Form 3160-5
June 1990

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" For such proposals

5 Lease Designation and Serial No
LC 031696 A

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7 If unit or CA, Agreement Designation
SEMU

1 Type of Well
☐ Oil Well ☐ Gas Well ☒ Other

8 Well Name and No
#146

2 Name of Operator
CONOCO INC.

9 API Well No
30-025-34977

3 Address and Telephone
10 DESTA DRIVE, SUITE 649W, MIDLAND, TEXAS 79705-4500

10 Field and Pool, or Exploratory Area
South Skaggs Abo

4 Location of Well (Footage, Sec., T R M or Survey Description)
Section 25, T20S, R37E
1980' FNL & 1830' FWL

11 County or Parish, State
Lea County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION	
☒ Notice of Intent	☐ Abandonment	☒ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☒ Other Amend total depth	☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Conoco Inc. proposes to amend the total depth permitted to 7700' with setting depth at 7400' as indicated by the attached well plan outline. Our objective will change to the South Skaggs Abo.

2000 JUN -8 A 10:31
RECEIVED
070 HOBBS, NM

14 I hereby certify that the foregoing is true and correct.
Signed Ann Johnson Title Sr. Property Analyst Date 06/07/00

15 (This space for Federal or State office use)
Approved by (ORIG. SGD.) ALEXIS C. SWOBODA Title PETROLEUM ENGINEER Date JUN 13 2000
Conditions of approval if any:

Title 18 U.S.C. Section 1001, makes 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.

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal lands and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal and/or State office.

SPECIFIC INSTRUCTIONS

Item 4 – If there are no applicable State requirements, locations on Federal or Indian Land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 13 – Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plug; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et. Seq., 25 U.S.C. et. Seq.; 43 CFR 3160.

PRINCIPAL PURPOSE –The information is to be used to evaluate, when appropriate, approve applications, and report completion of secondary well operations, on a Federal or Indian lease.

ROUTINE USES:

(1) Evaluate the equipment and procedures used during the proposed or completed subsequent well operations.
(2) Request and grant approval to perform those actions covered by 43 CFR 3162.3-2(2).
(3) Analyze future applications to drill or modify operations in light of data obtained and methods used
(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION –Filing of this notice and report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected in order to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

This information will be used to report subsequent operations once work is completed and when requested, to obtain approval for subsequent operations not previously authorized.

Response to this request is mandatory for the specific types of activities specified in 43 CFR Part 3160.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0135), Washington, D.C. 20503.

WELL NAME: SEMU #146
LOCATION: 1980' FNL & 1830' FWL Sec 7 T20S R37E

Ground Level: 3519'
Kelly Bushing: 11' AGL

Depth MD	FORMATION TOPS	DRILLING PROBLEMS	TYPE OF FORMATION EVALUATION	HOLE SIZE	CASING PROGRAM	FRAC GRAD	FORM. PRES. GRAD.	Mud Weight & Type	Days
0		Possible Hole Enlargement & Sloughing		12-1/4"			Less than 8.3	8.4 - 9.5 Fresh	
1000	Top Salt @ 1,400'				8-5/8", 24#, J-55 ST&C @ 1,500'				3
		Washouts in Salt Section		7-7/8"	Circulate Cement			10 Brine	
2000	Base Salt @ 2,550'						Less than 8.4		
	Yates 2,670'		Mud Loggers F/ 2,650' to TD						
3000	7 Rivers 2,950'	Shallow gas flows possible	H2S Monitor on at 2,650'						
	Queen 3,510' Penrose 3,635'								
	Grayburg 3,770'								
4000	San Andres 4,000'	Lost Returns in San Andres							7
5000	Glorietta 5,275'	Possible differential sticking thru Glorietta & Paddock							
	Blinebry Mkr 5,890'								
6000	Tubb 6,390'								
	Drinkard 6,700'		GR-CAL-DLL-MLL-SGR FDC-CNL-PE : TD to 2650' Pull GR-CNL-Cal to Surf SGR interval to be chosen						
	Abo 6,985'				5-1/2", 17.0#, J-55 LT&C f/0'-7,400' Circulate Cement			10 ppg Starch Gel	15
7000	TD @ 7,400'								

2000 JUN -8 A 10:31

DATE: 05-Jun-00

Joe Huck, Geophysical Advisor

APPROVED

Yong Cho, Drilling Engineer

Joe Miller, Reservoir Engineer

Al Gomez, Geologist

Proposal No: 1802530558

Conoco
SEMU #146

Sec. 25-T20S-R37E
Lea County, New Mexico
June 5, 2000

Well Recommendation

Prepared for:
Mr. David Delao
Drilling Engineer

Prepared by:
Rocky Chambers
Region Engineer
Bus Phone: 915/683-2781
Mobile: 915/557-1239
Pager: 915/498-1605

POWERVISION™

Service Point:
Hobbs
Bus Phone: (505) 392-5556
Fax: (505) 392-7307

Service Representatives:
Wayne Davis
Account Manager
Bus Phone: (915) 683-2781
Fax: (915) 683-1443

