

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date: 2/3/14

Well information;

Operator WPX, Well Name and Number Chaco 2408-25M 131H

API# 30-045-35507, Section 25, Township 24 NS, Range 8 EW

Conditions of Approval:

(See the below checked and handwritten conditions)

- ☒ Notify Aztec OCD 24hrs prior to casing & cement.
- ☒ Hold C-104 for directional survey & "As Drilled" Plat
- ☐ Hold C-104 for NSL, NSP, DHC
- ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- ☐ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- ☐ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ☐ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils

Chant Perry
NMOCD Approved by Signature

3-11-2014
Date Ca

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

APPLICATION FOR PERMIT TO DRILL OR REENTER

Lease Serial No. **N06-0207-1610**

BIANOG-1608-7 **BIANOG-1610**

6. If Indian, Allottee or Tribe Name
Navajo

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

8. Lease Name and Well No.
Chaco 2408-25M #131H

9. API Well No.

30-045-35507

10. Field and Pool, or Exploratory
Lybrook Gallup

11. Sec., T., R., M., or Blk. and Survey or Area
Section 35-T-24N R 8W BHL
Section 25, T24N, R8W SHL

12. County or Parish
San Juan County

13. State
NM

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

WPX Energy Production, LLC

3a. Address

P.O. Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

(505) 333-1808

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **M 258' FSL & 352' FWL, sec 25, T24N, R8W**

At proposed prod. zone **D 820' FNL & 230' FWL, sec 35, T24N, R8W**

14. Distance in miles and direction from nearest town or post office*

approximately 6 miles northwest of Lybrook, New Mexico

15. Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any) **258'**

16. No. of Acres in lease

160 each lease

17. Spacing Unit dedicated to this well

160 acres N2N2

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. **40**

19. Proposed Depth

10,738' MD / 5,371' TVD

20. BLM/BIA Bond No. on file

UTB000178

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6846' GR

22. Approximate date work will start*

March 15, 2014

23. Estimated duration

1 month

RCVD FEB 28 '14

24. Attachments

OIL CONS. DIV.

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

DIST. 3

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the
authorized officer.

25. Signature

Larry Higgins

Name (Printed/Typed)

Larry Higgins

Date

02/03/2014

Title
Regulatory Specialist

Approved by (Signature)

[Signature]

Name (Printed/Typed)

Office

FFU

Date

2/24/14

Application approval 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.

Conditions of approval, if any, are attached.

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 reverse)

WPX Energy Production, LLC, proposes to develop the Lybrook Gallup formation at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is under jurisdiction of the BLM. The road and location are off lease.

This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM.

This well shares this well pad with the Chaco 2408-25M #237H. No additional access road is needed.

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

NMOC
IV

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

APD Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 3rd day of February, 2014.

Name Larry Higgins

Position Title Regulatory Specialist

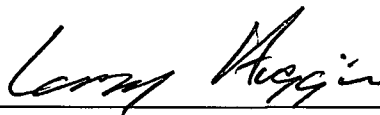
Address P.O. Box 640, Aztec, NM 87410

Telephone (505) 333-1808

Field representative (if not above signatory) _____

E-mail larry.higgins@wpxenergy.com

Date: 02/03/14



Larry Higgins
Regulatory Spec.
WPX Energy Production, LLC

District II
811 S. First Street, Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Drive, Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

Submit one copy to
Appropriate District Office

W
RECEIVED
AMENDED REPORT

FEB 04 2014

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-35507	*Pool Code 42289	*Pool Name LYBROOK GATE	*Well Number 131H
*Property Code 40446	*Property Name CHACO 2408-25M		*Elevation 6846'
*UGRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	24N	8W		258	SOUTH	352	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	35	24N	8W		820	NORTH	230	WEST	SAN JUAN

¹² Dedicated Acres 160.0 Acres N/2 N/2 - Section 35	¹³ Joint or Infill.	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS
COMPLETION UNTIL ALL INTERESTS HAVE
BEEN CONSOLIDATED OR A NON-STANDARD
UNIT HAS BEEN APPROVED BY THE DIVISION

[illegible]

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral interest. I understand that this agreement, pooling agreement or compulsory pooling order heretofore entered by the division.

