

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMLC068281B
2. Name of Operator CONOCOPHILLIPS COMPANY / Contact: RHONDA ROGERS E-Mail: rogers@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: 432-688-9171 Fx: 432-688-6019	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 SENW 2284FNL 1950FWL		8. Well Name and No. BUCK FEDERAL 17 SWD 1
		9. API Well No. 30-025-40482-00-S1
		10. Field and Pool, or Exploratory SWD
		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 checked="" 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 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 checked="" type="checkbox"/> Other Workover Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input 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.)

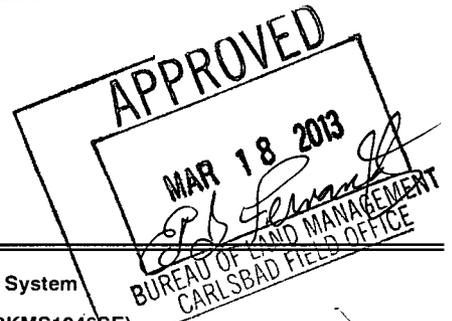
ConocoPhillips ran an MIT on this well and it failed. We would like to isolate the problem per attached procedures with COA attached from Ed Fernandez (BLM 2/22/13). Once csg leak is isolated we will file a sundry w/procedure to fix. ConocoPhillips had a rig move on Monday 2/25/13 per verbal w/Ed Fernandez 2/22/13 & EL Gonzales (OCD 2/25/13).

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**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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14. I hereby certify that the foregoing is true and correct.

Electronic Submission #201786 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Hobbs Committed to AFMSS for processing by KURT SIMMONS on 03/18/2013 (13KMS1946SE)

Name (Printed/Typed) RHONDA ROGERS	Title STAFF REGULATORY TECHNICIAN
Signature (Electronic Submission)	Date 03/18/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ	Title PETROLEUM ENGINEER	Date 03/18/2013
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 212, 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.

BUCK 17 FEDERAL #1 SWD
(NM OCD ADMINISTRATIVE ORDERS SWD-1316 & 1316A)
TEST CASING PROCEDURE
API#: 30-025-4048200
OBJECTIVE OF THIS WORK

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A total of 600 psi pressure unexpectedly appeared on the tubing x casing annulus. The field attempted but was unsuccessful in relieving the pressure. It is recommended that the tubing and packer be pulled and the casing tested to insure mechanical integrity. water disposal.

The scope of this procedure consists of pulling the tubing and packer assembly, R/R the injection packer, test the casing, re-installing downhole injection assembly (internally coated tubing w/ a packer assembly), then placing the well back on disposal status.

Present status: active injector

BOPE Class: 1 This well will require Class 1 BOPE or better since it is not capable of building up to 1000 psi

Hold safety meeting – prepare and review relevant JSA prior to proceeding
Rig arrives on Location

1. Rig up work-over rig and ancillary equipment.
2. Isolate wellbore from water injection line/header.
3. Confirm well is static. As necessary use 9 ppg saltwater or flowback for well control.
4. ND injection well head and NU shop tested 5k psi BOPE (pipe rams (top) + blind rams (bottom) or a single blind ram + 3K Hydraulic annular. Install as per ConocoPhillips Well Control Manual.
5. Release Mesquite AS-1X packer and POOH with down hole injection assembly.

Note: Send injection packer & nipples to Mesquite for testing - repair or replace (R&R)

Note: Advise Mesquite that packer was leaking prior to being pulled

Note: Handle IPC tubing with care; install pin protectors on collars to protect internal coating

