

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

5. Lease Serial No.
NMLC031670A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
892000321E

8. Well Name and No.
SEMU 28

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

1. Type of Well
 Oil Well Gas Well Other: INJECTION

2. Name of Operator
CONOCOPHILLIPS COMPANY Contact: RHONDA ROGERS
E-Mail: rogerr@conocophillips.com

3a. Address
MIDLAND, TX 79710

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 19 T20S R38E SWNW 1980FNL 660FWL

HOBBS OCD
OCT 01 2015
RECEIVED

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 would like to cancel the P&A NOI aprvd 7/14/15 and request to repair hole in csg and RTI per attached procedure. Attached is a current and proposed wellbore schematic.

SUBJECT TO LIKE APPROVAL BY STATE

WITNESS

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Electronic Submission #313316 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Hobbs Committed to AFMSS for processing by LINDA JIMENEZ on 08/25/2015 (15LJ1724SE)

Name (Printed/Typed) RHONDA ROGERS Title STAFF REGULATORY TECHNICIAN

Signature (Electronic Submission) Date 08/20/2015

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 _____

APPROVED

SEP 22 2015

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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 ****

OCT 13 2015

[Handwritten signature]

SEMU-28W: Casing Repair
API# 30-025-07815
Casing Repair and RTI

Project Scope

SEMU-28W was taken out of active service after failing a mechanical integrity test of the 7" x 9-5/8" annulus and the 2-3/8" x 7" annulus. A near-surface leak was discovered in the 9-5/8" surface casing. During recent well work to secure the well with 2 downhole barriers, the 7" production casing leak interval was determined to be within 10 ft. from surface. The 7" production casing interval: 10-3600 pressure-tested @ 450#.

The 7" & 9-5/8" casing strings, from approximately 10 ft. from surface, will be replaced and the well returned to active injection service.

Perforations

Type	Formation	Top (RKB): ft	Bottom (RKB): ft.
Open-Hole (6-1/4")	Grayburg	3694	3920
Possible Fill		3905	3920
TD			3920

Surface Repair

Repair near-surface casing leak in 7" production casing & 9-5/8" surface casing:

Procedure: Re-Activation

- 1) MI & RU well service unit. (Last well service: 08.2015)
- 2) ND WH & NU Hydril BOP (well is secured w/ 2 barriers & full column of fresh water)
08.05.15: Set CIBP @ 3597. Test @ 450#-OK. Circ well w/ fresh water.
Set RBP @ 200. Circ well w/ fresh water.
- 3) PU & RIH w/ tbg & retrieving head for RBP. Rel RBP @ 200. POOH w/ tbg & RBP.
- 4) RIH w/ 6-1/8" bit, 8: 3-1/2" DC & 2-7/8", 6.5#, L-80 workstring to CIBP @ 3600.
- 5) Drill-out CIBP @ 3600. Clean-out 6-1/4" OH interval: 3694-3900
Note:
07.18.88: POOH w/ tbg & PKR. Left safety shear sleeve, PKR rubber & slips cone in well
07.19.88: Tag junk @ 3903. Drl past junk to 3905.
07.20.88: RBIH & clean-out to 3905.
- 6) Acidize OH:
 - a. Pump 550 gal (12 bbl) 15% NE Fe HCl
 - b. Pump 21 bbl fresh water
 - c. Pull 8 stands (bit: 3400; acid column: 3600-3900).
 - d. Close pipe-rams
 - e. Displace acid w/ 15 bbl fresh water @ 500#.
 POOH & LD 2-7/8", 6.5#, L-80 tbg, DC & bit.
- 7) RIH w/ injection PKR (7", 23#) w/ on-off tool & 2-3/8", 4.7#, J-55 IPC tbg.
Set PKR @ 3600 (within 100 ft. of OH completion interval: 3694-3920;
10.21.94: Set PKR @ 3601 (last injection PKR set-depth)
08.05.15: Set CIBP @ 3597.test @ 450#-OK
- 8) Load csg w/ fresh water. Test 2-3/8" x 7" annulus @ 550#.
Release from on-off tool. Pump 125 bbl PKR fluid down csg

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(2-3/8" x 7", 23# annular capacity to PKR @ 3600: 122 bbl)

Re-engage PKR. Re-test 2-3/8" x 7" annulus @ 550#.

9) ND BOP. NU well. Re-test 2-3/8" x 7" annulus @ 550#.

10) RD WSU.

