•	New Mexic		
Form 3160-5 (August 1999)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	1625 N. French Drive Hobbs, NM 83240	FORM APPROVED OMB No. 1004-0135 ION, Distriction November 30, 2000 5. Lease Serial No.
	RY NOTICES AND REPORTS ON V	VELLS STATE	5. Lease Serial No. NM 2512
Do not use t abandoned v	his form for proposals to drill or to vell. Use Form 3160-3 (APD) for such	re-enter an 1 proposals.	6. If Indian, Allottee or Tribe Name
1. Type of Well	IPLICATE - Other Instructions on	reverse side	7. If Unit or CA/Agreement, Name and/or No.
Oil Well Gas Well	X Other		8. Well Name and No. SEMU Permian #79
ConocoPhillips Company			9. API Well No.
3a. Address 4001 Penbrook Street Od	essa TX 79762 3b. Phone (432)366	No. ( include area code ) 8-1368	30-025-06082 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Se Section 13, T-20-S, R-37-	c., T., R., M., or Survey Description)		Eumont: Yates, Seven Rvrs, Queen
1980 FNL & 1980 FEL	e, onit la G		11. County or Parish, State Lea
			NM
	PROPRIATE BOX(ES) TO INDICAT	TE NATURE OF NOTICE, RE	EPORT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
Notice of Intent	Acidize Deepen	Treat Production (Start/	
Subsequent Report		nstruction X Recomplete	<ul> <li>Well Integrity</li> <li>Other</li> </ul>
Final Abandonment Notice	Change Plans Plug and Convert to Injection Plug Bac	Abandon 🔲 Temporarily Aban	
Attach the Bond under which the following completion of the inv	he work will be performed or provide the Bond N rolved operations. If the operation results in a mu hal Abandonment Notices shall be filed only after	race locations measured and true vert lo. on file with BLM/BIA. Required s	subsequent reports shall be filed within 30 days
ping and abandon this we	ection well TA'd in the Skaggs Gray I. Upon further evaluation, ConocoF The SEMU # 42 is currently producin	Phillins proposes to recompl	ecently submitted paperwork to ete this well to the Penrose using
DEER CORID NO. 21781	7	APP	ROVED
HOPERTY NO. 3144	SUBJECT TO	NOV	3 0 2004
COL CODE 22800	LIKE APPROVAL		
FF. DATE	BY NMOCD	GARY	GOURLEY
PINO. 30-025-D6		PETROLEC	JM ENGINEER
14. I hereby certify that the foregoir	is the and correct		
Name (Printed/Typed) Kay Maddox		Title Descriptions 1	
Signature /	1.0	Regulatory Agent	
- Ruy Ma	ddox	11/29/2004	
	THIS SPACE FOR FEDERA	L OR STATE OFFICE USE	
Approved by		Title	Date
Conditions of approval, if any, are a certify that the applicant holds legal which would entitle the applicant to	attached. Approval of this notice does not warra or equitable title to those rights in the subject le conduct operations thereon.	ant or Office ease	KG

Title 18 U.S.C. Section 1001, makes 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.

District I
1625 N. French Dr., Hobbs, NM 88240
District IL
1301 W. Grand Avenue, 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 & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised June 10, 2003 Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

## □ AMENDED REPORT

		W	ELL L	<u>OCATIC</u>	<u>)n and ac</u>	<u>CREAGE DED</u>	ICATION PI	LAT			
30-025-060	API Number 82			' Pool Cod 800	e	<sup>' Pool Name</sup> Eumont: Yates, 7 Rivers Queen (Oil)			e		
<sup>•</sup> Property 0 -03083 3	Code 1449	Semu Perm	nian		<sup>1</sup> Property	Name		#79	' Well Numb	ber	
' ogrid 217817	No.	ConocoPhi	llips		<sup>•</sup> Operator	Name		354	'Elevation	1	
					<sup>10</sup> Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	]	County	
G	13	20S	37E		1980	North	1980	East	Lea		

