

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

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.**

5. Lease Serial No.
LC 031695B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
ConocoPhillips Company

3a. Address
P.O. Box 51810
Midland, Texas 79710-1810

3b. Phone No. (include area code)
432-688-6913

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

8. Well Name and No.
Warren Unit #4

9. API Well No.
30-025-07850

10. Field and Pool or Exploratory Area
Warren McKee Simpson

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 660' FWL, Section 29, T20S, R38E

11. Country 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			
<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recompleate 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 respectfully submits the attached procedure for review and approval to attempt to recompleate the above referenced well to the Devonian Formation with perforation from 7862-7912.

Recomplete by 10/01/09

RECEIVED

MAR 04 2009

HOBBSOCD

AFTER RECOMPLETION AND TESTING
PLEASE SUBMIT 3160-4 COMPLETION
REPORT FOR THE Devonian
INTERVAL(S) WITHIN 30 DAYS

TA approved until after well is recompleated

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Justin C. Firkins

Title Regulatory Specialist

Signature

Date 01/29/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Ryan D. Hall

Title

Petroleum Engineer

Date

FEB 28 2009

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

CARLSEAD 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)

WARREN UNIT #004
WBS ELEMENT – WA5.CNM.
Well View Well Name – WARREN UNIT #004
Recompletion Procedure

December 16, 2008

Objective: Recomplete to the Devonian formation.

COPC WI: 37.5%	COPC NRI: 32.55%	County: Lea
Well Status: TA'd	Well Type: Oil Well	Team: Permian Oil
Area: Permian	Field: Warren	H ₂ S: Possible
Venting: Permit not required	Flaring: Permit not required	
Well Control: Class 2 Category 1 (post perforating & post stimulation)		

IMPORTANCE OF SAFETY

Safe operations are of utmost importance at all ConocoPhillips properties and facilities. To further this goal, the ConocoPhillips Supervisor at the location shall request tailgate safety meetings prior to initiation of work and also prior to any critical operations. All company, contract, and service personnel then present shall attend these tailgate safety meetings at the location. All parties shall review the proposed upcoming steps, procedures, and potentially hazardous situations. Occurrence of these meetings shall be recorded in the WellView daily report.

History / Justification

The purpose of the proposed project is to recomplete the Warren Unit #004, a temporarily abandoned well, to the Devonian formation. The subject well was originally drilled to 9230' in 1950 and completed in the McKee from 9046-9144'. Perfs were added from 9018-9034' in November 1981. The McKee produced 712,424 BO, 380,672 MCFG with 1,430,825 BW during its lifetime. The well was TA'd in June 2005 with an RBP set at 7681'.

An initial rate of 20 BOPD with 50 MCFD is projected based upon offset production in the SEMU #58, Warren Unit #7 and SEMU #10. Economics were performed using an exponential decline rate of 25% per year, a recompletion cost of \$395,000, a facilities cost of \$100,000, and an operating cost of \$7.35/BOE per year. ConocoPhillips owns a 37.5% WI and an NRI of 32.55% in the Devonian formation. This project yields an ATAX ROR of 25.2% with an NPV of \$41M at 13%.

Warren Unit #004
Recomplete to Devonian Zone

AFE Number: WA5.CNM._____

API Number: 30-025-07850

Field: Warren-McKee

Location: 1980' FSL & 660' FWL, Sec. 29, T-20-S, R-38-E, Lea County, NM

Depths: TD = 9,230' PBDT = 8,947'

Elevation: GR = 3,517' KB = 3,530'

Casing Data:

Existing & Proposed Casing, Tubing and Packer Information

	OD (in)	Depth (ft)	ID/Drift (inches)	Weight t	Grade	Burst	Burst w/ 1.15 D.F.	Collapse (psi)	Collapse w/ 1.05 D.F.	Volume (Bbls/Ft)
Int. Csg.	9 5/8"	2624'	8.835/8.679	36#/40	J-55/N-80	5750	5000	3090	2943	.0758
Prod. Csg	7"	1889'	6.276/6.151	26#	J-55	4980	4330	4320	4114	.0382
	7"	9225'	6.366/6.241	23#	N-80	6340	5513	3830	3648	.0393
Prod. Tbg	2 1/8"	5570'±	2.441/2.347	6.5#	L-80	10570	9191	11170	10638	.00579

Top of Cement: 7300' (Temperature Survey)

Casing Fluid: 2% KCl (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
Devonian	7862-7866'	.85	4	4	60°	No	16	3656	115°
	7880-7896'	.85	16	4	60°	No	64	3664	115°
	7908-7912'	.85	4	4	60°	No	16	3677	115°

Correlation Log: Schlumberger Compensated Neutron SGTE/CAL-R log dated 12/4/08
Gun Type: 3 3/8" 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. 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 WellView 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% KCl water is powdered 2% KCl.**
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 Devonian zone.
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

