District I PO Box 1980. Hobbs. NM 88241 1980 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV PO Box 2088, Santa Fe, NM 87504-2088

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State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-101 Revised February 10, 1994 Instructions on back Submit to Appropnate District Offico State Lease - 6 Copies Fee Lease - 5 Copies

____AMENDED REPORT

APPLICATION FOR PERMIT TO DR1LL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

.=								,			
['] Operator Name and Addres Conoco Inc 10 Desta Dr. Ste. 100W				S.				0	GRID No_ 005073		
		9705-450	0							^{30 - 0} 3	API Number
Prope	erty Code				· · · -	Property Name				3	<u> </u>
	605				í	Oxy State F-1					#1
		L				e Location					#1
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th		lina	Feet from the	East/S	Vest line	
X	1	21S	36E	Lot Idi	990	South	inc	915			County
Λ	1			Bottom		ation If Diff	ferer			East	Lea
	Section	rownship	Range	Lot Idn		c North/South	ine	reet from the	East/V	vest line	County
	1.	' Propose	d Pool 1		<u> </u>			" Propo	sed Pool	2	
	Hard	ly Tubb Dri	inkard (2	.9760)							
r		-								-	
" Work T	Type Code		Well Type	Code	" Ca	ble/Rotary		" Lease type C	ode	14 Grou	nd Level Elevation
16 M	lultiple		7 Proposed	Depth	181	Formation		19 Contractor		20 Spud Date	
			•	•	Tubb D	Prinkard			· · · · · · · · · · · · · · · · · · ·		
L	<u> </u>	I	21	Prozos	ed Casiing	g and Cemen	t Pro	ogram			
Hole Si	ze	Casing			ng weight/foot	Setting D			of Cemen	t	Estimated TOC
Same as or	riginal										
zone. Describe	Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention_program, if anyUse additional sheets if necrosary. This well was recently completed in the Abo. Conoco proposes to abandon the Abo and perforate the Tubb using the attached procedure.										
Permit Expires 1 Year From Approval Date Unless Drilling Underway Plug-Back											
23 I hereby cenify that the information given above is true and complute to the best of my knowledge and being.				01	LC	ONSERVĂ			ION		
Signature:	-Ton	1 Ma	rddix	2		Approved by: Other Stinled by Batter Stutz					
Printed name:		Kay Ma	ddox			Title:		Kan	dogis t	A NT	
Title:		Regulatory				Approval Da	i n	đ na	Expiratio	n Date:	
Date:		<u>y</u>	Phone			Conditions of Approval:					
Aug	gust 7, 20	01		915) 686-	5798	Attached					

District I PO Box 1980, Hobbs. NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd. Aztec, NM 87410 District IV PO Box 2088, Santa Fe. NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Revised February 21, 1994 instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

___ AMENDED REPORT

WELL LOCATION	AND ACREAGE	DEDICATION PLAT

$\begin{array}{c c c c c c c c c } \hline \begin{tabular}{ c c c c c c c c c c c c c c c c c c c$			3 Pool Name				
26605 Oxy State F-1 #1 7 0GRID No. 8 Operator Name 9 Elevation 005073 Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500 3497' In Surface Location UL or lot no. Section VL or lot no. Section Section	176 297	0					
7 OGRID No. 8 Operator Name 9 Elevation 005073 Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500 3497' Ill Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County		5 Property N	Name		6 Well Number		
005073 Conoco Inc., 10 Desta Drive, Ste. 100W, Midland, TX 79705-4500 3497' I0 Surface Location UL or lot no. Section VL or lot no. Section Township Range Lot Idn Feet from the Feet from the County				#1			
10 Surface Location UL or lot no. Section Township Range Lot Idn Feet from the Feet from the East/West line		8 Operator	or Name		9 Elevation		
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County	Conoco Inc., 10 De	a Drive, Ste. 100V	W, Midland, TX	79705-4500	3497'		
		10 Surface Lo	location				
X 1 21S 36E 990 South 915 East Lea	Township Range Lot Idr	Feet from the	North/South line F	eet from the East/W	est line County		
	21S 36E	990	South	915 E	ast Lea		
11 Bottom Hole Location If Different From Surface	11 Bottom H	ole Location If I	Different From	Surface			
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County	Township Range Lot Idr	Feet from the	North/South line	Feet from the East/W	est line County		
12 Dedicated Acres 13 Joint or Infil 14 Consolidation Code 15 Order No.	pint or Infl 14 Consolidation Code	5 Order No.					
40							
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATE					EN CONSOLIDATED		
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION	OR A NON-STANDA	D UNIT HAS BEEN	EN APPROVED B	Y THE DIVISION	<u></u>		
¹⁶ 17 OPERATOR CERTIFICATIO				17 OPERATOR	R CERTIFICATION		
I hereby certify that the information contained herein true and complete to the best of my knowledge and bel				11			
the and complete to the best of my knowledge and bel				The and complete to the	best of my knowledge and belief		
Kan Muddal				Lay V	Kan Mudda		
Signature Kay Maddox					. Maddox		
Printed Name							
Regulatory Agent				Regul	atory Agent		
August 7, 2001					ust 7, 2001		
Date August 7, 2001					ust 7, 2001		
18 SURVEYOR CERTIFICATIO			. <u></u>	10 SUDVEVOI			
I hereby certify that the well location shown on this p was plotted from field notes of actual surveys made by				11	•		
or under my supervision, and that the same is true an				or under my supervision	a, and that the same is true and		
correct to the best of my belief.				correct to the best of my	belief.		
Date of Survey				Date of Suprov			
Signature and Seal of Professional Surveyor:				11	ofessional Surveyor		
915'		1	915	N			
		1	04	N			
		5	Ţ				
			0				
886		\$ 8	8	N			
Certificate Number		1		Certificate Number			

