

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEC 17 2010

Sundry Notices and Reports on Wells

Farmington Field Office
Bureau of Land Management

1. Type of Well
GAS

5. Lease Number
Contract # 122
6. If Indian, All. or
Tribe Name
Jicarilla Apache
7. Unit Agreement Name

2. Name of Operator

ConocoPhillips

3. Address & Phone No. of Operator

PO Box 4289, Farmington, NM 87499 (505) 326-9700

8. Well Name & Number
AXI Apache O 2

9. API Well No.

30-039-20677

4. Location of Well, Footage, Sec., T, R, M

Unit D (NWNW), 1190' FNL & 1168' FWL, Section 3, T25N, R4W, NMPM

10. Field and Pool
Blanco PC/Blanco MV

11. County and State
Rio Arriba, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment

Type of Action

☐ Abandonment

☐ Recompletion

☐ Plugging

☐ Casing Repair

☐ Altering Casing

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut off

☐ Conversion to Injection

☒ Other - change to P&A

RCVD DEC 22 '10

OIL CONS. DIV.
DIST. 3

13. Describe Proposed or Completed Operations

12/15/10 Called OCD/Charlie Perrin, Bryce Hammond & Steve Mason w/BLM to report failed sqz & PT. ConocoPhillips would like to P&A this well per attached procedures & schematic.

Notify NMOCD 24 hrs
prior to beginning
operations

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Signed

Rhonda Rogers

Rhonda Rogers

Title Staff Regulatory Technician

Date 12/17/10

(This space for Federal or State Office use)

APPROVED BY Troy L. Salvors

Title Petroleum Engineer

Date 12/21/2010

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

ConocoPhillips
AXI APACHE O 2 (PC/MV)
P&A Contingency Procedure

Lat 36° 25' 56.708" N

Long 107° 14' 38.328" W

Prepared by: Chris Pearce

Date: December 15, 2010

!!!Make Sure all Approvals Are Received Before Continuing with P&A Procedure!!!

1. TOH And LD Packer and RBP. Plug well according to procedure outlined below.

All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

2. This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

3. RU wireline and run CBL to determine true cement tops.

4. **Plug #1 (Mesa Verde perforations and top, 5102'-5002')**: RIH and set CR at 5102'. Mix 12 sx Class B cement and spot a balanced plug inside casing to isolate the Mesa Verde interval. TOH with tubing.

5. **Plug #2 (Pictured Cliffs perforations and top, Fruitland top, and Kirtland Top, 3419'-3070')**: RIH and set CR at 3419'. Pressure test tubing to 1000 psi. Pressure test casing to 800 psi. If casing does not pressure test, then spot or tag subsequent plugs as appropriate. Mix 31 Sx Class B cement and spot a balanced plug inside the casing to isolate the Pictured Cliffs interval and the Fruitland and Kirtland formation tops. TOH.

6. **Plug #3 (Ojo Alamo tops, 3016'-2916')**: Perforate 3 HSC holes at 3016'. TIH and set a CR at 2966'. Establish a rate into the squeeze holes. Mix 51 sx Class B cement, squeeze 39 sx outside the casing and leave 12 sx inside the casing to cover through the Ojo Alamo top. TOH with tubing.

7. **Plug #4 (Nacimiento Top, 1658'-1558')**: Perforate 3 HSC holes at 1658'. TIH and set a CR at 1608'. Establish a rate into the squeeze holes. Mix 51 sx Class B cement, squeeze 39 sx outside the casing and leave 12 sx inside the casing to cover through the Ojo Alamo top. TOH with tubing.

8. **Plug #5 (8.625 Casing Shoe to Surface, 278'-Surface)**: Perforate 3 HSC holes at 278'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 87 sx Class B cement and pump down the 4.5" casing to circulate good cement out the bradenhead. Shut in well and WOC.

