

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTOCD Hobbs  
HOBBS OCDFORM APPROVED  
OMB NO. 1004-0135  
Expires July 31, 2010**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.*

AUG 03 2011

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED

1. Type of Well Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> <i>Injection</i>		5. Lease Serial No NMLC057210
2. Name of Operator CONOCOPHILLIPS COMPANY Contact BRIAN MAIORINO E-Mail: brian.d.maiorino@conocophillips.com		6. If Indian, Allottee or Tribe Name
3a. Address 400 PENBROOK SUITE 351 ODESSA, TX 79762	3b. Phone No (include area code) Ph: 432-688-6913	7. If Unit or CA/Agreement, Name and/or No. NMNM70987A
4. Location of Well (Footage, Sec., T, R, M., or Survey Description) Sec 28 T17S R32E SWSE 760FSL 2630FEL 32.800395 N Lat, 103.771450 W Lon		8. Well Name and No MCA UNIT 478
		9. API Well No. 30-025-39351-00-S1
		10. Field and Pool, or Exploratory MALJAMAR <b>GB-SA</b>
		11. County or Parish, and State LEA COUNTY, NM

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

07/21/10 MIRU, POOH rods and pump  
07/22/10 POOH scanning tbg 122 jts 2-7/8", ran in hole with bit scraper and 42 stands  
07/23/10 Tagged @ 4131' spotted 500gal 15% acid, POOH laying tbg down  
07/26/10 Ran in hole 125 jts 2-3/8" tk-99 tbg, set pkr @ 3845"  
07/27/10 Circ 100 bbls pkr fluid, test to 550psi, leaked 40#s in 30 min. Had leak on hose to chart recorder. NMOCD Maxi Brown Okayed chart.

Packer set @ 3845'  
Top Perf @ 3884'

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

*FAILURE TO SUBMIT NOI PRIOR TO THIS Subsequent Report.*

**AFTER RECOMPLETION AND TESTING  
PLEASE SUBMIT 3160-4 COMPLETION  
REPORT FOR THE ~~Injection~~  
INTERVAL(S) WITHIN 30 DAYS**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #113727 verified by the BLM with the following information: For CONOCOPHILLIPS COMPANY, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 07/25/2011 (11DLM0600SE)	
Name (Printed/Typed) BRIAN MAIORINO	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 07/25/2011

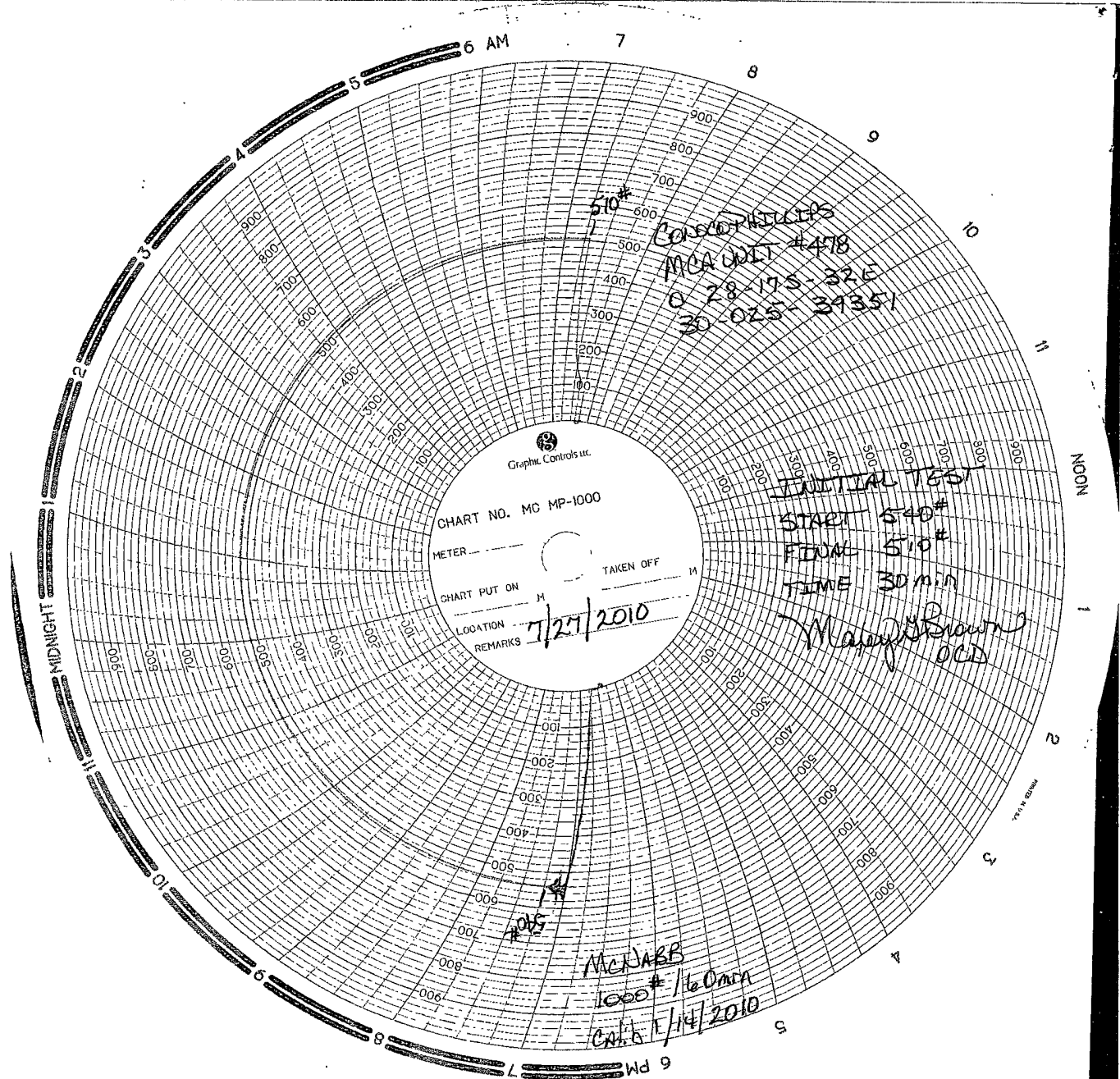
## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <b>ACCEPTED</b>		DUNCAN WHITLOCK Title LEAD PET	Date 08/01/2011
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 Hobbs	

