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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 28 2016

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

Farmington Field Office
Bureau of Land Management

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.
NMSF-078763

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
78407E

8. Well Name and No.
Rosa Unit #41B

9. API Well No.
30-039-27014

10. Field and Pool or Exploratory Area
Blanco MV / Basin DK

11. Country or Parish, State
Rio Arriba, NM

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
WPX Energy Production Company, LLC

3a. Address
PO Box 640 Aztec, NM 87410

3b. Phone No. (include area code)
505-333-1816

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
725' FSL & 1210' FEL SEC 6 31N 5W
373' FSL & 292' FWL SEC 5 31N 5W

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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>COMMINGLE</u>
	<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 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.)

WPX Energy Production, LLC plans to commingle the subject well with pre-approved Pool Division Order R-13122. Blanco Mesa Verde (72319) and Basin Dakota (71599) as per attached procedure. Production allocations based on historical data will be as follows: MV - 74% DK - 26%. Commingle authorization has been filed with the NMOCD. (copy attached)

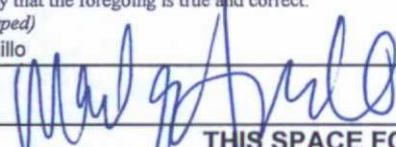
OIL CONS. DIV DIST. 3

AUG 01 2016

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Marie E. Jaramillo

Signature 

Title Permitting Tech III

Date 7/28/16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 

Title Petroleum Engineer

Office FFD

Date 7/28/2016

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.

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)

Submit 1 Copy To Appropriate District Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		WELL API NO. 30-039-27014
2. Name of Operator WPX ENERGY		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator PO BOX 640 AZTEC NM 87410		6. State Oil & Gas Lease No. SF-078763
4. Well Location Unit Letter _____ : <u>725'</u> feet from the <u>South</u> line and <u>1210'</u> feet from the <u>East</u> line Section <u>06</u> Township <u>31N</u> Range <u>5W</u> NMPM San Juan County		7. Lease Name or Unit Agreement Name Rosa Unit
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		8. Well Number 41B
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data		9. OGRID Number 120782
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/> Commingle		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

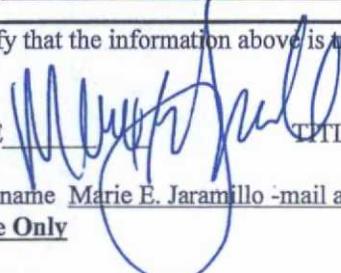
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- i. Pre-approved Pool Division Order R-13122.
- ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- iii. Perforated intervals: Blanco MV 5649'-6425', Basin Dakota 8316'-8423'.
- iv. Fixed percentage allocation based upon production data of 74% Blanco MV and 26% Basin Dakota. This is based on the historic production of all wells that have MV/DK production. See attached recommendation for details. This allocation may be adjusted at a later date based on a spinner survey after production has stabilized.
- v. Commingling will not reduce the value of reserves.
- vi. Interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991.
- vii. The BLM has been notified on sundry notice form 3160-5.

Spud Date: 8/15/02

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Permit Tech DATE 7/28/16

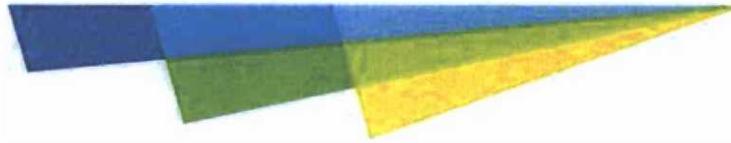
Type or print name Marie E. Jaramillo -mail address: marie.jaramillo@wpxenergy.com PHONE: 505-333-1808

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

WPXENERGYSM



Production Allocation Recommendation Rosa Unit #041B (MV/DK)

WELL NAME: Rosa Unit #041B
LOCATION: Sec. 06, T31N, R05W
API NO.: 30-039-27014

FIELD: Blanco
COUNTY: Rio Arriba, NM
DATE: 07/25/2016

Current Status: WPX drilled a vertical Mesaverde/Dakota well in August 2002, completing the well in October 2002, and seeing first delivery in December of 2002. Formations have been produced independently via permanent packer and dual tubing strings. As the packer integrity has recently failed, WPX recommends eliminating the packer and then commingling the produced gas downhole. The Dakota is perforated from 8,316' – 8,423', while the Mesaverde is perforated from 5,649' – 6,425'.

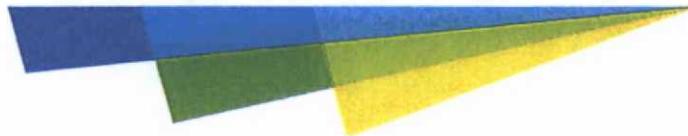
Allocation Method: WPX has assembled historic MV & DK production data from the well in question. The data has been used to calculate an initial downhole comingle allocation. Percentages can be revised at a future date, should it be determined that a production log be necessary.

