

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG 22 2012

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

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.

Farmington Field Office
Bureau of Land Management

5 Lease Serial No
NMSF-078771

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

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

8. Well Name and No.
Rosa Unit #14C

2. Name of Operator

WPX Energy Production, LLC

9. API Well No
30-039-30132

3a Address

PO Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

505-333-1808

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2505' FNL & 895' FEL, sec 23, T31N, R6W

11. Country or Parish, State
Rio Arriba

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 Commingle
	<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 plans to commingle the Blanco Mesa Verde and Basin Dakota on this well as per attached procedure. Allocation will be MV - 58% and DK - 42%. Commingle authorization has been filed with the NMOCD. (copy attached)

RCVD SEP 13 '12
OIL CONS. DIV.
DIST. 3

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

Name (Printed/Typed)

Larry Higgins

Title Permit Supervisor

Signature

Larry Higgins

Date 8/22/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Joe Hewitt

Title Geo

Date 8-23-12

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

Office FFD

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)

NMOCD A

Submit 3 Copies
To Appropriate
District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised 1-1-89

DISTRICT II
811 South First, Artesia NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-039-30132
5. Indicate Type of Lease STATE FED <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NMSF-078771
7. Lease Name or Unit Agreement Name: Rosa Unit
8. Well No. Rosa Unit #14C
9. Pool name or Wildcat BLANCO MV//BASIN DK

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	
2. Name of Operator WPX Energy Production, LLC	
3. Address of Operator P.O. Box 640, Aztec, NM 87410	
4. Well Location (Surface) Unit letter <u>H</u> : 2505 feet from the <u>North</u> line & 895 feet from the <u>East</u> line Sec 23 -31N-6W RIO ARRIBA, NM	
10. Elevation (Show whether DF, RKB, RT, GR, etc. 6275' GR	

Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OPNS.	PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND CEMENT JOB	
X OTHER: <u>COMMINGLING AUTHORIZATION</u>		OTHER: _____	

- 1) Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)
- Pre-approved Pool Division Order R-13122.
 - Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
 - Perforated intervals: Blanco MV 5320'-5881', Basin Dakota 7796'-7894'.
 - Fixed percentage allocation based upon production data of 54% Blanco MV and 46% 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.
 - Commingling will not reduce the value of reserves.
 - Interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991.
 - The BLM has been notified on sundry notice form 3160-5.

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

SIGNATURE Larry Higgins TITLE: Permit Supv DATE: 8/22/12

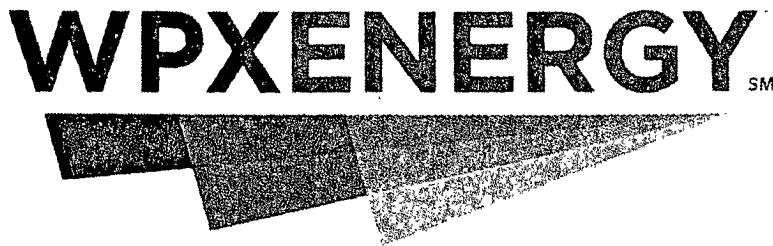
Type or print name Larry Higgins Telephone No: (505) 333-1808

(This space for State use)

APPROVED

BY _____ TITLE _____ DATE _____

Conditions of approval, if any:



Production Allocation Recommendation
Rosa Unit #14C
Mesaverde/Dakota

WELLNAME:	Rosa Unit #14C	FIELD:	San Juan
LOCATION:	SE/4 NE/4 Section 23(H), T31N, R6W	COUNTY:	Rio Arriba
API No.:	30-039-30132	Date:	August 16, 2012

Current Status: The Rosa Unit #14C currently has pressure gauges monitoring the Mancos which have finished collecting data and will be removed. During the observation, the Mesaverde was producing while the Dakota was isolated under a CIBP. WPX recommends squeezing off the Mancos perforations and returning the well back to production as a Mesaverde/Dakota commingle.

Commingle Procedure:

- Mesa Verde tubing will be pulled
- Retrieve upper Mancos 5-1/2" RBP w/gauges at 6740'
- Retrieve lower Mancos 5-1/2" RBP w/gauges at 7010'
- Set retainer at 7012', squeeze off lower Mancos
- Set retrievable packer at 6777', squeeze off upper Mancos
- Retrieve packer, drill out cement and retainer to 7300'
- Set retrievable packer at 5991'
- Chart pressure test to 500 psi for 30 min. to ensure Mancos intervals are isolated
- Retrieve bridge plug
- Drill out DK CIBP at 7320'
- Clean out to PBTD at 7920'
- Land single string of 2-3/8" tubing to ~7830'
- Well will be produced as a MV/DK commingle

Allocation Method: Historic production data from both zones in this well was gathered and analyzed. Cumulative production prior to isolating the Dakota in November 2010 was considered to calculate baseline allocations. WPX will run a completion profiler once the well is commingled to re-evaluate allocation percentages.

Cumulative production used for baseline allocation:

Total Production from well	=	357.645 MMcf
Total Production from MV	=	207.188 MMcf
Total Production from DK	=	150.457 MMcf

MV allocation = MV production / Total production = 207.188 MMcf / 357.645 MMcf = **58%**

DK allocation = DK production / Total production = 150.457 MMcf / 357.645 MMcf = **42%**