

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

RCVD FEB 25 '08

Sundry Notices and Reports on Wells

OIL CONS. DIV.

DIST. 3

1. Type of Well
GAS

RECEIVED

FEB 20 2008

5. Lease Number
NMSF-078144
6. If Indian, All. or
Tribe Name
7. Unit Agreement Name

2. Name of Operator
BURLINGTON
RESOURCES OIL & GAS COMPANY LP

Bureau of Land Management
Farmington Field Office

3. Address & Phone No. of Operator

8. Well Name & Number

Payne Com 1B

PO Box 4289, Farmington, NM 87499 (505) 326-9700

9. API Well No.

30-045-30502

4. Location of Well, Footage, Sec., T, R, M
Sec., T--N, R--W, NMPM

10. Field and Pool

Unit N (SESW) 710' FSL & 1885' FWL, Sec. 26, T30N, R11W NMPM

11. Otero Chacra/Blanco MV
County and State
San Juan Co., NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

Type of Action

<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans	<input checked="" type="checkbox"/> Other MIT, Water Isolation/Potential Squeeze, Pump Install
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction	
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging	<input type="checkbox"/> Non-Routine Fracturing	
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut off	
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection	

13. Describe Proposed or Completed Operations

Burlington Resources wishes to conduct an MIT, Water Isolation/Potential Squeeze, and Pump Install on the subject well per the attached procedure and wellbore diagram.

14. I hereby certify that the foregoing is true and correct.

Signed Tracey N. Monroe Tracey N. Monroe Title Regulatory Technician Date 2/20/08

(This space for Federal or State Office use)
APPROVED BY Original Signed: Stephen Mason

Title

Date FEB 21 2008

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

NMOCB BY

ConocoPhillips
Payne Com 1B (MV CH)
MIT, Water Zone Isolation & HDI Pump Installation

Lat 36° 44.497 N **Long** 107° 54.227 W

Prepared By: Dryonis Pertuso
BAE Peer review/approved By: Stan Terwilliger

Date: 02/08/2008
Date: 02/08/2008

Scope of work: The intent of this procedure is to pull the bad pump and rods, perform a mechanical integrity test (MIT) both on the 4 1/2" production liner and on the 7" casing, identify the water producing zone and squeeze it off once isolated, clean out the wellbore to PBTD and install an HDI pump.

Remaining reserves: MV (200 MMscf), CH (126 MMscf)

WELL DATA:

API: 30045305020000
Location: 710' FSL & 1885' FWL, Unit N, Section 26- T030N - R011W
PBTD: 5,016' **TD:** 5,100'
Perforations: 3,051'- 3,713' (Chacra), 4,405'-4,554' (Mnfee), 4,601'-4,876' (PTO).

Well History:

The Payne Com #1B is a Chacra and Mesa Verde well drilled in April of 2001. Since it was drilled, the production rate had historically averaged ~ 180 Mcfd, but in 2005, it dropped drastically to almost 0 Mcfd (presumably due to a hole in the tubing). The tubing was repaired in March 2006 and a Rod Pump installed in March 2007, but the well never came back to its production (the pump was turned off due to the enormous quantity of water production). Recently, the MSO tried to get the pump back online in order to gather a water sample, but it did not work. The well's lack of production is obviously attributed to the vast amount of water production (fluid level @ 1,694' based on a fluid shot performed on 05/30/07, with the pump working). The RAM team has indicated that the water influx should be coming from the CH Perfs, that may have also flooded the MV perforations.

B2 Adapters are required on all wells other than pumping wells.

Artificial lift on well (type): Rod Pump (currently not working)

Est. Reservoir Pressure (psig): 1100psi (DK) 400psi (MV)

Well Failure Date: December 2005

Current Rate (mcf/d): 0 **Est. Rate Post Remedial (mcf/d):** 90

Earthen Pit Required: No

Special Requirements: 2 hour chart for MIT, HDI Pump Install

BAE Production Engineer: Dryonis Pertuso, Office: (505) 559-3409, Cell: (505) 320-6568

BAE Backup: Karen Mead, Office: (505) 324-5158, Cell: (505) 320-3753

ConocoPhillips
Payne Com 1B (MV CH)
MIT, Water Zone Isolation & HDI Pump Installation

Lat 36° 44.497 N Long 107° 54.227

PROCEDURE:

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COP safety and environmental regulations. Test rig anchors prior to moving in rig.
2. MIRU workover rig. Check casing, tubing, and bradenhead pressures and record them in Wellview.
3. RU blow lines from casing valves and begin blowing down casing pressure. Avoid putting water on the well if possible, however kill well with 2% KCl or produced water if necessary.
4. Pressure test tubing to 500 psi before unseating pump.
5. POOH and w/ rods and pump as follows. Make note of any damage incurred to rods or pump in WellView. Make note of any paraffin or scale in WellView.

