

HOBBS OCD
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

~~NMOCD~~
~~Artesia~~

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

~~NMOCD~~
Hobbs

SUBMIT IN TRIPLICATE - Other instructions on page 2

| | |
|--|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 8. Well Name and No. BUCK 17 FEDERAL 6H ✓ |
| 2. Name of Operator CONOCOPHILLIPS COMPANY ✓ Contact: ASHLEY BERGEN E-Mail: ashley.bergen@conocophillips.com | 9. API Well No. 30-025-40901-00-S1 |
| 3a. Address MIDLAND, TX 79710 | 10. Field and Pool or Exploratory Area JENNINGS |
| 3b. Phone No. (include area code) Ph: 432-688-6938 | 11. County or Parish, State LEA COUNTY, NM |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T26S R32E SWSE 28FSL 2064FEL ✓ | |

12. CHECK THE 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"/> Hydraulic Fracturing | <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 type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input checked="" 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 respectfully request to TA this wellbore to preserve it for a potential sidetrack in 2018. The well is currently in approved shut in status that expires 1/1/17. COP would like to bring a rig on December 12-22, 2016 to complete the TA of this well prior to Christmas. The work will be done in accordance to IM-NM-2016-017.

The procedure for the TA of this well is as follows:

1. Test Anchors as needed.
2. Notify Champion we will be RU on well.
3. Review JSA prior to RU on well.
4. MI & RU WSU.
5. Kill well, function test BOP. ND wellhead, NU BOP.
6. POOH & LD tubing with gas lift mandrels/valves. Send tubing and gas lift mandrels/valves in for

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

**Electronic Submission #359403 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Hobbs
Committed to AFMSS for processing by JENNIFER SANCHEZ on 12/13/2016 (17JAS0106SE)**

| | |
|------------------------------------|-----------------------------|
| Name (Printed/Typed) ASHLEY BERGEN | Title REGULATORY SPECIALIST |
| Signature (Electronic Submission) | Date 11/30/2016 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------|------------|
| 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.

(Instructions on page 2)

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

FOR RECORD ONLY

MW/OCD 12/27/2016

Additional data for EC transaction #359403 that would not fit on the form

32. Additional remarks, continued

inspection. Contact Engineering with inspection results (Melinda Alleman @ 337-412-4072).

7.RIH with bit, scraper, and tubing down to +/- 8,400?.

8.COOH with tubing, scraper, and bit.

9.TIH with CIBP (7?, 29lb/ft, P-110) and tubing. Set CIBP @ +/- 8,380? (KOP @ 8,378?). Shear off CIBP. POOH with tubing.

10.Dump 30 sacks cement on top of the CIBP.

11.RU pump truck to casing. Load casing with produced water. Test casing to 600 psi for 30 minutes.

12.Circulate packer fluid. Estimated total volume of casing with CIBP set will be an estimated 311 bbls.

13.Top off casing with packer fluid.

14.ND BOP. Secure wellhead. RD WSU.

15.Notify BLM Field Office 48 hours prior to MIT.

16.Chart well @ 550# for 30 minutes.

