reci	eived
------	-------

HOBBSQ	OUGUNITED STATE ARTMENT OF THE I	AGEMENT	Expires: July 31, 2010 5. Lease Serial No. LC 031695B
Do not use this fo	OTICES AND REPO orm for proposals to Use Form 3160-3 (A	ORTS ON WELLS o drill or to re-enter an PD) for such proposals.	6. If Indian, Allottee or Tribe Name
SUBMIT	IN TRIPLICATE – Other	instructions on page 2.	7. If Unit of CA/Agreement, Name and/or No. Warren Unit
1. Type of Well	Vell 🔀 Other	Enjection	8. Well Name and No. Warren Unit #22
2. Name of Operator ConocoPhillips Company	<u></u>		9. API Well No. 30-025-07854
3a. Address P.O. Box 51810 Midland, Texas 79710-1810		3b. Phone No. (include area code)432-688-6913	10. Field and Pool or Exploratory Area Warren McKee
4. Location of Well <i>(Footage, Sec., T.,</i>) 2090' FSL & 2090' FWL, Sec 29, T20S, R38E	R., M., or Survey Description,		11. Country or Parish, State Lea County, NM
12. CHEC	K THE APPROPRIATE BC	DX(ES) TO INDICATE NATURE OF NOTI	CE, REPORT OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACT	10N
✓ Notice of Intent	Acidıze	Fracture Treat	amation (Start/Resume) Water Shut-Off Well Integrity
Subsequent Report	Casing Repair		porarily Abandon
Final Abandonment Notice	Convert to Injection		er Disposal
the proposal is to deepen direction Attach the Bond under which the v	ally or recomplete horizontal work will be performed or pr	ovide the Bond No. on file with BLM/BIA.	tte of any proposed work and approximate duration thereof. If nd true vertical depths of all pertinent markers and zones. Required subsequent reports must be filed within 30 days pletion in a new interval, a Form 3160-4 must be filed once greclamation, have been completed and the operator has

determined that the site is ready for final inspection.)

ConocoPhillips respectfully submits the attached procedure to attempt a recompletion into the Drinkard and Tubb Formations from 6503-6932'

Recomplete well By 10/1/09

AFTER RECOMPLETION AND TESTING PLEASE SUBMIT 3160-4 COMPLETION REPORT FOR THE <u>Production</u> INTERVAL(S) WITHIN 30 DAYS

14. I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) Justin C. Firkins	Title Regulatory Specialist
Signature Auto ful	Date 01/21/2009
THIS SPACE FOR FE	DERAL OR STATE OFFICE USE
Approved by /s/ JD Whitlock Jr	THE LPET Date 2/2/09
Conditions of approval, if any, are attached Approval of this notice does not warrant that the applicant holds legal or equitable title to those rights in the subject lease whic entitle the applicant to conduct operations thereon.	ch would Office (1 C
Title 18 U.S.C Section 1001 and Title 43 U S C Section 1212, make it a crime for a fictitious or fraudulent statements or representations as to any matter within its jurisd	any person knowingly and willfully to make to any department or agency of the United States any f diction.

Warren Unit McKee #22 Recomplete to Tubb/Drinkard Zones

ĩ

ų,

AFE Number:	WA5.CNM
API Number:	30-025-07854
Field:	Warren-McKee
Location:	2090' FSL & 2090' FWL, Sec. 29, T-20-S, R-38-E, Lea County, NM
Depths:	TD = 9,207' PBTD = 7,565'
Elevation:	GR = 3,519' KB = 3,532'

Casing Data:

Existing & Proposed Casing, Tubing and Packer Information

	OD (in)	Depth (ft)	ID/Drift (inches)	Weight (#/ft)	Grade	Burst	Burst w/ 1.15 D.F.	Collapse (psi)	Collapse w/ 1.05 D.F.	Volume (Bbls/Ft)
Int. Csg.	75/8"	3998'	7.025/6.900	24#	H-40	2750	2391	2040	1943	.0479
Prod. Csg	5½	9206'	4.892/4.767"	17#	J-55	5320	4626	4910	4676	.0232
Prod. Tbg	21/8"	5570'±	2.441/2.347	6.5#	J-55	7260	6313	7680	7314	.00579

Top of Cement: 5450' (Temperature Survey)

Casing Fluid: 2% KCI (0.438 psi/ft)

