-1,090.0; 1/1/2020; Mix 36 sx Class B cement and squeeze 24 sx outside the casing, leaving 12 sx inside the casing	1,089.9	
	Plug 6; 990.0-1,090.0; 1/1/2020; Mix 36 sx Class B cement and squeeze 24 sx outside the casing, leaving 12 sx inside the casing	1,559.1	PICTURED CL...
	Plug 5; 1,509.0-1,609.0; 1/1/2020; Mix 12 sx Class B Cement and spot a balanced plug inside the casing	1,639.1	LEWIS
	Production Casing Cement; 1,080.0-1,722.0; 4/3/1962; 2ND STAGE: 100 SX CEMENT, TOC @ 108' BY 75% EFF. CALC.	1,722.1	CHACRA CLIFF HOUSE
	Plug 4; 3,170.0-3,270.0; 1/1/2020; Mix 36 sx Class B cement, squeeze 24 sx outside the casing, leaving 12 sx inside the casing	3,120.1	
Cement Retainer: 3,220.0-3,222.0		3,220.1	MENEFFEE
SQUEEZE PERFS: 3,270.0; 1/1/2020			
	Plug 4; 3,170.0-3,270.0; 1/1/2020; Mix 36 sx Class B cement, squeeze 24 sx outside the casing, leaving 12 sx inside the casing	3,270.0	POINT LOOKO...
	Plug 3; 4,237.0-4,337.0; 1/1/2020; Mix 36 sx Class B Cement, squeeze 24 sx outside the casing, leaving 12 sx inside the casing	4,236.9	MANCOS
Cement Retainer: 4,287.0-4,289.0		4,289.0	
SQUEEZE PERFS: 4,337.0; 1/1/2020			
	Plug 3; 4,237.0-4,337.0; 1/1/2020; Mix 36 sx Class B Cement, squeeze 24 sx outside the casing, leaving 12 sx inside the casing	5,117.1	GALLUP
Cement Retainer: 5,167.0-5,169.0		5,169.0	
SQUEEZE PERFS: 5,217.0; 1/1/2020			
Cement Retainer: 6,002.0-6,004.0		6,002.0	
PERF - DAKOTA; 6,052.0-6,082.0; 4/10/1962		6,052.0	DAKOTA
Hydraulic Fracture; 4/1/1962; Frac w/ 34,360 G + 20,000# 20/40 sd. AIR= 30.9 bpm @ 2700# ISIP 1200# Low Press Acidizing; 4/2/1978; Acid w/ 250 G Perfs: 6180-90', 6136-51', 6052-82'		6,082.0	
PERF - DAKOTA; 6,136.0-6,151.0; 4/8/1962		6,151.0	
Hydraulic Fracture; 4/9/1962; Frac w/ 63,770 G + 38,300# 20/40 sd. AIR= 30.7 bpm @ 2800# ISIP 1100#		6,150.9	
PERF - DAKOTA; 6,180.0-6,190.0; 4/5/1962		6,190.0	
Hydraulic Fracture; 4/7/1962; Frac w/ 11,000 G + 1,700# 20/40 sd. AIR= 20 bpm @ 4000# ISIP N/A		6,190.0	
PETD: 6,220.0		6,220.0	
	2; Production 1; 4 1/2 in; 4.062 in; 10.0 ftKB; 6,259.0 ftKB	6,259.0	
	Auto cement plug; 6,220.0-6,260.0; 4/3/1962; Automatically created cement plug from the casing cement because it had a tagged depth.	6,259.0	
	Production Casing Cement; 5,297.0-6,260.0; 4/3/1962; 1ST STAGE: 160 SX CEMENT, TOC @ 5297' BY 75% EFF. CALC.	6,259.8	

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Lucerne A #1

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. The following modifications to your plugging program are to be made:

- a) Set plug #3 (4337-4224) ft. inside/outside to cover Mancos Formation top. BLM picks top of Mancos at 4274 ft.
- b) Set plug #4 (3132-3032) ft. inside/outside to cover Mesa Verde Formation top. BLM picks top of Cliff House at 3082 ft.
- c) Set plug #6 (1338-1238) ft. inside/outside to cover Fruitland Formation top. BLM picks top of Fruitland at 1288 ft.
- d) Set plug #7 (518-0) ft. inside/outside to cover the Ojo Alamo and Kirtland Formation tops. BLM picks top of Kirtland at 467 ft. BLM picks top of Ojo Alamo at 333 ft.

Operator will run CBL from CR @ 6,002 ft. to surface to identify TOC.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.