Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CODA A ADDROVED
FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

		Expires. March
5.	Lease Seria	l No.

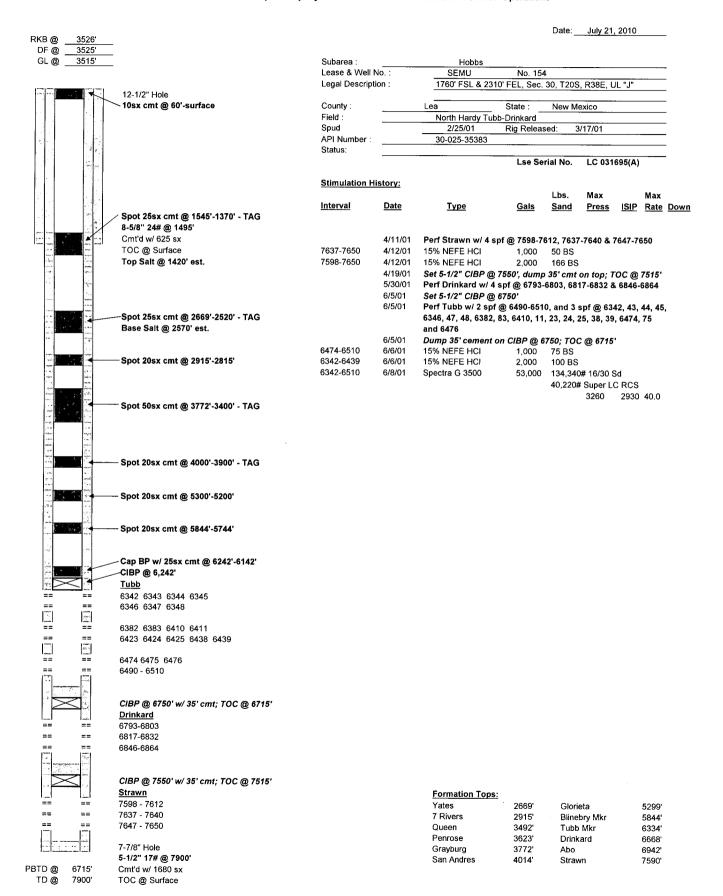
_	5. Lease Senal No.									
SUNDRY NOTICES AND REPORTS ON WELLS				LCO 31695 A						
Do not use the abandoned w	6. If Indian, Allottee or Tribe Name									
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No. NM FEDERAL UNIT						
1. Type of Well Gas Well Other				8. Well Name and No. SEMU #154						
2. Name of Operator CONOCOPHILLIPS COMPANY				9. API Well No.						
3a Address P.O. BOX 51810 MIDLAND,	TX 79710	3b. Phone No. (incl.) 432-688-6943	ude area code)	30-025-35383 10. Field and Pool, or Exploratory Area						
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)			North Hardy Tubb - Drinkard						
1760 FSL & 2310 FEL U/L J SEC 30 T20S R38E				11. County or Parish, State LEA COUNTY, NM						
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE NATI	URE OF NOTICE	, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION		Т	YPE OF ACTION	N						
Acidize Deepen Production (Start/Resume) Water Shut-Off Subsequent Report Casing Repair New Construction Recomplete Change Plans Plug and Abandon Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and										
following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 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.) 1. MIRU. ND WH, NU BOP. POOH & LD Tbg. 2. RIH WL - Set CIBP @ 6,242'. POOH WL. 3. RIH Tbg to 6,242' - Circ hole w/ MLF. Cap BP w/ 25sx cmt. 4. PUH - Spot 20sx cmt @ 5844'-5744' 5. PUH - Spot 20sx cmt @ 5800'-5200' 6. PUH - Spot 20sx cmt @ 4000'-3900' - TAG 7. PUH - Spot 20sx cmt @ 3772'-3400' - TAG 8. PUH - Spot 20sx cmt @ 2915'-2815' 9. PUH - Spot 25sx cmt @ 1545'-1370' - TAG 10. PUH - Spot 25sx cmt @ 1545'-1370' - TAG 11. 10sx cmt @ 60'-surface. RDMO. Clean location, cut off wellhead & anchors, install P&A marker. RECLAMATION PROCEDURE										
	ATTACHED									
14. Thereby certify that the fore Name (Printed/Typed) GREG BRYAN		Title	P&A TECH							
9	7	Title	IXAIECT							
Signature		Date		10/03/2010 ADDDOVED						
-46	THIS SPACE FOR	FEØERAL OR	STATE OFF	CHUSENUVLU						
Approved by Conditions of approval, if any, are certify that the applicant holds lega which would entitle the applicant to Title 18 U.S.C. Section 1001 and Titl States any false, fictitious or fraudu	o conduct operations the temporal of the series of the ser	in the subject lease -30-2011 a crime for any person	1 1.	DEC 3 ^{te} 2010 / Dustin Winkler UNITARIES AND MANAGEMENT CARLES BAD FIELD OFFICE agency of the United						
orang mise, neurious of maduu	ioni statements of representations	w to any matter within	us Jansarchon							

(Instructions on page 2)

WELLBORE SKETCH ConocoPhillips Company -- Lower 48 - Mid-Continent BU / Permian Operations