Proposed Cased Hole Perforations

Formation	Perforations (MD)	Frac Grad	Perf Feet	SPF	Phase	Zero Hole	Holes	Anticipated Reservoir Pressure	Reservoir Temp
Tubb 🔽	6503-6508'	.75	5	4	60°	No	20	3024	106°
ť	6607-6611'	.75	4	4	60°	No	16	3072	106°
Drinkard r	6794-6800'	.8	6	4	60°	No	24	3159	110°
	6868-6878'	.8	10	4	60°	No	40	3194	110°
t	6925-6932'	.8	7	4	60°	No	28	3220	110°

Correlation Log: Welex Jet Services Radioactivity log dated 9/10/57 Gun Type: 31/3" High Shot Density, 34JL Ultrajet, HMX 22.7g, (API 19B: Pen – 28.94", EHD - 0.37")

Prepared by: David McPherson: Contract Production Engineer, Panhandle/Permian Group Mobile: 1(903) 316-4272 Home: 1(903) 894-3547

GENERAL NOTES

1

- 1. No project or task is to be performed unless it can be done safely and without harm to the environment. All work must comply with all State and Federal regulations and with COPC Safety and Environmental Policies.
- 2. Conduct daily safety meetings and review all procedures with all contractors prior to performing the operation.
- 3. Report all activity on the <u>WellView</u> Daily Completion Work-Over Report.
- 4. Insure contractors are familiar with and comply with all relevant COPC safety/environmental policies.
- 5. Spills are to be prevented. Utilize a vacuum truck as necessary.

6. All references to 2% KCI water is powdered 2% KCI.

- 7. Throughout the entire completion process, any fluids from the well-bore that are displaced or produced must be sent through the flow-back equipment so that the fluids can be properly disposed.
- 8. Verify that all pressured lines and fittings meet or exceed the MPSP (Maximum Predicted Surface Pressure) for the treatment lines of **5500** psi for the pressure test during stimulation operations. Maximum treatment pressure during the frac jobs will be **5500** psi. MPSP from the zone should not be greater than 2000 psi before & after stimulation operations of the Tubb/Drinkard zones.
- 9. Well control for this well will be Class 2, Category 1 before and after stimulation. Expected Shut in Casing Pressures (SICP) before & after stimulation should not exceed 600 psi.

Mid-Continent / Permian / Hobbs East Contact List:

Reservoir Engineer:	D. Pecore	832-486-2145
Geologist:	G. Borges	832-486-2606
Production Engineer:	J. Lowder	432-368-1609
Facilities Engineer Tech:	L. Johansen	432-368-1223
Operations Supervisor:	J. Coy	575-391-3127
Projects Planner:	D. Garrett	432-368-1410
Production Foreman:	V. Mackey	575-391-3129

7

Recommended Procedure

ì

- 1. MIRU well service unit. ND wellhead and NU BOPs and test. Load casing with 9 ppg brine, test to 700 psi, and hold for 30 minutes. Haul in 2%, 6.5# production tubing for use as a workstring.
- 2. PU and RIH with 4³/₄" bit on 2⁷/₆", 6.5# production tubing as workstring to 7565'±, circulating well clean with 2% KCL water. POOH with 2⁷/₆" workstring and bit. Lay down drill bit.
- MIRU Schlumberger wireline. RU 1000 psi lubricator. Run GR-CCL log from 7565'± to 3500'±. Correlate to Jet Services Radioactivity log dated 9/10/57. Perforate the Drinkard from 6794-6800', with 4 SPF, 60° phasing (24 holes), 6868-6878' (40 holes), and 6925-6932' (28 holes) with 4 SPF, 60° phasing using 3^{*}/₈" High Shot Density, 34JL Ultrajet, HMX 22.7g, (API 19B: Pen 28.94", EHD 0.37").
- 4. RDMO wireline and lubricator.
- 5. PU 3½" workstring and RIH with 5½" packer. Test 3½" workstring to 8,000 psi while RIH. Set packer at 6750'±.
- 6. Spot three 500 bbl clean, lined frac tanks and fill frac tanks with 2% KCl. Add biocide to the first load of each tank. Design = 1238 bbls total. At 20,000 gallons of useable fluid per tank, that would be 3 tanks; the excess will be 190 bbls.
- 7. MIRU Schlumberger pumping services fracturing equipment. RU and test all lines to 7,500 psi and monitor for 5 min. Make sure the pressure does not decrease more that 300 psi over the 5 min. Pressure up casing / tubing annulus to 300 psi and monitor during job.
- 8. Perform acid ballout with 1500 gals 15% HCl acid @ 6 bpm with 115± 1.1 SG bio balls as per attached procedure. Surge the well 2-3 times to dislodge balls. Shut down for 30 minutes to allow balls to fall.

