

District I
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Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

HOBBS OCD

State of New Mexico

Form C-101
Revised July 18, 2013

SEP 15 2014 Energy Minerals and Natural Resources

Oil Conservation Division RECEIVED OGD AMENDED REPORT
1220 South St. Francis Dr.

Santa Fe, NM 87505 2014 SEP 12 P 1:51

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CONOCOPHILLIPS COMPANY P10-3093 600 North Dairy Ashford Rd. Houston, Texas 77079		² OGRID Number 217817
⁴ Property Code 31172	³ Property Name EAST VACUUM GBSA UNIT	⁵ API Number 30-025-42115 ⁶ Well No. 519

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	33	17S	35E		1039	SOUTH	819	WEST	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
									LEA

9. Pool Information

⁷ Pool Name EAST VACUUM GBSA UNIT	⁸ Pool Code 62180
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Additional Well Information

¹¹ Work Type New Well	¹² Well Type Oil	¹³ Cable/Rotary	¹⁴ Lease Type State	¹⁵ Ground Level Elevation 3953
¹⁶ Multiple N	¹⁷ Proposed Depth ** 5088 MD/5080 TVD	¹⁸ Formation Grayburg/San Andres	¹⁹ Contractor	²⁰ Spud Date 01/21/2015
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits ** Allow up to 10 feet of rathole

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12-1/4"	9-5/8"	26#	1606'	750	Surface
Production	8-3/4"	7"	23#	5087'	1200	Surface

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	Townsend
Double Ram	3000	3000	Schaffer

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC if applicable.

Signature: *Deborah M Upson*

Printed name: Deborah M Upson

Title: Senior Regulatory Specialist

E-mail Address: debi.m.upson@conocophillips.com

Date: August 28, 2014 Phone: (281) 206-5356

OIL CONSERVATION DIVISION

Approved By: *[Signature]*

Title: Petroleum Engineer

Approved Date: 09/15/14 Expiration Date: 09/15/16

Condition: E-PERMITTING -- New Well *in*

Comp ___ P&A ___ TA ___
 CSNG ___ Loc Chng ___
 ReComp ___ Add New Well ___
 Canc Well ___ Create Pool ___

SEP 17 2014

Closed Loop System Design, Operating and Maintenance, and Closure Plan

ConocoPhillips Company

Well: East Vacuum Graybury San Andres Unit (EVGBSA) No. 519

Location: Sec. 33, T17S, R35E

Date: 8/28/2014

ConocoPhillips proposes the following plan for design, operating and maintenance, and closure of our proposed closed loop system for the above named well:

1. We propose to use a closed loop system with steel pits, haul-off bins, and frac tanks for containing all cuttings, solids, mud, water, brine, and liquids. We will not dig a pit, nor will we use a drying pad, nor will we build an earth pit above ground level, nor will we dispose of or bury any waste on location.

All drilling waste and all drilling fluids (fresh water, brine, mud, cuttings, drill solids, cement returns, and any other liquid or solid that may be involved) will be contained on location in the rig's steel pits or in haul-off bins or in frac tanks as needed. The intent is as follows:

- We propose to use the rigs' steel pits for containing and maintaining the drilling fluids.
- We propose to remove cuttings and drilled solids from the mud by using solids control equipment and to contain such cuttings and drilled solids on location in haul-off bins.
- We propose that any excess water that may need to be stored on location will be stored in tanks.

The closed loop system components will be inspected daily by each tour and any needed repairs will be made immediately. Any leak in the system will be repaired immediately, and any spilled liquids and/or solids will be cleaned immediately, and the area where any such spill occurred will be remediated immediately.

2. Cuttings and solids will be removed from location in haul-off bins by an authorized contractor and disposed of at an authorized facility. For this well, we propose the following disposal facility:

R-360 Inc.
4507 West Carlsbad Hwy, Hobbs, NM 88240,
P.O. Box 388; Hobbs, New Mexico 88241
Toll Free Phone: 877.505.4274, Local Phone Number: 432.638.4076

The physical address for the plant where the disposal facility is located is Highway 62/180 at mile marker 66 (33 miles East of Hobbs, NM and 32 miles West of Carlsbad, NM).

