Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD
Hobbs

HOBBS OCD
AUG 23 2017
RECEIVED

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMLC069515

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
WAR HAMMER 25 FEDERAL COM W2 002H

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

9. API Well No.
30-025-42028

3a. Address
P. O. BOX 51810
MIDLAND, TX 79710

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

10. Field and Pool or Exploratory Area
WC-025 G-09 S263225A;WOLF

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 25 T26S R32E Mer NMP NENE 283FNL 125FEL

11. County or Parish, State
LEA COUNTY, NM

12. CHECK THE 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	☐ Hydraulic Fracturing	☐ 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 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 COMPANY FIRST DELIVERED THIS WELL 7/19/2017

attachment - pages 3+4

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

Electronic Submission #382689 verified by the BLM Well Information System
For CONOCOPHILLIPS COMPANY, sent to the Hobbs
Committed to AFMSS for processing by JENNIFER SANCHEZ on 08/08/2017 ()

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

Signature (Electronic Submission) — Date 07/26/2017

ACCEPTED FOR RECORD
AUG 11 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Warren Hammer 25 Federal Com W1 003H

API 30-025-42027

3/13/17 Stage 1 perfd 18746'-18855', pump 3000 gals 15% HCL. Frac w/434940# 100 mesh sand.
3/14/17 Stage 2 perfd 18569'-18388', pump 1875 gals 15% HCL. Frac w/543340# 100 mesh sand.
3/15/17 Stage 3 perfd 18369'-18188', pump 1828 gals 15% HCL. Frac w/5457460# 100 mesh sand.
3/16/17 Stage 4 perfd 18169'-17988', pump 1875 gals 15% HCL. Frac w/550500# 100 mesh sand.
Stage 5 perfd 17969'-17788', pump 1875 gals 15% HCL. Frac w/550500# 100 mesh sand.
3/17/17 Stage 6 perfd 17769'-17588', pump 1844 gals 15% HCL. Frac w/550406# 100 mesh sand.
3/18/17 Stage 7 perfd 17569'-17388', pump 1875 gals 15% HCL. Frac w/293472# 100 mesh sand.
3/19/17 Stage 8 perfd 17369'-17188', pump 1875 gals 15% HCL. Frac w/550250# 100 mesh sand.
Stage 9 perfd 17169'-16988', pump 1844 gals 15% HCL. Frac w/550250# 100 mesh sand.
3/20/17 Stage 10 perfd 16969'-16788', pump 1875 gals 15% HCL. Frac w/5505660# 100 mesh sand.
Stage 11 perfd 16796'-16588', pump 1875 gals 15% HCL. Frac w/550250# 100 mesh sand.
3/21/17 Stage 12 perfd 16569'-16388', pump 1875 gals 15% HCL. Frac w/553720# 100 mesh sand.
3/22/17 Stage 13 perfd 16396'-16188', pump 1875 gals 15% HCL. Frac w/551920# 100 mesh sand.
3/23/17 Stage 14 perfd 15969'-15788', pump 1920 gals 15% HCL. Frac w/552160# 100 mesh sand.
3/24/17 Stage 15 perfd 15969'-15788', pump 1899 gals 15% HCL. Frac w/550520# 100 mesh sand.
3/25/17 Stage 16 perfd 15769'-15588', pump 1875 gals 15% HCL. Frac w/549200# 100 mesh sand.
3/26/17 Stage 17 perfd 15569'-15388', pump 1875 gals 15% HCL. Frac w/549560# 100 mesh sand.
Stage 18 perfd 15369'-15188', pump 1875 gals 15% HCL. Frac w/558980# 100 mesh sand.
3/27/17 Stage 19 perfd 15167'-14987', pump 1875 gals 15% HCL. Frac w/551980# 100 mesh sand.
Stage 20 perfd 14969'-14868', pump 1920 gals 15% HCL. Frac w/548440# 100 mesh sand.
3/28/17 Stage 21 perfd 14769'-14588', pump 1875 gals 15% HCL. Frac w/346460# 100 mesh sand.
3/29/17 Stage 22 perfd 14569'-14388', pump 1875 gals 15% HCL. Frac w/548760# 100 mesh sand.
Stage 23 perfd 14271'-14099', pump 1100 gals 15% HCL. Frac w/549640# 100 mesh sand.
5/30/17 Stage 24 perfd 14080'-13910', pump 1800 gals 15% HCL. Frac w/552840# 100 mesh sand.
Stage 25 perfd 13891'-13719', pump 1875 gals 15% HCL. Frac w/565340# 100 mesh sand.
5/31/17 Stage 26 perfd 13701'-13529', pump 1875 gals 15% HCL. Frac w/560120# 100 mesh sand.
6/1/17 Stage 27 perfd 13511'-13339', pump 3780 gals 15% HCL. Frac w/558720# 100 mesh sand.
6/2/17 Stage 28 perfd 13320'-13148', pump 1680 gals 15% HCL. Frac w/554280# 100 mesh sand.
Stage 29 perfd 13130'-12958', pump 1875 gals 15% HCL. Frac w/540560# 100 mesh sand.
6/3/17 Stage 30 perfd 13940'-12968', pump 1875 gals 15% HCL. Frac w/551980# 100 mesh sand.
Stage 31 perfd 12750'-12578', pump 1875 gals 15% HCL. Frac w/562180# 100 mesh sand.
6/3/17 Stage 32 perfd 12560'-12388', pump 1875 gals 15% HCL. Frac w/560340# 100 mesh sand.
6/22-23/17 DO plugs.
6/28/17 hand over to production.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original to Appropriate District Office

GAS CAPTURE PLAN

Date: 06/29/17

☒ Original
☐ Amended - Reason for Amendment: _____

Operator & OGRID No.: ConocoPhillips Company & 217817

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.
Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location	Footages	Expected MCF/D	Flared or Vented	Comments
War Hammer 25 Federal COM 25 W1 3H 1H	30-025-42027	A-25-26S-32E	316 FNL & 125 FEL	0	0	
War Hammer 25 Federal COM 25 W2 2H	30-025-42028	A-25-26S-32E	283 FNL & 125 FEL	0	0	
War Hammer 25 Federal COM 25 W3 1H	30-025-42029	A-25-26S-32E	250 FNL & 125 FEL	0	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Delaware Basin Midstream and will be connected to Delaware Basin Midstream low/high pressure gathering system located in Lea County, New Mexico. It will require 31,830'-of pipeline to connect the facility to the War Hammer Slug Catcher Facility in Section 20, T26S, R32E, NMPM, Lea County, NM. From the War Hammer Slug Catcher Facility, the gas pipeline connects to **Delaware Basin Midstream** pipeline. ConocoPhillips Company provides (periodically) to Western Midstream a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, ConocoPhillips and Western Midstream have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Ramsey Processing Plant located in Block 58, TWP 1, T&P RR in Reeves County, Texas. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Western Midstream system at that time. Based on current information, it is ConocoPhillips's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease

- Gas flared would be minimal, but might be uneconomical to operate when gas volume declines

- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines