Submit I Copy To Appropriate District State of New Mexico	Form C-103
office <u>District 1</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88246 District II – (575) 748-1283	Revised August 1, 2011 WELL API NO.
3625 N. French Dr., Hobbs, NM 88240 1000 000 <u>District II</u> – (575) 748-1283 OIL CONCERDIA TION DIVISION	30-025-20864
District III – (505) 748-1283 811 S. First St., Artesia, NM 88210 District III – (505) 334-6178 FEB 1 0 2014 1220 South St. Francis Dr.	5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410 Sonto Eo. NM 87505	STATE FEE
	6. State Oil & Gas Lease No.
87505 NEVENUE	B-1527
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH	7. Lease Name or Unit Agreement Name Vacuum Glorieta East Unit Tract 17
PROPOSALS.) 1. Type of Well: Oil Well Gas Well Other Injection Well	8. Well Number 02
2. Name of Operator ConocoPhillips Company	9. OGRID Number 217817
3. Address of Operator _{P. O. Box 51810}	10. Pool name or Wildcat
Midland, TX 79710	Vacuum; Glorieta
4. Well Location	
Unit Letter I : 2080 feet from the South line and	/
Section 31 Township 17S Range 35E 11. Elevation (Show whether DR, RKB, RT, GR	NMPM County Lea
3978' GR	
	· ·
12. Check Appropriate Box to Indicate Nature of No	tice, Report or Other Data
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
	E DRILLING OPNS. P AND A
PULL OR ALTER CASING DI MULTIPLE COMPL CASING/CE	MENT JOB
OTHER: Step Rate Testing OTHER:	П
 Describe proposed or completed operations. (Clearly state all pertinent detai of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multipl proposed completion or recompletion. 	
WFX-856	
ConocoPhillips respectfully request to perform a step rate tests for the VGEU Tract injection pressure.	19-34 to obtain data for application to increase
Attached are the procedures.	
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Spud Date: Rig Release Date:	
	1. 1
I hereby certify that the information above is true and complete to the best of my know	viedge and beller.
$\Lambda(\Omega)$	
SIGNATURE TO BOOM TITLE Staff Regulatory Tech	hnicianDATE_02/04/2014
Type or print name Phondo Porera	noophilling com DUONE: (422)(00.0174
Type or print name <u>Rhonda Rogers</u> E-mail address: <u>rogerrs@co</u> For State Use Only E-mail address: <u>rogerrs@co</u>	nocophillips.com PHONE: (432)688-9174
	/
APPROVED BY: Accepted for Record Only Conditions of Approval (if any): MSB 2/11/20/4	DATE
Conditions of Approval (if any): MSB 2/11/2014	FEB 1 1 2014
	FEB I LUIT

Objective: Run step-rate tests to obtain data for application to increase injection pressure.

Importance of Safety

Safe operations are of utmost importance at all ConocoPhillips properties and facilities. All parties shall review proposed upcoming steps, procedures, and potentially hazardous situations. Occurrence of these meetings shall be recorded in the Daily Report.

Location:	Section 31, T17S, R35E, 660 FEL & 2080 FSL, Lea County, NM				
	Lat 32° 47' 23.1" N Long 103° 29' 23.64" W				
Depths:	6251' PBTD (tagged 7/10 during CTI)				
Elevations:	3974' GL, original KB 3985'				
Perforations:	Paddock 6048-6076'				

Step rate tests are to be conducted with Vacuum field produced brine (current injection fluid). Service Company is to provide a high-pressure pump truck and chart the results. The intent is to track, monitor and record rate & pressure data as water injection pressure is increased, then record ISIP and fall-off pressures for 30 minutes after injection ceases. The step-rate tests should demonstrate that formation fracturing will not occur at the proposed injection pressure (2000#). Resulting data will be used in an NMOCD application to increase the permitted injection pressure.

Well Category, BOP Class, ROE and Exceptions

Well Category:OneBOP Class:None recommendedROE:Possibility of H2S in produced water

Prior to test, review Well Data Report in WellView for casing information & Well Summary

Preparation:

- 1. Notify NM OCD and EPA before beginning any tests.
- 2. Ensure that Service Company equipment can pump at rates ranging from 100 to 3500 BPD (0.1 to 2.4 bpm) and that sufficient capacity exists for higher rate wells.
- 3. Two days prior: Close in master valve and injection line valve. Leave well shut-in for 48 hours and record SITP prior to start of work.

On location:

- 1. Conduct JSA. Ensure pump truck operator has a copy of the procedure and understands scope of work. Make sure chart recorder, flow meter and pressure data logger are used during the test.
- 2. Bleed-off trapped pressure. NU Service Company pump truck discharge to injection well. NU suction line to load transport(s) with Vacuum injection water (if transport is equipped with mud balance, weigh injection brine anticipated to be 9 ppg):
- 3. Test surface lines @ 2500#.

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4. Open master valve. Run the following step rate test schedule. Each rate step should be the same duration. Service Company should record data at 5-minute intervals. Record stabilized injection rate and pressure at end of each 30 minute flow period:

Step	Time: minutes		Surface Pressure			on Rate: PM	Injected Volume: bbl	
	per step	cum	psi	psi	BPM	equiv BPD	per step	cum
1	30	30	500					
2	30	60	750					
3	30	90	1000					
4	30	120	1500					
5	30	150	1800					
6	30	180	2000					
7	30	210	2200					
8	30	240	2400					
Falloff	ISIP							
	5			-				
	10							
	15	ļ						
	30							

Monitor ISIP and pressures at 5 minute intervals for 30 minutes after injection ceases (or until pressure falls to 0 psi). Maximum step rate pressures should be limited to 2400# during testing.

5. RDMO Service Company. Return well to injection.

Notes on Procedure:

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Stabilized SITP may be too high to obtain injection rates at lower pressures.

Pressure steps do not have to be exact – purpose is to record several pressures & associated rates below and above the current permitted 1184#. Anticipated rates at injection pressures less than 1200# are estimated as less than 1.7 BPM (based on maximum rate for 19-33).

If parting pressure is achieved, continue with a minimum of 2 pressure step increases past that point, but at no time exceed maximum pressure of 2400#.

Subject wells are surface equipped for 3000# WP. Maximum step rate pressures are limited to 2400#.

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String	Specs	ID	Burst	Set Depth	тос
Surface	8-5/8", 24#, K-55	8.097	2950	1572	circ
Production Casing	5-1/2", 15.5#, K-55	4.95	4810	6300	CBL-1692
Injection Tubing	2-3/8", 4.7#, J-55	1.995	7700	6014	