Form 3160-5 (April2004)

UNITEDSTATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CD-F	OBBS	OM B N	PPROVED b. 1004-0137 March 31, 20	(
	5 Lease Serial No.			

-	· • · · · · · · · · · · · · · · · · · ·		3. Lease Serial 110.
SUNDRY NOTICES AND REPORTS ON WELLS			LC-031670B
Do not use th	is form for proposals to drill or ell. Use Form 3160-3 (APD) for s	to re-enter an	6. If Indian, Allottee or Tribe Name
	PLICATE - Other instructions	CE WEU	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well X Oil Well	Gas Well Other	1AY 2 2 2008	8. Well Name and No.
2. Name of Operator		Warren Unit #323	
ConocoPhillips Company			9. API Well No. 30-025-38512 /
3a. Address 3300 N. "A" Street, Bldg.	A	10. Field and Pool, or Exploratory Area Warren;Drinkard/Warren;Blinebry-Tubb (
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. County or Parish, State
1310 FNL-& 1310 FWL Sec. 28, T-20-S, R-38-E	6105 & 1820E	•	Lea New Mexico
	PPROPRIATE BOX(ES)TO INDICATE	E NATURE OF NOTICE, R	EPORT, OR OTHER DATA
TYPEOF SUBMISSION	·	TYPEOF ACTION	
X Notice of Intent	Acidize Deepen AlterCasing Fracture		art/Resume) Water Shut-Off Well Integrity X OtherRenew APD
Subsequent Report		nstruction Recomplete Abandon Temporarily Al	
Final Abandonment Notice	Convert to Injection PlugBack		
determined that the site is ready Ref. Bond #ES0085	y for final inspection.)	· .	mation, have been completed, and the operator has
Request 1-yr. renewal (e	extension) to existing permit to dr	ili well.	
The reference location was permit be renewed for as		ect to expire 04/30/08.	ConocoPhillips wishes to request this
SEE ATTACHED I		APPRI ENDIN	OVED FOR 12 MONTH PERIOD NG 4-30-09
14. Thereby certify that the forest Name (Printed/Typed) Celeste G. Dale	going is true and correct	 Title Regulatory Spe	ocialist
Signature /////	h A Muli	Date 04/25/2008	·
<u> </u>	THIS SPACE FOR FEDERAL	OR STATE OFFICE	USE
Approved by /s/Dore	othy M. Morgan	Title	Date 5/19/08
certify that the applicant holds legal	attached. Approval of this notice does not want of or equitable title to those rights in the subject	rant or lease Office CARLS	SBAD 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.

which would entitle the applicant to conduct operations thereon.

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: | ConocoPhillips Company

LEASE NO.: | NMLC031670B

WELL NAME & NO.: | Warren Unit #322

SURFACE HOLE FOOTAGE: | 1310' FNL & 1310' FWL

LOCATION: | Section 28, T20S., R38E., NMPM

COUNTY: | Lea County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of **4 hours** in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOP/BOPE tests

Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 1. A Hydrogen Sulfide (H2S) Drilling Plan should be activated 500 feet prior to drilling into the Grayburg Formation. If Hydrogen Sulfide is encountered, please report measured amounts and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Note: All casing shall meet or exceed API standards for new casing. Onshore Order #2. III. B. 1. a

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

All casing strings will be tested as per Onshore Order 2.III.B.1.h prior to drilling shoe plug.

Possible lost circulation in the Glorieta Formation.

- 1. The <u>8-5/8 inch</u> surface casing shall be set at approximately 1450 1500 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is penetrated surface casing shall be set 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the <u>5-1/2 inch</u> production casing is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

3. If a Two-Stage cementing option is used the minimum required fill of cement behind the 5-1/2 inch production casing is:

a. First stage to DV tool, cement shall:

Cement to circulate. If cement does not circulate, contact the appropriate BLM office, before proceeding with second stage cement job.

b. Second stage above DV tool, cement shall:

- Cement to circulate. If cement does not circulate, contact the appropriate BLM office and a Temperature Survey or Cement Bond Log will be required prior to any remedial work being done.
- 4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi.
- 3. The appropriate BLM office shall be notified a minimum of **4 hours** in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

JDW 5/12/08