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MAY 21 2013

Farmington Field Office
Bureau of Land Management

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No. NMSF-081089

6. If Indian, Allottee or Tribe Name

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 page 2.

7. If Unit of CA/Agreement, Name and/or No. **San Juan 32-8 Unit**

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

8. Well Name and No. **San Juan 32-8 Unit 237A**

2. Name of Operator **ConocoPhillips Company**

9. API Well No. **30-045-32369**

3a. Address **PO Box 4289, Farmington, NM 87499**

3b. Phone No. (include area code) **(505) 326-9700**

10. Field and Pool or Exploratory Area **Basin Fruitland Coal**

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
Surface Unit I (NESE), 1640' FSL & 940' FEL, Sec. 23, T31N, R8W

11. Country or Parish, State **San Juan , New Mexico**

12. CHECK THE 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
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ 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 must 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 must be filed once Testing has been completed. Final Abandonment Notices must 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 permission to P&A the subject well per the attached procedure, current and proposed wellbore schematics. The Pre-Disturbance Site Visit was completed on 5/15/13 with Robert Switzer. The Re-Vegetation Plan is attached.

RCVD JUN 4 '13
OIL CONS. DIV.
DIST. 3

Notify NMOCD 24 hrs prior to beginning operations

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Dollie L. Busse Title **Staff Regulatory Technician**

Signature Dollie L. Busse Date 5/21/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason Title Date MAY 24 2013

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.

(Instruction on page 2)

NMOCD

ConocoPhillips
San Juan 32-8 Unit 237A
Expense – P&A

Lat: 36° 52' 49.332" N Long: 107° 38' 19.32" W

PROCEDURE

This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COPC safety and environmental regulations. Test rig anchors prior to moving in rig.

2. MIRU work over rig. Check casing, tubing, and bradenhead pressures and record them in Wellview.

3. When an existing primary valve (i.e. casing valve) is to be used, the existing piping should be removed and replaced with the appropriate piping for the intended operation.

4. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with water, as necessary, and at least pump tubing capacity of water down tubing. Unseat pump.

5. ND wellhead and NU BOPE. Pressure and function test BOP. PU and remove tubing hanger.

6. TOOH with tubing/rods (per pertinent data sheet).

7. | | | | | | |
   |---|---|---|---|---|---|
   | **Rods:** | Yes | **Size:** | 3/4 | **Length:** | 3388' |
   | **Tubing:** | Yes | **Size:** | 2 3/8" | **Length:** | 3408' |

   Round trip watermelon mill to the top of liner @ 3071' or as deep as possible

   All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type II mixed at 15.6 ppg with a 1.18 cf/sk yield.

8. **Plug #1 (Pictured Cliffs formation top: 3289' – 3389')** Mix 17sx Class B cement and spot balanced plug to isolate the Pictured Cliffs formation top. POOH.

9. **Plug #2 (Fruitland perforations, formation top, Intermediate shoe, and Liner top: 2959' – 3059')** RIH and set cement retainer for 7", 20.00# casing at 3059'. Load casing and circulate well clean. Pressure test tubing to 1000 PSI. Pressure test casing to 800 PSI. *If the casing does not test, than spot or tag subsequent plugs as appropriate.* Run CBL from 3059' to surface. Mix 29 sx Class B cement and spot inside casing above CR to isolate Fruitland perforations, formation top, Intermediate shoe, and Liner top. PUH

10. **Plug #3 (Kirtland and Ojo Alamo tops: 2176' – 2396'):** Mix 53 sx Class B cement and spot a balanced plug inside the casing to isolate the Kirtland and Ojo Alamo formation tops. PUH.

965 ~~965~~ 29

11. **Plug #4 (Nacimiento formation top: ~~688~~' – ~~788~~'):** Mix ~~17~~ sx Class B cement and spot a balanced plug inside the casing to isolate the Nacimiento formation top. PUH.

12. **Plug #5 (9-5/8" casing shoe and surface: surface – 279'):** Attempt to pressure test the BH annulus to 300psi; *note the volume to load.* If the BH annulus holds pressure then establish circulation out casing valve with water. Mix 64 sx Class B cement and spot balanced plug inside casing from 279' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut in well and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the 7" casing and the BH annulus to surface. Shut well in and WOC.

10. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Current Schematic

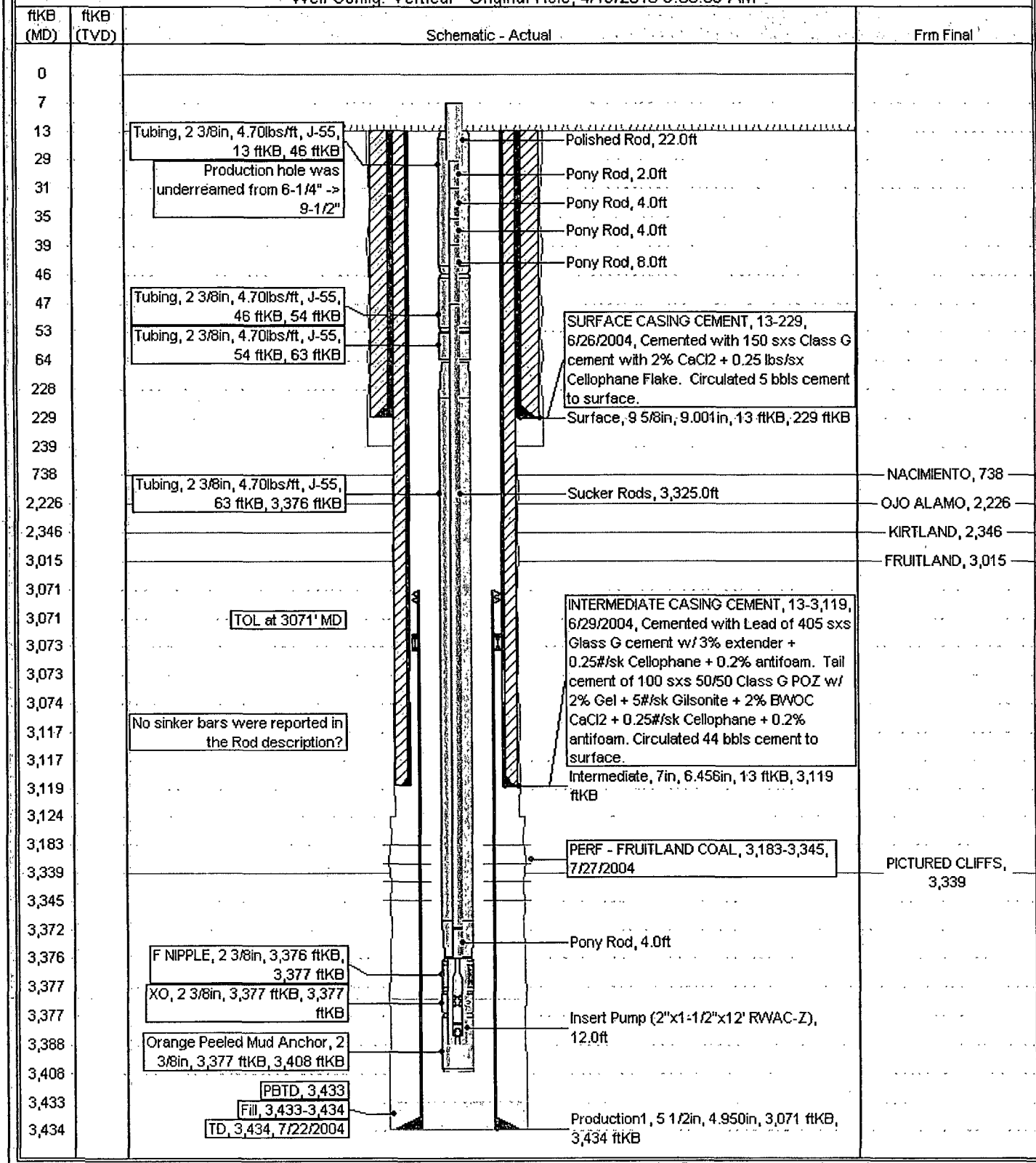
ConocoPhillips

Well Name: SAN JUAN 32-8 UNIT #237A

API / UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type	Edit
3004532369	NMPM-31N-08W-23-I	FC		NEW MEXICO	Vertical	

