

MAR 09 2015
RECEIVED

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMLC058396 |
| 2. Name of Operator CONOCOPHILLIPS COMPANY Contact: RHONDA ROGERS E-Mail: rogerrs@conocophillips.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address MIDLAND, TX 79710 | 3b. Phone No. (include area code) Ph: 432-688-9174 | 7. If Unit or CA/Agreement, Name and/or No. 8920003410 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T17S R32E SENE 1345FNL 1295FEL | | 8. Well Name and No. MCA UNIT 335 |
| | | 9. API Well No. 30-025-24369-00-S1 |
| | | 10. Field and Pool, or Exploratory MALJAMAR |
| | | 11. County or Parish, and State LEA COUNTY, NM |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

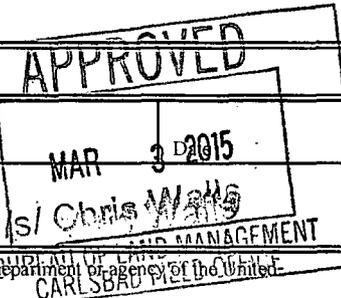
| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> 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 |
| | <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 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 would like to add pay to the upper grayburg @ 3563'-3763' per attached procedure. Attached is a current/proposed schematic.

| | |
|--|-----------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #256778 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Hobbs Committed to AFMSS for processing by LINDA JIMENEZ on 10/09/2014 (15LJ0121SE) | |
| Name (Printed/Typed) RHONDA ROGERS | Title STAFF REGULATORY TECHNICIAN |
| Signature (Electronic Submission) | Date 08/12/2014 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------|---|
| Approved By _____ | Title _____ |  |
| 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.

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MAR 10 2015

CONOCOPHILLIPS COMPANY
MCA UNIT 335
API# 30-025-24369
ADD PAY

OBJECTIVE OF THIS WORK

The purpose of this project is to bring new production to the field in the UPPER GRAYBURG

Procedure: upper grayburg add pay

1. Before the arrival of the rig, kill the well with fresh water.(turn off BPU)
2. Before the frac date, spot 14 clean 500 bbl frac tanks
3. Make sure project supervisor has casing collar log on location
4. Conduct safety meeting with JSA with all personnel and contractors on location
5. Move in Rig up pulling unit.
6. Pull out of hole with rods & pump, inspect rods for wear and replace as necessary.
7. Nipple down well head, Nipple up BOP, & pull out of hole with production tubing, laying down tubing on tubing racks.
8. Pick up & Run in Hole with 121 joints of 2-7/8", N-80, 6.5 lb/ft work string and 10K CBP set CBP at 3800 ft., (uppermost grayburg perforation is at 3838ft). Pressure test the work string to 6500psi. **check casing collar log to make sure we do not set plug on a collar**
9. Circulate the well with fresh water to PBD for as long as necessary
10. Close pipe rams and Test Bridge plug to 500 psi surface pressure (2100 psi BHP). If it holds then proceed, if it doesn't reset 10K CBP (check casing collar log to make sure we are not on a collar)
11. Raise work string to 3750ft (120 joints), spot 500 gals of 15% NE Fe HCL, acid column (3250ft-3750ft) perforations (3563ft-3763ft)
12. Pull out of hole laying down the work string
13. Rig up perforating Services
14. Perforate at the below depths. **Perforate at the uppermost perms first**

Perforating gun required: 4" titan gun Super Deep penetrating EXP-4539-324T (charge size: 40g, hole size 0.52" & hole length: 52.13")

| | Top | Bottom | feet | SPF | angle | shots |
|----|------|--------|------|-----|-------|-------|
| Z3 | 3563 | 3569 | 6 | 2 | 120 | 12 |
| | 3590 | 3596 | 6 | 2 | 120 | 12 |
| | 3604 | 3610 | 6 | 2 | 120 | 12 |
| Z4 | 3658 | 3664 | 6 | 2 | 120 | 12 |
| | 3705 | 3710 | 5 | 2 | 120 | 10 |
| Z5 | 3722 | 3729 | 7 | 2 | 120 | 14 |
| | 3757 | 3763 | 6 | 2 | 120 | 12 |

Rig down perforating services. Rig up Frac Provider

15. Nipple up 10k Frac stack and Frac service provider
 - Run in hole with 120 joints of 3-1/2", L-80 , 9.3lb/ft work string, and treating packer
 - set treating packer at 3500 ft
 - Test work string to 8000 psi running in the hole
 - Once packer is set, **rig down & release rig**
 - Use the pump schedule below to prop frac grayburg zone 3,4 & 5 (3563 ft-3763ft) down work string with treating packer
16. Record ISIP,5 min, 10 min and 15 mins in well view
17. Rig down CUDD energy services
18. Let resin coated sand sit for 24 hours unit we flow back
19. Flow back the well till its dead
20. Move in with Rig and Rig up
21. Pick up & run in hole with 2-7/8", N-80, 6.5lb/ft work string, 6 Drill collars (28 lb/ft) & 4-3/4" bit and Tag for Fill. PBD=3750ft. if we lose weight on string before PBD, note depth in well view
22. Drill out 10K CBP at 3750 ft with 10 ppg brine.
23. Once plugs are drilled out, clean out the well at PBD=4101 ft for two hours. i.e until we have clean returns to surface
24. Pull out of hole with work string & bit.
25. Pick up & Run in hole with **2-7/8 J-55 production tubing**, test production tubing to 5000 psi. Pump 5 gal of corrosion inhibitor (**champion-Corton R-2525; SG 0.91**)
26. Nipple down BOP, Run in hole with New Rods and Pump. (see pre-pull attached on the next page)
27. Space out pump, hang well on, Turn on BPU & Test pump action; wait for tubing to pressure up then shut down pump. **Rig down & Release rig**
28. Shut in well for 48 hours.

29. Place well on test.