Form 3160-5
(August 2007)

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.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

5. Lease Serial No.
LC031695B 031670B

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other ✓

8. Well Name and No.
Warren Unit B/T WF #78 ✓

2 Name of Operator
ConocoPhillips Company ✓

9. API Well No.
30-025-26511 ✓

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
Blinebry/Tubb ✓

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
1980' FSL & 660' FEL, Section 20, T20S, R38E
UL-I ✓

11. Country or Parish, State
Lea, NM ✓

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☑ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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.)

S Kaggs

ConocoPhillips respectfully requests to modify a NOI that was approved 02/20/2009 to remove a RBP above the Drinkard perfs. COP wishes know to add perfs to the existing wellbore after the RBP is removed.

Please see the attached procedure and wellbore schematic for additional information. As part of the original approval and POD submission the work has to be completed by 10/01/2009.

RECEIVED
JUN 23 2009
HOBBSOCD

APPROVED
JUN 21 2009
JAMES A. AMOS
SUPERVISOR-EPS

Conditions of Approval: Approval to drill & test all new zones separate, but cannot produce Downhole commingle until DHC is approved in Hobbs District office according to R-11363

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

Title Regulatory Specialist

Signature Justin Firkins

Date 06/10/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER
Title

JUN 24 2009
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)

WARREN UNIT MCKEE #078
WBS ELEMENT – WA5.CNM.____
WellView Well Name – **WARREN UNIT #78**
Re-Activation Procedure

May 14, 2009

Objective: Add the Drinkard to the existing Blinebry Tubb perfs.

COPC WI: 37.5%	COPC NRI: 32.55%	
Well Status: TA'd	Well Type: Oil Well	County: Lea
Area: Permian	Field: Warren	Team: Permian Oil
Venting: Permit not required	Flaring: Permit not required	H_2S: Possible

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 add the Drinkard to the existing Blinebry Tubb perfs in the Warren Unit McKee #078. The subject well was originally drilled to 6850' in 1979 and completed in the Blinebry from 5870-6115' and the Tubb from 6518-6682'. The Blinebry and Tubb were comingled in 1994. The Drinkard was tested in 1987 and produced 5 BO, 50 Mcf and 51 BW. The zone was abandoned with a RBP.

Using an incremental rate of 5 BOPD with 50 MCFD is projected based upon the production test. Economics were performed using an exponential decline rate of 25% per year, a recompletion cost of $125,000, and an operating cost of $12.35/BOE per year. ConocoPhillips owns a 37.5% WI and an NRI of 32.55% in the Tubb formation. This project yields an ATAX ROR of 50.9% with an NPV of $29M at 13%.

AFE Number: WA5.CNM.____

API Number: 30-025-26511

Field: Warren Blinebry Tubb O&G / Skaggs Drinkard

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

Depths: TD = 6350' PBTD = 6729'

Elevation: GR = 3553' KB = 3564'

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.	9⅝"	1449'	8.921/8.765	36#	K-55	3520	**3061**	2020	**1924**	.0773
Prod. Csg	7"	6350'	6.176/6 151	26#	K-55	4980	**4330**	4320	**4114**	.0382
Prod. Tbg	2⅞"	6630'±	1.995/1.901	4.7#	J-55	7700	**6696**	8100	**7714**	00387

Top of Cement: surface Casing Fluid: 2% KCl (0.438 psi/ft)

Proposed Perforations

Formation	Perforations (MD)	Perf Feet	SPF	Phase	Zero Hole	Holes	Reservoir Temp
Blinebry	5735-5738'	3	2	90°	No	6	104°
Blinebry	5754-5757'	3	2	90°		6	104°
Blinebry	5759-5762'	3	2	90°		6	104°
Blinebry	5789-5793'	4	2	90°		8	104°
Blinebry	5794-5797'	3	2	90°		6	104°
Blinebry	5815-5818'	3	2	90°		6	104°
Blinebry	6160-6166'	6	2	90°		12	104°
Blinebry	6187-6192'	5	2	90°		10	104°
Blinebry	6203-6206'	3	2	90°		6	104°
Blinebry	6213-6216'	3	2	90°		6	104°
Blinebry	6242-6245'	3	2	90°		6	104°
Blinebry	6280-6282'	2	2	90°		4	104°
Blinebry	6304-6307'	3	2	90°		6	104°
Blinebry	6318-6321'	3	2	90°		6	104°
Tubb	6413-6417'	4	2	90°		8	104°
Tubb	6432-6436'	4	2	90°		8	104°
Tubb	6441-6444'	3	2	90°		6	104°
Tubb	6461-6464'	3	2	90°		6	104°
Drinkard	6796-6804'	8	2	90°		16	104°
Drinkard	6807-6809'	2	2	90°		4	104°
Drinkard	6811-6814'	3	2	90°		6	104°

Correlation Log: Wellex GR/Perforation record log run 12/11/79
Gun Type: 3⅛" 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 Tubb 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. POOH with rods & pump and lay down same. ND wellhead and NU BOP's and test. POOH with 2⅜" tubing.