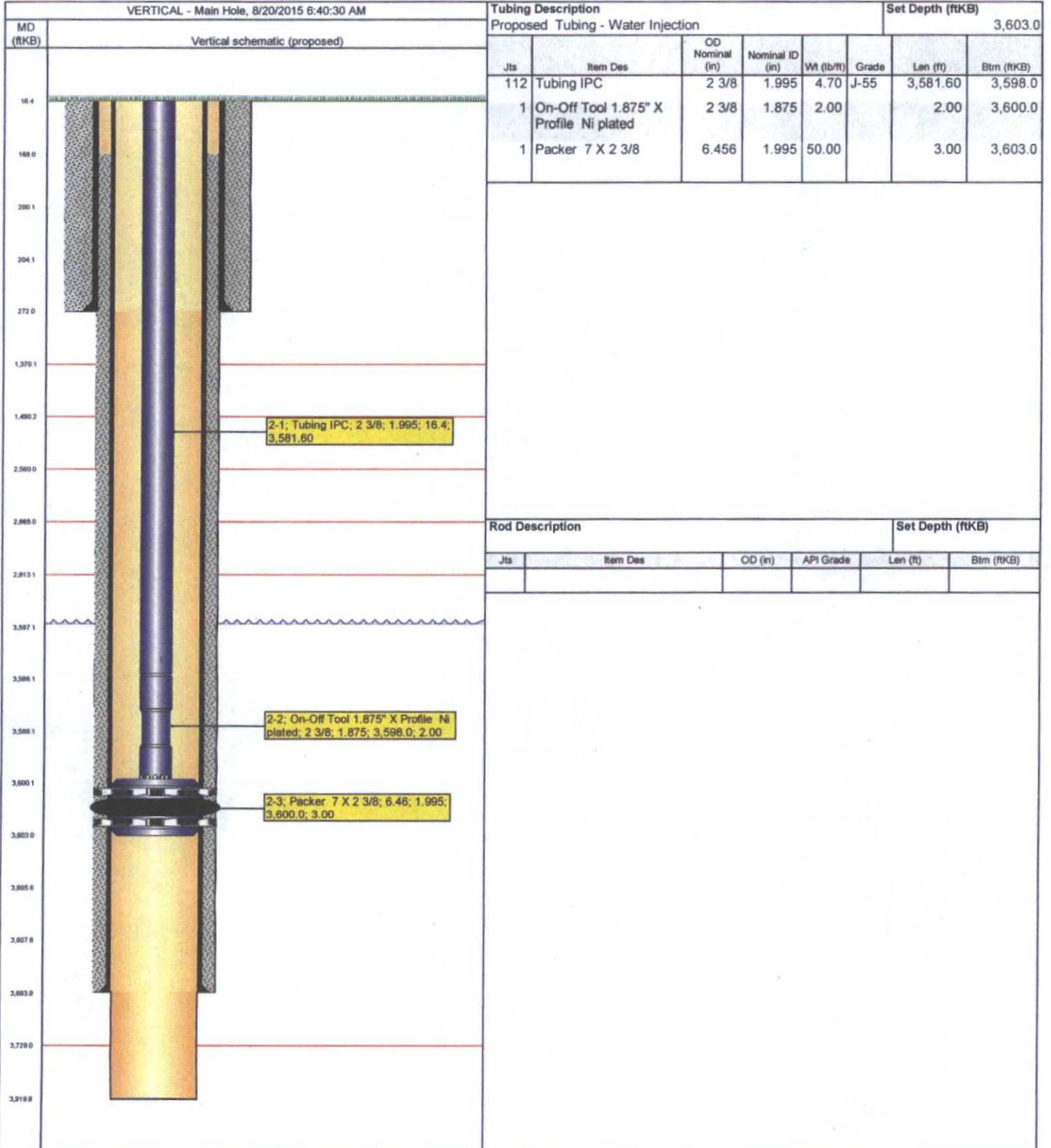
11) Obtain MIT:

a. Notify OCD at least 24-hours prior to charting well to allow OCD opportunity to witness.

b. Chart well @ 550#-30 minutes.