DVD @ 21	ine!						Date:_	July 21,	2010		
RKB @ 3526' DF @ 3525' GL @ 3515'		Subarea:			Hobbs	N - 45			· · · · · · · · ·		
(married and a second			Lease & Well N Legal Descripti		SEMU 1760' FSL & 2310' I	No. 154 FEL, Sec.		3, R38E, L	IL "J"		
		12-1/2" Hole	County:		Lea S	State :	New M	exico			
			Field:		North Hardy Tubb-I	Orinkard					
			Spud API Number :		2/25/01 F 30-025-35383	Rig Releas	sed: 3	3/17/01			
			Status:								
1 - 1/2 a.*	5					Lse Se	rial No.	LC 031	695(A)		
			Stimulation Hi	story:			Lbs.	Max		Max	
			<u>Interval</u>	Date	Туре	Gals	Sand	Press	<u>ISIP</u>	Rate D	<u>own</u>
		8-5/8" 24# @ 1495'									
		Cmt'd w/ 625 sx 4/11/01 Perf Strawn w/ 4 spf @ 7598-7612, 7637-7640 & 7647-76								50	
-om/	19	TOC @ Surface Top Salt @ 1420' est.	7637-7650 7598-7650	4/12/01 4/12/01	15% NEFE HCI 15% NEFE HCI	1,000 2,000	50 BS 166 BS				
Secretary of the secret	To a control of the c		4/19/01 Set 5-1/2" CIBP @ 7550', dump 35' cmt on top; 5/30/01 Perf Drinkard w/ 4 spf @ 6793-6803, 6817-6832 6/5/01 Set 5-1/2" CIBP @ 6750' 6/5/01 Perf Tubb w/ 2 spf @ 6490-6510, and 3 spf @ 63						6846-6 12, 43,	5864 44, 45,	
54. 11.	7.8				6346, 47, 48, 6382, 83 and 6476	, 6410, 11	, 23, 24, 1	25, 38, 39	, 64/4,	75	
in the second			6474-6510	6/5/01 6/6/01	Dump 35' cement on			C @ 6715	•		
. annergy			6342-6439	6/6/01	15% NEFE HCI 15% NEFE HCI	1,000 2,000	75 BS 100 BS				
		Base Salt @ 2570' est.	6342-6510	6/8/01	Spectra G 3500	53,000		0# 16/30 S # Super L0			
							40,220	3260	2930	40.0	
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	145°										
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<u>. </u>	; 2	EOT @ 6287'									
	*	Tubb									
	==	6342 6343 6344 6345 6346 6347 6348									
== :	==	6382 6383 6410 6411 6423 6424 6425 6438 6439									
	II	6474 6475 6476									
	==	6490 - 6510									
		CIBP @ 6750' w/ 35' cmt; TOC @ 6715'									
_ ==	انـ ==	<u>Drinkard</u> 6793-6803									
	==	6817-6832									
==		6846-6864									
	4 4	CIBP @ 7550' w/ 35' cmt; TOC @ 7515'									
	1	CIBP @ 7550' w/ 35' cmt; TOC @ 7515' Strawn			Formation Tops:						
	==	7598 - 7612			Yates	2669'	Glor			5299'	
	==	7637 - 7640 7647 - 7650			7 Rivers Queen	2915' 3492'		ebry Mkr o Mkr		5844' 6334'	
					Penrose	3623'	Drint			6668'	
ranara		7-7/8" Hole 5-1/2" 17# @ 7900'			Grayburg San Andres	3772' 4014'	Abo Strav	wn		6942' 7590'	
PBTD @ 6715'		Cmt'd w/ 1680 sx						•			
TD @ 7900'		TOC @ Surface									

WELLBORE SKETCH ConocoPhillips Company -- Lower 48 - Mid-Continent BU / Permian Operations



ConocoPhillips Company NMLC-031695-A: SEMU #154 API: 30-025-35383 Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. OK
- 2. CIBP to be set between 50'-100' above perfs Otherwise OK
- 3. OK (Perfs)
- 4. Minimum 25 sx Otherwise OK (Spacer)
- 5. Move: Spot plug from 5350'-5200' (minimum 25sx) Otherwise OK (Glorietta)
- 6. Minimum 25sx. Tag at 3860' or shallower Otherwise OK (Spacer)
- 7. Tag at 3400' or shallower Otherwise OK (Spacer)
- 8. Minimum 25sx Otherwise OK (Spacer)
- 9. Move: Spot from 2720'-2600' with a minimum 25sx. WOC and tag at 2600' or shallower Otherwise OK (Yates BOS)
- 10. Move: Spot from 1550'-1430' with a minimum 25sx. WOC and tag at 1430' or shallower Otherwise OK (Casing shoe TOS)
- 11. Verify that all annuluses have cement to surface and fill in as required. Ground Level Dry Hole Marker shall be used at this location; Requirements attached Otherwise OK (Surface)
- 12. Submit a subsequent report to the BLM.

H₂S monitoring equipment to be on location.

See attached standard COAs.

DHW 120310

Requirements for ground level dry hole markers <u>Well Identification Markers</u> Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

- 1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
- 2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum ¼ inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
- 3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
- 4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operators name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include ¼ ¼, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the ¼ ¼ (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a ground level dry hole marker was installed as required in the COA's from the BLM.

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Any plug that requires a tag will have a minimum WOC time of 4 hours.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified when the wellhead is cut off to verify that cement is to surface in the casing and all annuluses.** The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

DHW 112309



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E. Greene St. Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To: 1310

Interim Reclamation Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- 1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.

- 3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
- 4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Environmental Protection Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979