

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM 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.

SEP 19 2011
HOBBS

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		5. Lease Serial No NMLC068281B
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 3300 N "A" ST BLDG #6 MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 432-688-6913	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T26S R32E 330FSL 400FEL		8. Well Name and No BUCK FEDERAL 17 1H
		9. API Well No 30-025-40281 ✓
		10. Field and Pool, or Exploratory RED HILLS, BONE SPRING Wildcat
		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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Change to Original APD
	☐ Convert to Injection	☐ Plug Back	☐ 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.)

ConocoPhillips Company respectfully request a change to the Buck Federal 17 #1H drill plan. It is ConocoPhillips' intent to drill a pilot hole to 9800' TVD where after logging it will be plugged with approximately 255 sx of cement. A lateral will then be drilled with a KOP @ 8585' and TD @ 13650' MD/ 9266' TVD

Please see attachments

8-31-11
Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Electronic Submission #117170 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Hobbs	
Name (Printed/Typed) BRIAN MAIORINO	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 09/08/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Ted M. Morse</u>	Title PETROLEUM ENGINEER	Date <u>SEP 13 2011</u>
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 BLM-CARLSBAD FIELD OFFICE		

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

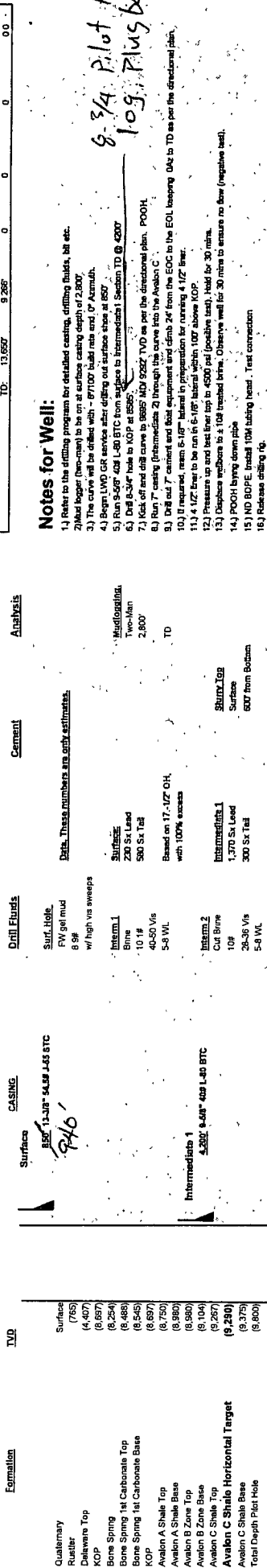
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Buck Federal 17 #1H					
Surface Location:	330	400	Bottom Hole Location	0	400

SAP Network:	TBA	TBA
Inv. Handlar ID:	TBA	TBA
Drilling:	TBA	TBA
Completion/Facility:	TBA	TBA
Total:	TBA	TBA

Permit:	TBA	TBA
NDIC #:	TBA	TBA
API #:	TBA	TBA
Fed #:	TBA	TBA
AFEE:	TBA	TBA

Directional:	MD	TVD	FWL/FSL	FEL/FWL	S-T-R
Vertical KOP	8555	8555	0	0	0%
End Build / Casing (90° curve)	9,696'	9,696'	0	0	0
Target	N/A	N/A	0	0	N/A
Turn	N/A	N/A	0	0	N/A
TD	13,650'	9,266'	0	0	0



Notes for Well:

- 1) Refer to the drilling program for detailed casing, drilling fluids, bit etc.
- 2) Mud log (two-man) to be on at surface casing depth of 2,800'
- 3) The curve will be drilled with - 87100' build rate and 17' Armuth.
- 4) Begin LWD GR service after drilling out surface shoe at 8557'
- 5) Run 5-5/8" L45 L45 BTC from surface to Intermediate 1 Section TD @ 4300'
- 6) Drill 5-5/8" hole to KOP at 8555'
- 7) Kick off and drill curve to 8555' MD 9200' TVD as per the directional plan. POOH
- 8) Run 7" casing (Intermediate 2) through this curve into the Avalon C.
- 9) If required, run 5-5/8" hole in preparation for another 4 1/2" bit.
- 10) If required, run 5-5/8" hole in preparation for another 4 1/2" bit.
- 11) 1 1/2" Free to be run in 5-5/8" hole to 8555' MD (positive) hold for 30 mins.
- 12) Pressure up and test flow top to 8555' MD (positive) hold for 30 mins.
- 13) Discharge wellbore is a 108 inch bore. Observe well for 30 mins to ensure no flow (negative test).
- 14) POOH bring down pipe
- 15) MD ROPE install 108 inch tubing head. Test connection
- 16) Release drilling rig.