Note: It is a ConocoPhillips policy to have shower facilities on location when using acid.

- Fracture treat the Drinkard with 33,000 gal of YF125ST containing 60,000 lbs of 20/40 resin coated sand as per attached treating schedule. Set treating line pop off at 7000 psi. Set pump trips at 6500 psi. Set annulus pop off at 700 psi. Frac at 30± BPM with maximum wellhead treating pressure of 5500 psi.
- 10. Obtain ISIP and 5 minute, 10 minute, and 15 minute shut-in pressures. Close Hydraulic Master Valve. RD Schlumberger Iron.
- 11. Unseat packer and reverse out any excess sand from tubing if flush volume not achieved. POOH with 5½" packer and 3½" workstring. Stand back 3½" workstring.
- MIRU Schlumberger wireline. RU 1000 psi lubricator. TIH and set composite plug @ 6700'±. Perforate the Tubb from 6503-6508', with 4 SPF, 60° phasing (20 holes), and 6607-6611' with 4 SPF, 60° phasing (24 holes), using 3%" High Shot Density, 34JL Ultrajet, HMX 22.7g, (API 19B: Pen – 28.94", EHD - 0.37").
- 13. RDMO wireline and lubricator.

1

- 14. PU 3¹/₂" workstring and RIH with 5¹/₂" packer. Test 3¹/₂" workstring to 8,000 psi while RIH. Set packer at 6450'±.
- 15. Fill three 500 bbl clean, lined frac tanks and fill frac tanks with 2% KCI. Add biocide to the first load of each tank. Design = 1142 bbls total. At 20,000 gallons of useable fluid per tank, that would be 3 tanks; the excess will be 285 bbls.
- 16. MIRU Schlumberger pumping services fracturing equipment. RU and test all lines to 7,500 psi and monitor for 5 min. Make sure the pressure does not decrease more that 300 psi over the 5 min. Pressure up casing / tubing annulus to 300 psi and monitor during job.
- 17. Perform acid ballout with 1000 gals 15% HCl acid @ 6 bpm with 120± 1.1 SG bio balls as per attached procedure. Surge the well 2-3 times to dislodge balls. Shut down for 30 minutes to allow balls to fall.

Note: It is a ConocoPhillips policy to have shower facilities on location when using acid.

- 18. Fracture treat the Tubb with 28,700 gal of YF125ST containing 50000 lbs of 20/40 resin coated sand as per attached treating schedule. Set treating line pop off at 7000 psi. Set pump trips at 6500 psi. Set annulus pop off at 700 psi. Frac at 30± BPM with maximum wellhead treating pressure of 5500 psi.
- 19. Obtain ISIP and 5 minute, 10 minute, and 15 minute shut-in pressures. Close Hydraulic Master Valve. RD Schlumberger Iron.
- 20. Unseat packer and reverse out any excess sand from tubing if flush volume not achieved. POOH with 5½" packer and 3½" workstring. Lay down 3½" workstring.
- 21. TIH with 4¾" bit on 2½" workstring to 6700'±. Drill out composite plug. Continue GIH to 7565'±. Circulate out any excess sand from frac job. When wellbore is clean, POOH with 2¹/₈" workstring.
- 22. RIH with the 2⁷/₈" production tubing (per tubing design in WellView). Place the EOT at 6963'± with the tubing anchor at 5834'±. Maintain a dynamic fluid column (DFC) while running tubing. (Trickle some 2% KCI water down the tubing head valve.)
- 23. ND BOPs and NU wellhead. RIH with pump and rods (per rod design in WellView). Space and hang well on. Load tubing and check pump action.
- 24. RDMO well service rig. Release any ancillary equipment. Clean up location.
- 25. Turn well over to Operations. Place well on production. Report well tests on morning report. Place stabilized well test in FieldView. Contact chemical representative to place well on corrosion inhibition and scale squeeze program if needed. Submit change of status report.

