

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NMOC D
NM OIL CONSERVATION
ARTESIA DISTRICT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No.
NMNM67980

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on Page RECEIVED

8. Well Name and No.
SANTA FE FEDERAL 002

9. API Well No.
30-015-27029

10. Field and Pool or Exploratory Area
HERRADURA BEND;DELAWARE,E

11. County or Parish, State
EDDY COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
RKI EXPLORATION & PRODUCTION
Contact: CAITLIN O'HAIR
Email: caitlin.ohair@wpenergy.com

3a. Address
3500 ONE WILLIAMS CENTER MD 35
TULSA, OK 74172

3b. Phone No. (include area code)
Ph: 539-573-3527

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 35 T22S R28E NWSE 2080FSL 1980FEL
32.347690 N Lat, 104.055999 W Lon

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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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.

RKI EXPLORATION & PRODUCTION REQUESTS TO APPLY FOR TEMPORARILY ABANDONED STATUS FOR THE ABOVE MENTIONED WELL. THE WELL IS CURRENTLY DUE TO IT BEING UNECONOMIC TO FIX THE MECHANICAL FAILURE AT THIS MOMENT IN THIS PRICE ENVIRONMENT. THE WELL IS CAPABLE OF PRODUCING AT PAYING QUANTITIES.

THE CURRENT AND PROPOSED WBD ARE ATTACHED, AS WELL AS THE PROPOSED MIT PROCESS **Accepted for record**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Well is currently Shut in. Operator had submitted a sundry to plug the well, but now feels it can be economic. Approved to TA well for 6 months ending 04/25/2018. Plug or produce by 04/25/2018.

NMOC D RE
11/7/17

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

Electronic Submission #393081 verified by the BLM Well Information System
For RKI EXPLORATION & PRODUCTION, sent to the Carlsbad
Committed to AFMSS for processing by JENNIFER SANCHEZ on 10/25/2017 ()

Name (Printed/Typed) CAITLIN O'HAIR Title SUBMITTER

Signature (Electronic Submission) Date 10/25/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date **OCT 25 2017**

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 _____

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)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

MIT Workover Procedure

Well: Santa Fe Fed #2

Location: Eddy, NM

Date: October 16th, 2016

Objective: Mechanical Integrity Test

EH&S Notes:

- ✓ Personnel Safety is the number one job, no exceptions.
- ✓ Please follow appropriate WPX Energy contractor protocols for this job plan. (Please see your WPX Energy Business Representative if you have any questions; Contractor protocols can be found in the WPX Energy Contractor Guide.)
- ✓ Continuous personal H2S monitoring is required. Any H2S alarms or other indications above 10ppm will require work to stop and the situation to be evaluated
- ✓ A Safety meeting shall be held each morning before work and subsequent "tailgate" safety meetings are to be held during the day when operation objectives shift in nature and intent. Please ensure these are documented per the WPX Contractor Guide.

Prior to Job:

- Schedule Workover Rig
- Test anchors if not done so recently
- Verify location is ok for rig operations
- Ensure all flowlines on surface are clear and lease operator has installed proper tags

Current Wellbore Status: Vertical Completion in Delaware (5941'- 6,188').

Procedure:

- Spot equipment; MIRU
- Blow down casing. If necessary pump water down casing to kill well.
- POOH and lay down rod string. Details as follow:

ROD STRING DETAIL				
Type	OD	Length	Rods	Type
PR	1.500"	40'	-	
7/8"	0.875"	1,700'	68	D-90 rods
3/4"	0.750"	4,025'	161	D-90/T-66 rods
7/8" Rods	0.875"	375'	15	D-90 rods
Insert Pump	-	36'	-	N/A
GAC	1.000"	20.0'	-	Gas Anchor

- RIH and POOH w/ tbg. Details as follow:

TUBING DETAIL

Tubing and Packer detail	Length (ft)	Top Depth (ft)
2-7/8" 6.5# J-55 Pup Jts (TBD)		
2-7/8" 6.5# J-55 8rd EUE tubing 161 jts	5,168.00'	0.0'
2-7/8" x 5-1/2 TAC	3.00'	5,168.0'
2-7/8" 6.5# J-55 8rd EUE tubing 29 jts	931.00'	5,171.0'
2-7/8" SN	1.10'	6,102.0'
2-7/8" x 4' perforated sub	4.00'	6,103.1'
2-7/8" 6.5# J-55 8rd EUE tbg (2jnt)	64.00'	6,107.1'
Bull Plug	0.80'	6,171.1'
	EOT @	6,171.9'

* Projected detail at 32' jnts, actual depths and jnt count may vary.