Top to Bottom:

- 1) 22' x 1-1/4" polished rod
 - 2) 8' pony rod
 - 3) 2' pony rod
 - 4) (189) 3/4" x 25' sucker rods
 - 5) (3) 1-1/4" sinker bars
 - 6) (1) 22K Norris shear tool
 - 7) (1) 3/4" x 8' guided rod
 - 8) (2"x1-1/2"x14') RWAC-Z Insert Pump
6. ND wellhead and NU BOP's. Unseat donut, remove hanger, and pull 2-3/8" tubing, Tag up for fill, add additional joints as necessary. TOOH with tubing (detail below). Tubing is currently landed @ 4,873' KB.

Top to Bottom:

- 1) (1) 2-3/8" x 24' pinned mule shoe
- 2) (1) 2-3/8" x 1.9" ID Seat Nipple set @ 6,707'
- 3) (1) 2-3/8" x 31.2' 4.7# J-55 tubing
- 4) (1) 2-3/8" x 2' 4.7# J-55 pup joint
- 5) (1) 2-3/8" OD (1.78" ID) SN
- 6) ~ (156) jts 2-3/8", 4.7#, J-55

Visually inspect tubing and record findings in Wellview. Make note of corrosion or scale. Please notify engineer of any unusual findings.

7. Pick up RBP and packer for a 4-1/2" 11.6# casing and TIH on 2 3/8" tubing and set RBP @ 3,000' (50' above top Chacra perms), set a packer to test RBP to 500psi for 10 min, unset packer and perform MIT on the 4 1/2" liner and on the 7" casing, pressure test to 500 psi for 30 min, record test on a 2 hour chart (if MIT fails, be ready for a squeeze job).

Note: notify Production Engineer about MIT results, make note that a 7" RPP and Packer may be required for casing repair purposes.

8. Retrieve RBP and reset @ ~4,350', unlatch tubing from RBP, test RBP to 500 psi for 10 min and PU tubing to ~3,800' (to test production of Chacra), and blow well for 4 hours and monitor water production. Contact Production engineer and provide results of the test before moving ahead, Latch on and retrieve RBP, TOOH.

9. If the liquid production of the well obtained in step 8 (production from Chacra interval) is greater than 15 bbls/day, be prepared for squeezing off the Chacra interval. **Before any cement job, please contact Production Engineer.**

Note: production value from the Chacra obtained in 2006 was much higher than 15 bbls/day; therefore squeeze job is very likely to be performed.

10. Load well with 2% KCL or produced water, RU Cement Company, try to get injection rate, and squeeze off the Chacra perfs.
11. POOH with Packer and tubing
12. TIH with 3-7/8" bit and drill out excess cement left in 4 1/2' liner and CO to PBTD @ ~5,016'. TOOH.
13. PU and TIH with RBP and Packer for the 4 1/2" 11.6# casing, set RBP @ 4,350', (50' above Mnfee) and set a packer to test RBP to 500psi for 10 min, Unset packer and Pressure test to 500 psi. Retrieve RBP and TOOH.
14. TIH and land tubing @ ~4,900' see detail below, Run a drift test (see direction on page 7) while TIH with tubing joints.

- 1) (1) 2 3/8" x 6' perforated pup joint
- 2) (1) 2-3/8" x 1.9" ID @ ~4,894' Seat Nipple
- 3) (1) 2-3/8" x 31.2' 4.7# J-55 tubing
- 4) (1) 2-3/8" x 8' 4.7# J-55 pup joint
- 5) (~157 jts) 2-3/8" 4.7# J-55 tubing

Always install a full joint at top to allow for stripping the landing donut in and out of the well safely.

15. Set the standing valve, load the tubing with 2% KCl water, and PT to 1500 psig to ensure no holes in the tubing.
16. Bleed off pressure and LOTO standing valve. Tubing volume to SN is 19 bbls.
17. RDMO Workover Rig and release from location and notify the Production Engineer and Rig Superintendent. Coiled tubing pump install will begin after rig has left location.