2. RIH with 2⅜", 4.7# production tubing as workstring to 6729'±, circulating well clean with 2% KCL water. Latch onto RBP and POOH with 2⅜" workstring. Lay down RBP.

3. MIRU Schlumberger wireline. RU 1000 psi lubricator. Run GR-CCL log from 6830'± to 3500'±. Correlate to Wellex GR/Perforation record log run 12/11/79. Perforate the Drinkard from 6796-6804', 6807-6809', and 6811-6814' 2 SPF, 90° phasing (26 holes). Perforate the Tubb from 6413-5417', 6432-6436', 6441-6444', and 6461-6464' with 2 SPF, 90° phasing (28 holes). Perforate the Blinebry from 5735-5738', 5754-5757', 5759-5762', 5789-5793', 5794-5797', 5815-5818', 6160-6166', 6187-6192', 6203-6206', 6213-6216', 6242-6245', 6280-6282', 6304-6307', and 6318-6321' with 2 SPF, 90° phasing (92 holes), using 3⅛" High Shot Density, 34JL Ultrajet, HMX 22.7g, (API 19B: Pen – 28.94", EHD - 0.37")

4. RDMO wireline and lubricator.

5. RIH with the 2⅜" production tubing (per tubing design in WellView). Place the EOT at 6830'± with the tubing anchor at 5828'±. Maintain a dynamic fluid column (DFC) while running tubing. (Trickle some 2% KCl water down the tubing head valve.)

6. 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.

7. RDMO well service rig. Release any ancillary equipment. Clean up location.

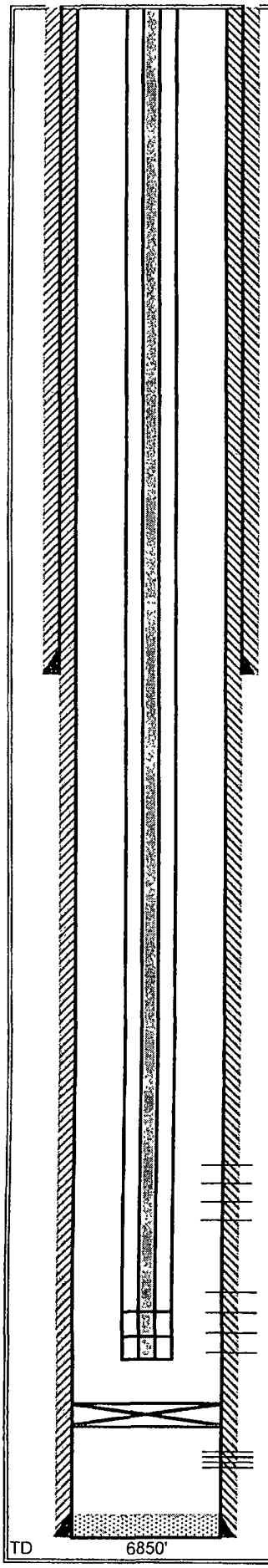
8. Turn well over to Operations. Place well on production. Report well tests on morning report. Place stabilized well test in FieldView. Contact chemical representative to place well on corrosion inhibition and scale squeeze program if needed. Submit change of status report.

WARREN UNIT #078

CURRENT WELLBORE DIAGRAM					
API #:	30-025-26511				
FIELD:	Warren Blinebry Tubb O&G				
CO ST:	Lea, NM		AREA: Hobbs East		
SECTION:	20	TOWNSHIP:	20S	RANGE:	38E
LOCATION:	1980' FSL & 660' FEL				
DATES:	SPUD: 10/25/79		IC: 2/16/80		
	LATEST RIG WORKOVER:		8/28/08		
	DIAGRAM REVISED:		01/13/09 by D. McPherson		

	CASING				TUBING
Hole Size	12¼"	8¾"			
Pipe Size	9⅝"	7"			2⅜"
Weight	36#	26#			4.7#
Grade	K-55	K-55			J-55
Thread	ST&C				8rd
Depth	1449'	6850'			6679'

ELEVATION:	GR - 3553', KB 3564'
TREE CONNECTION:	



9⅝" @ 1449' cmt w/ 520 sxs

DV Tool @ 3993'

PERFS: 5878', 5884', 5903', 5906', 5909', 5914', 5916', 5928', 5969', 5973', 5989', 5991', 6003', 6006', 6060', 6063', 6072' 6075', 6079', 6087', 6096', 6105', 6109', 6115' (12/17/79) Blinebry
Re-Perf: 5837-6243' (10/28/87)

PERFS: 6518', 6522', 6532', 6536', 6544', 6552', 6562', 6602' 6616', 6622', 6630', 6641', 6660', 6666', 6672', 6675', 6682' (12/17/79) Tubb
Re-Perf: 6365-6685' (10/28/87)

RBP @ 6729' (10/27/87)

PERFS: 6789-6819' (10/27/89) Drinkard

7" @ 6850' cmt w/ 1543 sxs

Tubing Description	Length	From	To
Elevation	11.00	0.00	11.00
184 jts 2⅜" 4.7# J-55 tbg	5762.97	11.00	5773.97
Tubing Anchor	2.75	5773.97	5776 72
28 jts 2⅜" 4.7# J-55 tbg	862.48	5776.72	6639.20
Endura Joint	30.35	6639.20	6669.55
Seating Nipple	1.10	6669 55	6670.65
SOPMA	30.95	6670.65	6701.60