Well Name: SEMU #146
Job Description: 8 5/8" Surface
Date: June 5, 2000

Proposal No: 180253055B

WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D. (in)	DEPTH(ft)	
	MEASURED	TRUE VERTICAL
12.250 HOLE	1,500	1,500

SUSPENDED PIPES

DIAMETER (in)		WEIGHT (lbs/ft)	DEPTH(ft)	
O.D.	I.D.		MEASURED	TRUE VERTICAL
8.625	8.097	24	1,500	1,500

Float Collar set @	1,460 ft
Mud Density	8.40 ppg
Est. Static Temp.	89 ° F
Est. Circ. Temp.	85 ° F

VOLUME CALCULATIONS

1,200 ft	x	0.4127 cf/ft	with	100 % excess	=	991.1 cf
300 ft	x	0.4127 cf/ft	with	100 % excess	=	247.9 cf
40 ft	x	0.3576 cf/ft	with	0 % excess	=	14.3 cf (inside pipe)
				TOTAL SLURRY VOLUME	=	1253.3 cf
					=	223 bbls

Well Name: SEMU #146
Job Description: 8 5/8" Surface
Date: June 5, 2000

Proposal No: 180253055B

FLUID SPECIFICATIONS

FLUID	VOLUME CU-FT		VOLUME FACTOR	AMOUNT AND TYPE OF CEMENT
Lead Slurry	991	/	2.15	= 462 sacks Class C Cement + 0.25 lbs/sack Cello Flake + 0.005 gps FP-6L + 2% bwoc Sodium Metasilicate + 109.4% Fresh Water
Tail Slurry	262	/	1.34	= 195 sacks Class C Cement + 2% bwoc Calcium Chloride + 0.005 gps FP-6L + 56.3% Fresh Water
Displacement				93.0 bbls Water @ 8.4 ppg

CEMENT PROPERTIES

	SLURRY NO. 1	SLURRY NO. 2
Slurry Weight (ppg)	12.40	14.80
Slurry Yield (cf/sack)	2.15	1.34
Amount of Mix Water (gps)	12.33	6.35
Amount of Mix Fluid (gps)	12.33	6.35
Estimated Pumping Time - 70 BC (HH:MM)	6:25	2:20
Free Water (mls) @ 80 ° F @ 90 ° angle	0.0	0.0
COMPRESSIVE STRENGTH		
12 hrs @ 89 ° F (psi)	124	1200
24 hrs @ 89 ° F (psi)	250	2000

RHEOLOGIES

FLUID		TEMP	600	300	200	100	6	3
Lead Slurry	@	80 ° F	46	39	35	30	24	14

Well Name: SEMU #146
Job Description: 8 5/8" Surface
Date: June 5, 2000

Proposal No: 1802530558

PRICE ESTIMATE

Product Material

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
657	sacks	Class C Cement	10.60	6,964.20	50.0	3,482.10
367	lbs	Calcium Chloride	0.49	179.83	50.0	89.92
869	lbs	Sodium Metasilicate	1.85	1,607.65	50.0	803.83
116	lbs	Cello Flake	2.30	266.80	50.0	133.40
1	ea	Cement Plug, Rubber, Top 8-5/8 in	139.00	139.00	50.0	69.50
4	gals	FP-6L	45.00	180.00	50.0	90.00
		Product Material Subtotal:		$9,337.48		$4,668.75

Service Charges

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
684	cu ft	Bulk Materials Service Charge	1.60	1,094.40	50.0	547.20
		Service Charges Subtotal:		$1,094.40		$547.20

Equipment

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
1	6hrs	Cement Pump Casing, 1001 - 1500 ft	1,360.00	1,360.00	50.0	680.00
1	job	Data Acquisition, Cement, Standard	670.00	670.00	50.0	335.00
60	miles	Mileage, Heavy Vehicle	3.60	216.00	50.0	108.00
60	miles	Mileage, Auto, Pick-Up or Treating Van	2.15	129.00	50.0	64.50
		Equipment Subtotal:		$2,375.00		$1,187.50

Unless specified, the prices are based on 6 hours on location.

The technical data contained in this proposal is based on the best information available at the time of writing and is subject to further analysis and testing. The pricing data contained in this proposal are estimates only and may vary depending on the work actually performed. Pricing does not include federal, state and local taxes or royalties.
This quotation is based on BJ Services Company being awarded the work on a first call basis and within thirty (30) days of the proposal date. These prices will be subject to review if the work is done after thirty (30) days from the proposal date, or on a second or third call basis.

