Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD
JUN 29 2015
RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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 reverse side.

5. Lease Serial No.
NMLC058699

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

8. Well Name and No.
MCA UNIT 273

2. Name of Operator
CONOCOPHILLIPS COMPANY
Contact: RHONDA ROGERS
E-Mail: rogerrs@conocophillips.com

9. API Well No.
30-025-23730

3a. Address
P. O. BOX 51810
MIDLAND, TX 79710

3b. Phone No. (include area code)
Ph: 432-688-9174

10. Field and Pool, or Exploratory
MALJAMAR; GB-SA

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 26 T17S R32E Mer NMP NWSW 1980FSL 560FWL

11. County or Parish, and State
LEA COUNTY, NM

12. CHECK 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

ConocoPhillips suspects a casing leak in this well and so we want to isolate and fix where needed per attached procedures.
Attached is a current schematic.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #285314 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Hobbs
Committed to AFMSS for processing by LINDA JIMENEZ on 03/17/2015 ()

Name *(Printed/Typed)* RHONDA ROGERS — Title STAFF REGULATORY TECHNICIAN

Signature (Electronic Submission) — Date 12/16/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
JUN 22 2015
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved By — Title — Date

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

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

JUN 29 2015

MCA 273
Possible Casing leak/Injection Well
API#30-025-23730

Justification and Background: Currently well is an injector, supporting production in the MCA unit. Bring well back in to regulatory compliance.

Objective and Overview: Isolate leak and return to injection.

- **1 wk. before RU. Bleed well down by back flowing well to battery. Or set a gas buster & tank.**
- MI RU WSU, blow well down.
- NDWH, NUBOP. TOOH laying down injection tubing. MO, send in to be inspected, burnt out, blasted and recoated with TK-99.
- MI work string and tally, TIH with bit, collars and tubing to 4188'(Note: on 6/2011 was getting metal and hard scale, stop @ 4188')
- COOH with tubing, collars and bit, TIH with RBP, packer and tubing, set RBP @ 3966', pull up 1stand, set packer, RU pump truck and pressure test packer/RBP to 550 psi. If test pass RU pump truck to casing and pressure test casing/packer to 550 psi for 15 mins
- If test fails, CUH and isolate leak, get injection rate, notify engineer for possible change in job scope.
- If test passes, TIH retrieve RBP, COOH laying down tubing, packer and RB. MO work string. MI and tally injection tubing.
- TIH with packer, on/off tool and tubing and set @ +/- 3969'.
- RU pump truck and test casing/packer. If test passes, get off on/off tool, circulate packer fluid.
- RU chart on casing/packer test, 35 mins @ 550 psi. Notify NMOCD and BLM of impending test

Give chart to Production Tech. RD. Clean up location

Table 3 : Well Control Information			
Estimated H2S (ppm)	8000	Max anticipated MCFPD	10
100 ppm H2S ROE (ft)	21	Well Category	2
500 ppm H2S ROE (ft)	9	BOP Class	2

Note: Poly lined tubing

Table 5 : Perforations			
Type	**Formation**	**Top**	**Bottom**
Perforations	Grayburg San Andres	4040'	4246'
Perforations			
Openhole			
PBD	4188'		
TD	4254'		

Well Service Procedure:

1. Verify the anchors have been tested prior to RU on well.
2. Review JSA prior to RU on well.
3. MI WSU RU. NDWH, NUBOP, TOOH laying down tubing, on/off tool and packer.
4. MO old injection tubing, MI and tally work string.
5. TIH with bit, collars and tubing to 4188' pressure test GIH. (Note: we had hard scale, metal, and rubber at this depth on last well service and stop). If fill is present, clean back out to 4188'.
6. COOH with tubing, collars and tubing. TIH with RBP, packer and tubing.
7. Set RBP @ +/- 3967'. Pull up 1 stand, set packer, RU pump truck to tubing and pressure test packer/RBP to 550 psi. If test passes go to step 8.

8. RU pump truck to casing and pressure test packer/casing to 550psi for 15 mins, if test fails, CUH and isolate leak. Get injection rate. Notify Production Engineer Michael Sendze for possible change in job scope.
9. If test passes, TIH retrieve RPB, COOH with workstring packer and RBP, lay all equipment down.
10. MO work string. MI and tally inspected yellow band TK-99 injection tubing from CTB pipe yard.
11. Note: if well has been flowing, and cannot be killed by circulating brine water go to step 12.
12. MI e-line services. RU and pressure test lubricator to a minimum of 3000 psi or 1000 psi above the highest observed surface pressure.
13. PU CCL tool and gauge ring and correlate to packer setting @ +/- 3969'. COOH and lay down CCL and gauge ring.
14. RIH with the following:
    - 1 – 2 3/8 on/off tool NP with 1.81" F-nipple with no go.
    - 1 – 2 3/8 X 4.5" NP Arrow set 1X packer
    - 1 – 2 3/8 X 4' tubing sub.
    - 1 – 2 3/8 wireline guided (1.995")

NOTE: shop test packer-plug combination to 3000 psi or a minimum of 1000 psi above the highest observed surface pressure, prior to bring out to location.