Signature Corey Higgins Date 3/3/12

Larry Higgins
Printed Name
larry.higgins@wpxenergy.com
E-mail Address

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Revised: JANUARY 30, 2014
Date of Survey: AUGUST 30, 2013

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

WPX ENERGY**Operations Plan**

(Note: This procedure will be adjusted on site based upon actual conditions)

DATE: 1/28/2014 **FIELD:** Lybrook (Gallup)

WELL NAME: Chaco 2408-25M #131H **SURFACE:** BLM

SH Location: SWSW Sec 25-24N-8W **ELEVATION:** 6,846' GR

BH Location: NWNW Sec 35-24N-8W **MINERALS:** BLM
San Juan Co, NM

MEASURED DEPTH: 10,738' **LEASE #:** BIA NOG 1608
BIA NOG 1610

I. GEOLOGY: Surface formation – Nacimiento

A. FORMATION TOPS: (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1,286	1,278	Point Lookout	4,343	4,256
Kirtland	1,432	1,420	Mancos	4,571	4,478
Pictured Cliffs	1,963	1,938	Kickoff Point	4,963	4,859
Lewis	2,069	2,041	Target Top	5,871	5,488
Chacra	2,395	2,358	Landing Point	6,038	5,506
Cliff House	3,502	3,436	Target Base	6,038	5,506
Menefee	3,535	3,469			
			TD	10,738	5,371

B. MUD LOGGING PROGRAM: Mudlogger on location from surface csg to TD.

C. LOGGING PROGRAM: LWD GR from surface casing to TD. LWD GR / E- Sonic will be run in Lateral.

D. NATURAL GAUGES: Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. DRILLING

A. MUD PROGRAM: LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 3/4" Directional Vertical hole, and the curve portion of the wellbore. LSND (WBM) or (OBM) will be used to drill the lateral portion of well. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses.

B. BOP TESTING: While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The anticipated reservoir is expected to be less than 1300 psi, so the BOPE will be tested to **250 psi (Low) for 5 minutes** and **1500 psi (High) for 10 minutes**. Pressure test surface casing to **600 psi for 30 minutes** and intermediate casing to **1500 psi for 30 minutes**. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. The drum brakes will be inspected and tested each tour. **All tests and inspections will be recorded in the tour book as to time and results.**

NOTE: Vertical portion of the well (8-3/4 in.) will be directionally drilled as per attached Directional Plan to +/- 4,963' (MD) / 4,859' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 6,038' (MD) / 5,506' (TVD). 7 in. csg will be set at this point. A 6-1/8" Lateral will be drilled as per the attached Directional Plan to +/- 10,738 (MD) / 5,371' (TVD). Will run 4-1/2 in. Production Liner from +/- 5,888 ft. to TD and cemented. Liner will be tied back to surface w / 4-1/2" Casing for stimulation / testing, then removed from the well.

III. MATERIALS**A. CASING PROGRAM:**

CASING TYPE	OH SIZE (IN)	DEPTH (MD) (FT)	CASING SIZE (IN)	WEIGHT(LB)	GRADE
Surface	12.25"	400'+	9-5/8"	36#	J-55
Intermediate	8.75"	6,038'	7"	23#	K-55
Prod. Liner	6.125"	5,888'-10,738'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 5,888'	4-1/2"	11.6#	N-80