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END OF RIG WORK – START OF COIL TUBING HDI INSTALL

1. MIRU with Sanjel Coil Tubing Unit. Sanjel CTU will hold pre-job safety meeting. Comply with all NMOCD, BLM, and ConocoPhillips safety and environmental regulations. Have well site supervisor remove lock out tag out from wellhead.
2. Rig has landed tubing @ 4,900' and pressure tested to 1500 psig with standing valve left in F-nipple @ 4,894' and tubing full of water.
3. MIRU Sanjel 1.5" coiled tubing unit. Check for full opening valves for tubing access. Check casing and tubing pressures and record them in Wellview.
4. Spot and RU Sanjel's mobile water tank so displaced water from tubing will feed into and out of tank and tubing.
5. Make up recirculation plug on bottom of pump adapter with tubing stop and stinger seal assembly. Pump adapter has been previously welded on.
6. RIH 1.5" coiled tubing tag standing valve @ ~ 4,894".
7. Set pack off and hanger on 1.5" coiled tubing. Cut 1.5" coiled tubing 18" above packoff, move off 1.5" coiled tubing unit.
8. Move in rig up Sanjel's 3/4" coiled tubing unit.
9. RIH with stinger and guide previously welded on 3/4" coiled tubing while circulating with air to lift dislodged mill scale and weld debris to surface.
10. Stop air circulation when near bottom, land and stack out 3/4" coiled tubing measure and repeat until maximum depth is reached, cut 12" longer than 1.5" tubing.
11. RDMO 3/4" coiled tubing unit.
12. MIRU 1.5" Sanjel coiled tubing unit.
13. Make up cold roll connection with o-ring seals on lower 1.5" coiled tubing, swallow over 3/4" tubing with 1.5" coiled tubing and make up upper half cold roll connection, pull 1.5' & 3/4" concentric coiled tubing strings out of well.
14. Remove circulation cap from end of tubing, lower end into empty drum to catch Aqua Link.
15. MIRU BJ Chemical to circulate Aqua Link through both coiled tubing strings by connecting to truck and circulating through Sanjel swivel.
16. Once both strings are full, draw Aqua Link from return drum and filter before recirculating. Continue until clean, install test cap to force Aqua Link through 3/4" coiled tubing only and circulate at as high rate as pressure permits until clean.

17. Bleed off pressure and remove test cap.
18. Install HDI pump on bottom of concentric coiled tubing.
19. RIH with HDI Pump on 1.5" concentric coiled tubing and land in standing valve @ 4,894'
20. Land pump with 200 - 300 lbs. weight on the pump. Set pack off and slips.
21. Coiled tubing will be 21' longer with pump on bottom, carefully cut 1.5" tubing 18' -24" above packoff and slips, raise injector head to create a gap, observe if tubing is remaining still and free to slide down or being lifted.
22. If tubing is not being lifted cut excess tubing off leaving $\frac{3}{4}$ " approximately 10" longer than 1.5".

NOTE: If tubing is being lifted, additional tubing will need to be spooled out of injector head and tubing cut 5' above first cut to ensure enough tubing will remain after $\frac{3}{4}$ " tubing settles.

23. RU surface fittings connect hoses to hydraulic pump on sooner power unit and function test pump.
24. If possible close the wing valve and pressure test 2-3/8" tubing to 300 - 500 psig for 10 minutes. Perform bucket test if possible.
25. Notify MSO Josh Proctor, Cell: 505-4862921 to place the well back on production and monitor water tank.
26. Test for good pump action, watch pumped fluid to pit. RDMO. Place well back on production.
27. Should you have any questions, please feel free to contact Production Engineer.

Dryonis Pertuso Office: 505-599-3409, Cell: 505-320-6568

Thank you

DRIFT TEST PROCEDURE

SAFETY NOTE: To conform to COP well control manual, Sec 6.1, a barrier is required prior to performing below procedure. Where air units are being used, an expendable check is recommended; otherwise, a wireline set plug in profile nipple is recommended.

1. Set flow control in tubing. With air, on location, use expendable check. With no air on location, use wireline plug.
2. RU drift tool to a minimum 70' line. Drift tool will have an OD of at least the API drift specification of the tubing. (2-3/8" OD 4.70# EUE Tubing Drift ID = 1.901"), and will be at least 15" long. The tool will not weigh more than 10 lbs. and will have an ID bore the length of the tool, so fluids may be pumped through the tool if it becomes stuck.
3. Drop the tool into the tubing string and retrieve it after every 2 joints of tubing ran in hole. If any resistance to the tool movement is noticed, going in or out, that joint will be replaced.
4. In order to simulate the plunger lift operation, all equipment must be kept clean and free of debris.

The drift tool should be measured with calipers before each job, to ensure the OD is the correct size for the tubing being checked. The maximum allowable wear of the tool is .003

Recommended	<u>Dryonis Pertuso</u>
BAE Engineer	Dryonis Pertuso
Office	(505) 324-5158
Cell	(505) 320-3753

Approved	<u>Stan Terwilliger</u>
Expense Supervisor	Stan Terwilliger
Office	(505) 326-9582
Cell	(505) 320-4785

ConocoPhillips

Well Name: PAYNE COM #1B

Current Schematic

API/UVI 3004530502	Surface Legal Location NMPM, 026-030N-011W	Field Name OTERO (CHACRA) GAS	License No.	State/Province NEW MEXICO	Well Configuration Type Edit
Ground Elevation (ft) 5,904.00	Original KB Elevation (ft) 5,919.00	KB-Ground Distance (ft) 15.00	KB-Casing Flange Distance (ft) 5,919.00	KB-Tubing Hanger Distance (ft) 5,919.00	

Well Config: 30045305020000; 2/12/2008 9:44:54 AM