Bonespring/Red Hills
BURLINGTON RESOURCES
Buck Federal 17 #1H

0

Surface Casing:

Surface Casing Depth (Ft) 940'
Surface Casing O.D. (In.) 880'
Surface Casing ID (In) 13.375
Hole O.D. (In) 12.715
Excess (%) 17.5
100%

Volume Tail (Sx)

Yield Tail (Cu. Ft./Sx) 1.85
Yield Lead (Cu. Ft./Sx) 1.33
Shoe Joint (Ft) 40
Shoe Volume (Cu. Ft) 35.3
Tail feet of cement 300
Calculated Total Volume (Cu. Ft.) 1,216
Calc. Tail Volume (Cu. Ft.) 417
Calc. Lead Volume (Cu. Ft.) 764
Calc. Lead Volume (Sx) 580

Intermediate1 Casing (Lead):

Intermediate Casing O.D. (In.) 9.625
Intermediate Casing ID (In) 8.835
Hole O.D. (In) 12.25
Excess (%) 200%
cap 12-1/4 - 9-5/8" 0.0558
Calculated fill 3,600'

Yield Lead (Cu. Ft./Sx) 2.48

Calculated Total Lead (Cu. Ft.) 3,383

Calc. Lead Volume (Sx) 1370

Intermediate2 Casing (Lead):

Intermediate Casing O.D. (In.) 7.000
Intermediate Casing ID (In) 6.184
Hole O.D. (In) 8.75
Excess (%) 100%
cap 7" - 8-3/4" bls/ft 0.0268
cap 7 - 9-5/8" bls/ft 0.02823
Calculated fill (500' into 9-5/8") 5,400'
Yield Lead (Cu. Ft./Sx) 2.0

Calculated Total Lead (Cu. Ft.) 828

Calc. Lead Volume (Sx) 420

Abandonment Plug

15.5 ppg
Hole O.D. (In) 8.750
Excess (%) 20%
Length of the plug 600
Yield of the Slurry (Cu. Ft./Sx) 1.18
Hole Capacity 0.07438
Calculated Total Volume (Cu. Ft.) 300.7035

Calc. Plug Volume (Sx) 255

9200' - 9800' (600')

KO Plug

17 ppg
Hole O.D. (In) 8.75
Excess (%) 20%
Length of the plug 600
Yield of the Slurry (Cu. Ft./Sx) 1.01
Hole Capacity 0.07438
Calculated Total Volume (Cu. Ft.) 300.7035

Calc. Plug Volume (Sx) 298

8585' - 9200' (615')

Intermediate1 Casing (Tail):

Intermediate Casing O.D. (In.) 9-5/8"
Production Casing ID (In) 8.835
Hole O.D. (In) 12.25
Excess (%) 200%
cap 12-1/4 - 9-5/8" 0.0558
Calculated fill 600'
Yield Tail (Cu. Ft./Sx) 1.33
Shoe Joint (Ft) 40
Shoe Volume (Cu. Ft) 17.0

Calc. Tail Volume (Cu. Ft.) 393

Required Tail Volume (Sx) 300

5480

Intermediate2 Casing (Tail):

Intermediate Casing O.D. (In.) 7.000
Intermediate Casing ID (In) 6.184
Hole O.D. (In) 8.75
Excess (%) 100%
cap 7" - 8-3/4" bls/ft 0.0268
cap 7 - 9-5/8" bls/ft 0.02823
Calculated fill 600'
Yield Lead (Cu. Ft./Sx) 1.2