B. FLOAT EQUIPMENT:

- SURFACE CASING:** 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
- INTERMEDIATE CASING:** 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) centralizer at 2,700 ft., 2,500 ft., 2,300ft., and 2,000ft. Additionally run 1 turbolizing centralizer on every other joint from 100' below the top of the Kirtland to 100' above the top of the Ojo Alamo, as referenced in Formation Tops in Section I-A.
- PRODUCTION LINER:** Run 4-1/2" Liner with cement nose guide Float Shoe + 2jts. of 4-1/2" casing + Landing Collar + 4-1/2" pup joint + (2) RSI (Sliding Sleeves) positioned inside 330ft Hard line. Centralizer program will be determined by Wellbore condition and when Lateral is evaluated by Geoscientists and Reservoir Engineers. Set seals on Liner Hanger. Test TOL to 1500 psi for 15 minutes.
- TIE-BACK CASING:** None

C. CEMENTING:

(Note: Volumes may be adjusted onsite due to actual conditions)

- SURFACE:** 10 bbl Fr Water Spacer + 190 sx (222.3 cu.ft.) of "Premium Cement" + 2% Calcium Chloride Cement + 0.125# pps of Poly-E-Flake, 15.8 #/gal (1.17 cu ft./sk, Vol 39.58 Bbls.). The 100% excess should circulate cement to the surface. WOC 12 hours. Test csg to 600psi. Total Volume: (222.3 cu-ft/190 sx/39.6 Bbls). TOC at Surface.
- INTERMEDIATE:** 20 bbl (112 cu-ft) Mud Flush III spacer + Lead: 850 sx Foamed 50/50 Poz Cement. 13.0 ppg + 0.1% Halad 766 + 0.2% Versaset + 1.5% Chem-Foamer 760 (Yield :1.43 cu-ft/ sk. / Vol: 1216 cu-ft / 216.5 Bbls.) + TAIL: 100 sx 13.5 #/gal. + 0.2% Versaset + 0.15% HALAD-766 (Yield: 1.28 cu-ft / sk / Vol: 128 cu-ft / 22.8 Bbls.). + Fresh Water Displacement (1,362 cu-ft / +/- 242 Bbls) + 100 sx Top-Out Cement Premium: Yield: (1.17 cu-ft/ sk / (Vol: 117 cu-ft / 20.8 Bbls). Test Casing to 1500 PSI for 30 minutes. Total Cement Volume: (1050 sx / 1461 cu-ft / 260 bbls). Mix with +/- 84,000 SCF Nitrogen. TOC at surface.
- PRODUCTION LINER: STAGE 1:** 10 bbl (56 cu-ft) Fr Water Spacer. **STAGE 2:** 40 bbl 9.5 ppg (224.6 cu-ft) Tuned Spacer III + 0.5 gal/bbl Musol + 38.75 ppb Barite + 0.5 gal/bbl SEM-7. **STAGE 3:** 10 bbl Fr Water Spacer. **STAGE 4: Lead Cement:** 50 / 50 Poz Premium + 0.2% Versaset + 0.2% Halad -766, Yield 1.43 cu ft/sk, 13.0 ppg, (10 sx / 14.3 cu ft. / 2.5 bbls). **STAGE 5:** 200 sx. Foamed Lead Cement: 50 / 50 Poz Standard + 0.2% Versaset + 0.2% HALAD-766 + 1.5% Chem-Foamer 760. Yield 1.97 cu-ft/sk. 13.0 ppg (200 sx / 394 cu-ft. / 70.2 bbls.). **STAGE 6:** Tail Cement : 100 sx. 50/50 Poz Standard + 0.2% Versaset + 0.05% HALAD-766 + .05% SA-1015, Weight: 13.5 ppg (100 sx / Yield 1.28 cu ft/sk. / 128 cu ft. / 22.8 bbls) **STAGE 7:** Displace w/ +/- 137 bbl Fr Water. Total Cement (310 sx / 536.3 cu ft / 95.5 bbls). Mix Foamed Cement w/ +/- 75,000 SCF Nitrogen. Est. TOC +/- 5,504 ft.

