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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Farmington Field Office
Bureau of Land Management
5. Lease Serial No.
NM 25830

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.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator WPX Energy Production, LLC		7. If Unit of CA/Agreement, Name and/or No.
3a. Address PO Box 640 Aztec, NM 87410	3b. Phone No. (include area code) 505-333-1808	8. Well Name and No. Axem Federal #1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 442' FNL & 344' FWL SEC 18 23N 8W		9. API Well No. 30-045-26468
		10. Field and Pool or Exploratory Area Kimbeto Wash; Gallup
		11. Country or Parish, State San Juan, NM

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 type="checkbox"/> Other P&A
	<input type="checkbox"/> Change Plans	<input checked="" 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 recompletable 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 recompletable 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 request to plug and abandon the Axem Federal #1 per the attached procedure. In addition to the P&A procedure is the P&A Reclamation Plan and Schematic representing the current and proposed well bore.

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

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Notify NMOCD 24 hrs prior to beginning operations

OIL CONS. DIV DIST. 3

APR 21 2016

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Marie E. Jaramillo		Title Permit Tech
Signature <i>Marie E. Jaramillo</i>		Date 4/19/16
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by <i>RM</i>	Title PE	Date 4/20/16
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 FFO		

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

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KC

WPX Energy LLC

Plug And Abandonment Procedure

Axem Federal #1

442' FNL & 344' FWL, Section 18, T-23-N, R-8-W

San Juan County, NM / API 30-045-26468

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.
2. Check casing, tubing, and bradenhead pressures.
3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
4. ND wellhead and NU BOP. Function test BOP.
5. TOH 2-3/8" tubing string per pertinent pipe tally:
 - 2-3/8" 4.7# J-55 tubing 4655'
6. P/U 4 1/2" bit or casing scraper on 2-3/8" workstring and round trip as deep as possible above top perforation at 4708'.
7. P/U 4 1/2" CR, TIH and set CR at +/- 4658'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.

8. RU wireline and run CBL with 500 psi on casing from CR at 4658' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to Troy Salyers (BLM) at tsalyers@blm.gov and Brandon Powell at Brandon.powell@state.nm.us upon completions of logging operations.
9. Rig up to pump cement down tubing. Pump water to establish rate down tubing.

NOTE: All Plugs Include 50% Excess

10. Plug 1 (Niobrara/Gallup Perforations and Niobrara Formation Top 4658'-4394', 21 Sacks Class G Cement)

Mix 21 sx Class G cement and spot a balanced plug inside casing to cover Niobrara/Gallup perforations and Niobrara Formation top.

11. Plug 2 (Mancos Formation Top 3891'-3741', 13 Sacks Class G Cement)

Mix 13 sx Class G cement and spot a balanced plug inside casing to cover Mancos formation top. PUH

12. Plug 3 (Mesa Verde Formation Top 2030'-1880', 13 Sacks Class G Cement)

Mix 13 sx Class G cement and spot a balanced plug inside casing to cover Mesa Verde formation top. PUH

13. Plug 4 (Chacra Formation Top 1660'-1510', 13 Sacks Class G Cement)

Mix 13 sx Class G cement and spot a balanced plug inside casing to cover Chacra formation top. PUH

14. Plug 5 (Pictured Cliffs Formation Top 1260'-1110', 13 Sacks Class G Cement)

Mix 13 sx Class G cement and spot a balanced plug inside casing to cover Pictured Cliffs formation top. PUH

15. Plug 6 (Kirtland and Ojo Alamo Formation Tops 800'-458', 27 Sacks Class G Cement)

Mix 27 sx Class G cement and spot a balanced plug inside casing to cover Kirtland and Ojo Alamo formation tops. PUH

16. Plug 7 (Surface Shoe and Surface 335'-surface, 27 Sacks Class G Cement)

Attempt to pressure test the bradenhead annulus to 300 psi; note the volume to load. If BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 27 sx cement and spot a balanced plug from 335' to surface, circulate good cement out of casing valve. TOH and LD tubing. Shut well in and WOC. If BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 335' and the annulus from the squeeze holes to surface. Shut in well and WOC.

17. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and restore location per BLM stipulations.

Axem Federal #1

Formation: Kimbeto Wash; Gallup
Current Wellbore

Spud: 8/6/85
Completed: 9/10/85
1st Delivery: 9/10/85

Surface Location:
442' FSL & 344' FWL
SW/SW (M) Sec: 18, T23N, R8W

Elevation: 6826'
API# 30-045-26468
San Juan, New Mexico

8/6/85- Ran 5jts of 8 5/8", 28#, J-55 set casing @ 243'. Cmt'd 180sx of Class B. Circ., 47sx of cmt to surface.

12 1/4" Hole

Guide shoe @ 243'. Baffle float @ 197'.

