Form 3160-5
(August 2007)

HOBBS OCD

MAR 09 2015

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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.

5. Lease Serial No.
NMNM94188

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 351

2. Name of Operator
CONOCOPHILLIPS COMPANY

Contact: RHONDA ROGERS
E-Mail: rogerrs@conocophillips.com

9. API Well No.
30-025-24547-00-S1

3a. Address
MIDLAND, TX 79710

3b. Phone No. (include area code)
Ph: 432-688-9174

10. Field and Pool, or Exploratory
MALJAMAR

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 26 T17S R32E SENE 1485FNL 1225FEL

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 would like to add pay to the upper grayburg @ 3539'-3713' per attached procedure
Attached is the current/proposed wellbore schematic.

During this procedure we plan to use the Closed-Loop System and haul content to the required disposal.

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

Electronic Submission #256813 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 (15LJ0128SE)

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
MAR 3 2015
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Approved By — Title — Date

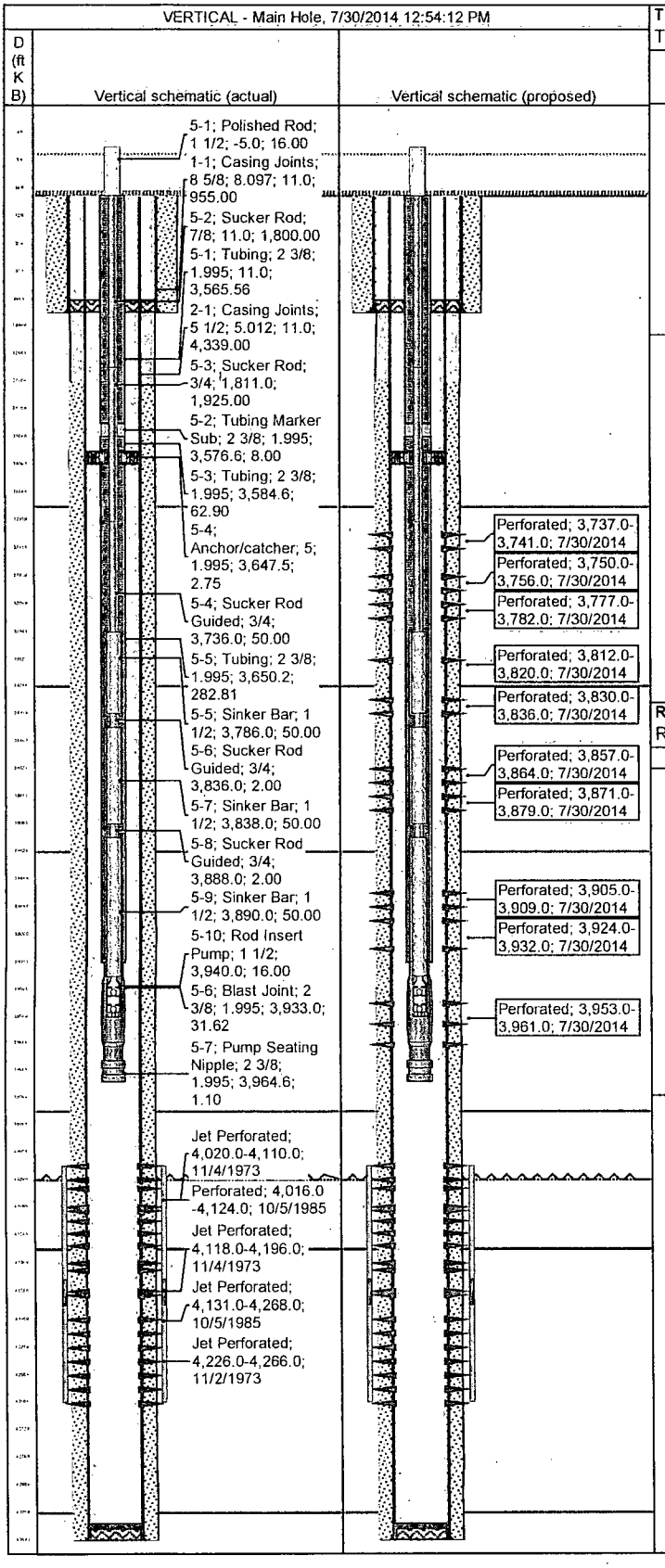
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Proposed Rod and Tubing Configuration
MCA 351



