

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

HOBBS OCD

OCD-HOBBS

JUN 29 2015

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.*

RECEIVED

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMLC031670A
2. Name of Operator CONOCOPHILLIPS COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address MIDLAND, TX 79710		7. If Unit or CA/Agreement, Name and/or No. 892000321E NM 710412
3b. Phone No. (include area code) Ph: 432-688-9174		8. Well Name and No. SEMU 28
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T20S R38E SWNW 1980FNL 660FWL		9. API Well No. 30-025-07815-00-S1
		10. Field and Pool, or Exploratory SKAGGS
		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 checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input 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 recompleat 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 recompleat 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 has experienced a fail MIT and therefore would like to isolate the csg leak, repair and RTI per attached procedure. Attached is a current/proposed wellbore schematic.

**Condition of Approval: notify  
OCD Hobbs office 24 hours**

**SUBJECT TO LIKE  
APPROVAL BY STATE**

WITNESS

prior of running MIT Test & Chart  
MJB/OCD 6/24/2015

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

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

**Electronic Submission #296652 verified by the BLM Well Information System  
For CONOCOPHILLIPS COMPANY, sent to the Hobbs  
Committed to AFMSS for processing by LINDA JIMENEZ on 05/06/2015 (15LJ1158SE)**

Name (Printed/Typed) RHONDA ROGERS	Title STAFF REGULATORY TECHNICIAN
Signature (Electronic Submission)	Date 03/30/2015

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	<p><b>APPROVED</b></p> <p>JUN 17 2015 Date</p> <p><i>[Signature]</i></p> <p>BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</p>
<p>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.</p>		
<p>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.</p>		

\*\* BLM REVISED \*\*

JUN 29 2015

*[Handwritten initials]*

**SEMU Permian 28**  
**API #30-025-07815**  
**Isolate Casing Leak, Fix and RTI**

Project Scope	
<b>Justification and Background:</b> Repair csg leak. RTI.	
Currently the well has failed MIT and Bradenhead Test. Well is an injection well with an injection rate of ~125 bpd.	

Table 3 : Well Control Information			
Estimated H2S (ppm)	0	Max anticipated MCFPD	0
100 ppm H2S ROE (ft)	0	Well Category	1
500 ppm H2S ROE (ft)	0	BOP Class	1 (Hydraulic Required)

Table 5 : Perforations			
Type	Formation	Top	Bottom
Perforations	Grayburg	3,694'	3,908'
PBTD		NA	
TD		3,920'	

**Well Service Procedure:**

Before rigging up:

- Verify current Anchor Test.
- Ensure 2 3/8 L-80 4.7# seamless IPC (TK-70XT) tbg string is available if needed.

- 1) MIRU.
- 2) NDWH & NUBOP.
- 3) RU Scanner & Scan/COOH slowly w/ tbg & PKR. Visually inspect tbg out of hole. Contact Jay Shah (281-413-3976) w/ findings & for a path forward.

*If moderate to severe wear or corrosion is present on tbg string, LD entire tbg string. PU and replace with new 2 3/8" L-80 4.7# seamless injection IPC (TK-70XT) tbg string:*