<sup>11</sup> Bottom Hole Location If Different           UL or lot no.         Section Township         Range         Lot Idn         Feet from the         North/Sou	
	the Feet from the East/West line County
" Dedicated Acres " Joint or Infill " Consolidation Code " Order No.	
40	

#### NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16		1 .			
10					<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein
		0			true and complete to the best of my knowledge and
		,086/			Huy Madder
	1				Signature
		<u>+ 1111   1111</u>			Kay Maddox
		ŧ 」	Į.		Printed Name Regulatory Agent
			£ 19	80'	mmaddox@conocophillips.com
		┝ •╉			Title and E-mail Address
		<b>F</b>	F.		_11/12/2004
			Ŧ		Date
		F11111111	····		
					<sup>18</sup> SURVEYOR CERTIFICATION
					I hereby certify that the well location shown on this plat
					was plotted from field notes of actual surveys made by
					me or under my supervision, and that the same is true
					and correct to the best of my belief.
					Date of Survey
					Signature and Seal of Professional Surveyor:
					Certificate Number
1=					



## SEMU Permian No. 79 Penrose Recompletion Procedure October 27, 2004

Location: AFE #: AFE Amount: Spud Date: P&A Date: API Number: Existing Zone/Pool: Battery Destination:	1980' FNL & 1980'FEL, Sec 13, T-20-S, R-37-E, Lea Co. New Mexico 12/00/52 N/A 30025 - 06082 Grayburg / Skaggs Grayburg Existing
Original TD:	3,896'
PBTD:	3,693' (TA'd in Nov. 1994 with CIBP set at 3,693')
Tubing:	No Tubing In The Well
KBE:	3564'
GLE:	3554'
KBM:	10' above GL

#### **Project Overview:**

The SEMU No. 79 well is currently temporarily abandoned with a CIBP at 3,693' (above the open hole Grayburg interval from 3,777' to 3,896'. The No. 79 well was originally drilled and completed as an open hole Grayburg producer in Nov. 1952. In May 1967 it was converted to an injection well in the Grayburg and in Dec 1993 it was shut-in and temporarily abandoned. The No. 79 well has remained as a shut-in TA'd injection well since Dec 1993.

This procedure will consist of drilling up the CIBP set at 3,693', setting another CIBP at 3,740', perforating and sand fracturing the Penrose interval from 3,660' to 3,700' and placing on beam pump. The Penrose is expected to produce 10 BOPD and 20 MCFGPD with approximately 50 BWPD.

The SEMU No. 42 well located ½ mile to the southwest of the No. 79 well (SE/4, SW/4 Sec 13) was recompleted to the Penrose in 1998 and is expected to recover approximately 15 to 20 MBO and 40 MMCFG. The No. 42 well is currently producing at 4 BOPD and 15 MCFGPD.

#### Casing

Csg Size (in)	Depth (ft)	Wt (lb/ft)	Grade	Drift ID	Burst (psi)	Coll (psi)
8 5/8	0 – 268	28	С	8.017		an a
5 1/2	0 - 3,777	14	J-55	4.887	4270	3120

#### **Current Grayburg Interval**

Formation	Top Open Hole	Bottom Open Hole	Open Hole Interval	
Grayburg	3777	3930	153	

#### **Proposed Penrose Perforation Interval**

Penrose	3660	3700	40
Formation	Top Perf.	Bottom Perf.	Perforated Interval

#### Penrose Artificial Lift Specs:

(See attached beam pump design inserted at the bottom of the procedure)

PU Specs:ProposedC114 - 133 - 54Electrical:UnknownPU Controller:Unknown

Tubing:Proposed 3720' of 2 3/8", J-55Rod String:Proposed 3720' or ¾", Class "C" Rods.Rod Pump:Proposed 20-125-RHBC 18-0-00 Type "A" (Corrosive environment with gas interference)Stroke Length:Proposed 54"PU Speed:Proposed 7 SPM

#### Well Control Requirements: (Assumed To Contain H2S)

Well Control: Well Control equipment and procedures will be in accordance with the ConocoPhillips Well Control Manual, Second Edition, Revision Two, dated August 1994.

