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
May 27, 2004

WELL API NO.
30-025-02977

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
B-1838

SUNDRY NOTICES AND REPORTS ON WELLS
(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.)

7. Lease Name or Unit Agreement Name
East Vacuum Gb/SA Unit Tract #3236

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

8. Well Number 002

2. Name of Operator
ConocoPhillips Company ATTN: Celeste Dale

9. OGRID Number
217817

3. Address of Operator
4001 Penbrook Street Odessa, Texas 79762

10. Pool name or Wildcat
Vacuum Grayburg/San Andres

4. Well Location
Unit Letter D : 660 feet from the North line and 660 feet from the West line
Section 32 Township 17-S Range 35-E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3,989' RKB; 3,970' GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type STEEL Depth to Groundwater 86' Distance from nearest fresh water well 1/2 mile Distance from nearest surface water N/A

Pit Liner Thickness: STEEL mil Below-Grade Tank: Volume 180 bbls; Construction Material STEEL

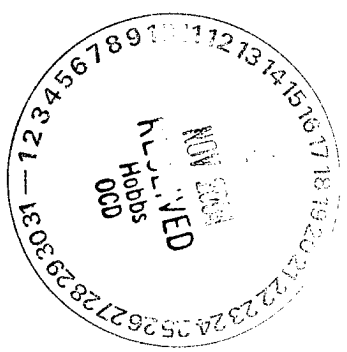
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☒	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER:			☐	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.

SEE ATTACHED WELLBORE DIAGRAM & PLUGGING PROCEDURE

THE OIL CONSERVATION DIVISION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS.



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 _____ TITLE James F. Newman, P.E. (Triple N Services) DATE 11/16/04

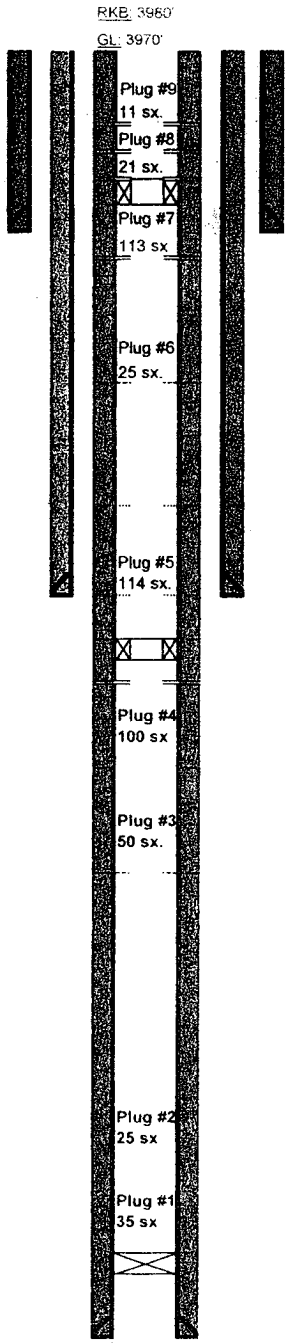
Type or print name James F. Newman E-mail address: jim@triplenservices.com Telephone No. 432-687-1994

For State Use Only

APPROVED BY: Gary W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE NOV 22 2004

Conditions of Approval (if any):

WellBore Diagram - ConocoPhillips Company
Actual Wellbore - EVGSAU 3236-002
After Third Plugging



Squeeze Plug #9, 11 sx. 165'- calc'd TOC @ 97', WOC. Perforate @ 150'.

Squeeze Plug #8, 21 sx. 263' -166', WOC & tag. Perforate @ 250' and 200'.

CICR @ 263' 7" HOWCO SVB

Squeeze Plug #7, 113 sx. *(6 sx. inside, 107 sx. outside)* 300'-265', WOC & tag. Perforate @ 300'.

Surface Hole: 17-1/2"

Surface Casing: 13-3/8", 48# & 54#, K-55, @ 275'. Cmt'd w/ 400 sx to surface

Spot Plug #6, 25 sx., 850'-686', WOC & tag.

Intermediate Hole: 12-1/4"
Intermediate Casing: 9-5/8", 36# @ 1591'.
Cmt'd w/ 615 sx. to surface.
09/82: perf'd @ 1596'. Cmt'd w/325 SX, 5 SX. circ. to surf. in annulus. 12 SX., then 50 SX. squeezed @ 1596'.
Squeeze Plug #5 114 sx., 1800'-1150'. Calc'd TOC @ 1150'.
Perforate @ 1800'
CICR @ 1711' 7" HOWCO SVB

04/02 Squeeze Plug #4, 100 sx. 2300'–2000'. (50 sx inside, 50 outside). Estimated TOC in annulus 1905'. Afterwhich SITP built to 1150 overnight.