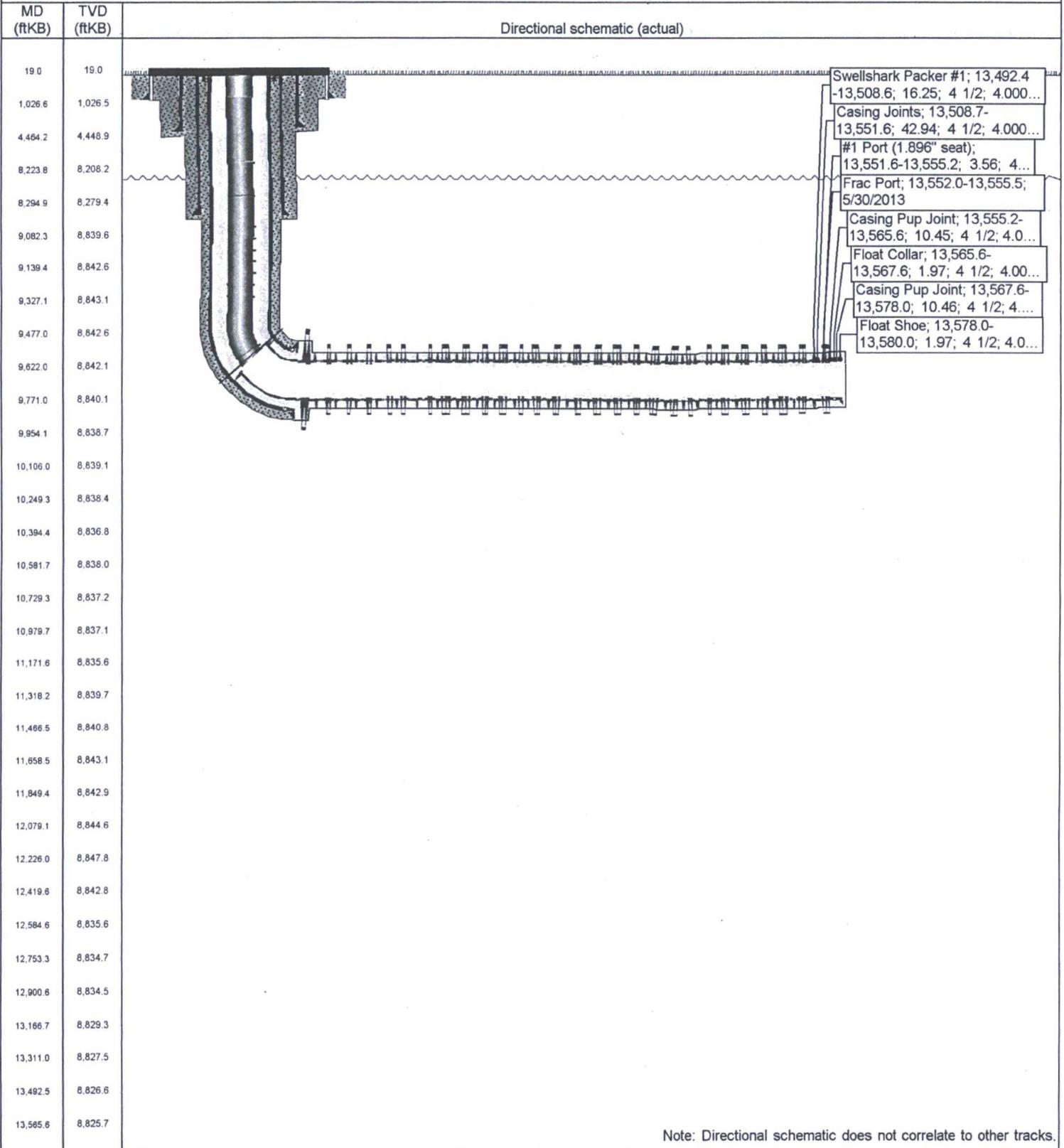
17.The MIT chart will be submitted to Regulatory for BLM submittal.

The current and proposed wellbore diagrams are attached.

A subsequent report with test results will be submitted as required following the TA completion.

| | | | | |
|------------------------------------|--|-------------------------------------|----------------------------|------------------------------------|
| District PERMIAN UNCONVENTIONAL | Field Name RED HILLS WEST | API / UWI 3002540901 | County LEA | State/Province NEW MEXICO |
| Original Spud Date 4/5/2013 | Surface Legal Location Section 17, Township 26S, Range 32E | East/West Distance (ft) 2,604.00 | East/West Reference FEL | North/South Distance (ft) 28.00 |
| North/South Reference FSL | | | | |

HORIZONTAL - Original Hole, 11/29/2016 9:03:59 AM



Note: Directional schematic does not correlate to other tracks.