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**AUG 04 2011**



District PERMIAN	Field Name MALJAMAR	API / UWI 3002539351		County LEA	State/Province NEW MEXICO
Original Spud Date 6/9/2009	Surface Legal Location Section 28, Township 17 S, Range 32 E	East/West Distance (ft) 2,630 00	East/West Reference FEL	North/South Distance (ft) 760 00	North/South Reference FSL

Well Config - VERTICAL - Original Hole, 7/25/2011 3:01:43 PM

ftKB (MD)	Incl	Schematic - Actual
12		
14		
90		
876	0 5	
881	0 5	
883	0 5	
908	0 5	
924	0 5	
925	0 5	
935	0 5	
3,833	2 7	
3,841	2 7	
3,844	2 7	
3,848	2 7	
3,848	2 6	
3,872	2 5	
3,884	2 4	
3,896	2 3	
3,903	2 3	
3,913	2 2	
3,916	2 2	
3,924	2 2	
3,939	2 1	
3,949	2 0	
3,951	2 0	
3,959	1 9	
3,995	1 7	
4,011	1 6	
4,020	1 5	
4,025	1 5	
4,028	1 5	
4,032	1 4	
4,067	1 2	
4,088	1 1	
4,092	1 1	
4,097	1 0	
4,101	1 0	
4,126	0 8	
4,131	0 8	
4,147	0 7	
4,149	0 7	
4,189	0 4	
4,191	0 4	
4,200		

3,884-3,896

3,903-3,913

3,916-3,924

3,939-3,949

3,951-3,959

3,995-4,011

4,020-4,025

4,028-4,032

4,067-4,088

4,092-4,097

4,101-4,126

PBTD, 4,131

# **Conditions of Approval: Wells with Packers\***

## **ConocoPhillips Company**

**MCA Unit - 478**

July 27, 2011

1. Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
  - a. The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
  - b. Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
  - c. Notify Paul R. Swartz at 575-234-5985 and/or 575-200-7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575-361-2822.
  - d. Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
  - e. Use of tubing internal protection, on/off tubing equipment just above the packer, and a profile nipple installation is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore work.
  - f. **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
2. Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
  - a. Approved injection pressure compliance is required.
  - b. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - c. When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
    - i. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
  - e. Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.

3. The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
- a. The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
  - b. **Submit a subsequent report (Sundry Form 3160-5)** describing the installation of packer fluid level monitoring equipment within 30 days of this approval.
  - c. The operator shall keep monthly records documenting that the casing annulus is fluid filled. A suggested format for these records is available from the BLM Carlsbad Field Office. Copies of those records shall be furnished at the request of a BLM authorized officer.
  - d. Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
  - e. Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM's authorized officer (Paul R. Swartz at 575-200-7902). If there is no response, notify the BLM on call drilling phone, 575-361-2822.
  - f. Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for approval by BLM and NMOCD with a detailed plan for correction and the anticipated date of correction. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days.
  - g. After the repairs submit a (Sundry Form 3160-5) Subsequent report, describing the repair(s) and Mechanical Integrity Test as per item 1 above.

\*COA's prepared by Paul R. Swartz