UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SEP 3 0 2010

| | Sundry Notices and Reports on Wells | 23456789 | В | Farmington Field Office ureau of Land Management |
|-----------|---|---|-----------------------|--|
| • | | RECEIVE: 33 107,723 14 155 0IL CONS. DIV. DIST. 3 6 | 5. 6. 7. | Lease Number Contract # 122 If Indian, All. or Tribe Name Jicarilla Apache Unit Agreement Name |
| • | Name of Operator | TEPASES SELECT SOLD STATES | | |
| | ConocoPhillips | | 8. | Well Name & Number |
| • | Address & Phone No. of Operator | | | AXI Apache O 2 |
| _ | PO Box 4289, Farmington, NM 87499 (505) 326- | 9700 | 9. —— | API Well No. |
| | Location of Well, Footage, Sec., T, R, M | | 10 | 30-039-20677 |
| | Unit D (NWNW), 1190' FNL & 1168' FWL, Sec | tion 3, T25N, R4W, NMPM | 10. | Field and Pool Blanco PC/Blanco MV |
| | | | 11. | County and State Rio Arriba, NM |
| , | Subsequent Report Recompletion Casing Repair | Non-Routine Fracturi Water Shut off | _ | |
| | Pinal Abandonment Altering Casin Describe Proposed or Completed Operations | .5 | | |
| Coi | Describe Proposed or Completed Operations nocoPhillips requests permission to remove the packattached procedure and current wellbore schematic. | er and commingle the dual Blanco M The DHC will be submitted for app | Aesaverde / roval. | Blanco Pictured Cliff well p |
| Cone | Describe Proposed or Completed Operations nocoPhillips requests permission to remove the packattached procedure and current wellbore schematic. No DHG at Lar - Do not | The DHC will be submitted for app | Aesaverde / roval. | Blanco Pictured Cliff well p |
| Coi he | Describe Proposed or Completed Operations nocoPhillips requests permission to remove the packattached procedure and current wellbore schematic. No DH Car Lat - Do not I hereby certify that the foregoing is true and co | The DHC will be submitted for app | Aesaverde / roval. | |

QC

ConocoPhillips AXI APACHE O 2 Rig Uplift - Commingles

Lat 36° 25' 56.708" N

Long 107° 14' 38.328" W

PROCEDURE

- 1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COPC safety and environmental regulations. Test rig anchors prior to moving in rig.
- 2. MIRU work over rig. Check casing, tubing, and bradenhead pressures and record them in Wellview.
- 3. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with 2% KCl, if necessary.
- 4. ND wellhead and NU BOPE.
- 5. TOOH and LD PC tubing string (details below).

| Number | Description |
|--------|-------------------------------|
| 108 | 1", 1.72#, J-55 Tubing Joints |
| 1. | Pinned Collar |

6. TOOH and LD MV tubing string (details below).

| Number | Description | |
|--------|-----------------------------------|--|
| 161 | 1 1/4", 2.33#, J-55 Tubing Joints | |
| 1 | Packer Seal Assembly | |

- 7. PU 2 3/8" tubing string and retrieve packer with packer plucker.
- 8. LD packer and packer plucker. PU 4 1/2" RBP and packer. Set RBP at 3400' and pressure test RBP. Pressure test casing to 560 psi. If casing pressure doesn't hold, then re-pressure test RBP. If RBP is still seated then casing is no good. Notify engineer and prepare to proceed with P&A contingency procedure. If casing does test, then continue on.
- 9. TOOH and LD packer and RBP. RU and run a CBL between surface and top PC perf. Contact production engineeer for braidenhead squeeze repair plan.
- 10. TIH with 2 3/8" tubing and CO to PBTD. Please note fill level in wellview.
- 11. TIH with tubing using Tubing Drift Procedure. (detail below).

Recommended Tubing Drift ID: 1,901 Land Tubing At: 5645' Land F-Nipple At: 5644'

| Number | Description |
|-----------|---|
| 1 | 2-3/8" Mule Shoe/Expendable Check |
| 1 | 2-3/8" Seat Nipple (1.78" ID) |
| 1 | 2-3/8", 4.7#, J-55 Tubing Joint |
| 1 | 2-3/8", 4.7#, J-55 Pup Joint (4') |
| 176 | 2-3/8", 4.7#, J-55 Tubing Joints |
| As Needed | 2-3/8", 4.7#, J-55 Pup Joints (approx. 20' total) |
| 1 | 2-3/8", 4.7#, J-55 Tubing Joint |

11. ND BOPE, NU Wellhead. Pressure test tubing slowly with an air package as follows: pump 3 bbls pad, drop steel ball, pressure tubing up to 500 psi, and bypass air. Monitor pressure for 15 mins., then complete the operation by pumping off the expendable check. Note in Wellview the pressure in which the check pumped off. Notify the MSO that the well is ready to be turned over to Production Operations. Make swab run to kick-off the well, if necessary, then RDMO.

Tubing Drift Check

Procedure

- 1. Set flow control in tubing. With air, on location, use expendable check. With no air on location, use wire line plug.
- 2. RU drift tool to a minimum 70' line. Drift tool will have an OD of at least the API drift specification of 1.901" for the 2 3/8",4.7# tubing, and will be at least 15" long. The tool will not weigh more than 10# and will have an ID bore the length of the tool, so fluids may be pumped through the tool if it becomes stuck.
- 3. Drop the tool into the tubing string and retrieve it after every 2 joints of tubing ran in hole. If any resistance to the tool movement is noticed, going in or out, that joint will be replaced.
- 4. In order to stimulate the plunger lift operation, all equipment must be kept clean and free of debris.

The drift tool should be measured with calipers before each job, to ensure the OD is the correct size for the tubing being checked. The maximum allowable wear of the tool is .003".