03/02 Squeeze Plug #3 50 sx. 2850-2650'. Covers the Yates. Estimated TOC in annulus 2716'

TOC @ 2921'

03/02 Spot Plug #2, 25 sx. 3700'-3520'. Covers the Queen.

03/02 Spot Plug #1, 35 sx. 4112'-3900'. Covers the San Andres and Grayburg.

CIBP @ 4112'

Production Hole: 8-3/4"
Production Casing: 7", 24#, K-55 @ 4203'. Cmt'd w/ 146 sx. TOC @ 2921'.

6-1/4" Openhole @ 4203-4651'

Lease and Well No.: EVGSAU 3236-002 Date: 7/7/04
Location: 660 FNL & 660 FWL BHL: Same
Sec. 32, T17S-R35E
County/State: Lea County, New Mexico
Field: East Vacuum Unit
Producing Formations: San Andres/Grayburg
Spud Date: 11/10/38
Completion Date: 1/15/39
API Number: 30-025-02977
Status: Active Producer

Pressure Tests
Packer @ 2315', pressured below pkr. To 1200 psi, O.K.
Packer @ 1816', Pressured to 750 psi, O.K.
After Plug #5 spotted, packer set @ 318', pressured to 500 psi, O.K.

Casing Leaks
Collar Leak between 3020'-3000'
2517'-2487'

Formation Tops:

Chinle	220'
Rustler	1520'
Yates	2800'
Queen	3670'
Grayburg	4010'
San Andres	4290'

STIMULATION HISTORY

Interval	Date	Type	Gals	Sand	MaxP	Avg P	ISIP	Down
4203-4633	Oct-77	[illegible]	40,000	[illegible]	4000	[illegible]	2000	2-7/8"
4203-4633	Sep-84	converter	3000	NA	NA		NA	NA
4203-4633	Jun-85	converter	3000	NA	NA		NA	NA

Notes:
This well was TA'd due to a high GOR. Latest well test showed 5 BOPD, 2000 BWPD, and 1000 MCFPD. An attempt was made to test the casing to 500 psi, but the casing would not hold. A hole was located in the casing in the interval between 2487'-2517'.

ConocoPhillips Company
EVGSAU #3236-002
Proposed Plugging Procedure as of 11/03/04

Surface casing: 13⅜" @ 275' cmt'd to surface w/ 400 sx

Intermediate csg: 9⅝" 36# csg @ 1,591' cmt'd to surface w/ 615 sx. 09/82 perforated @ 1,596' and squeezed 325 sx, circulating 5 sx to surface.

Production csg: 7" 24# K-55 csg @ 4,203' cmt w/ 146 sx, TOC @ 2,921'.

Open hole: 4,203 – 4,651'; CIBP/cmt @ 4,112' w/ 35 sx cmt 4,112 – 3,900'
25 sx cmt 3,700 – 3,520'

Existing perforated / squeezed intervals

Depth	Date	Max press	cmt	comments
2,850	03/26/02	750	50 sx	During initial P&A. Tagged @ 2,650'
2,300	04/04/02	450	100 sx	Blew wireline out of hole, SITP 1,150 psi. ISIP on sqz 450 psi, built to 1,150 psi overnight
1,800				
1,800	06/24/04		0	Unable to sqz, Yates pressure 680 psi
1,650				Unable to sqz
1,596	09/27/02	1,050	325	Perforated & circulated t sx cmt, SI annulus and squeezed 80 sx into salt. Re-squeezed same perforations 10/01/82 w/ 50 sx due to leak.
1,300	04/08/02	1,000	0	Unable to sqz at 1,000 psi, pumped balanced plug
800	04/08/02	1,000	0	Unable to sqz at 1,000 psi, pumped balanced plug
300	03/27/02	3 BPM @ 350	90 sx	On initial P&A, no returns during sqz
300	06/26/04		113 sx	
274	04/09/02	2 BPM @ 400	466 sx	Squeezed holes in casing, did not circulated cmt, ISIP 200 psi
250	06/26/04		0 sx	Unable to squeeze perforations
200	06/27/04		0 sx	Unable to squeeze perforations
150	06/27/04	220	11 sx	Balanced plug
150	08/10/02	1,500 psi	0	Also attempted 7 x 9⅝ annulus at 500 psi, no rate

Current Pressures: 0 psi on 7", 190 psi on 9⅝", and N/A psi on 13⅜"

7" 23# = 0.221 ft^3/ft; 26# = 0.215 ft^3/ft
9⅝ x 12¼" open hole = 0.313 ft^3/ft
9⅝ x 18" openhole = 1.262 ft^3/ft

- **Notify NMOCD daily with activity updates and minimum 4 hrs prior to setting plugs.**
- **Hold daily tailgate safety meetings with all personnel on location.**
- **Note 7" casing, 7 x 9⅝" and 9⅝ x 13⅜" annuli pressures and note on daily reports**

1. MIRU pulling unit and reverse unit. Flow down 7" casing, 7x 9⅝" and 9⅝ x 13⅜" annuli. NU BOP and enviro-vat, drill out cement plugs to cement retainer at 263'. Circulate hole clean and POOH standing back BHA.