**Report any corrosion and failed jts in WellView.**

- 4) RD & release Scanner.
- 5) RIH w/ 2-7/8", L-80 WS & RBP & PKR. Set RBP @ 3580 (uppermost Grayburg perforation: 3694).  
 Circ well w/ fresh water. (7", 23# well capacity: 141 bbl; 112 bbl w/ 2-7/8" tbg)  
 Close pipe-rams & test RBP @ 2000# surface prs (equivalent to 4654# @ RBP; 1.3 psi gradient).  
 If RBP test is good, proceed to test casing above RBP @ 500# surface prs. If the casing string tests good, proceed to re-run equipment back in the hole (steps 10-16). If the casing test fails, isolate the leak with RBP & PKR. Upon finding of casing leak, notify Jay Shah (281-413-3976).  
 If casing leak interval is shallower than 15' from surface, then perform steps 6. If casing leak interval is deeper than 15' from surface but shallower than 168' (Top of Cement @ 168), then perform step 7. If casing leak interval is deeper than 168' from surface, then perform step 8.
- 6) **NOTE: This step is only to be performed if casing leak interval is shallower than 15' from surface.**
  - a. TOO H w/ WS & PKR. LD & move WS to edge of location.
  - b. NDBOP. NUWH. RDMO. Notify Surface Projects Group that the well is isolated & ready for repairs.
- 7) **NOTE: This step is only to be performed if casing leak interval is deeper than 15' from surface but shallower than 168'.**
  - a. Set RBP 100 ft. below the casing leak interval. Spot 20 ft. of sand on top of RBP.
  - b. RIH w/ cement retainer. Set cement retainer 50 ft. above the casing leak interval. If unable to utilize cement retainer, then proceed to pump down csg.

- c. Establish rate & pressure. Communicate the results to Jay Shah (281-413-3976).
  - d. Displace class C cement to cement retainer (if utilized) and/or until cement reaches the surface between 9-5/8" x 7". (tubing capacity: .0058 bbl/ft.)
  - e. Sting out of retainer (if utilized). Circ bottoms up. Wait on cement to cure.
  - f. RU reverse unit.
  - g. Pick-up & RIH w/ 6-1/8" bit, 4: 6-1/4" DC & WS.
  - h. Drill out cement retainer (if utilized) & cement.
  - i. Circ well 2 hrs prior to POOH.
  - j. POOH w/ WS. LD DC & bit.
- 8) **NOTE: This step is only to be performed if casing leak interval is deeper than 168' from surface.**
- a. Set RBP 100 ft. below the casing leak interval. Spot 20 ft. of sand on top of RBP.
  - b. RIH w/ cement retainer. Set cement retainer 50 ft. above the casing leak interval. If unable to utilize cement retainer, then proceed to pump down csg.
  - c. Establish rate & pressure. Communicate the results to Jay Shah (281-413-3976).
  - d. Displace class C cement to cement retainer (if utilized) and/or until cement reaches the surface between 9-5/8" x 7". (tbg capacity: .0058 bbl/ft.)
  - e. Sting out of retainer (if utilized). Circ bottoms up. Wait on cement to cure.
  - f. RU reverse unit.
  - g. Pick-up & RIH w/ 6-1/8" bit, 4: 6-1/4" DC & WS.
  - h. Drill out cement retainer (if utilized) & cement.
  - i. Circ well 2 hrs prior to POOH.
  - j. POOH w/ WS. LD DC & bit. Move WS to edge of location.
  - k. NDBOP. NUWH. RDMO. Notify Surface Projects Group that the well is isolated & ready for repairs.
- 9) Proceed to run an IMIT and a Bradenhead Test.  
If the tests fail, communicate the results to Jay Shah (281-413-3976). If the tests pass, send the original test charts to Rhonda Rogers (432-967-5235). Attach a copy of the test charts in WellView. Perform steps 10-16.
- 10) RIH w/ WS & retrieve RBP.  
POOH w/ WS. LD RBP.
- 11) RU tbg hydrotester.
- 12) PU & RIH with injection tbg string. Hydrotest tbg in (5000 PSI below slips).  
*If 10 or more jts fail hydrotest, COOH w/ tbg string and LD. PU and Replace with new 2 3/8" L-80 4.7# seamless injection IPC (TK-70XT) tbg string. Contact Jay Shah (281-413-3976) w/ findings.*  
**Downhole equip as per attached Proposed Tbg Configuration.**