IV. COMPLETION

A. CBL

1. Run CCL for perforating.

B. PRESSURE TEST

1. Pressure test 4-1/2" casing to 4500 psi max, hold at 1500 psi for 30 minutes. Increase pressure to open RSI sleeves.

C. STIMULATION

1. Stimulate with approximately 2,805,000# 20/40 mesh sand and 340,000# 16/30 mesh sand in 619,113 gallons water with 42,696 mscf N₂ for 17 stages.
2. Isolate stages with flow through frac plug.
3. Drill out frac plugs and flowback lateral.

D. RUNNING TUBING

1. Production Tubing: Run 2-7/8", 6.5#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing near Top of Liner point of curve (~5,600' MD).

- Although this horizontal well will be drilled past the applicable setbacks, an unorthodox location application is not required because the completed interval in this well, as defined by 19.15.16.7 B(1) NMAC, will be entirely within the applicable setbacks. This approach complies with all applicable rules, including 19.15.16.14 A(3) NMAC, 19.15.16.14 B(2) NMAC, 19.15.16.15 B(2) NMAC, and 19.15.16.15 B(4) NMAC.

NOTE:

Installation of RSI sleeves at Toe of Lateral.

Proposed Operations:

A 4-1/2" 11.6# N-80 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# K-55 Intermediate casing (set at 5,904 ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 5,804 ft. (MD) +/- 78 degree angle. TOC: +/- 5,504ft. (MD). Set Pack-off at TOL

After cementing and TOL clean up operations are complete, the TOL will be tested to 1500 psi (per BLM).

A 4-1/2" 11.6# N-80 tie-back string with seal assembly will be run and stung into the PBR of the liner hanger, tested to 1500 PSI and hung off at the surface.

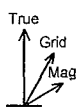
The Drilling Rig will be rigged down at this point and Completion operations will begin. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.

Note: Changes to formation tops, casing landing points, well TD, Directional Plan and GL-elevation.

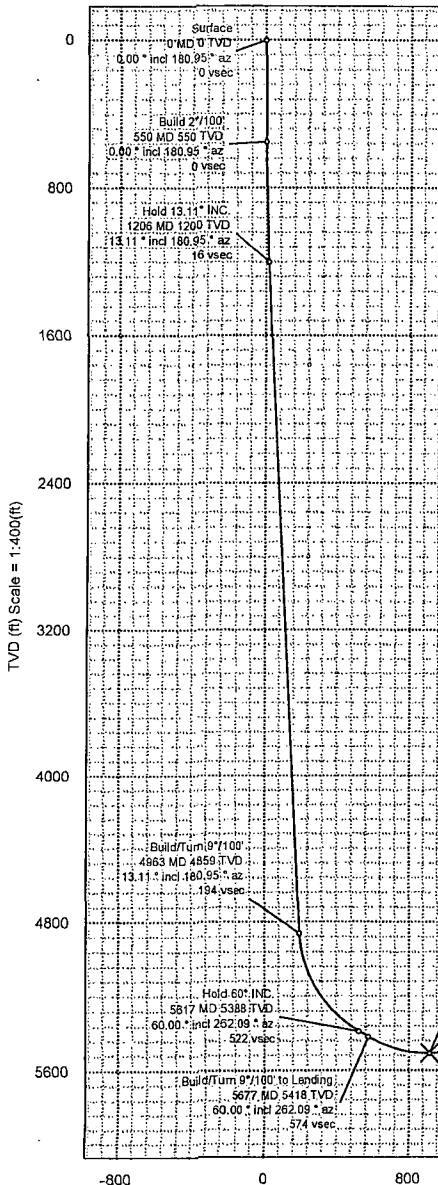
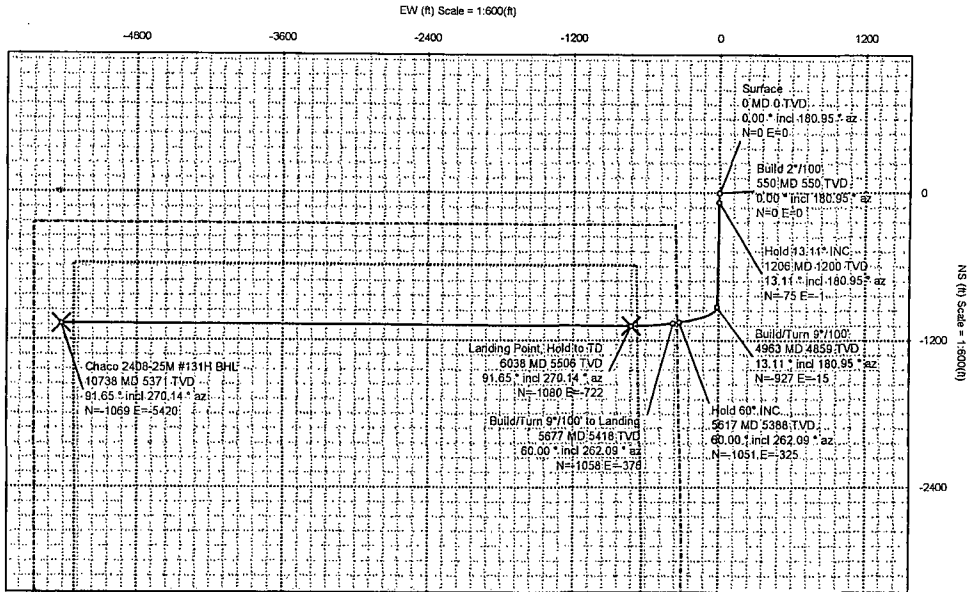
Borehole:	Well:	Field:	Structure:
Original Hole	Chaco 2408-25M #131H	NM San Juan County NAD27	Sec 25-24N-8W