Well Category: Since 9.0 ppg kill fluid will be used throughout the procedure the well is not anticipated to flow at any time during the operation. A dynamic head procedure will be used to maintain control of the well during tripping operations. This well is to be considered a Category 1 well. Category 1 wells require one untested barrier, which will be the hydrostatic head of the kill fluid.

**BOPE Class 1:** For operations the MPSP for this well is estimated to be between 500 to 1000 PSIG. A **Class 1 BOP** stack is required. The actual stack will consist of a hydraulic operated 5M PSIG BOP stack with a hydril on top of tubing rams with a set of blind rams on bottom. NU shop tested BOP stack on top of companion flange. Test as per SOP

#### Penrose Recompletion Procedure:

Note: All depths referenced to 10' RKB. Insure all pulling unit anchors have been tested.

- 1. MI and RU pulling unit with reverse unit and drill out package.
- 2. NU 5 M PSIG WP hydraulic operated BOPE consisting of a set of 2 7/8" tubing rams and a set of blind rams on bottom and test to 250/5000 PSIG as per SOP.
- 3. PU 2 7/8" N-80 workstring with 4 <sup>3</sup>/<sub>4</sub>" bit and collars and TIH to drill out the CIBP set at 3,693'. After drilling out the CIBP continue in to the 5 <sup>1</sup>/<sub>2</sub> shoe at 3777'. TOOH.

#### SEMU No. 79 Penrose Recompletion Procedure Page 3

- 4. PU 4 <sup>3</sup>/<sub>4</sub> " bit and casing scrapers for 5 <sup>1</sup>/<sub>2</sub>", 14 ppg casing and TIH to the shoe at 3777'. TOOH.
- 5. PU 5 ½ " CIBP and TIH to set at 3770'. PU a couple of feet and load the casing with packer fluid containing a CI and biocide. Pressure test to 500 PSIG for 30 minutes. If a leak occurs, attempt to locate the leaking interval by using a packer and plug. Consult with engineering to determine if a casing inspection log is warranted.
- 6. If the casing holds pressure, pull up to 3702' and spot 500 gals of 15% HCL across the proposed Penrose zone. TOOH with the tubing laying down the 2 7/8" workstring. Change out the tubing pipe rams from 2 7/8" to 3 ½" rams and test to 250/5000 PSIG as per SOP.
- 7. RU Schlumberger electric line services. Install lubricator and pressure test to 1,000 PSIG against the blind rams. RIH with GR/CCL and 4" OD HEGS non-ported casing guns loaded 2 SPF in 120 degree phasing to perforate the following Penrose intervals. <u>Note: Correlate the perforating gun using a GR and the open hole logs dated Nov 1952.</u> The gun charge is a 22.7-gram charge to provide 0.42" perforation ID hole with 21" of penetration.

	Interval	NEP	<u>Shots</u>
Penrose	3660' to 3700'	40'	82 Holes

- 8.
- 9. PU 3 ½" N-80 workstring with a CS1 10 M treating packer, or equivalent. Hydro-test each stand to 6,000 PSIG while tripping. TIH and space out to set the packer at an approximate depth of 3600' (2 joints above the top perforation).
- 10. RU Schlumberger treating services. Install 10 M PSIG WP frac valve on the tubing. Install treating line with nitrogen actuated relief valve. Test the treating line to 6000 PSIG and set the relief valve at 4000 PSIG. Lay a staked relief line from the casing to an open frac tank. Leave the casing relief line open throughout the treatment. Pump the acid breakdown as per the attached Schlumberger recommendation. Pump the treatment as follows at design rate of 3 5 BPM dropping 100, 1.3 SG, 7/8" ball sealers throughout the spearhead breakdown treatment. Do not exceed 3500 PSIG.

