Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS OCD
MAR 06 2012
RECEIVED

FORM APPROVED
OMB No. 1004-0137
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.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NM27508
	6. If Indian, Allottee or Tribe Name N/A
	7. If Unit of CA/Agreement, Name and/or No. N/A
	8. Well Name and No. Wilder 28 Federal # 2H
2. Name of Operator ConocoPhillips Company	9. API Well No. 30-025-40329
3a. Address P O Box 51810 Midland, Tx 79710 3b. Phone No. *(include area code)* 432-688-6943	10. Field and Pool or Exploratory Area Wildcat Bone Spring
4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* 330 FNL & 2160 FEL UL B of Section 28-26S-32E	11. Country or Parish, State Lea County, NM

12. CHECK THE 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
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Cement
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 submits our plan for dealing with the cement issue on the above well.

Submit the pressure weekly to cwalls@blm.gov for 2 months and upon request thereafter.

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
Donna Williams

Title Sr. Regulatory Advisor

Signature

Date 02/22/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
FEB 28 2012
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT

Approved by

Title

Date

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

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

(Instructions on page 2)

MAR 07 2012

Notice of Intent Sundry
21-Feb-2011

Subject: Proposal to leave the top of cement on the production casing as it is and to continue with completion of the well and the process of placing it on production.

Wilder Federal 28 # 2H
API # 30-024-40329

On Wilder Federal 28 # 2H, the top of cement on the 5-1/2" production casing is at approximately 7200' MD. Therefore the top of cement on this string is within the Delaware group and above the top of the Bone Spring horizon, but is below the 9-5/8" intermediate casing shoe.

Our well configuration is:

- Conductor: 20" set at 37 ft below ground level
- Surface Casing: 13-3/8" 54# BTC set at 780' MD and cemented to surface
- Intermediate Casing: 9-5/8" 40# L-80 BTC set at 4360' MD and cemented to surface
- 8-3/4" hole Kick Off Point = 8580' MD
- Horizontal Landed at 91.6 deg inclination at 10775 MD, 9301' TVD
- Lateral Drilled to 13584' MD, 9286' TVD
- Production Casing: 5-1/2" 17# P-110 BTC set at 13564' MD, 9286' TVD and cemented. We did not have full returns during the cement job and top of cement was found at 7200' MD via Cement Bond Log. The reason the top of cement on the Production Casing is at 7200' instead of being lapped back inside the 9-5/8" intermediate casing was because we experienced loss of circulation on the production casing cement job.

Current Status: The fracture stimulation for this well has been performed. The fracture stimulation was ten stages. The first stage was pumped on 13-Feb-2012, and the final (10^{th}) stage was pumped on 17-Feb-2012. The well is currently shut-in waiting for the fracture stimulation to heal / dewater.

We propose a revision to our approved program for this well as follows:

1. We propose to leave the top of cement on the production casing as it is at approximately 7200', and to continue with completion of the well and the process of placing it on production.
2. We propose to monitor the pressure on the production casing x intermediate casing annulus on a once per week basis. Recently the pressure on this annulus was 80 psi.
3. If the pressure on the production casing x intermediate casing annulus shows evidence of communication with any water injection well or other well or gives other indications of a problem, we will report it to the BLM and propose a course of action to address the problem.

Our reasons for this proposal are as follows:

- We plan to put the well on gas lift and we are concerned that perforating the production casing in order to circulate in a cement job to tie the top of cement back into the intermediate casing may result in an inadequate or unreliable seal for the planned gas lift operations.
- We have considered the possibility of pumping a braden head squeeze, but we feel that a braden head squeeze would leave a gap between the top of cement on the original job and the bottom of cement that would occur from the braden head squeeze - and we are concerned that having such a gap may complicate any future remediation that might be needed.
- We do not think that any damage would occur from leaving the top of cement where it is.

Steven O. Moore
Chief Drilling Engineer - Mid-Continent Business Unit
ConocoPhillips Company
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