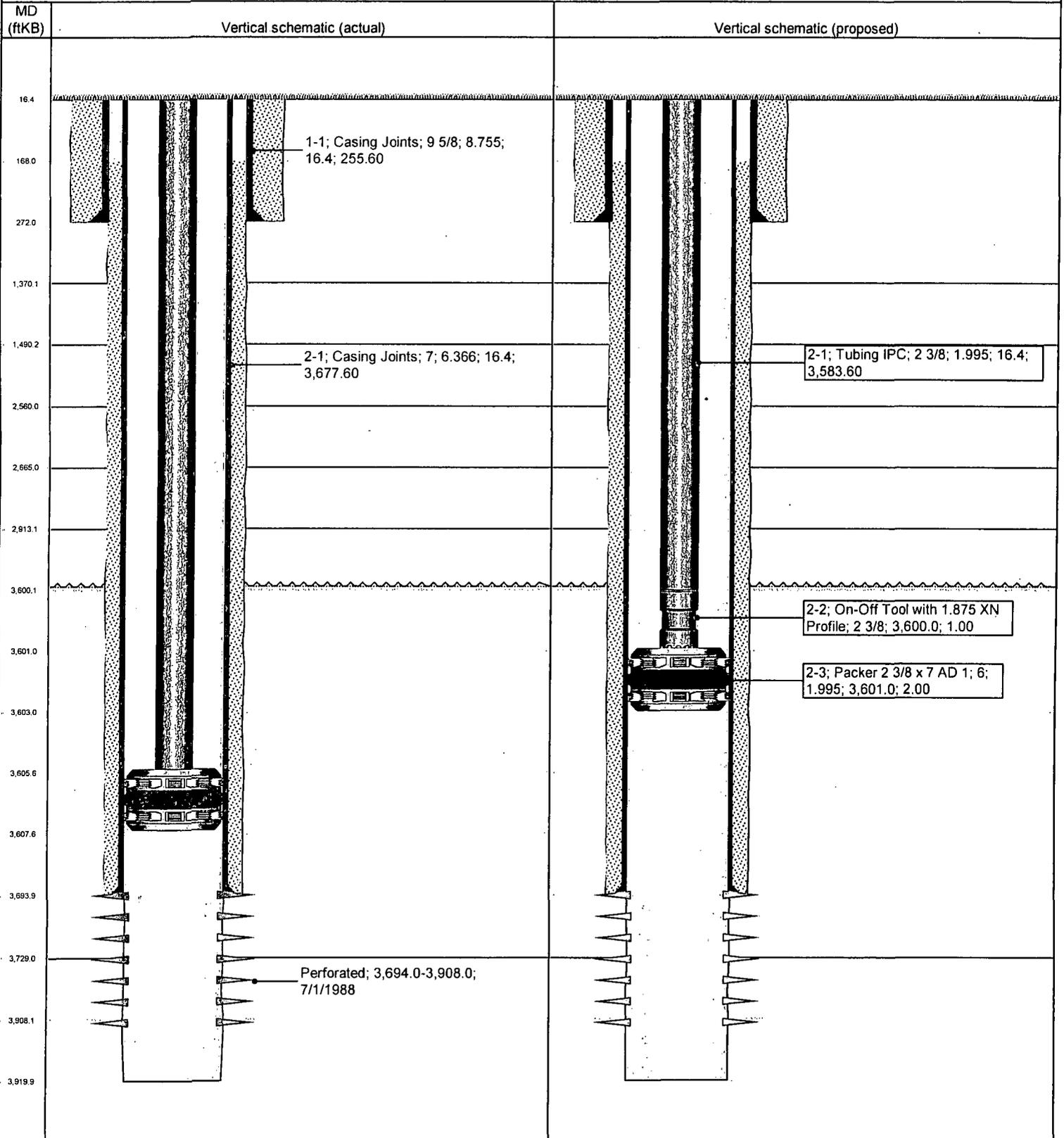
	Depth (RKB): ft	
	(KB - GL: 16 ft.)	
<u>Seamless Tubing:</u>	<u>top</u>	<u>btm</u>
2-3/8", 4.7#, L-80 IPC (TK-70XT)	surface	3523
2-3/8", 4.7#, L-80 IPC (TK-70XT) Tbg Marker		
Sub	3523	3533
2-3/8", 4.7#, L-80 IPC (TK-70XT)	3533	3593
On/Off Tool w/ 1.875" XN Profile	3593	3594
New Injection PKR (2-3/8" x 7", 23#)	3594	3603
Note:		
upr perf 3694		
btm perf 3908		

- 13) RD and release hydrotester.