Ground Elevation (ft)	Original KB/RT Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	KB-Tubing Hanger Distance (ft)
6,460.00	6,473.00	13.00		

Well Config: Vertical - Original Hole, 4/19/2013 9:56:39 AM



Proposed Schematic

ConocoPhillips

Well Name: SAN JUAN 32-8 UNIT #237A

API/UWI	Surface Legal Location	Field Name	License No.	State/Province	Well Configuration Type
3004532369	NMPM-31N-08W-23-I	FC		NEW MEXICO	Vertical

Ground Elevation (ft)	Original RKB/RT Elevation (ft)	RKB-Ground Distance (ft)	RKB-Casing Flange Distance (ft)	RKB-Tubing Hanger Distance (ft)
6,460.00	6,473.00	13.00		

Edit

Well Config: Vertical - Original Hole, 1/1/2020

ftKB (MD)	ftKB (TVD)	Schematic - Actual	Frm Final
0			
7			
13			
29		Production hole was underreamed from 6-1/4" -> 9-1/2"	
31			
35			
39		SURFACE CASING CEMENT, 13-229, 6/26/2004, Cemented with 150 sxs Class G cement with 2% CaCl2 + 0.25 lbs/sx Cellophane Flake. Circulated 5 bbls cement to surface.	
46			
47		Surface, 9 5/8in, 9.001in, 13 ftKB, 229 ftKB	
53			
64		Plug #5, 13-279, 1/1/2020, Mix 64 sx Class B cement and spot a balanced plug inside casing from 279' to surface, circulate good cement out casing valve.	
228			
229			
239			
279		Plug #4, 688-788, 1/1/2020, Mix 17 sx Class B cement and spot a balanced plug inside the casing to isolate the Nacimiento formation top.	
688			
738			NACIMIENTO, 738
788			
2,176		Plug #3, 2,176-2,396, 1/1/2020, Mix 53 sx Class B cement and spot a balanced plug inside the casing to isolate the Kirtland and Ojo Alamo formation tops.	
2,226			OJO ALAMO, 2,226
2,346			KIRTLAND, 2,346
2,396		Plug #2, 2,959-3,059, 1/1/2020, Mix 29 sx Class B cement and spot inside casing above CR to isolate the Fruitland perforations, formation top, Intermediate shoe, and Liner top.	
2,959			
3,015			FRUITLAND, 3,015
3,059		Cement Retainer, 3,059-3,060	
3,060			
3,071			
3,071		TOL at 3071' MD	
3,073			
3,073			
3,074			
3,117		No sinker bars were reported in the Rod description?	
3,117			
3,119		INTERMEDIATE CASING CEMENT, 13-3,119, 6/29/2004, Cemented with Lead of 405 sxs Class G cement w/ 3% extender + 0.25#/sk Cellophane + 0.2% antifoam. Tail cement of 100 sxs 50/50 Class G POZ w/ 2% Gel + 5#/sk Gilsonite + 2% BWOC CaCl2 + 0.25#/sk Cellophane + 0.2% antifoam. Circulated 44 bbls cement to surface.	
3,124		Intermediate, 7in, 6.456in, 13 ftKB, 3,119 ftKB	
3,163			
3,289		PERF - FRUITLAND COAL, 3,183-3,345, 7/27/2004	
3,339			PICTURED CLIFFS, 3,339
3,345			
3,372			
3,376			
3,377			
3,377			
3,388		Plug #1, 3,289-3,389, 1/1/2020, Mix 17 sx Class B cement and spot a balanced plug to isolate the Pictured Cliffs formation top.	
3,389			
3,408		PBTD, 3,433	
3,433		Fill, 3,433-3,434	
3,434		TD, 3,434, 7/22/2004	
		Production1, 5 1/2in, 4.950in, 3,071 ftKB, 3,434 ftKB	

Report Printed: 4/19/2013

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 237A San Juan 32-8 Unit

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. The following modifications to your plugging program are to be made:

a) Place the Nacimiento plug from 965'- 865'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.