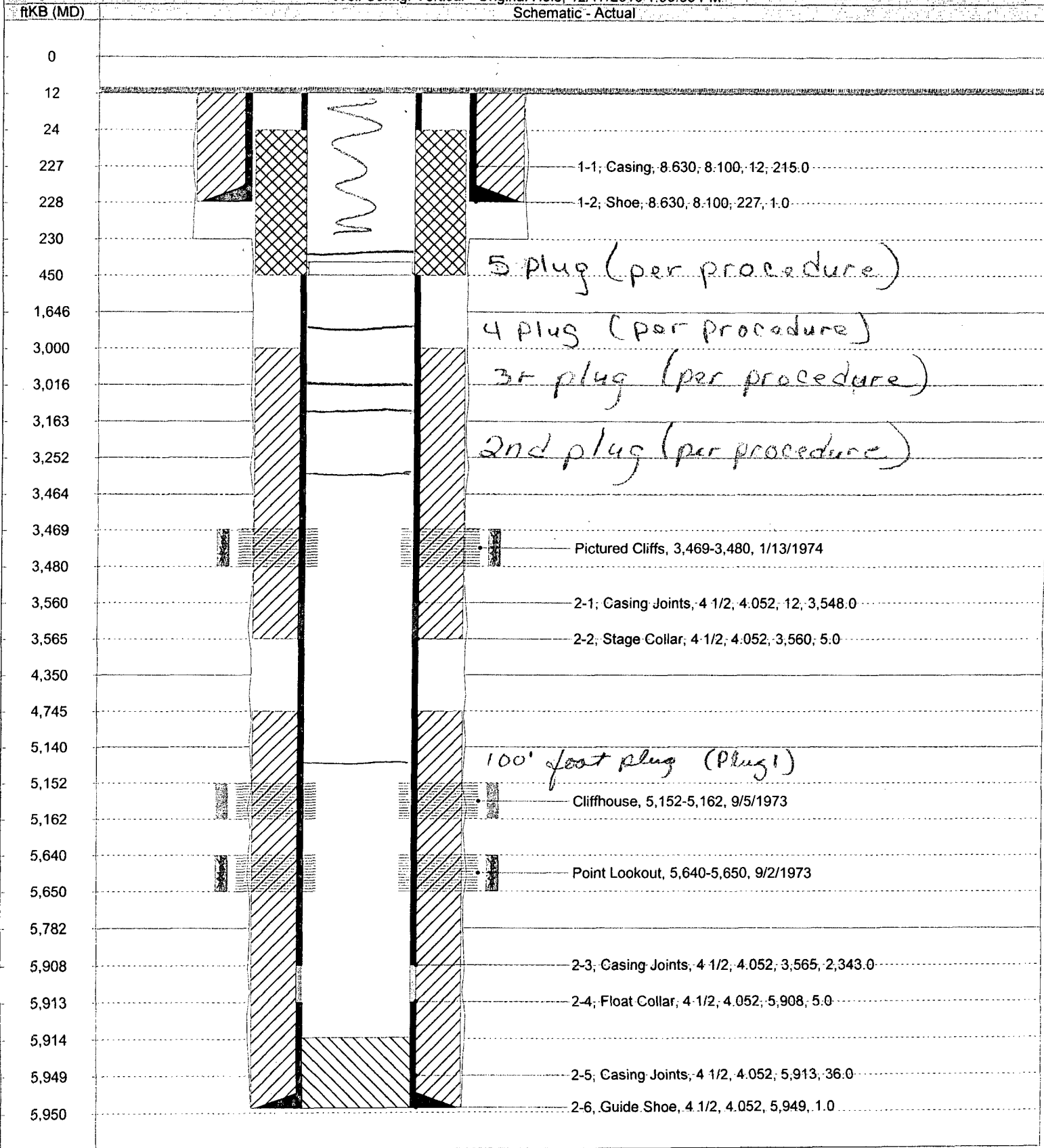
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Most Recent Job

Jobs				
Job Category	Primary Job Type	Secondary Job Type	Actual Start Date	End Date
WELL INTERVENTION	COMMINGLE		11/29/2010	

Well Config: Vertical - Original Hole, 12/17/2010 1:00:38 PM

Schematic - Actual



BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). **Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice.**

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils may be remediated on-site according to these guidelines or disposed of in an approved disposal facility.
3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" before seeding.
4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

% Slopes	Spacing Interval
Less than 20%	200'
2 to 5%	150'
6 to 9%	100'
10 to 15%	50'
Greater than 15%	30'

All water bars should divert to the downhill side of the road.

5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).
6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.
7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other SMA's may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.