

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
ConocoPhillips Company3a. Address
P. O. Box 51810, Midland, TX 79710-18103b. Phone No. (include area code)
(432) 688-6884

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 660' FWL Sec 24, T20S, R37E, Unit Letter M

5. Lease Serial No.

LC 031620(A)

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

SEMU #158

9. API Well No.

30-025-35539

10. Field and Pool, or Exploratory Area
North Hardy Tubbs-Drinkard

11. County or Parish, State

Lea, 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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <i>DHC Adding</i>
	<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 respectfully requests approval to *downhole commingling* the Tubbs and Drinkard zones in this wellbore per the attached proposal. North Hardy Tubbs-Drinkard (Order No. R-10327) is a pre-approved field for downhole commingling. The Drinkard zone is perfed at 6780' - 6868' and the Tubbs zone is perfed at 6458' - 6486'. Commingling will not reduce the value of the total remaining production. The interests are identical for the Tubbs and Drinkard pools. Allocation is not applicable for this field but if allocation percentages are required, ConocoPhillips proposes to 1) obtain a new well test for the Tubbs, 2) remove the bridge plug to produce the Tubbs and Drinkard together, 3) obtain a well test on the combined Tubbs and Drinkard, then 4) use the subtraction method to allocate production between the Tubbs and Drinkard.

Form C-103 is being submitted to the New Mexico Oil Conservation Division for state approval.

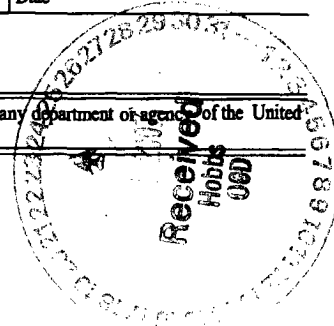
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Celeste Dale		Title Regulatory Specialist	APPROVED MAR 20 2007 LES BABYAK PETROLEUM ENGINEER
Signature <i>Celeste A. Dale</i>		Date 03/14/07	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Chris Williams</i>	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)

SUBJECT TO LIKE
APPROVAL BY STATE

Production Job Proposal

ConocoPhillips

SEMU 138

API / UWI 300253553900	North/South Distance (ft) 660.00	North/South Reference S	East/West Distance (ft) 660.00	East/West Reference W
Ground Elevation (ft) 3,525.00	KB-Ground Distance (ft) 11.00	County LEA	Lease SEMU	

Production Tests							
Date	Tested By	Pressure (psi)	Rate (bbl/day)	Rate (water/day)	Gas Rate (mcf/day)	Test (bbl)	

General Notes							
Date	Comments						

Tasks							
Report	Name Assigned	Date Assigned	Type	Action Details			

REPAIR DOWNHOLE FAILURE - Actual Start Date?							
Primary Job Type REPAIR DOWNHOLE FAILURE				Secondary Job Type		AFE / RFE 3833889	Total AFE Amount

Objective							
PREPULL OBJECTIVE							

DEADMAN ANCHORS (test charts in attachments) LAST TESTED: 03/17/06
 NORMAL PRODUCTION: BOPD 3.00 BWPD 4.00 MCFPD 9.00
 LOE/BOE \$5.02 OIL PRICE \$55.39 GAS PRICE \$7.29

SCHEDULED NEW-TEST DATE:

WELL BORE: THIS WELL HAS NEVER BEEN PULLED SINCE COMPLETION IN 01/2002. THERE IS A RBP ISOLATING THE DRINKARD PERFS FROM THE TUBB PERFORATIONS. IF THE REQUEST TO COMMINGLE AND PRODUCE THE TWO ZONES IS GRANTED, WE MAY RECEIVE A UPLIFT IN OIL AND GAS PRODUCTION. IF SUBSTANTIAL SCALE, IRON AND PARAFFIN ARE FOUND NOTE SEVERITY AND LOCATION, OBTAIN SAMPLES, NOTOFY CTI. DO WELLBORE CLEAN UP. IF SCALE IS FOUND, PUMP FLUID LEVEL DOWN AND FOLLOW UP WITH SCALE SQUEEZE. IF PARAFFIN IS FOUND, TREAT WITH ZYLENE AND ACID.

WELL SERVICE: POOH WITH RODS AND PUMP, INSTALL 7 JTS OF 2.875 TAG TUBING AND TFF. NOTIFY PROJECT LEAD IF FILL IS FOUND AND PROCEED WITH HIS RECOMMENDATION., POOH WITH TUBING AND PROCEED WITH CLEANOUT OF FILL OR IF NO FILL IS FOUND GBIH AND RETRIEVE RBP

PUMP: TEAR DOWN PUMP, IF FOREIGN MATERIAL IS PRESENT IN OR ON PUMP, OBTAIN SAMPLE AND CALL CTI. Downsize pump from 1.750 to 1.250"

TUBING: SCAN O LOG TUBING OUT OF THE HOLE .ADD MORE TUBING FOR NEW S.N. DEPTH OF 6908'. LAND TUBING ANCHOR DEPTH @ 6400'

RODS: VISUALLY INSPECT RODS AND BOXES FOR WEAR AND PITTING. GBIH WITH NEW RODSTAR DESIGN OF RODS, PUMP, AND K-BARS. Norris-97 rods will replace the d-rods that is in the hole .

SURFACE EQUIP: keep existing design