Oxy State F1 #1 Tubb Recompletion Procedure July 2, 2001

Location:	990' FSL & 915' FEL of Section 1-T21S – R36E Lea County, NM				
Elevation:	Grd: 3497'	KB: 3508'	KB-Grd: 11'		
Orig TD: Current PBTD:	8000' 7320' (CIBP	@ 7350' w/ 30)' cmt on top)		

Project Scope

The intent of this recompletion will be to permanently abandon the Abo by setting a CIBP at 7000' and a 35' cement plug on top. The Tubb interval will then be perforated and fractured from 6436'-6440', 6454'-6458' and 6506'-6514'. The Tubb is expected to initially produce at a rate of 30 BOPD and 240 MCFGPD.

		<u>Burst</u>	Collapse	<u>Drift</u>
Piping:	8 5/8" csg, 24 #/ft, J-55, ST&C @1503'	2,950	1,370	7.972
	5 ½" csg, 17 #/ft., J-55, LT&C @8000'	5,320	4,910	4.767
	2 7/8" tbg, 6.5 #/ft, L-80, EUE 8RD	10,570	11,160	2.347

Cementing: 8 5/8" casing w/657 sxs (TOC at surface) 5 ¹/₂" casing w/1800 sxs(TOC at surface)

Production Equipment:	1	7/8" rod sub
	102	7/8" C class rods
	175	³ / ₄ " C class rods
	2	³ / ₄ " guided rods
	4	$1 \frac{1}{2}$ sinker bars w/ 2' centralizers between each
	1	2.5 x 1.75 x 20 RHBC pump
	1	1 ¹ / ₄ " strainer nipple
	223	2 7/8" N-80 EUE 8RD tbg

Perforations:	Abo (Existing):	7052' – 7062' w/ 4 SPF
		NED

		NEP	<u>Shots</u>
Tubb (Proposed):	6436'-6440'	4	9
	6454'-6458'	4	9
	<u>6506'-6514'</u>	8	<u>_33</u>
	Total	16'	51

Wellbore Fluids:

Abo:	$\pm 38^{\circ}$ API oil with sweet (No H ₂ S, minor amounts of CO ₂)
	Estimate 2000 PSI
Tubb:	$\pm 38^{\circ}$ API oil with sour (1200-1400 ppm H ₂ S)
	Estimate 2,610 PSIG (Assume 0.4 psi/ft gradient)
Expected	
Production:	Tubb 30 BOPD & 240 MCFG

Procedure

- 1. RU pulling unit. Dump 110 bbls of treated water down casing to kill the well if necessary. Unseat pump and hot oil rods and tubing if necessary. POOH with rods and pump. Check for wear and pitting. Replace any worn or pitted rods and couplings. Send pump in to be rebuilt.
- 2. Install 5,000 WP BOP stack and test as per SOP. Release the tubing anchor and TOOH with tubing. Scanalog tubing and lay down blue and red band tubing.
- 3. RU electric line unit. Install lubricator with pack-off and RIH with gauge ring junk basket to 7050'. POOH. RD electric line unit.
- 4. Notify NM regulatory agency representative 24 hrs prior to abandonment of the Abo. PU 5 ½" CIBP and TIH to set at 7020', dump bail 35' Class "C" cmt on top. WOC and pressure test to 4500 PSIG.
- 5. RU Baker Atlas. Install lubricator with a pack-off and TIH with 4" hollow carrier perforating guns loaded 4 JSPF with 23 gm charges in 120 degree phasing. Use the Platform Express TDD/CNL/NGT log dated Nov. 12, 2000 to correlate the perforations in the following Tubb intervals.

Safety Note: All 2-way radios and phones are to be turned off while perforating for a distance of 500'. Warning signs are to be posted on all incoming roads.

<u>Interval</u>	<u>NEP</u>	<u>Shots</u>
6436'-6440'	4	9
6454'-6458'	4	9
<u>6506'-6514'</u>	_8	_33
Total Tubb	16'	51

- 6. TIH with 2 7/8", L-80 production tubing with 5 ½" CS-1 treating packer and RBP with ball catcher. Hydrostatically testing tubing to 6,000 PSIG while tripping in hole. Set the RBP at 6560' and the treating packer at 6370'.
- 7. RU BJ and perform 1,500 gal 15% NEFE acid breakdown of the Tubb. RU treating line with remote automated ball injector. Test treating lines to 6,000 PSIG against treating valve. Release pressure, set treating line nitrogen actuated relief valve to 5,300 PSIG and test.

Open the casing valve and leave open to the pit during breakdown. Pump acid breakdown according to BJ procedure, diverting acid with 130, 7/8", 1.3 sg ball sealers.

TREATING LINE TEST PRESSURE: A minimum 1000 psig over MATP	6000	PSIG
MAXIMUM ALLOWABLE WORKING PRESSURE: Based on weakest component in system	6500	PSIG
NITROGEN POP OFF SET PRESSURE: Relief pressure set at the lesser of :		
300 psig less than 90% MAWP or,	5550	PSIG
300 psig over MATP		
MAXIMUM ALLOWABLE TREATING PRESSURE: If reached, human action required.	5000	PSIG
MAXIMUM ANTICIPATED TREATING PRESSURE: Based on frac design	3000	PSIG

- 8. Release the packer and retrieve the RBP. TOOH.
- RU BJ services to the 5,000 PSIG WP, treating tree to sand frac the Tubb down the 5 ¹/₂", 17# casing. Install treating line with a nitrogen actuated relief valve. Pump the Spectra G-3500 treatment as per attached BJ Services procedure. Treatment to be pumped at 40 BPM. Tag the frac with a single radioactive isotope.

TREATING LINE TEST PRESSURE: A minimum 1000 psig over MATP	4500	PSIG
MAXIMUM ALLOWABLE WORKING PRESSURE: Based on weakest component in system – Highest test pressure	4800	PSIG
NITROGEN POP OFF SET PRESSURE: Relief pressure set at the lesser of :		
300 psig less than 90% MAWP or,		PSIG
300 psig over MATP		
MAXIMUM ALLOWABLE TREATING PRESSURE (MATP): If reached, human action required.	3700	PSIG
MAXIMUM ANTICIPATED TREATING PRESSURE: Based on frac design	3200	PSIG

10. Shut down and record ISIP, 5, 10 and 15 minute pressures. RD BJ.

- 11. Flow back to the pit until the well cleans up or dies. ND the treating tree. If necessary, kill the well with 8.6 ppg brine water prior to removing the treating tree.
- 12. NU BOP and test to 3,000 PSIG according to SOP.
- 13. PU 4-3/4" bit and RIH w/ tubing. Tag sand and clean out wellbore to the cement plug at 6985'. POOH with bit and tubing.
- 14. TIH with packer and set at 6400'. Swab test the Tubb. Release the packer and TOOH.
- 15. PU natural gas anchor and tubing anchor and TIH with 2 7/8" L-80 tubing. Space out to set the seating nipple at 6580' with the tubing anchor at 6350'. Install the tubing head.
- 16. ND the BOP's. If swab test indicates well will flow, put on production. If not, PU the original 7/6 rod string and TIH with 1 ³/₄" insert rod pump.
- 17. Put well on production for evaluation.