- RU Wireline and run gauge ring down to 50' above top perf.
- RIH with RBP and set no more than 100' above top perf.
- Set several sacks of sand on top of plug.
- Load hole with clean water.
- Open Casing valves and note any flow before pressure testing.
- Close casing and apply 500 psi at surface and hold for 30 minutes.
 - Make sure to chart the pressure test with a recorder that has a maximum two-hour clock and maximum 1000-pound spring.
 - Ensure the unit has been calibrated within the last six months.
 - Please Ensure to have both the Consultant on location and Rig Tool Pusher sign the chart.
 - Note any flow during test
- If the well drops below 450 psi (10%) within the 30 minutes then it is considered to have failed the test.
 - In the event of a failed test please notify WPX Engineer so the NMOCD can be notified and proper actions taken.
- If the well does not drop below 450 psi (10%) within the 30 minutes then it is considered a successful test. The signed chart can be turned into the WPX field office.
- Open Casing valves back up and note for flow.
- Top hole off with water and leave set.
- RDMO

PROPOSED WELLBORE DIAGRAM

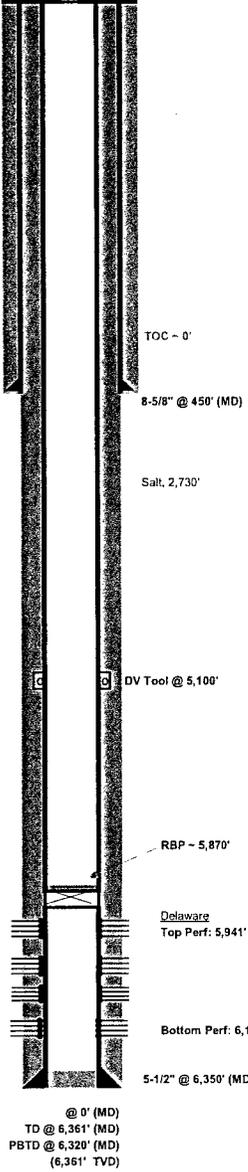
WELL:	Santa Fe Fed #2	SPUD DATE:	7/28/1992
COUNTY:	Eddy	OPERATOR:	WPX Energy
STATE:	New Mexico	WI:	100.00 %
API:	30-015-27029	NRI:	74.50 %
LOCATION:	Sec. 35 - T 22S - R 28E	TVD:	6,361' MD (KB)
FIELD / AREA:	Brushy Draw - Delaware East	PBTD:	6,320' MD (KB)
FORMATION:	Delaware	KB ELEVATION:	3,095.0' (12 KB)
		GL ELEVATION:	3,083.0'
		SURFACE LAT/LONG:	

CASING RECORD

SURFACE CASING											
O.D.	WT./FT.	GRADE	THD	TOP	BTM	NO. JTS.	BIT SZ.	SX CMT.	TOP CMT.	FC (top)	FS (top)
8-5/8"	24.00#	J	N/A	0'	450'	11	12-1/4	300	0'	-	-
*Circ to surface											
Production Casing											
O.D.	WT./FT.	GRADE	THD	TOP	BTM	NO. JTS.	BIT SZ.	SX CMT.	TOP CMT.	FC (top)	FS (top)
5-1/2"	15.50#	J	N/A	0'	6,350'	151	7-7/8"	1,805	0'	-	-
*Circ to Surface DV Tool @ 5,100'											

PERFORATION RECORD

ZONE - Stage	TOP	BOTTOM	Gross Perfs	Net Perfs	SHOTS (60')
DS-2	5,941	5,998	57'		
DS-1	6,116	6,188	72'		



TOC ~ 0'
 8-5/8" @ 450' (MD)
 Salt, 2,730'
 DV Tool @ 5,100'
 RBP ~ 5,870'
 Delaware
 Top Perf: 5,941' MD
 Bottom Perf: 6,188' MD
 5-1/2" @ 6,350' (MD)

@ 0' (MD)
 TO @ 6,361' (MD)
 PBTD @ 6,320' (MD)
 (6,361' TVD)

Date: 10/16/2017
 Updated: **Proposed**

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Approved for a period of 6 months ending 04/25/2018 subject to conditions of approval.

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with wellbore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Santa Fe Federal 2

1. **Well is approved to be TA/SI for a period of 6 months or until 04/25/2018**
2. **Must submit NOI to recomplete or NOI to P&A. Must be submitted by 04/25/2018**
3. **COA's met at this time.**