

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT **OCD-HOBBS**FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.**1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
ConocoPhillips Company3a. Address 3b. Phone No. (include area code)
3300 N. "A" Street, Bldg. 6 #247 Midland TX 79705 (432)688-68844. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2310' FNL & 1580' FWL
Sec. 26, T-24-S, R-37-E**

5. Lease Serial No.

NM-321613

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Jack B-26 #7

9. API Well No.

30-025-38531

10. Field and Pool, or Exploratory Area

Justis; Tubb-Drinkard/Justis; Blinbry

11. County or Parish, State

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Casing Test
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Variance &
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Surf. Csg.

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 recompleat 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 recompleat 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 requests a variance to Onshore Order #2 in order to allow pressure testing the surface casing to 1000# instead of 1500#. Per Onshore Order #2, the test will be performed for a minimum of 30 minutes with less than 10% pressure decline within the 30 minute test period. The reason for this request is that it is sufficient pressure for this well and is less wear and tear on the BOP elements and valves.

Additionally, our correllation for the top of the Rustler is 900' and the top of the Salado is 995', therefore, we plan to set the 8-5/8" casing in the range of 925-970' MD RKB.

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

Celeste G. DaleTitle **Regulatory Specialist**

Signature

Date **10/27/06****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by _____

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.

Title

Office

APPROVED**NOV 17 2006**

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.

(Instructions on page 2)

**FREDERICK WRIGHT
PETROLEUM ENGINEER****GWW**

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted for the operator to test casing, BOPE and BOP to 1000 psi; using the rig pumps and clear water or an appropriate clear liquid, as per 43 FR PART 3160 III. A. 2. i and the tests will be done by an independent service company.
2. The setting depth for the surface casing remains the same that is that the casing **surface casing must be set at least 25 feet above the salt @ approximately 1025 feet.** This also allows for setting the casing at the depths quoted in this sundry if that is in the Rustler Anhydrite.