Sample Set: Recent 21 months of production prior to packer failure (01/01/14 – 09/30/15)
Total Production from well = 64,551 mcf
Total Production from DK = 16,853 mcf
Total Production from MV = 47,698 mcf

DK allocation = $\text{DK prod} / \text{Total prod} = 16,853 \text{ mcf} / 64,551 \text{ mcf} = 26\%$

MV allocation = $\text{MV prod} / \text{Total prod} = 47,698 \text{ mcf} / 64,551 \text{ mcf} = 74\%$

WPXENERGYSM



MV / DK COMINGLE

ROSA UT #041B

SAN JUAN BASIN, NEW MEXICO

20TH JULY, 2016

*****Ensure fuel used during job & estimate of vented gas is reported in daily reports*****

*****Continuous personal H2S monitoring is required. Any H2S alarms or other indications above 10ppm will require work to stop and the situation to be evaluated.*****

OBJECTIVE:

- Remove existing 2-1/16" tbg strings and failed packer isolating MV & DK formations.
- MIT the 5-1/2" csg between the 2 formations to ensure absence of csg leak.
- Install a single tbg string and produce MV / DK comingled.

PRIOR TO PRIMARY JOB

- 1) Verify location is OK for rig operations.
- 2) Ensure JSA, ECP's and lockout procedures are in place for the flowline and other energized piping or equipment.

SAFETY NOTICE

**PERSONNEL SAFETY IS THE NUMBER ONE JOB.
NO EXCEPTIONS!!!**

**PLEASE FOLLOW APPROPRIATE WPX CONTRACTOR PROTOCOLS
FOR THIS JOB PLAN**

**Please see your WPX Business Representative if you have any questions; Contractor protocols can be located in the WPX
Energy Contractor Guide**

PROCEDURE:

Note: A safety meeting shall be held each morning before work and subsequent "tailgate" safety meetings are to be held during the day when operation objectives shift in nature and intent (i.e. beginning/ending fishing operations, squeeze jobs, rigging down, etc.) **Please ensure these are documented per the WPX Energy Contractor Guide**

1. Spot equipment, MIRU workover rig and pump.
2. Blow down gas on well to production tank, ensuring tank hatch is open. Pump sufficient water down tubing strings and backside to kill well. **Csg pressure has been 180-190 psi, while both MV & DK tbg pressures continue to slowly build towards csg pressure (currently at 160-170 psi).

Note: Steps 2 is to be performed each day before work begins and as necessary throughout the workday (with expected departure(s) when tubing is out of the hole).

3. N/D wellhead production tree; N/U BOP.
4. TOOH with 2-1/16" 3.3# J-55 MV short tbg string, laying down (200 jts, landed at 6408').
5. TOOH with 2-1/16" 3.3# J-55 DK long tbg string, laying down (261 jts, landed at 8400'). Tally out of the hole, noting where sealing assembly is located (packer depth).
6. P/U production work string made up of 2-3/8" 4.7# L-80 tbg, packer milling tool & BHA to mill over and retrieve permanent Model-D packer
7. TIH with work string. DK long string should indicate where packer is set (somewhere between 6100-6600'). Slow down when close to anticipated packer depth, and tag up softly.
8. Latch into permanent packer, and retrieve.
9. TOOH with permanent packer, standing back.
10. P/U bit & scraper for 5-1/2" 17# N-80 csg. TIH to PBTD of +/- 8457' to ensure adequate rat-hole and sealing surface for packers & plugs.
11. TOOH with bit & scraper, standing back.
12. P/U work string made up of 2-3/8" 4.7# L-80 tbg, retrievable test packer, retrieving tool, and RBP.
13. TIH with work string, and set RBP at +/- 8285' (within 50' above upper most DK perf of 8316'). Get off RBP.

14. TOOH to +/- 6455' (within 50' below btm MV perf of 6425'), and set retrievable test packer.
15. Pressure test 5-1/2" 17# N-80 csg between packer and RBP to 500 psi for 30 min, recording and charting pressure in accordance with regulatory guidelines. Ensure csg valves are open during test. Bleed off test pressure. Notify Engineering if csg does not pass pressure test.
16. Unset packer, TIH to RBP and release.
17. TOOH with packer, retrieval tool, and RBP, standing back.
18. P/U production string made up of 2-3/8" 4.7# L-80 tbg, SN, mule shoe.
19. TIH with production string, landing EOT at +/- 8351' (top 1/3 of DK perf interval).
20. RDMO equipment.
21. Return well to production.