Form 3160-5
(August 2007)

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.

HOBBS OCD
NOV 07 2013
RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMLC058698A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
8920003410

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
MCA UNIT 456

2. Name of Operator
CONOCOPHILLIPS COMPANY

Contact: SUSAN MAUNDER

9. API Well No.
30-025-41392-00-X1

3a. Address
3300 N "A" ST BLDG 6
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 432.688.6913

10. Field and Pool, or Exploratory
MALJAMAR

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 26 T17S R32E SWNW 1780FNL 280FWL
32.482855 N Lat, 103.444114 W Lon

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	
	☐ 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 shall 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 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 requests approval to change the approved production casing cementing contingency. This request has been discussed with Ed Fernandez by ConocoPhillips drilling engineer, James Chen.

Please see the attached document supporting this request.
1)Justification and Proposed Change

Thank you for your time in reviewing this request.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED
NOV 4 2013
Ed Fernandez
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Electronic Submission #225401 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 11/04/2013 (14KMS2728SE)

Name *(Printed/Typed)* SUSAN MAUNDER — Title

Signature (Electronic Submission) — Date 11/04/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ — Title PETROLEUM ENGINEER — Date 11/04/2013

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. MSB/ocd 11/7/13 — 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 ****

NOV 07 2013

MCA Unit 456
Justification and Proposed Change
11/4/13

Justification for Proposed Change:

If the flow continues at 35 bph or higher and the use of a stage tool and annulus casing packer(s) to isolate water flow becomes necessary, then ConocoPhillips respectfully requests revision to the provided contingency option to the Production Casing and Cementing Program. The intention is to isolate water flows from the Salado down to the Grayburg above the top of perfs, if well is still flowing at these rates prior to casing and cementing the production section.

Proposed Change:

5-1/2" Production Casing Cementing Program – Two-Stage Contingency Cementing Option:

We propose a revision to the two-stage contingency cementing program for MCA #456 as follows:

- Position a Stage Tool at 990' MD immediately below the surface casing shoe and Annulus Casing Packer (upper) immediately below the Stage Tool at 1,000' MD.

Note: This is to provide isolation immediately below the surface casing shoe to allow placement during 2nd stage of good uncontaminated 14.8 ppg cement in casing-casing annulus.

- Position one more Annulus Casing Packer (lower) above the top of perfs at 3,800' MD.
- Pump the 1st Stage cement from the production casing shoe to surface.

Spacer: 20 bbls Fresh Water

Stage 1 - Slurry		Intervals Ft MD		Weight ppg	Sx	Vol bbl	Additives	Yield ft^3/sx
Lead	C Gas Tight Slurry	Surface	3000'	11.5	450	259	Class C 94 lb/sx 6% Extender 10% Gas Migration Control 2% Sodium Metasilicate (dry) 1% Cement Bonding Agent 3% Aluminum Silicate 0.125 lb/sx Cello Flake 3 lb/sx LCM-1	3.23
Tail	Poz/C Gas Tight Slurry	3000'	4330' – 4375'	14.0	320	78	(35:65) Poz:C 33 lb/sx 1% Sodium Metasilicate (dry) 1.5% Fluid Loss Control,	1.37

- Drop the wiper plug and displace 1st stage cement with 61 bbl FW and 40 bbl of 14.8 ppg Spacer. Bump the wiper plug.
- Pressure up to inflate the upper Annulus Casing Packer and then pressure up more to inflate lower Annulus Casing Packer (slightly higher pin settings).
- Observe displacement and confirm inflation of Annulus Casing Packers. Note and report the excess cement return to surface.
- Monitor the well to observe if the well is static and the Packers have isolated the flow to surface. Weigh cement returns with pressurized mud scale to ensure cement is uncontaminated with brine from flow zones.

- If cement returns are uncontaminated drop the cancelation plug and disable the Stage Tool.
  - If the cement indicates brine-cut contamination or flow is observed while the well is static, then proceed with further contingency below:
  - Drop an opening bomb to open the Stage Tool, and proceed with the cement job out annulus above the upper ACP through the Stage Tool. Note and Record the amount of cement circulated to surface.
  - Begin 2nd stage cement.

Spacer: Remaining 14.5 ppg Ultra Flush in cementing lines from the 40 bbl 1st stage displacement.

Stage 2 - Slurry		Intervals Ft MD		Weight ppg	Sx	Vol bbl	Additives	Yield ft^3/sx
Tail	Class C	Surface	Stage Tool ~ 930'	14.8	250	60	Class C 94 lb/sx 1% CaCl2	1.335

  - Drop the closing plug and displace 2nd stage cement with 23 bbl FW. Bump the closing plug.
  - Pressure up to close the Stage Tool.
  - Observe and report if there was excess cement return to surface.
  - Wash/Rinse wellhead and BOP stack with sugar water thru kill line. Close all outlet valves and fill the wellhead and BOP stack with sugar water.
  - Close annular BOP for 3 hours until cement reaches 100 psi compressive strength.
  - Bleed pressures off and check for flow and verify zero pressure at surface.

Proposal for Option to Adjust Production Casing Cement Volumes:

Also, if no caliper log is available, we would propose an option to possibly increase the production casing cement volume to ensure additional excess cement for cement returns to surface.

CONDITIONS OF APPROVAL

Sundry dated 11/4/2013

OPERATOR'S NAME:	CONOCOPHILLIPS
LEASE NO.:	LC058698A
WELL NAME & NO.:	456-MCA UNIT
SURFACE HOLE FOOTAGE:	1780' FSL & 280' FWL
LOCATION:	Section 26, T. 17 S., R 32 E., NMPM
COUNTY:	Lea County, New Mexico

1. The minimum required fill of cement behind the **5-1/2 inch production casing** is:

DV tool shall be set a minimum of 50' below previous shoe

a. First stage to DV tool:

**** Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

Operator has proposed a contingency DV tool at 1002'- Operator to attempt to lower the tool another 15 feet if possible. If operator circulates cement on the first stage and the cement returns are uncontaminated, operator is approved to run the DV tool cancellation plug and cancel the second stage of the proposed cement plan. If cement does not circulate and or cement indicated brine-cut contamination or flow is observed while the well is static, then the operator will inflate ACP and proceed with the second stage.

b. Second stage above DV tool:

***Cement to surface. If cement does not circulate, contact the appropriate BLM office.

EGF 110413