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

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. 30-025-41708

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

6. State Oil & Gas Lease No. LG36200000

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: RED HILLS WEST 16 STATE W2

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

8. Well Number 10H

2. Name of Operator ConocoPhillips Company

9. OGRID Number 217817

3. Address of Operator P.O. Box 51810 Midland, TX 79710

10. Pool name or Wildcat: WC-025 G-09 S263216A; WOLFCAMP

4. Well Location
Unit Letter A : 283 feet from the NORTH line and 330 feet from the EAST line
Section 16 Township 26S Range 32E NMPM County LEA

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3224'

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: Cement remediation [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 Company respectfully requests approval to complete the Red Hills West 16 State W2 10H followed by a cement remediation to suffice the regulatory requirements. Please see attached procedure.

Spud Date: Rig Release Date:

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

SIGNATURE Ashley Bergen TITLE Regulatory Specialist DATE 05/28/2015

Type or print name Ashley Bergen E-mail address: ashley.bergen@cop.com PHONE: (432)688-6938

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE 06/04/15

Conditions of Approval (if any):

JUN 08 2015

Request for NMOCD
ConocoPhillips Company
Red Hills West 16 State W2 10H
API#:30-025-41708
Lea County, New Mexico

Request:

ConocoPhillips Company respectfully requests approval to complete the Red Hills West 16 State W2 10H followed by a cement remediation to suffice the regulatory requirements.

Original Procedure Summary:

After cementing operations it was determined that the wiper plug was never deployed from getting caught up in the cementing head. As a result the cementing was determined to need remediation and we propose the following procedure:

1. MIRU Stimulation Crew, Wireline and Water Transfer.
2. Perform Stimulation on the well. During the Stimulation monitor pressure on the annulus. If significant pressure increase is observed, immediately shut-down fracing operations. In addition to monitoring the pressure on the annulus, the frac will be monitored on an offset monitor well (Red Hills West 16 State M1) via Microseismic. If an observation of frac communication is observed via Microseismic the frac operation will also be shutdown. If this occurs refer to the subsequent contingency procedure.
3. After a successful stimulation, RU WL and RIH and Set an Isolation Plug.
4. Negative Pressure Test the Plug by slowly bleeding off the pressure in the wellbore. Monitor the well for a pressure increase for 30 min to ensure the plug is not leaking.
5. MU Dump Bailer and dump bail sand to give a top of sand above the isolation plug.
6. RIH with Casing Collar Locator and Perforation Gun. Perforate the casing at least 300' above the Intermediate 7-5/8" casing shoe.
7. RU a flowback line from the 7-5/8" X 5-1/2" annulus to the flowback manifold to the Open top tank.
8. MIRU Pump Truck and RU iron to the flowcross. Inject into the perforated squeeze perfs to verify we will be able to successfully squeeze cement into the perforated holes.
9. MU Casing Collar Locator and Retainer Setting Tool and Cement Retainer for 5-1/2" 23# P-110 casing.
10. RIH and set Retainer above the interval to be squeezed.
11. MIRU a Workover rig and RIH with a stinger and tubing and sting into the cement retainer.
12. MIRU Cementers to preform remedial cement job
    - Establish injection pressure and rate
    - Pump Cement Squeeze with enough volume of cement to isolate the annular space plus a minimum of 20% excess
13. Allow the cement to set at least 8 hours with a compressive strength of at least 500psi.
14. Sting out of the retainer and POOH with the tubing
15. PU a mill for 5-1/2" 23# P-110 Casing and mill the cement remaining inside the casing and POOH.
16. If squeeze pressure was observed during the operation the squeeze was successful by filling the casing annular space. If no squeeze pressure was observed, MIRU WL unit and run a CBL to determine the new TOC.
17. Pressure test the cement squeeze perforations 1,500 psi and hold for 15 min.
18. If the pressure test passes, RIH and set an isolation patch to cover the squeezed perforation interval.

Contingency Procedure:

1. Only if pressure was observed on the annulus or Microseismic indicated communication proceed with this contingency procedure.
2. RIH and set an isolation plug above the last stimulated stage and perforate the casing for the squeeze.
3. MU Dump Bailer and dump bail sand to give a top of sand above the frac isolation plug.
4. MU Casing Collar Locator and Retainer Setting Tool and Cement Retainer for 5-1/2" 23# P-110 casing.
5. RIH and set Retainer above the interval to be squeezed.
6. MIRU a Workover rig and RIH with a stinger and tubing and sting into the cement retainer.
7. MIRU Cementers to preform remedial cement job
    - Establish injection pressure and rate
    - Pump Cement Squeeze with enough volume of cement to isolate the annular space plus a minimum of 20% excess
8. Sting out of the retainer and POOH with the tubing
9. PU a mill for 5-1/2" 23# P-110 Casing and mill the cement remaining inside the casing and POOH.
10. Allow the cement to set at least 8 hours with a compressive strength of at least 500psi.
11. Continue on with the remaining stimulation stages while monitoring the annulus pressure.
12. Once the stimulation is complete proceed with the original procedure Step # 3 – to remediate the lowermost 300' of the intermediate casing string.

Contact Information:

Request proposed 28 May 2015 by:
Jessica Largent
Completions Engineer
ConocoPhillips Company
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