TREATING LINE TEST PRESSURE: A minimum 1000 psig over MATP	6000	PSIG
MAXIMUM ALLOWABLE: WORKING PRESSURE: Based on weakest component in system. Burst pressure of 5 1/2" casing:	4200	PSIG.
NITROGEN POP OFF SET PRESSURE: Relief pressure set at the lesser of : 300 psig less than 90% MAWP or, 300 psig over MATP	3800	PSIG
MAXIMUM ALLOWABLE TREATING PRESSURE: If reached, human action required.	3500	PSIG
MAXIMUM ANTICIPATED TREATING PRESSURE:	3000	PSIG

### Spearhead Acid Breakdown Treatment:

- Load tubing and initialize breakdown with 20 bbls of 2% KCL slick water
- Pump 2000 gals of 15% NEFE HCL acid at 3 5 BPM containing 100 1.3 SG, 7/8" RCN ball sealers.
- Displace breakdown with 32 bbls of 2% KCL slick water.

SEMU No. 79 Penrose Recompletion Procedure Page 4

• Surge balls off perforatons.

# Sand Fracture Treatment: (This Frac Design & Treating Pressues & Rates Will Change After Modeling Work)

- Load tubing and pump 4,000 gals (95 bbls) YF130ST pad at 20 BPM
- Pump 4,000 gals (95 bbls) YF130ST fluid with 0.3 ppg 100 mesh sand at 20 BPM
- Pump 6,000 gals (143 bbls) YF130ST pad at 20 BPM
- Pump 2,000 gals (48 bbls) YF130ST fluid with 2.0 ppg 16/30 Brady Sand at 20 BPM
- Pump 2,000 gals (48 bbls) YF125ST fluid with 3.0 ppg 16/30 Brady Sand at 20 BPM
- Pump 2,500 gals (60 bbls) YF125ST fluid with 4.0 ppg 16/30 Brady Sand at 20 BPM
- Pump 2,500 gals (60 bbls) YF125ST fluid with 5.0 ppg 16/30 Excel 6000 at 20 BPM
- Pump 3,000 gals (71 bbls) YF125ST fluid with 6.0 ppg 16/30 Excel 6000 at 20 BPM
- Flush with 1,315 gals (31 bbls) WF110 fluid at 20 BPM
- Shut down and record 5, 10 and 15 minute leakoff pressures.
- 8. RD Schlumberger pumping services. Leave the well shut-in a minuimum of 12 hours. Flow back the well until it dies.
- 9. Release the packer and TOOH laying down the 3 ½" tubing and packer. Change out the tubing pipe rams from 3 ½" rams to 2 7/8" rams and test to 250/5000 PSIG as per SOP.
- 10. PU 4 ¾" bit on 2 7/8" workstring and TIH to clean out resin coated sand to the CIBP set at 3770'. Spot packer fluid with a biocide in the rat hole. TOOH with bit laying down the workstring. Change out the tubing pipe rams from 3 ½" rams to 2 3/8" rams and test to 250/5000 PSIG as per SOP.
- 11. TIH with approximately 3,740' of 2 3/8", J-55 production tubing with the open ended SN on bottom of the tubing and a 5 ½" TAC. The bottom joint to be polylinned. Space the tubing out to set the seating nipple at approximately 3,740' (or 40' below the bottom Penrose perforation with the TAC at approximately 3600' (60' above the top Penrose perforation).
- 12. ND the BOP stack and install the B-1 adapter flange. Pump corrosion inhibitor down the tubing to coat the rods and pump as they are run in the hole. PU standard strainer nipple on the bottom of the 20-125-RHBC 20-6-00 Standard Type "A" pump on 34" Class "C" rod string and RIH to place on beam pump. (See attached Penrose Beam Pump Design. RD and move off.
- 13. Notify Champion prior to placing the well on production. As soon as the well is started have it placed on scheduled CI truck treatments. Schedule a backside scale squeeze as soon as the fluid level is pumped off.
- 14. Operator to submit a change of status form for new production. Report daily well tests and fluid levels to the Midland office for 30 days or until it pumps off and the production Load tubing and initial