

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

March 4, 2004

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)      |  | WELL API NO.<br>30-045-33478  |
| 1. Type of Well:<br>Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br><b>ConocoPhillips Company</b>   |  | 6. State Oil & Gas Lease No.<br>E-5317-2  |
| 3. Address of Operator<br><b>P.O. Box 4289, Farmington, NM 87499-4289</b>  |  | 7. Lease Name or Unit Agreement Name<br>State Com I   |
| 4. Well Location<br>Unit Letter <u>D</u> : <u>740</u> feet from the <u>North</u> line and <u>150</u> feet from the <u>West</u> line<br>Section <u>36</u> Township <u>31N</u> Range <u>R9W</u> NMPM San Juan County |  | 8. Well Number<br>#5B   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)   |  | 9. OGRID Number<br>217817   |
|  |  | 10. Pool name or Wildcat<br>Blanco MV / Basin DK  |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☒

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

We had to mud drill and so to prevent lost returns we included a lead to reduce the hydrostatic and give us a better chance to get cement where we need to. We need to change the cement slurry on the production casing. See the attached cement design.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan.

SIGNATURE Patsy Clugston TITLE Sr. Regulatory Specialist DATE 8/28/06  
Type or print name Patsy Clugston E-mail address: pclugston@br-inc.com Telephone No. 505-326-9518

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE AUG 30 2006  
Conditions of approval, if any:



State Com I #5B  
Sec. 36 T31N R9W  
API # 30-045-33478



10139439  
Activity Code: J200

#### 4.5" Production Casing

August 27, 2006

Prev. Casing Size 7 inch  
Casing Size 4 1/2 inch  
Casing Weight 11.6 lb/ft  
Casing Depth 7,529 feet  
Bit Size 6 1/4 inch  
Top of Lead 3,006 feet  
Top of Tail 4,209 feet

BHST: 181 F  
One Way Mileage 40 Miles

Lead  
3471'  
  
Inter  
Casing  
3671'

**Open Hole**  
Cement Excess 100%  
Casing Volume 0.0155 BBL/Ft  
Annular Volume 0.0183 BBL/Ft

**Cased Hole**  
Cement Excess 0%  
Previous casing 3206 feet  
Annular Cased hole 0.0197 BBL/Ft

Centralizers - 10' above shoe, top of 2nd, 4th, 6th, 8th, 10th joint and 1st joint into 9 5/8" casing.

#### Fluids Summary

Pump Ahead 20 BBL viscosified gel (15-20 cp, 8.44 ppg)

#### CEMENT SLURRY: (To be verified with Lab Testing)

**Lead**  
91 Sacks LiteCRETE  
0.50% D112 - Fluid loss  
0.25% D065 - Dispersant  
0.15% D800 - Retarder  
0.03% D047 - Antifoamer  
3.0 CemNET (lb/lb)

**Tail**  
362 Sacks 50% Poz/50% Class G  
2.00% D020 - Bentonite  
1.00 D024 - Gilonite extender (lbs/sk)  
0.25% D167 - Fluid loss  
0.10% D046 - Antifoam  
0.15% D065 - Dispersant  
0.10% D800 - Retarder  
0.25 D29 Cellophane Flakes (lb/sk)  
3.0 CemNET (lb/lb)

Cement Volume: 40.6 BBL  
Cement Yield: 2.53 Cuft/SK  
Cement Density 9.421 ppg  
Water Required 9.421 Gal/sk  
Thickening Time 3:03 hrs:min  
Comp. Strength

Cement Volume: 91.7 BBL  
Cement Yield: 1.42 Cuft/SK  
Cement Density 13 ppg  
Water Required 6.47 Gal/sk  
Thickening Time 3:57 hrs:min  
Comp. Strength

Tail  
4209'

3 hr 500 psi  
24 hr 1080 psi

24 hr 500 psi  
48 hr 2,100 psi

#### Treating Procedure

1. Move in and rig up Schlumberger Cementing Equipment. (1 Cement Pump, 2 Cement Bulk Units)
2. Conduct a safety and procedure meeting with all personnel present before treatment begins.
3. Pressure test lines 2,000 psi above job design pressure.
4. Pump 20 BBL viscosified gel (15-20 cp, 8.44 ppg)
5. Pump 40.6 BBL LiteCRETE at 9.42 ppg @ 5.5 bpm with 3 lbs/sk CemNET
6. Pump 91.7 BBL Tail slurry at 13 ppg @ 5.5 bpm 3 lbs/sk CemNET
7. Shut down, wash lines, drop plug.
8. Displace with 116 BBL fresh water @ 5.5 bpm, slow rate during last 20 barrels. DO NOT overdisplace over 1/2 shoetrack
9. Land plug with 600 psi differential pressure.
10. Check to see if plug is holding.
11. Wash up pump truck at a predetermined site on location.
12. Rig down equipment.