2. PU packer as required and attempt to establish rate (leak-off) into perforations at 250', 200', & 150', maximum pressure 1,500 psi. If unable to establish rate (leak-off) at 1,500 psi or less, POOH w/ packer and spot 300 gal 15% HCl acid 300 – 116'. POOH w/ tbg, PU packer, establish rate into perforations, displacing w/ minimum 15 bbls to clear casing of acid.

3. RIH w/ packer and isolate injectivity into open perforations. RU Schlumberger and squeeze open perforations per cementing recommendation, anticipated 100 sx 10:2 RFC (Class A) w/ 10% plaster & 2% $CaCl_2$.

4. Observe 7", 7x 9⅝" , and 9⅝ x 13⅜" for gas pressure, minimum 24 hrs. If no gas is observed, pump surface plug per step #17.

5. If unsuccessful isolating gas flow in steps #1 thru #4, RIH w/ BHA and drill out cement retainer at 263', drilling out cement thru squeeze perforations at 300'. Continue in hole and tag cement plug at 686'. POOH standing back drill string. ***NOTE: Expect Yates gas below cement retainer at 263'***.

6. If significant gas is found below retainer at 263', RIH w/ AD-1 packer to +/- 600' (within 100' of tagged PBTD at 686'). Load hole and set packer. Observe tubing-casing annulus for gas flow, and tubing for gas flow thru cement plug at 686'. Evaluate re-squeezing squeeze perforations at 300' if no gas is observed from PBTD.

7. If unsuccessful isolating gas flow in #6, continue drilling cement plugs thru Yates plug 2,850 – 2,650'. Circulate hole clean and POOH w/ tbg, lay down drilling BHA.

8. RU wireline company and run cement evaluation log with gamma ray, isolate top of Yates porosity and identify questionable cement intervals.

9. Perforate 7" casing @ top of Yates porosity and/or questionable cement interval across Yates porosity w/ minimum eight 3½" link-jet charges, 2 jspf, 45^0 phasing. POOH w/ wireline.

10. RIH w/ packer to 500' above perforations and establish rate into perforations at 2,000 psi or less, breakdown sqz perfs w/ 500 gal 15% HCl as needed.

11. RIH w/ cement retainer and set 100' above perforations.

12. Establish injection into open perforations with 10 ppg brine. Pump 5 bbl fresh water spacer ahead and squeeze slurry as per final laboratory formulation (currently 100 sacks Class H cement + 10% BWOW sodium chloride + 10% BWOC A-10 + 0.5% BWOC BA-10 + 0.5% BWOC sodium metasilicate + 60.7% fresh water). Pump 5 bbl fresh water spacer behind cement, and displace to 2,650' or as appropriate. Do not hesitate.

13. Sting out & reverse out. POOH w/ tbg to 1,400'. Reverse tubing clean and monitor 7" casing pressure.

14. Observe 7", 7x 9⅝" , and 9⅝ x 13⅜" for gas pressure, minimum 24 hrs. If no gas is observed, pump 30 sx C cmt balanced plug @ 1,641' and 30 sx C cmt balanced plug across surface casing shoe. POOH w/ tubing and pump surface plug in step #17.

15. If gas pressure/communication is observed, establish rate into perforations at 1,800'. If unable to establish rate at 2,000 psi or less, breakdown perforations w/ 250 gal 15% HCl as needed.

16. RIH w/ packer to 1,900' and load hole, set packer. Observe 7" and 7x 9⅝" annulus for gas flow / communication. If gas entering wellbore thru perforations at 1,800', proceed as follows:

    a) RIH w/ cement retainer and set @ 1,700'.

b) Establish injection into open perforations with 10 ppg brine. Pump 5 bbl fresh water spacer ahead and squeeze slurry as per final laboratory formulation (currently 125 sacks Class H cement + 10% BWOW sodium chloride + 10% BWOC A-10 + 0.5% BWOC BA-10 + 0.6% BWOC sodium metasilicate + 60.7% fresh water). Pump 5 bbl fresh water spacer behind cement, and displace to 1,700' or as appropriate. Do not hesitate.

c) Sting out & reverse casing clean.

d) WOC overnight. Observe 7", 7x 9⅝", and 9⅝ x 13⅜" for gas pressure, minimum 24 hrs. If no gas is observed, pump 30 sx C cmt balanced plug across surface casing shoe. POOH w/ tubing and pump surface plug in step #17.

17. If no gas is observed, pump 15 sx C cmt 50' to surface.

18. Cut off wellhead and install dry hole marker. Cut off anchors and close working pit.