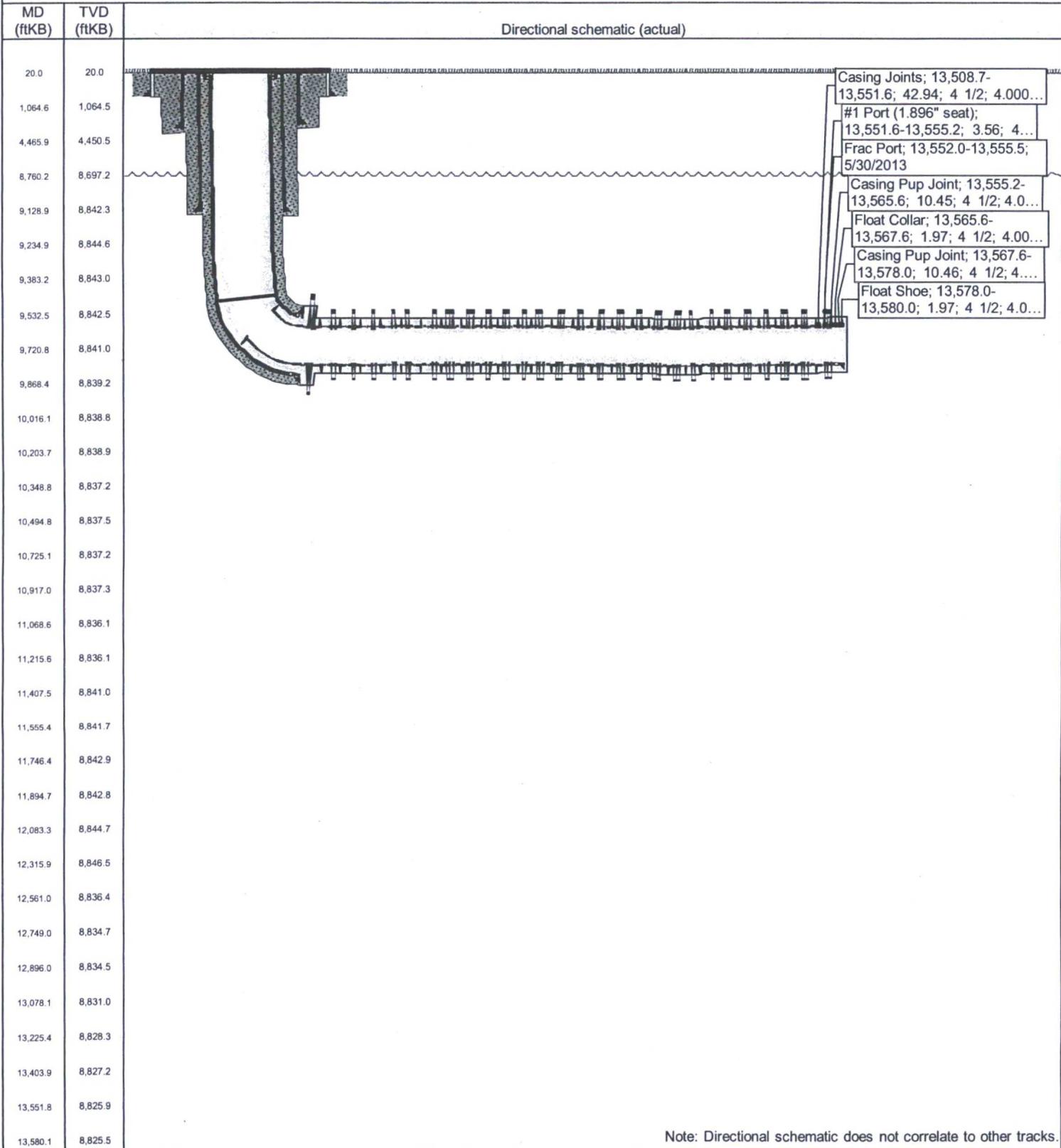


Schematic - Proposed

BUCK FEDERAL 17 6H

| | | | | |
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HORIZONTAL - Original Hole, 11/29/2016 10:00:35 AM



Note: Directional schematic does not correlate to other tracks.

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Approved for a period of 12 months ending 12/15/2017 subject to conditions of approval.

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Buck 17 Federal 6H

1. Well is approved to be TA/SI for a period of 12 months or until 12/15/2017
2. This will be the last TA approval for this well.
3. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 12/15/2017
4. COA's met at this time.