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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☐ Oil Well ☐ ☒ Gas Well ☐ Other

2 Name of Operator Axis Energy Corporation

3a Address
PO Box 2107 - Roswell, NM 88202

3b Phone No (include area code)
575-622-4182

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)
Unit K 1980' FSL & 1980' FWL Section 17, T26S-R36E

5 Lease Serial No

NMNM-18644

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

South Lea Fed #1

9 API Well No.

30-025-23197

10 Field and Pool, or Exploratory Area

Pawnee; Strawn; West

11 County or Parish, State

Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

8/5/09 - Blew well down and RU BJ cement truck and CTU. RIH w/1.25" coiled tubing to 12,964'. Spotted 40' cement plug (4sx Class H) to plug off existing perfs.

8/11/09 - RU Schlumberger and RIH with perf gun, tagged cement @ 12,930'. Pulled up and perforated new zone from 12,851'-12,856' (2SPF, 12 holes). RIH with swab, made 18 runs, recovered 54 BW.

8/12/09 - SITP 1600#, blew down to 25# FTP in 15", unloading water. After 16 hrs had unloaded 130BW, with very little gas. Shut well in, released swab unit.

8/21/09 - SITP 1500#, blew down well. RU BJ CTU and cement trucks. GIH w/1.25" CT, tagged up at 12,930'. Pumped 9bbl Class "H" cement and displaced with FW to squeeze perfs 12851'-12856' to max pressure of 1450# in six stages. Lowered CT to PBTD 12930' and spotted 2 bbls (~130') cement inside 5" casing. Est. TOC plug @ 12836'. Shut in w/1450# WOC.

8/24/09 - SITP 1450#, rig up BJ, tried to establish injection rate into formation, pumped 25bbl FW @ .6 BPM w/4000#. Could not establish injection rate. SD and opened to frac tank and left overnight.

8/25/09 - RU swabbing unit, made 4 runs w/swab, recovered 8 BW. Left well open to tank, SDON.

8/26/09 - RIH w/1.25" CT, tagged up at 12930'. Spotted 50sx class "H" cement @ 12930'. Pulled up to 12900', squeezed perfs 12851'-56' w/13bbls cement to 4500#, left 126' cement inside 5" casing. TOC should be at 12725'. Rig down, plan to perforate Strawn formation @ 12682'-12712' at a later date.

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kyle Alper

Title Engineer

Signature

Date

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

PETROLEUM ENGINEER

Approved by

Title

Date

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

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Title 18 USC Section 1001 and Title 43 USC 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)