The Permit Number for R-360 is NM-01-0006.

A photograph showing the type of haul-off bins that will be used is attached.

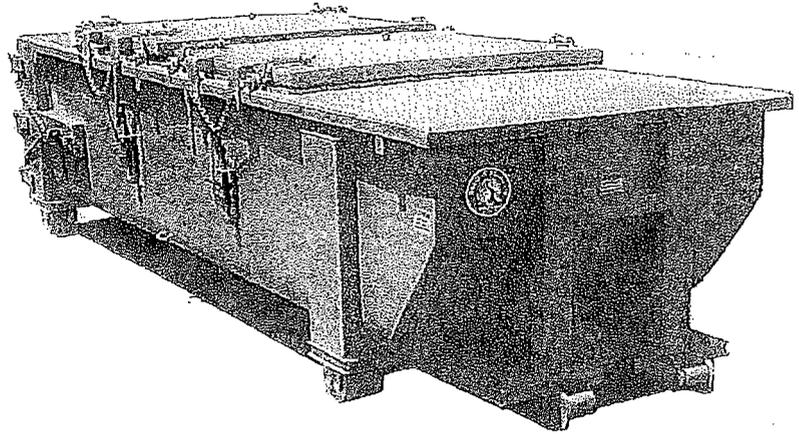
3. Mud will be transported by vacuum truck and disposed of at R-360 Inc. at the facility described above.
4. Fresh Water and Brine will be hauled off by vacuum truck and disposed of at an authorized salt water disposal well. We propose the following for disposal of fresh water and brine as needed:
 - Nabors Well Services Company, 3221 NW County Rd; Hobbs, NM 88240, PO 5208 Hobbs, NM, 88241, Permit SWD 092. (Well Location: **Section 3, T19S R37E**)
 - Basic Energy Services, P.O. Box 1869; Eunice, NM 88231 Phone Number: 575.394.2545, Facility located at Hwy 18, Mile Marker 19; Eunice, NM.

Steven Herrin
Drilling Engineer
Office: 281-206-5115
Cell: 432-209-7558

SPECIFICATIONS

Heavy Duty Split Metal Rolling Lid

FLOOR: 3/16" PL one piece
 CROSS MEMBER: 3" x 4-1 channel 16" on center
 WALLS: 3/16" PL solid welded with tubing top, inside liner hooks
 DOOR: 3/16" PL with tubing frame
 FRONT: 3/16" PL slant formed
 PICK UP: Standard cable with 2" x 6" x 1/4" rails, gusset at each crossmember
 WHEELS: 10 DIA x 9" long with rease fittings
 DOOR LATCH: 3 independent ratchet binders with chains, vertical second latch
 GASKETS: Extruded rubber seal with metal retainers
 WELDS: All welds continuous except sub structure crossmembers
 FINISH: Coated inside and out with direct to metal, rust inhibiting acrylic enamel color coat
 HYDROTESTING: Full capacity static test
 DIMENSIONS: 22'-11" long (21'-8" inside), 99" wide (88" inside), see drawing for height
 OPTIONS: Steel grit blast and special paint, Ampliroll, Hail and Dino pickup
 ROOF: 3/16" PL roof panels with tubing and channel support frame
 LIDS: (2) 68" x 90" metal rolling lids spring loaded, self raising
 ROLLERS: 4" V-groove rollers with delrin bearings and grease fittings
 OPENING: (2) 60" x 82" openings with 8" divider centered on container
 LATCH: (2) independent ratchet binders with chains per lid
 GASKETS: Extruded rubber seal with metal retainers



CONT.	A	B
20 YD	41	53
25 YD	53	65
30 YD	65	77