Test Production Casing

6. MI a 2 7/8" (6.5#/ft, L-80) workstring. Rig up Pick-up / Lay-down machine.
7. PU an RBP and test packer (for 7", 26#/ft, P-110 casing) on 2 7/8" workstring.
8. RIH and set the RBP @ 5,730'± RKB. Use on *Apollo Radial Cement Bond / Gamma Ray /CCL log dated 8/17/2012* to confirm collar location.
9. Release from RBP. Load wellbore w/ saltwater.
10. PUH 10'± and set test packer.
11. MI-RU a high pressure pump truck. Test surface line from truck and return line to frac tank to 4,000 psi.
12. Pressure down workstring and confirm RBP is holding:
If RBP holds - release pressure and proceed to next step
If RBP does not hold – reset / move RBP and repeat pressure test
13. Pressure down casing to confirm no leaks. If casing:
Leaks – release packer, pull up hole in 500' increments testing casing until leak is located - Contact Jerry Reno (432-202-5957) for Cementing addendum procedure
Holds pressure – release pressure, POOH w/ workstring & test packer, recover RBP, and proceed to next step

See COA

APPROVED
FEB 22 2013
[Signature]
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Install Downhole Injection Assembly

Confirm/record – id's and od's of all equipment prior to RIH

14. PU the historical bottom-hole assembly (bottom to top):
 - 3 ½" NP WL re-entry guide (id – 2.992") w/ a pump out plug in place
 - "3 ½" SS nipple (id - 2.225" id)
 - Mesquite AS 1-X injection packer (od – 6.2" od, id – 2,992")
 - "3 ½" SS nipple (id - 2.31" id)
 - 3 ½" NP T2 on/off tool
15. RIH with downhole injection assembly on 3 ½" IPC injection tubing (3½" 9.3# L-80) tubing. Once on depth @ 5,714' RKB (historical location), set injection packer (see WellView).
16. Once injection packer is set, release from on/off tool.
17. Close pipe rams pressure down tubing (**do not exceed 1000 psi**) and confirm packer assembly (w/ pump out plug) and casing are holding.
18. Release pressure, open pipe rams, and load backside with inhibited packer fluid.
19. Latch back onto the injection packer on-off tool, pull tension, and space out 3 ½" IPC injection tubing string.
20. Nipple down BOP and nipple up the injection wellhead assembly.
21. Pressure down tubing – casing annulus and conduct a pre-MIT to confirm injection packer / production casing is holding.

Mechanical Integrity Test (MIT)

22. Conduct and chart the official MIT test w/ BLM/OCD representatives invited.

Note: Send MIT results to Donna Williams (Regulatory) Midland office.

23. Pump / pressure down injection tubing to 2,000 psi to remove pump out plug. Pump at least two full tubing volumes to confirm pump out plug is removed.
24. Release pressure and rig down high pressure pump truck services.
25. RD-MO well service unit.
26. Clean up location, dispose of all produced fluids, trash, and debris.
27. Release all ancillary equipment.
28. Report all work performed in Well view.
29. Contact Ray Carrasco (432-634-5914) the Production Supervisor prior to turn well over to Operations.
30. Return well to Production Operations. Once injection is initiated report rate and pressure in AVOCET.
31. Place the well back on disposal status.

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Conditions of Approval
Buck 17 Fed 1 SWD
30-025-40482
ConocoPhillips Company

1. At least 24 hours before the test: In Eddy County email Paul R. Swartz paul_swartz@blm.gov, (phone 575-200-7902). If there is no response phone 575-361-2822. In Lea County phone 575-393-3612 or 575-631-5801. Note the contact notification method, time, & date in your subsequent report.
2. Surface disturbance beyond the existing pad must have prior approval.
3. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
4. Functional H₂S monitoring equipment shall be on location.
5. A minimum of 3000 (3M) BOPE shall be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M) Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
6. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
7. **Step 13 of attached procedure** - Once casing leak has been located Notify BLM and provide a Sundry with a procedure on how the operator plans on repairing the casing. (If necessary call and discuss with the BLM)
8. Once the casing has been repaired, an MIT shall be required and shall be a done at maximum allowable injection pressure of 1149 psig for 30 minutes and chart recorded and witness by the BLM
9. 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.
10. A CBL shall be required once casing has been repaired. Submit CBL to the Carlsbad BLM office.
11. Subsequent sundry required.

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