Well Name: SEMU #146
Job Description: 8 5/8" Surface
Date: June 5, 2000

Proposal No: 180253055B

PRICE ESTIMATE

Freight/Delivery Charges

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
946	ton-mi	Bulk Delivery, Dry Products	1.20	1,135.20	50.0	567.60
		Freight/Delivery Charges Subtotal:		$1,135.20		$567.60
			TOTAL:	$13,942.08		$6,971.05

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WELL DATA

ANNULAR GEOMETRY

ANNULAR I.D. (in)	DEPTH(ft)	
	MEASURED	TRUE VERTICAL
8.097 CASING	1,500	1,500
7.875 HOLE	7,400	7,400

SUSPENDED PIPES

DIAMETER (in)		WEIGHT (lbs/ft)	DEPTH(ft)	
O.D.	I.D.		MEASURED	TRUE VERTICAL
5.500	4.892	17	7,400	7,400

Float Collar set @	7,360 ft
Mud Density	8.40 ppg
Est. Static Temp.	124 ° F
Est. Circ. Temp.	118 ° F

VOLUME CALCULATIONS

1,500 ft	x	0.1926 cf/ft	with	0 % excess	=	288.9 cf
4,100 ft	x	0.1733 cf/ft	with	50 % excess	=	1065.5 cf
1,800 ft	x	0.1733 cf/ft	with	50 % excess	=	467.8 cf
40 ft	x	0.1305 cf/ft	with	0 % excess	=	5.2 cf (inside pipe)
				TOTAL SLURRY VOLUME	=	1827.4 cf
					=	326 bbls

Well Name: SEMU #146
Job Description: 5-1/2" Long String
Date: June 5, 2000

Proposal No: 180253055B

FLUID SPECIFICATIONS

Pre-flush 1,500.0 gals Mud Clean I @ 8.4 ppg

FLUID	VOLUME CU-FT		VOLUME FACTOR	AMOUNT AND TYPE OF CEMENT
Lead Slurry	1354	/	2.41	= 563 sacks (50:50) Poz (Fly Ash):Class C Cement + 0.25 lbs/sack Cello Flake + 0.005 gps FP-6L + 10% bwoc Bentonite + 5% bwow Sodium Chloride + 136.9% Fresh Water
Tail Slurry	473	/	1.49	= 317 sacks (15:61:11) Poz (Fly Ash):Class C Cement:CSE + 1% bwoc FL-62 + 0.005 gps FP-6L + 5% bwow Sodium Chloride + 70% Fresh Water
Displacement				171.1 bbls Water @ 8.4 ppg

CEMENT PROPERTIES

	SLURRY NO. 1	SLURRY NO. 2
Slurry Weight (ppg)	11.85	13.60
Slurry Yield (cf/sack)	2.41	1.49
Amount of Mix Water (gps)	13.79	7.31
Amount of Mix Fluid (gps)	13.79	7.31
Estimated Pumping Time - 70 BC (HH:MM)	2:58	2:31
Free Water (mls) @ 80 ° F @ 90 ° angle	1.0	0.0
Fluid Loss (cc/30min) at 1000 psi and 80 ° F	792.0	62.0
COMPRESSIVE STRENGTH		
12 hrs @ 124 ° F (psi)	50	1013
24 hrs @ 124 ° F (psi)	175	1877

RHEOLOGIES

FLUID		TEMP	600	300	200	100	6	3
Lead Slurry	@	80 ° F	104	101	96	81	39	31
Tail Slurry	@	80 ° F	210	150	110	60	7	4

Well Name: SEMU #146
Job Description: 5-1/2" Long String
Date: June 5, 2000

Proposal No: 180253055B

PRICE ESTIMATE

Product Material

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
488	sacks	Class C Cement	10.60	5,172.80	50.0	2,586.40
4730	lbs	Bentonite	0.22	1,040.60	50.0	520.30
141	lbs	Cello Flake	2.30	324.30	50.0	162.15
346	sacks	Poz (Fly Ash)	5.45	1,885.70	50.0	942.85
4200	lbs	Sodium Chloride	0.18	756.00	50.0	378.00
1	ea	Cement Plug, Rubber, Top 5-1/2 in	70.00	70.00	50.0	35.00
1501	gals	Mud Clean I	0.75	1,125.75	50.0	562.88
5	gals	FP-6L	45.00	225.00	50.0	112.50
276	lbs	FL-62	9.65	2,663.40	50.0	1,331.70
3487	lbs	CSE	0.75	2,615.25	50.0	1,307.63
		Product Material Subtotal:		$15,878.80		$7,939.41

Service Charges

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
1203	cu ft	Bulk Materials Service Charge	1.60	1,924.80	50.0	962.40
		Service Charges Subtotal:		$1,924.80		$962.40

Equipment

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
1	6hrs	Cement Pump Casing, 7001 - 7500 ft	2,795.00	2,795.00	50.0	1,397.50
1	job	Data Acquisition, Cement, Standard	670.00	670.00	50.0	335.00
60	miles	Mileage, Heavy Vehicle	3.60	216.00	50.0	108.00
60	miles	Mileage, Auto, Pick-Up or Treating Van	2.15	129.00	50.0	64.50
1	job	Field Storage Bin	600.00	600.00	50.0	300.00
		Equipment Subtotal:		$4,410.00		$2,205.00

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PRICE ESTIMATE

Freight/Delivery Charges

QTY	UNIT	PRODUCT DESCRIPTION	UNIT PRICE	GROSS AMOUNT	DISC (%)	NET AMOUNT
1263	ton-mi	Bulk Delivery, Dry Products	1.20	1,515.60	50.0	757.80
		Freight/Delivery Charges Subtotal:		$1,515.60		$757.80
			TOTAL:	**$23,729.20**		**$11,864.61**

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