Bottom  
7529'

**Note:** These calculations should be re-calculated on location with a ConocoPhillips representative



State Com I #5B - 4.5" Production Casing (continued)

### ***COST ESTIMATE***

#### **Equipment and Services**

|   |             |
|---|-------------|
| Cement Bulk Units ... 2 units x 6 hours                           | \$2,628.00  |
| Cementing Head ... per job  | \$967.00    |
| Service Charge ... 590 ft3  | \$2,489.80  |
| Delivery Charge ... 765 ton-miles                                 | \$2,379.15  |
| Discharge hose  | \$1,980.00  |
| Round Trip Mileage on Equipment ... 1 unit x 80 miles             | \$662.40    |
| Round Trip Mileage on Pickup ... 1 unit x 80 miles                | \$383.20    |
| CemCAT ... data acquisition recorder ... per job                  | \$1,630.00  |
| Depth Charge ... 7529 ft ... 1st 4 hours                          | \$9,300.00  |
| DOT Vehicle Charge, per each                                      | \$1,890.00  |
| CemCRETE Service Charge ...250                                    | \$1,446.63  |
| <i>List Price ... Equip and Services</i>                          | \$25,756.18 |
| <i>Total Discount @ 71.5%, 77.5% on DOT &amp; 53% on Overtime</i> | \$18,529.07 |
| Fuel Surcharge (1.5% List Price Services)                         | \$ -        |

|  |                    |
|--|--------------------|
| <b>Total Discounted Price ... Equip. and Services:</b> | <b>\$ 7,227.11</b> |
|--|--------------------|

#### **Materials**

|   |             |
|---|-------------|
| Plug, Cementing 4 1/2 in Top Plastic                          | \$146.00    |
| Dye   | \$44.80     |
| Fuel Surcharge  | \$772.69    |
| 91 lbs D29 - Cellophane Flakes                                | \$461.28    |
| 557 lbs D020 - Bentonite                                      | \$301.04    |
| 362 lbs D024 - Gilsonite Extender                             | \$586.44    |
| 42 lbs D800 - Retarder  | \$508.62    |
| 4 gals D047 - Antifoam  | \$352.28    |
| 5870 lbs D961 - CemPLUS Blend                                 | \$2,541.71  |
| 3553 lbs D124 - LITEFIL                                       | \$13,389.93 |
| 132 bbl D974 - CemNET bbl treated                             | \$15,416.28 |
| 65 lbs D065 - Dispersant                                      | \$965.25    |
| 77 lbs D046 - Antifoam  | \$740.48    |
| 181 sks D048 - LITEPOZ extender                               | \$2,497.80  |
| 46 lbs D112 - Fluid loss                                      | \$1,301.80  |
| 5 gal J564 Guar Slurry  | \$507.00    |
| 181 sks D907 - Class G Cement                                 | \$6,697.00  |
| 69 lbs D167 - Fluid loss                                      | \$92.68     |
| <i>List Price ... Materials</i>                               | \$47,323.07 |
| <i>Total Discount @ 71.5%, 65% New Technolgy &amp; Cement</i> | \$30,895.32 |

|  |                     |
|--|---------------------|
| <b>Total Discounted Price ... Materials:</b> | <b>\$ 16,427.75</b> |
|--|---------------------|

|                           |                     |
|---------------------------|---------------------|
| Equipment and Services    | \$ 7,227.11         |
| Materials                 | \$ 16,427.75        |
| <b>Total before taxes</b> | <b>\$ 23,654.86</b> |

|                       |             |
|-----------------------|-------------|
| Tax, USState, 5%      | \$ 1,182.74 |
| Tax, USCounty, 0.813% | \$ 192.31   |
| Tax, USCity, 1.188%   | \$ 281.02   |

|   |                     |
|---|---------------------|
| <b>Total Schlumberger Discounted Price:</b> | <b>\$ 25,310.94</b> |
|---|---------------------|

\* This pricing is calculated based upon a total of 4 hours operations time (4 hours base without overtime). If additional hours is required in order to complete the job, it will be discounted at 53%.

\*\* All Prices based on SLB-COP 2006 Pricing Agreement using the November 2005 price book.