			10¾" @ 256' cmt w/ 250 sxs		WARRE		Г МсК	EE #22	
					CURREN		BORE D	IAGRAM	
				API #:	30-025-0785			<u></u>	
				FIELD:	Warren McK				
				CO ST:	Lea, NM			: Hobbs Ea	
				SECTION:		NSHIP:		RANGE:	38E
					2090' FSL &			0.10/57	
				DATES:	SPUD: 7/12/			: 9/3/57 10/17/01	
95		10			LATEST RIG			/08 by D. M	cPherson
			TOC @ 1375' (Temp Survey)		DIAGINAIII IN		12/10/		
81					<u> </u>		CA	SING	TUBING
					Hole				
					Size Pipe	13¾"	97/8"	6¾"	
					Size	10¾"	7%"	51⁄2"	27⁄8"
					Maigh	20 75#	24#	17#	6.5#
					vveign	t 32.75#	24#	1/#	0.5#
					Grade	H-40	H-40	J-55	J-55
					Thread	8rd	8rd	8rd	
					Depth	256'	3998'	9206'	6963'±
					ELEV/	TION:	GR - 3	519', KB 3532	1
			7%" @ 3998' cmt w/ 700 sxs			CONNECT		,	
			TAC @ 6453'±						
14 -									
			PERFS: 6503-6508', 6607-6611'						
			PERFS: 6794-6800', 6868-6878', 6	925-6932'					
			35' cmt on top CIBP @ 7600' (10/17/01)		<u> </u>				
	3		PERFS: 7646-70' (Strawn)						
			35' cmt on top CIBP @ 8890' (10/31/01)						
		li li	Locset plug @ 8904' (6/9/96)		1. Mcl		COMMEN 09 BO; 49	NTS 8,755 Mcf; 15	,154 BW
	/			20201 0024 24					
<u>I</u>			PERFS: 8954-60', 8963-73', 8985- 9038-48', 9052-79' (10/23/99) PERFS: 8965-66', 8976-77', 8998- 9049-50', 9071-72', 9108-09', 9123	99', 9025-26'; 9035-	36'				

J

		10¾" @ 256' cmt w/ 250 sxs		WAI	RREN	UNIT	McK	EE #22	2	
				CUE	RENT	WELLB	ORE DI	AGRAM	· · · · · · · · · · · · · · · · · · ·	
			API #:	30-025						
			FIELD:	Warren		;				
			CO ST:	Lea, N	M			: Hobbs		
			SECTION:	29	TOWN			RANG	E:	38E
			LOCATION:				<u>L</u>			
			DATES:	SPUD:				: 9/3/57		
	1.					NORKO		10/17/0		
81		TOC @ 1375' (Temp Survey)	l	DIAGR	AM RE	VISED:	9/23/0	8 by D. I	VICFILE	
81				l	<u> </u>		CA	SING		TUBING
01					Hole	1			<u> </u>	T
Ø					Size	13¾"	9 % "	6¾"		ļ
					Pipe Size	10¾"	7%"	51⁄2"		none
					Weight	32.75#	24#	17#		
Ø	N.							1.55		
8					Grade Thread	H-40 8rđ	H-40 8rd	J-55 8rd		+
8						1				
Ø					Depth	256'	3998'	9206'	<u> </u>	
					ELEVA	FION:	GR - 3	519', KB 3	532'	
	N	75%" @ 3998' cmt w/ 700 sxs			TREE C	ONNECT	ION:			
					Tubing	Descriptio	on	Length	From	То
	\$7/177/1779/1/1770/00/00/00/00/00/00/00/00/00/00/00/00/			None	Rod D	escription	n	Length	From	To
×.										
				Pump U	Init:	None				
		35' cmt on top CIBP @ 7600' (10/17/01)								
		PERFS: 7646-70' (Strawn)								
		35' cmt on top CIBP @ 8890' (10/31/01)					<u></u>			
		Locset plug @ 8904' (6/9/96)			1. McK		COMME 09 BO; 49	NTS 98,755 Mc	, 15,154	BW
		PERFS: 8954-60', 8963-73', 8985- 9038-48', 9052-79' (10/23/99) PERFS: 8965-66', 8976-77', 8998- 9049-50', 9071-72', 9108-09', 9123	99', 9025-26'; 9035	-36'						
2		51/2" @ 9206' cmt w/ 230 sxs								