- 14) Perform an IMIT and a Bradenhead Test. Plan to contact a BLM & NMOCD representative to be on location to witness the tests. If the well passes the tests, send the original test charts to Rhonda Rogers (432-967-5235). Attach a copy of the test charts in WellView.
- 15) Notify MSO to sign off on well and return to water injection.
- 16) RDMO.

District PERMIAN CONVENTIONAL	Field Name SKAGGS	API / UWI 300250781500	County LEA	State/Province NEW MEXICO
Original Spud Date 4/23/1951	Surface Legal Location SEC. 19, T20S, R38E	East/West Distance (ft) 660.00	East/West Reference FWL	North/South Distance (ft) 1,980.00
North/South Reference FNL				

VERTICAL - Main Hole, 3/20/2015 4:02:47 PM



## Conditions of Approval

ConocoPhillips Company  
SEMU - 28, API 3002507815  
T20S-R38E, Sec 19, 1980FNL & 660FWL  
June 17, 2015

1. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15. Exceptions to these restrictions may be granted by BLM's Johnny Chopp <jchopp@blm.gov> 575.234.2227 or Bob Ballard <bballard@blm.gov> 575.234.5973.
2. Before casing or a liner is added, replaced, or repaired prior BLM approval of the design is required. Use notice of intent Form 3160-5.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Use of class "H" cement at depths greater than 7500ft & "C" at depths less than 7500ft will be necessary. Class "C" squeeze cement is to be mixed 14.8#/gal, 1.32 ft<sup>3</sup>/sx, 6.3gal/sx water and "H" mixed 16.4#/gal, 1.06ft<sup>3</sup>/sx, 4.3gal/sx water.
5. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 3580 or below to top of cement taken with 0psig casing pressure. The CBL may be attached to a [pswartz@blm.gov](mailto:pswartz@blm.gov) email. The CFO BLM on call engineer may be reached at 575-706-2779.**
6. Surface disturbance beyond the existing pad shall have prior approval.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
8. Functional H<sub>2</sub>S monitoring equipment shall be on location.
9. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Blind ram(s) and pipe ram(s) designed to close on all workstring diameters used is required equipment. A manual BOP closure system (hand wheels) shall be available for use regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
10. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
11. After drilling out the squeeze plug, **perform a charted casing integrity test** of 800psig minimum. Document the pressure test on a one hour full rotation calibrated (within 6

months) recorder chart registering within 25 to 85 per cent of its full range. **Verify all annular casing vents are plumbed to the surface and open during this pressure test. Call BLM 575-393-3612 and arrange for a BLM witness of that pressure test.** Include a copy of the chart in the subsequent sundry for this workover.

12. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.
13. Submit a (BLM Form 3160-5 subsequent report (daily reports) via BLM's Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. File the form within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.

#### **Well with a Packer - Operations**

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days:
- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). Verify all annular casing vent valves are open to the surface during this pressure test. An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) Make arrangements 24 hours before the test for BLM to witness. In Lea County phone 575-393-3612. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number.
- 5) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 6) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.

- 7) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 8) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.
- 9) A “Best Management Practice” is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.
- 10) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 11) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 12) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0 psia. Notify the BLM’s authorized officer (“Paul R. Swartz” <[pswartz@blm.gov](mailto:pswartz@blm.gov)>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
- 13) Submit a (BLM Form 3160-5 subsequent report (daily reports). Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer. The setting depths and descriptions of each are to be included in the subsequent sundry.
- 14) A request for increased wellhead pressures is to be accompanied by a step rate test. PRIOR to a Step Rate Test BLM – CFO is requiring a Notice of Intent.
- 15) Class II (production water injection) wells will not be permitted stimulation injection pressures that exceed frac pressure.

Access information for use of Form 3160-5 “Sundry Notices and Reports on Wells”

NM Fed Regs & Forms - [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.