UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells		
1. Type of Well GAS	5. 6.	Lease Number NM-010063 If Indian, All. or Tribe Name
2. Name of Operator	7.	Unit Agreement Name
ConocoPhillips		
3. Address & Phone No. of Operator	- 8.	Well Name & Number
PO Box 4289, Farmington, NM 87499 (505) 326-9700	9.	Lucerne B 1E API Well No.
4. Location of Well, Footage, Sec., T, R, M Sec., T—N, R—W, NMPM	10.	30-045-24415 Field and Pool
Unit M (SWSW), 830' FSL & 850' FWL, Sec. 17, T28N, R11W NMPM	11.	Basin Dakota County and State San Juan, NM
12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, O	THER I	DATA
Type of Submission: ☐ Notice of Intent ☐ Abandonment ☐ Recompletion ☐ Subsequent Report ☐ Plugging ☐ Casing Repair ☐ Final Abandonment ☐ Altering Casing ☐ Conversion to Injection	⊠ Ot	her : BH Repair
13. Describe Proposed or Completed Operations Please see the attached procedure and wellbore diagram		RCVD APR2'07 OIL CONS. DIV. DIST. 3
14. I hereby ceptify that the foregoing is true and correct. Signed Philana Thompson Title Regulatory	Techni	cian Date <u>3/29/07</u>
(This space for Federal or State Office use) APPROVED BY Original Signed: Stephen Mason CONDITION OF APPROVAL, if any: Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of		Date MAR 3 S 2007

the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Est. AOF Rate:

100 Mcfd

Est Reservoir Pressure:

1,300 psi (DK)

Special Requirements: 5,800' of 2-3/8" workstring (to squeeze), air package, 6 drill collars for 4-1/2" casing (shallow drilling depth) & minimum of seven extra joints of 2-3/8" tubing to tag for fill & for possible tubing replacement. Service company to perform possible acid-job, if scale is encountered.

Operator:

Terry Medford

Cell # 505-486-6783

Operations Supervisor:

Tom Lentz

Cell # 505-320-4636

Notify Operator (or Supervisor) prior to commencing any work, and after job is completed.

Contact rig superintendent & production engineer to review procedure 1 week prior to rig up.

Check all anchors prior to moving in rig.

LOTO surface facilities per Safety Policy and Procedures. If a well has a rectifier for cathodic protection, ensure that it is turned off before any work is performed. Notify cathodic protection personnel after job is complete. Record pressures each morning and note in Daily Report.

PROCEDURE:

- 1. Hold pre-job safety meeting. Comply with all NMOCD, BLM & COPC safety & environmental regulations. Test rig anchors prior to moving in rig.
- 2. MIRU workover rig. Check casing, tubing, and bradenhead pressures & record them in Wellview.
- 3. RU blow lines from casing valves & begin blowing down casing pressure. Kill well with 2% KCl treated for SRB if necessary. ND wellhead & NU BOPE.
- 4. PU & release tubing hanger & tag for "known" fill, adding additional 2-3/8" joints as needed. PBTD is at 6,293' KB (last clean-out depth was 6,164' 36' of fill above bottom perforation). Record fill-depth in Wellview.
- 5. TOOH with production string & BHA (+/- 6,108') as follows: 193-Joints (6,095') 2-3/8" (4.7#) J-55 Tubing, SN(0.9'-1.78" ID) & Mule Shoe (1.0'). Stand-back production string.
- 6. Visually inspect tubing. Record findings in Wellview. If severe scale, etc. is observed on tubing, TIH w/ bit, if necessary. Make note of corrosion or scale. Take sample, if possible, & have analyzed to prepare for subsequent acid-job and / or scale inhibitor program (A packer may be required).

- 7. RU logging company. RIH & set 4-1/2" CIBP on wireline at +/-5,915'KB (good cement behind pipe & between casing collars).
- 8. Load casing with 2% KCl water. Pressure-test casing to 500 psig. If pressure-test fails, RIH w/ 4-1/2" X 2-3/8" packer on production string to +/-5,400' & re-test. Test casing at 1,000' intervals to surface & isolate leak(s) as needed. Stand-back production string. Note depths of any holes in casing to adjust, as needed, the cement-squeeze casing repair procedures (described below).
- 9. Run CBL (+/-5,500' KB to surface) to locate TOC from original (11/3/80) cement-job (no record of "post" cement CBL observed slight sign of cement at the surface during job). Need to evaluate cement-bond & two separate TOC's for deep & shallow cement-squeeze jobs.
- 10. RIH & perforate squeeze-holes at +/- 5,365' (approximately 10' above TOC as determined from CBL).
- 11. RIH with cement-retainer on **workstring** & set +/- 5,300'. Establish injection Rate, if possible (DV-Tool at 4,275'). If unable to establish injection, please call Dave Brewster (599-3420 or 215-4650). Squeeze per Service Company recommendation. TOOH with workstring & stand-back. WOC. Notify OCD (Steve Hayden at 334-6178 ext. 14) & BLM representative prior to starting cement-squeeze operations.
- 12. RU perforating company. RIH & perforate squeeze-holes at +/- 550' (approximately 10' above TOC as determined from CBL).
- 13. RIH with cement-packer on workstring & set +/- 500' (depth based on CBL & perforated depth). Establish circulation, if possible (original 4-1/2" cement-job reflected a "sign" of cement at the surface). If unable to establish circulation, please call Dave Brewster (599-3420 or 215-4650). Squeeze per Service Company recommendation. WOC. Notify OCD (Steve Hayden at 334-6178 ext. 14) & BLM representative prior to starting cement-squeeze operations. TOOH with workstring & LD.
- 14. RIH with bit, collars & production string. Drill-out cement to squeeze-holes (+/-550'). Check for cement stringers below squeeze-holes. Pressure-test squeeze-holes to 500 psig for 30 minutes.
- 15. Continue to RIH & drill-out cement-retainer (+/-5,300') & cement to squeeze-holes (+/-5,365'). Check for cement stringers below squeeze-holes. Pressure-test squeeze-holes to 500 psig for 30 minutes.
- 16. Continue to RIH & drill-out CIBP (5,915') & cleanout wellbore to PBTD (6,293' Last clean-out to 6,164' left 36' of fill above bottom perforation). Cleaning-out to 6,293' will give 93' of rat-hole.
- 17. TOOH with production string, collars & bit. LD collars & bit. Stand-back production string.

- 18. RIH with BHA & production string as follows: Mule Shoe (1.0'), "F"-Nipple with expendable check (0.9'-1.78" ID), 193-Joints (6,095') 2-3/8" (4.7#) J-55 tubing. Rabbit tubing while TIH according to the attached tubing drift procedure.
- 19. Tag for fill (PBTD - 6,293'). Circulate wellbore clean as needed.
- 20. Land tubing +/- 6,108' KB. ND BOPE & NU wellhead. Notify MSO (Terry Medford at 486-6783) that well is ready to be returned to production. Drop ball & pump-out expendable check. Make a swab run or bring well on with air-package, as needed. RDMO.

Production Engineers:

Primary Contact:

Dave Brewster

Office Phone: 505-599-3420 Cell Phone:

505-215-4650

Alternate Contact:

Karen Mead

Office Phone: 505-324-5158 Cell Phone: 505-320-3753