15. Land and set bottom of packer assembly @ +/-3969'. COOH
16. RD MO E-line services.
17. Monitor well bore pressure for 30 mins to confirm plug/packer are holding.
18. TIH with top section of on/off tool and new or inspected injection string, pressure test GIH.
19. Circulate packer fluid to surface (3969' X .0108 = 42.83bbls. total).
20. Latch onto on/off tool. RU pump truck to casing and pressure test casing/packer to 550 psi.
21. If casing/packer test passes, RU chart recorder with 1000 psi chart and pressure test casing/packer to 550 psi for 35 mins.
22. Note: need to notify the OCD and BLM of the impending test.
23. Give chart to Production Tech.
24. RD. Clean up location.

ConocoPhillips

Schematic - Current

MCA 273

District	Field Name	API / UWI	County	State/Province
PERMIAN CONVENTIONAL	MALJAMAR	300252373000	LEA	NEW MEXICO

Original Spud Date	Surface Legal Location	East/West Distance (ft)	East/West Reference	North/South Distance (ft)	North/South Reference
4/1/1971	Sec. 26, T-17S, R-32E	560.00	W	1,980.00	S

VERTICAL - Main Hole, 12/16/2014 11:05:20 AM

MD (ftKB)	TVD (ftKB)	Incl (°)	Vertical schematic (actual)
10.8			
11.2			
1,029.9			
2,299.9			
3,719.2			
3,819.9			
3,887.1			
3,897.3			
3,903.5			
3,950.1			
3,965.9			
3,966.9			
3,971.5			2; Tubing - Water Injection; 2 3/8; 10.0
3,974.1			
3,975.4			
3,975.7			
4,040.0			
4,042.0			Perforated; 4,040.0-4,060.0; 11/8/1989
4,060.0			Perforated; 4,060.0-4,072.0; 11/8/1989
4,071.9			Perforated; 4,042.0-4,131.0; 4/25/1971
4,082.0			Perforated; 4,082.0-4,092.0; 11/8/1989
4,091.9			
4,098.1			Perforated; 4,098.0-4,116.0; 11/8/1989
4,116.1			
4,122.0			Perforated; 4,122.0-4,126.0; 11/8/1989
4,126.0			
4,128.0			
4,130.9			Perforated; 4,128.0-4,134.0; 11/8/1989
4,133.9			
4,137.1			
4,148.0			Perforated; 4,148.0-4,150.0; 11/8/1989
4,149.9			
4,151.9			Perforated; 4,152.0-4,157.0; 11/8/1989
4,157.2			
4,162.1			
4,165.0			Perforated; 4,162.0-4,168.0; 11/8/1989
4,168.0			
4,169.9			Perforated; 4,170.0-4,172.0; 11/8/1989
4,171.9			
4,173.9			
4,174.9			Perforated; 4,175.0-4,178.0; 11/8/1989
4,178.1			
4,188.0			Perforated; 4,165.0-4,213.0; 4/25/1971
4,206.0			
4,212.9			Perforated; 4,206.0-4,216.0; 11/8/1989
4,215.9			
4,220.1			Perforated; 4,220.0-4,222.0; 11/8/1989
4,222.1			
4,226.0			Perforated; 4,226.0-4,228.0; 11/8/1989
4,228.0			
4,233.9			Perforated; 4,234.0-4,238.0; 11/8/1989
4,237.9			
4,242.1			Perforated; 4,242.0-4,246.0; 11/8/1989
4,246.1			
4,253.9			
4,259.8			

Conditions of Approval

ConocoPhillips Co.
MCA Unit 273
API 30-025-23730

1. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.
2. Subject to like approval by the New Mexico Oil Conservation Division.
3. Notify BLM 575-393-3612 as work begins. Some procedures are to be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
4. **Before casing or a liner is added, replaced, or repaired prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
5. Surface disturbance beyond the existing pad shall have prior approval.
6. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
7. Functional H_2S monitoring equipment shall be on location.
8. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Well with a Packer - Operations

1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established.
2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
3) Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff

will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.

4) Make arrangements 24 hours before the test for BLM to witness. In Lea County phone 575-393-3612. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number
5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry.
7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
   a) Approved injection pressure compliance is required.
   b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
   c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
9) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
10) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.

CRW 062215