Form 3160-5 (August 2007)

NM OIL CONSERVATION S ARTESIA DE MINIOCID

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

Expires: July 3
5. Lease Serial No.
NMNM70335

SUNDRY NOTICES AND REPORTS ON WELLS

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Do not use this form for proposals to drill or to responsible bandoned well. Use form 3160-3 (APD) for such proposals.

| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | 7. If Unit or CA/Agreement, Name and/or No. | |
|--|---|--|
| | 7. If Unit or CA/Agreement, Name and/or No. | |
| E. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other | 8. Well Name and No. LIVINGSTON RIDG 3 | |
| 2. Name of Operator Contact: RHONDA ROGERS CONOCOPHILLIPS COMPANY E-Mail: rogerrs@conocophillips.com | 9. API Well No. 30-015-26437-00-S1 | |
| 3a. Address 3b. Phone No. (include area code) Ph: 432-688-9174 MIDLAND, TX 79710 1810 | 10. Field and Pool, or Exploratory CABIN LAKE | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | 11. County or Parish, and State | |
| Sec 1 T22S R30E SWNW | EDDY COUNTY, NM | |

| TYPE OF SUBMISSION | · TYPE OF ACTION | | | • |
|----------------------------|---------------------------------------|-------------------------------|---|-----------------------------------|
| Notice of Intent ■ | ☐ Acidize ☐ Alter Casing | ☐ Deepen ☐ Fracture Treat | ☐ Production (Start/Resume) ☐ Reclamation | ☐ Water Shut-Off ☐ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Construction | Recomplete | Other |
| ☐ Final Abandonment Notice | ☐ Change Plans ☐ Convert to Injection | ☐ Plug and Abandon☐ Plug Back | | 1 ' S _k |

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, as operator, requests approval to temporarily abandon (TA) the Livingston Ridge-3 The Livingston Ridge-3 will be reviewed for: Cherry Canyon potential within the gross interval: 5854-5895 MD; TVD: 5844-5884 (-2530/-2570) Brushy Canyon potential within the gross interval: 5976-6487 MD; TVD: 5964-6464 (-2650/-3150)

Accepted for record NMOCD RT 2/11/16

The Brushy Canyon has produced within this gross interval in the offset wells:

Livingston Ridge-4 (N offset) James A-9 (NW offset) James A-8 (W offset) James A-6 (SW offset) Livingston Ridge-2 (S offset)

SEE ATTACHED FOR CONDITIONS OF APPROVAL

| 14. I hereby certify that 1 | ne foregoing is true and correct. Electronic Submission #298129 verifie For CONOCOPHILLIPS COM Committed to AFMSS for processing by JENN | PAÑY, sent to | the Carisbad | |
|---|--|---------------|--------------------------|-----------------|
| Name (Printed/Typed) | RHONDA ROGERS | Title STA | FF REGULATORY TECHNICIAN | |
| Signature | (Electronic Submission) | Date 04/1 | 4/2015 | |
| | THIS SPACE FOR FEDERA | L OR STAT | E OFFICE USE | |
| Approved By CHARLES NIMMER | | TitlePETRO | LEUM ENGINEER | Date 01/21/2016 |
| 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 Carls | bad | |

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.

Additional data for EC transaction #298129 that would not fit on the form

32. Additional remarks, continued

Livingston Ridge-6 (SE offset)

Procedure as follows:

- 1. MI & RU WSU

- 1. MI & RU WSU
 2. POOH & LD rods & pump
 3. ND well. NU BOP.
 4. POOH w/ tbg.
 5. RIH w/ tbg w/ bit & scraper to 6550. POOH w/ tbg.
 6. RIH w/ tbg w/ CIBP (5-1/2?, 15.5#). Set CIBP @ approximately 6525 within 100 ft. of uppermost perforation @ 6568.
 7. Circ well w/ produced water. Test CIBP & csg @ 600#.
 8. Circ well w/ inhibited biocide-treated produced water.
 9. POOH & LD tbg.
 10. ND BOP. NU well. RD WSU.
 11. Notify NMOCD
 12. Chart well @ 550# for 30 minutes
 13. Submit chart to NMOCD w/ copy for files.

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Approved for a period of 1 year ending 1/21/2017 subject to conditions of approval.

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

- Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with wellbore diagram
 with all perforations and CIBP's and tops of cement on CIBP's.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

Livingston Ridg 3

- 1. Well is approved to be TA/SI for a period of 1 year or until 1/21/2017
- 2. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 1/21/2017
- 3. COA's met at this time.