Rod Description	Length	From	To
1½" polished rod	22.00	-6.00	16.00
260 ¾" sucker rods	6502.00	16.00	6518 00
1½" Sinker bars	135.00	6518.00	6653.00
Insert Pump (20-125-RHBC-16-5)	16.00	6653.00	6669.00
Dip Tube	10.00	6669.00	6679.00

Pump Unit:	C-160D-200-74 ROX

COMMENTS

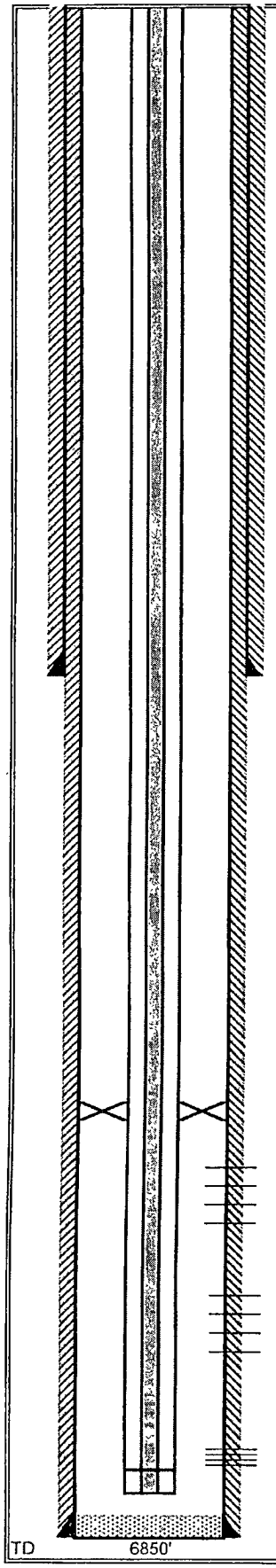
WARREN UNIT #078

PROPOSED WELLBORE DIAGRAM

API #:	30-025-26511				
FIELD:	Warren Blinebry Tubb O&G				
CO ST:	Lea, NM		**AREA:** Hobbs East		
SECTION:	20 I	**TOWNSHIP:**	20S	**RANGE:**	38E
LOCATION:	1980' FSL & 660' FEL				
DATES:	**SPUD:** 10/25/79		**IC:** 2/16/80		
	LATEST RIG WORKOVER:		8/28/08		
	DIAGRAM REVISED:		01/14/09 by D. McPherson		

	CASING				TUBING
Hole Size	12¼"	8¾"			
Pipe Size	9⅝"	7"			2⅜"
Weight	36#	26#			4 7#
Grade	K-55	K-55			J-55
Thread	ST&C				8rd
Depth	1449'	6850'			6830'±

ELEVATION:	GR - 3553', KB 3564'
TREE CONNECTION:	



9⅝" @ 1449' cmt w/ 520 sxs

DV Tool @ 3993'

Tubing Description	Length	From	To
Elevation	11 00	0.00	11.00
190 jts 2⅜" 4.7# J-55 tbg	5817.00	11.00	5828.00
Tubing Anchor	2 75	5828.00	5830.75
31 jts 2⅜" 4 7# J-55 tbg	937.00	5830.75	6767.75
Endura Joint	30.35	6767.75	6798 10
Seating Nipple	1.10	6798.10	6799.20
SOPMA	30.95	6799.20	6830.15

Rod Description	Length	From	To
1½" polished rod	22.00	0.00	22.00
260 ¾" sucker rods	6625.00	22.00	6647.00
1½" Sinker bars	135.00	6647.00	6782 00
Insert Pump (20-125-RHBC-16-5)	16.00	6782.00	6798.00
Dip Tube	10.00	6798.00	6808.00

Pump Unit: C-160D-200-74 ROX

Tubing anchor @ 5828'±

PERFS: 5735-38', 5754-57', 5759-62', 5789-93', 5794-97', 5815-18', 6160-66', 6187-92'
PERFS: 5878', 5884', 5903', 5906', 5909', 5914', 5916', 5928',
5969', 5973', 5989', 5991', 6003', 6006', 6060', 6063', 6072'
6075', 6079', 6087', 6096', 6105', 6109', 6115' (12/17/79) Blinebry
Re-Perf: 5837-6243' (10/28/87)
PERFS: 6203-06', 6213-16', 5242-45', 6280-82', 6304-07', 6318-21'
PERFS: 6413-17', 6432-36', 6441-44', 6461-64', 6796-6804', 6807-09', 6811-14'
PERFS: 6518', 6522', 6532', 6536', 6544', 6552', 6562', 6602'
6616', 6622', 6630', 6641', 6660', 6666', 6672', 6675', 6682'
(12/17/79) Tubb
Re-Perf. 6365-6685' (10/28/87)

PERFS 6789-6819' (10/27/89) Drinkard
EOT @ 6830'±

7" @ 6850' cmt w/ 1543 sxs

COMMENTS