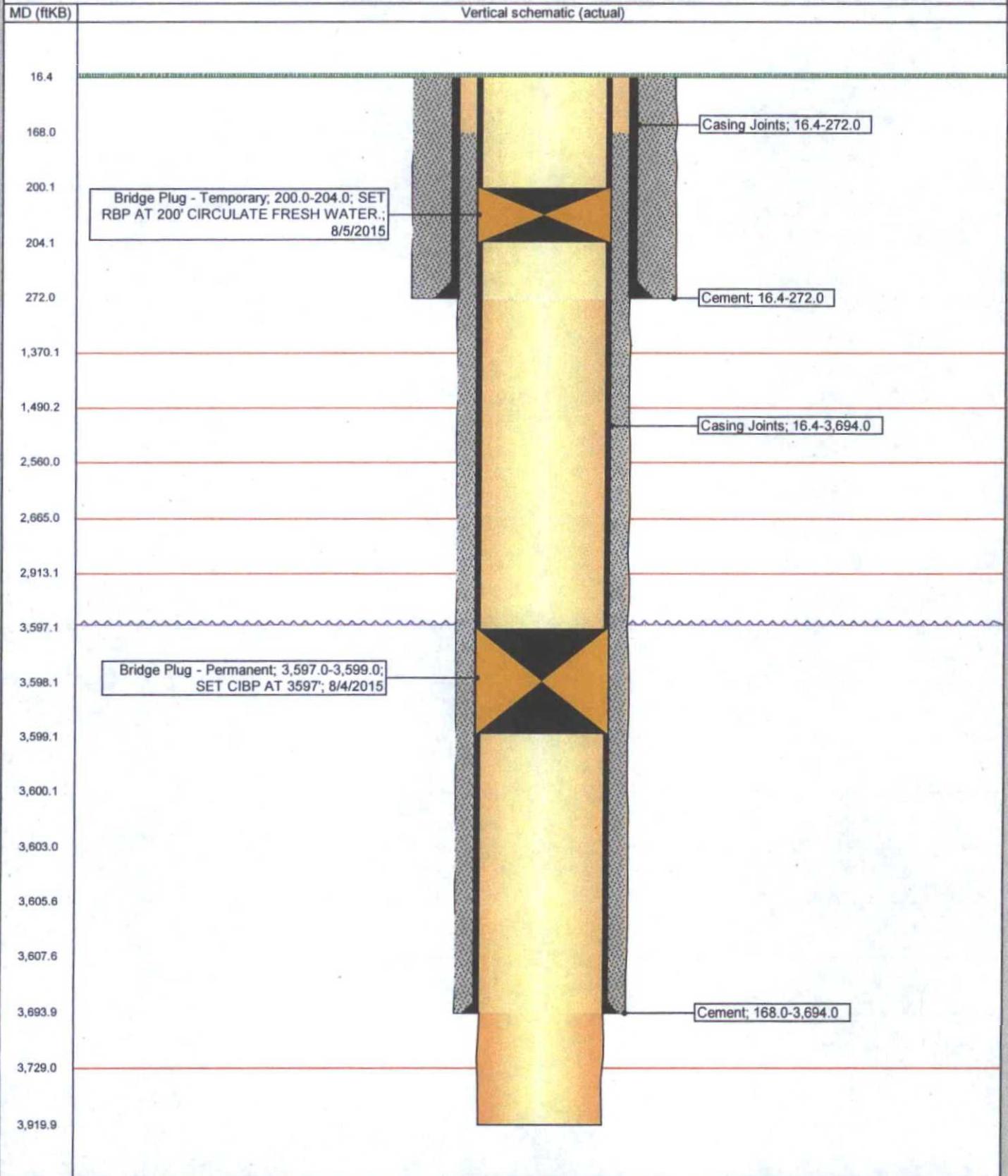
12) Return well to injection service.

Proposed Rod and Tubing Configuration SEMU 028



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	E/W Dist (ft) 660.00	E/W Ref FWL	N/S Dist (ft) 1,980.00
N/S Ref FNL				

VERTICAL - Main Hole, 8/19/2015 10:23:19 AM



Conditions of Approval

ConocoPhillips Company
SEMU - 28, API 3002507815
T20S-R38E, Sec 19, 1980FNL & 660FWL
September 22, 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.
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. **This surface repair of the 9 5/8" and 7" csgs requires the replacing casing(s) to be of equal size and equal or improved weight and grade. Excavate surface soil around the wellhead and below the leaks a distance that will expose the 9 5/8" csg cement top and permit entry and access to the top coupling(s). The precautions of a confined entry permit with consideration for adequate side shoring are necessary. Replace the csg and wellheads from the first encountered coupling(s) below the damaged portions. Protect the exposed external csg surface with protective wrapping and/or cement.**
4. Subject to like approval by the New Mexico Oil Conservation Division.
5. Surface disturbance beyond the existing pad shall have prior approval.
6. 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.
7. Functional H₂S monitoring equipment shall be on location.
8. 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.
9. 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.
10. After removing RBP, **perform a charted casing integrity test** of 800psig minimum against the CIBP at 3597 set 08/05/2015. 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.

11. **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 email. The CFO BLM on call engineer may be reached at 575-706-2779.**
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>, 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

§ 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.