

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CARLSBAD

FORM APPROVED
DATE 04-01-07
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 3b. Phone No. (include area code)
3300 N. "A" Street, Bldg. 6 Midland TX 79705-5406 (432)688-68844. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1310' FNL & 1310' FWL 610S & 1820E
Sec. 28, T-20-S, R-38-E
21

5. Lease Serial No

LC-031670B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Warren Unit #323

9. API Well No.

30-025-38512

10. Field and Pool, or Exploratory Area

Warren; Drinkard/Warren; Blinbry-Tubb C

11. County or Parish, State

Lea
New Mexico

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 Renew APD
	<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, Form 3160-3 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.)

Ref. Bond #ES0085

Request 1-yr. renewal (extension) to existing permit to drill well.

The reference location was approved 04/30/07 and subject to expire 04/30/08. ConocoPhillips wishes to request this permit be renewed for an additional year.

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVED FOR 12 MONTH PERIOD
ENDING 4-30-09ACCEPTING FOR RECORD ONLY -- OCD
still requires form C-144 per OCD Rule 19.15.1714. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Celeste G. Dale

Title Regulatory Specialist

Signature

Date 04/25/2008

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

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.

(Instructions on page 2)

778

Well Name and No.: 323- Warren Unit

Please review and provide comments if appropriate. Signature signifies concurrence with the conditions of approval attached to the APD when it was originally approved.

Date _____

Petroleum Engineer

2. LINDA

APD APPROVED: 4-30-07

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CARLSBAD

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Serial No.

LC-031670B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Warren Unit #323

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30-025-38512

10. Field and Pool, or Exploratory Area

Warren; Drinkard/Warren; Blinberry-Tubb C

11. County or Parish, State

Lea
New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

ConocoPhillips Company

3a. Address

3b. Phone No. (include area code)

3300 N. "A" Street, Bldg. 6 Midland TX 79705-5406 (432)688-6884

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

1310' FNL & 1310' FWL
Sec. 28, T-20-S, R-38-E

6105 & 1820 E

21

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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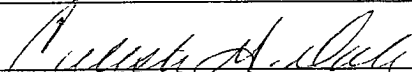
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Ref. Bond #ES0085

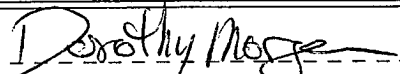
Request 1-yr. renewal (extension) to existing permit to drill well.

The reference location was approved 04/30/07 and subject to expire 04/30/08. ConocoPhillips wishes to request this permit be renewed for an additional year.

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVED FOR 12 MONTH PERIOD
ENDING 4-30-09

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Celeste G. Dale	Title Regulatory Specialist
Signature 	Date 04/25/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title AFM	Date 5/19/08
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 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.

(Instructions on page 2)

**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 **8-5/8 inch** 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 **5-1/2 inch** 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