Form 3160-5 (November 1994)

Final Abandonment Notice

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED

Expires July 31, 1996

BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS

Lease Serial No Contract 39

Temporarily Abandon

Water Disposal

JUN 0 7 2010 Do not use this form for proposals to drill or reenter an

6 If Indian, Allottee or Tribe Name

abandoned well. Use Form 3160-3 (APD) for such proposals Land Managem ปicarilla Apache 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on reverse side Well Name and No Oil Well X Gas Well Other Name of Operator AXI Apache C #9 Elm Ridge Exploration Co., LLC 9 API Well No. Address 30-039-82315 Phone No. (include area code) PO Box 156 Bloomfield, NM 87413 (505) 632-3476 ext. 201 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) **Ballard Pictured Cliffs** 11 County or Parish, State 990' FNL X 990' FEL Rio Arriba, NM Sec. 3-T23N-R5W 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Acidize Deepen Production (Start/Resume) ■ Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Other Shut in Subsequent Report New Construction Recomplete Casing Repair

Describe Proposed or Completed Operations (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 subs urface locations and meas red and true Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA Required subsequent reports shall 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 shall be filed once Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has Testing has been completed determined that the site is ready for final inspection)

Plug Back

Plug and Abandon

This well is capable of commercial production. The 8" pipeline to which this well is connected has experienced several small leaks. As a result, this well has been shut in. The pipeline company is currently evaluating either replacement of the 8" line, or installation of a smaller poly liner inside the existing 8" line. This pipeline also connects with several other existing wells, as well as a number of wells planned for the future. This well will be returned to production as soon as the pipeline has been repaired or replaced.

Change Plans

Convert to Injection

RCND 31M 14,10 OIL COMS. DIV. DIST. 3

w/o pipeline

evaluation

14. I hereby certify	y that the foregoing is true and correct				
Name (Printed	d/Typed	Title			
	√ Amy Mackey	Adr	ninistrative Manager		
Signature		Date	Date June 2, 2010		
	THIS	SPACE FOR FEDERAL OR STATE USE			
Approved by		Title	Date JUN 1 C	2012	
	Original Signed: Stephen Mason		3014 1 6	2010	
certify that the applic	val, if any, are attached. Approval of this notice of cant holds legal or equitable title to those rights if the applicant to conduct operations thereon.				
Title 18 U.S.C. Sect	ion 1001 makes it a crime for any person know	ingly and willfully to make to any department or	agency of the United States any false fict	itious or	

fraudulent statements or representations as to any matter within its jurisdiction.

Lease Name: AXI APACHE C **9**County, State: RIO ARBA, NM
Operator: ELM RIDGE EXPLORATION COMPANY

Field: BALLARD Reservoir: PICTURED CLIFFS Location: 3 23N 5W SW NE NE