TD @ 285'

Kirtland @ 805'

Pictured Cliffs @ 1300'

Lewis @ 1434'

Chacra @ 1611'

Cliffhouse @ 1982'

Menefee @ 2490'

Point Lookout @ 3679'

Mancos @ 3819'

9/10/85- 2 3/8" tbg set @ 4655'.

DV set @ 3846'.

2nd stage: Cmt'd 690sx of 65/35 Poz & 65sx of Class B. Circ., no cmt to surface.

Niobrara @ 4494'

8/31/85- Perf'd @ 4708', 10', 12', 4811', 16', 21', 24', 57', 72', 84', 94', 4929' and 39'. Total of 13 holes @ .42".

Gallup @ 4802'

8/30/85- Perf'd @ 4707', 13', 4813', 28', 59', 83', 91', 4911', 23', 31', and 41'. Total of 11 holes, @ .42".

8/31/85 - Frac'd w/1500gals of acid and 140000gals of gelled KCL water & 240000# of 20/40.

8/13/85- Ran 120jts of 4 1/2", 9.5#, J-55 set casing @ 5030'. 1st stage: Cmt'd w/ 180sx of 65/35 Poz & 60sx of Class B. Circ., for 45 minutes & opened DV tool.

FC @ 4984'.

Guide shoe @ 5030'.

8/12/85- TD @ 5030'

7 7/8" Hole

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Proposed WellboreSpud: 8/6/85
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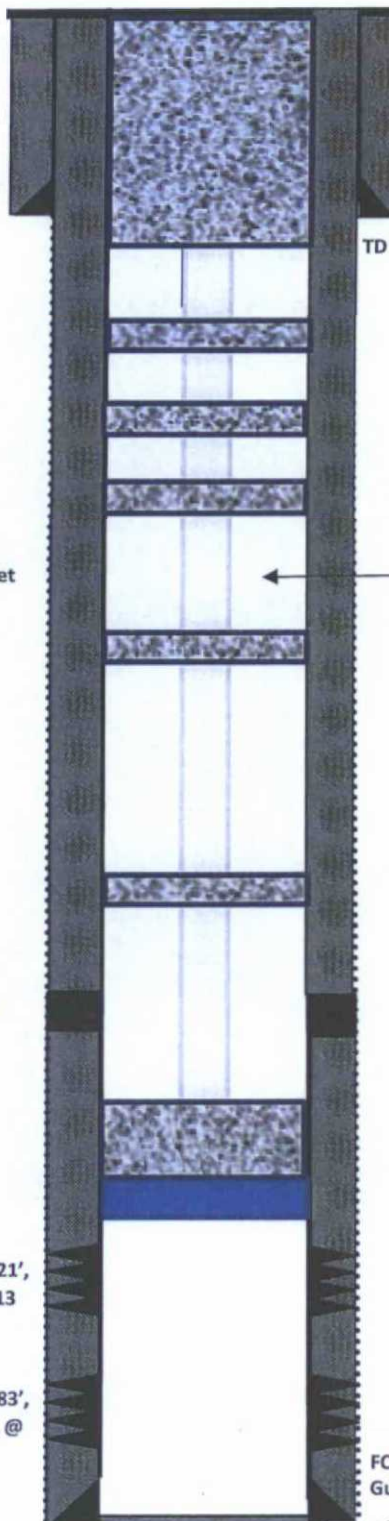
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water & 240000# of 20/40.

7 7/8" Hole

**Plug #7** - Set cement from 335 ft to
surface with 335 feet of cement (27 sks of
Class G Neat)**Plug #6** - Set cement from 800 ft to 508 ft
with 292 feet of cement + 50 feet excess
on top. (27 sks of Class G Neat)**Plug #5** - Set cement from 1160 ft to
1260 ft with 100 feet of cement + 50 feet
excess on top. (13 sks of Class G Neat)**Plug #4** - Set cement from 1530 ft to
1660 ft with 100 feet of cement + 50 feet
excess on top. (13 sks of Class G Neat)**Plug #3** - Set cement from 1930 ft to
2030 ft with 100 feet of cement + 50 feet
excess on top. (13 sks of Class G Neat)**Plug #2** - Set cement from 3791 ft to
3891 ft with 100 feet of cement + 50 feet
excess on top. (13 sks of Class G Neat)**Plug #1** - CIBP set at 4658 feet. Set
cement from 4444 ft to 4658 ft with 214
feet of cement + 50 feet excess on top.
(21 sks of Class G Neat)FC @ 4984'.
Guide shoe @ 5030'.

8/12/85- TD @ 5030'

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Axem Federal #1

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:

- a) Set a cement plug (950-850) ft. to cover the Fruitland top. BLM picks top of Fruitland at 900 ft.

Operator will run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.