Calculated Total Tail (Cu. Ft.) 95

Required Tail Volume (Sx) 79

DRILLING PLAN

PROSPECT/FIELD		Bonespring/Red Hills		COUNTY/STATE		Lea County, NM	
OWNERS		BURLINGTON RESOURCES		LEASE			
WELL NO.		Buck Federal 17 #112		FSL		FEL	
LOCATION		Surface Location		333		433	
EST. T.D.		Leg #1 13,650' MD		FWL			
		Bottom Hole Location		333		433	
				GROUND ELEV.		3 177 (est)	
PROGNOSIS							
Based on 3 "99" < 8"/ft							
MARKER		S.S. DEPTH		TVD		LOGS:	
Quaternary				Surface		Open Hole	
Rustler		2,412		765		GR-MWD	
Delaware Top		1230		4,407		TC-S-SS-FMI *	
Bone Spring		5077		8,264		Interval	
Bone Spring 1st Carbonate Top		5311		8,488		8,300' - 4,200'	
Bone Spring 1st Carbonate Base		7358		8,545		13,650' - 2,800'	
KOP		5520		8,697			
Avalon A Shale Top		5573		8,750			
Avalon A Shale Base		5803		8,860			
Avalon B Zone Top		5803		8,880			
Avalon B Zone Base		5927		9,104			
Avalon C Shale Top		6090		9,267			
Avalon C Shale Horizontal Target		6113		9,290			
Avalon C Shale Base		6198		9,375			
Total Depth (Pilot)		6623		9,800			
DEVIATION:							
Surf: 3" max., evy every 500'							
Int'l: 3" max., evy every 90'							
Prod: 3" max., evy every 90'							
DST'S:							
CORES:							
No core.							
SAMPLES:							
Mudlogging Two-Man Start 2,800' End TD Vertical and Horizontal sections							
BOP:							
Nabors Rig M 09 BOPE (With Rotating Head)							
COP Category 3 Well Control Requirements							
13-5/8"-5Mpsi Annular (Hydril GK)							
13-5/8"-5Mpsi Blind Ram (Cameron U)							
13-5/8"-5Mpsi Cross / Choke & Kill Lines							
13-5/8"-5M psi Pipe Ram (Cameron U)							
13-5/8"-5Mpsi Spacer Spool							
Dip Rate							
(See inclination prediction)							
Max. Anticipated BHP:							
0.65 psi/ft							
MUD:							
Interval		Type		Max. MW		Vis	
Surface 0'-850'		Aquegel - Spud Mud		8.9		32-36	
Intermediate 1 850'-4200'		Brine		10.1		28-30	
Intermediate 2 4200'-6605'		Cut Brine		10		28-38	
Production Lat 6605'-13650'		Cut Brine		10		30-40	
CASING:							
Size		WT ppf		Hole		Depth	
Surface 13-3/8"		54.5		17-1/2"		850'	
Intermediate 1 9-5/8"		40		12-1/4"		4,200'	
Intermediate 2 7"		26		8-3/4"		9,805'	
Production Lat #1 4-1/2"		18.8		6-1/8"		13,650'	
Interval		Type		Max. MW		Vis	
Surface 0'-850'		Aquegel - Spud Mud		8.9		32-36	
Intermediate 1 850'-4200'		Brine		10.1		28-30	
Intermediate 2 4200'-6605'		Cut Brine		10		28-38	
Production Lat 6605'-13650'		Cut Brine		10		30-40	
Surface Formation:							
Max. MW		Vis		WL		Remarks	
8.9		32-36		NC			
10.1		28-30		5-8			
10		28-38		5-8			
10		30-40		<5			
Remarks							
Long string							
No Cement Lines Top @ KOP 4"-8500'							
DIRECTIONAL PLAN							
MD		TVD		AZ		Directional Company	
Surface N/A		N/A		N/A		DDC	
Vertical KOP 8,585'		8,585'		0.0		Vertical Build Rate 8.1°/100'	
End Build/ 7" Casing (90° curve) 9,695'		9,292'		C.C.		Tan Leg Turn Rate 0.0°/100'	
Tangent N/A		N/A		N/A			
Turn N/A		N/A		N/A			
TD 13,650'		9,266'		0.0			
Land curve at 90° inc and 0Az							
Climb 1/23° to TD							
Comments:							
Surveys will be taken at 90° interval below surface casing while drilling with PDC / Motor / MWD.							
Prep By:		Date:		Doc:		REV.0	
Luis Serrano		7/25/11		Doc:		REV.0	

Buck Federal 17 #1H

0

1/0/1900

SAP Network:

TBA

Invoice Handler ID:

TBA

AFE #

TBA

Drilling Cost (\$):

TBA

Completion Cost (\$):

TBA

Facilities Cost (\$):

TBA

State Permit #:

TBA

API #:

TBA

Federal Permit #:

TBA

**Buck Federal 17 1H
ConocoPhillips Company
Lease No. NM68281B
September 13, 2011
Conditions of Approval**

Summary of Current Status:

- Buck Federal 17 #1H is approved to be a horizontal well completed with 4-1/2" liner in the Red Hill Bone Spring.
- TVD is 9266' at 13,650' MD.
- BOPE is approved as 3M x 5M.

Requests:

1. To include a vertical pilot hole from 8585' – 9800'.
2. Log the pilot hole.
3. Plug the pilot hole back to KOP.

Conditions of Approval:

☒ **Lea County**

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240 (575) 393-3612
The original COA is still applicable, with the following additions.

- a) **Hydrogen Sulfide has been reported as a hazard, therefore it is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide. If Hydrogen Sulfide is encountered, please report measurements and formations to the BLM.**
- b) **Pilot Hole:** If two plugs are set, the BLM is to be contacted at least 4 hours in advance prior to the tag of bottom plug. In accordance with Onshore Order #2 .III.G.9, the interval between the two plugs shall be filled with mud of sufficient density to exert hydrostatic pressure exceeding the greatest formation pressure encountered while drilling such interval. Operator has the option to set one plug from bottom of pilot hole to kick-off point, and save the WOC time for tagging the first plug.
- c) Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8" intermediate casing shoe shall continue to be **5000 (5M)** psi as originally approved.
- d) **The record of the drilling rate along with the GR/N well log run from TD of the Pilot Hole to surface shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**
- e) For the 7" casing, additional cement shall be required as excess cement calculates to 2%.