Tubing Description: Tubing - Production — **Set Depth (ftKB)**: 3,965.7

Jts	Item Des	OD Nominal (in)	Nominal ID (in)	Wt (lb/ft)	Grade	Len (ft)	Btm (ftKB)
110	Tubing	2 3/8	1.995	4.60	J-55	3,565.56	3,576.6
1	Tubing Marker Sub	2 3/8	1.995	4.70	J-55	8.00	3,584.6
2	Tubing	2 3/8	1.995	4.60	J-55	62.90	3,647.5
1	Anchor/catcher	5	1.995			2.75	3,650.2
9	Tubing	2 3/8	1.995	4.60	J-55	282.81	3,933.0
1	Blast Joint	2 3/8	1.995	4.70	J-55	31.62	3,964.6
1	Pump Seating Nipple	2 3/8	1.995			1.10	3,965.7

Rod Description: Rod — **Set Depth (ftKB)**: 3,956.0

Jts	Item Des	OD (in)	API Grade	Len (ft)	Btm (ftKB)
1	Polished Rod	1 1/2		16.00	11.0
72	Sucker Rod	7/8	C	1,800.00	1,811.0
77	Sucker Rod	3/4	C	1,925.00	3,736.0
2	Sucker Rod Guided	3/4	C	50.00	3,786.0
2	Sinker Bar	1 1/2	K	50.00	3,836.0
1	Sucker Rod Guided	3/4	C	2.00	3,838.0
2	Sinker Bar	1 1/2	K	50.00	3,888.0
1	Sucker Rod Guided	3/4	C	2.00	3,890.0
2	Sinker Bar	1 1/2	K	50.00	3,940.0
1	Rod Insert Pump	1 1/2		16.00	3,956.0

CONOCOPHILLIPS COMPANY
MCA UNIT 351
API# 30-025-24547
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 128 joints of 2-7/8", N-80, 6.5 lb/ft work string and 10K CBP set CBP at 3980 ft., (uppermost grayburg perforation is at 4016ft). 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 3900ft (126 joints), spot 500 gals of 15% NE Fe HCL,
    acid column (3400ft-3900ft)
    perforations (3737ft-3961ft)
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 perfs first**

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

Zone	Top perf (ftMD)	Base perf (ftMD)	ft	SPF	shots	phase angle
Z3	3539	3542	3	2	7	120
	3558	3563	5	2	11	120
	3577	3582	5	2	11	120
Z4	3627	3632	5	2	10	120
	3667	3671	4	2	7	120
Z5	3696	3699	3	2	6	120
	3708	3713	4	2	9	120

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
    - Use the pump schedule below to prop frac grayburg zone 3,4 & 5 (3539 ft-3713ft) down work string with treating packer

16. Record ISIP,5 min, 10 min and 15 mins in well view

17. Pull out of hole with work string and packer

18. Rig down CUDD energy services

19. Let resin coated sand sit for 24 hours unit we flow back

20. Rig down & Release rig (till flow back is over).

21. Flow back the well till its dead

22. Move in and Rig up

23. 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=3950ft. if we lose weight on string before PBD.

24. Drill out 10K CBP at 3950 ft with 10 ppg brine.

25. Once plugs are drilled out, clean out the well at PBD=4320 ft for two hours. i.e until we have clean returns to surface

26. Pull out of hole with work string & bit.

27. 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)**

28. Nipple down BOP, Run in hole with New Rods and Pump. (see pre-pull attached on the next page)

29. 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**

30. Shut in well for 48 hours.

31. Place well on test.