Recommended Procedure

1. MIRU workover unit. ND wellhead and NU BOP's and test.
2. PU and RIH with 6½" bit on 2⅞", 6.5# production tubing as workstring to RBP @ 8947'±, circulating well clean with 2% KCL water. POOH with 2⅞" workstring and bit. Lay down drill bit.
3. MIRU Schlumberger wireline. RU 1000 psi lubricator. Correlate to Schlumberger Compensated Neutron SGTE/CAL-R log dated 12/4/08. Dump bail 35' of cement on top of RBP @ 8947'. Perforate the Devonian from 7862-7866', 7880-7896', and 7908-7912' using 3⅜" High Shot Density, 34JL Ultrajet, HMX 22.7g, (API 19B: Pen - 28.94", EHD - 0.37") loaded 4 SPF with 60° phasing (96 holes),
4. RDMO wireline and lubricator.
5. PU 3½" workstring and RIH with 7⅝" packer. Test 3½" workstring to 8,000 psi while RIH. Set packer at 7800'±.
6. Spot 1 frac tank and fill with 2% KCL. MIRU Schlumberger pumping services equipment. RU and test all lines to 7,500 psi and monitor for 5 min. Make sure the pressure does not decrease more than 300 psi over the 5 min. Pressure up casing / tubing annulus to 300 psi and monitor during job.
7. Perform acid frac with 6000 gals of 20% gelled HCl acid and 10000 gals of SXE acid at 20-30 BPM with 116± 1.1 SG Bioballs as per schedule.. 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.

8. Obtain ISIP and 5 minute, 10 minute, and 15 minute shut-in pressures. Close Hydraulic Master Valve. RD Schlumberger Iron.
9. Unseat packer and reverse out any spent acid from tubing. Reset packer. RU swab unit and swab test the Abo. RD swab unit. Unseat packer and POOH with 5½" packer and 3½" workstring.

NOTE: Contact Jack Lowder with results of swab test before proceeding.

10. RIH with the 2⅞" production tubing (per tubing design in WellView). Place the EOT at 7943± with the tubing anchor at 7812'±. Maintain a dynamic fluid column (DFC) while running tubing. (Trickle some 2% KCl water down the tubing head valve.)
11. 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.
12. RDMO well service rig. Release any ancillary equipment. Clean up location.
13. 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.

WARREN UNIT #004

CURRENT WELLBORE DIAGRAM

API #: 30-025-07850
 FIELD: Warren
 CO ST: Lea, NM AREA: Hobbs East
 SECTION: 29 TOWNSHIP: 20S RANGE: 38E
 LOCATION: 1980' FSL & 660' FWL
 DATES: SPUD: 5/24/50 IC: 7/25/50
 LATEST RIG WORKOVER:
 DIAGRAM REVISED: 08/22/08 by D. McPherson

	CASING			TUBING
Hole Size	17½"	12¼"	8¾"	
Pipe Size	13¾"	9¾"	7"	2⅞"
Weight	36#	36# 40#	26# 23#	6.5#
Grade				J-55
Thread				8rd
Depth	254'	1523' 2624'	1889' 9225'	7943'±

ELEVATION: GR - 3518' ; KB 3531'
 TREE CONNECTION:

13¾" @ 254' cmt w/ 250 sxs

Cmt to surface

TOC @ 400' by Temp Survey

9¾" @ 2624' cmt w/ 1915 sxs

TOC @ 7300' by Temp Survey

TAC @ 7812'±

PERFS: 7862-7866', 7880-7896', 7908-7912'

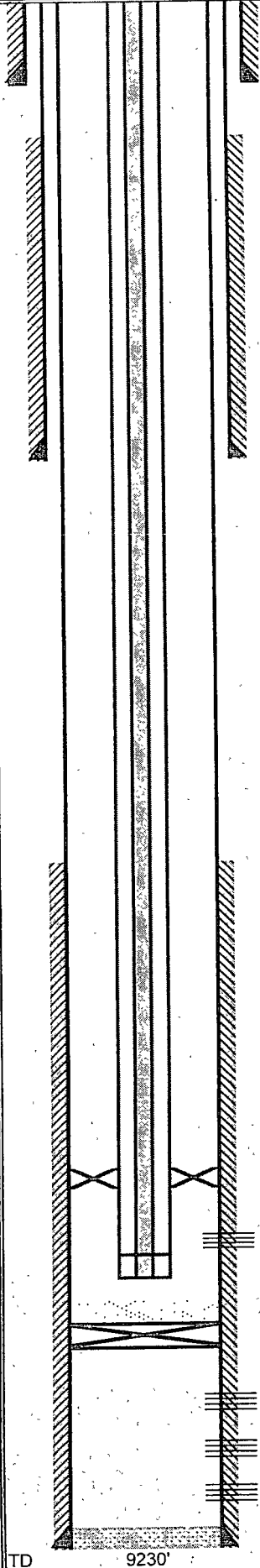
35' cement on top of RBP
 RBP @ 8947' 11/21/89

PERFS: 9018-9020', 9025-9029', 9032-9034' (11/25/81)

PERFS: 9046-9081'

PERFS: 9087-9144'

7" @ 9225' cmt w/ 286 sxs



COMMENTS