Gravity & Magnetic Parameters	Surface Location	Miscellaneous
Model: BGGM 2013 Dip: 63.034° Date: 28-Jan-2014	NAD27 New Mexico State Plane, Western Zone, US Feet	Chaco 2408-25M #131H
MagDec: 9.511° FS: 50161.52nT Gravity FS: 998.514mgm (9.80665 Based)	Lat: N 36 16 43.43 Northing: 1920756.614ft Grid Conv: 0.1141°	TVD Ref: RKB(6860ft above MSL)
	Lon: W 107 38 25.98 Easting: 556822.933ft Scale Fact: 0.99992036	Plan: Chaco 2408-25M #131H R0 mdv 28Jan14

Proposal



True North
Tot Corr (M->T 9.511°)
Mag Dec (9.511°)
Grid Conv (0.114°)



Surface Location								
Northing: 1920756.614			Easting: 556822.933		Latitude: N 36 16 43.43		Longitude: W 107 38 25.98	
					VSec Azimuth: 258.845			
Target Description		Grid Coord					Local Coord	
Target Name	Latitude	Longitude	Northing	Easting	TVD	VSec	N(+)/S(-)	E(+)/W(-)
Chaco 2408-25M #131H BHL	N 36 16 32.65	W 107 39 32.17	1919677.24	551405.87	5371.00	5524.00	-1068.67	-5419.64
Chaco 2408-25M #131H POE	N 36 16 32.75	W 107 38 34.79	1919675.28	556103.48	5506.00	916.97	-1079.99	-721.67
Chaco 2408-25M #131H 330' Setback	N 36 16 43.43	W 107 38 25.98	1920756.61	556822.93	6860.00	0.00	0.00	0.00
Chaco 2408-25M #131H Section Line	N 36 16 43.43	W 107 38 25.98	1920756.61	556822.93	6860.00	0.00	0.00	0.00
Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
Surface	0.00	0.00	180.95	0.00	0.00	0.00	0.00	
Build 2"/100'	550.00	0.00	180.95	550.00	0.00	0.00	0.00	0.00
Hold 13.11° INC.	1205.60	13.11	180.95	1199.89	15.67	-74.68	-1.24	2.00
Build/Turn 9"/100'	4962.73	13.11	180.95	4859.07	194.46	-926.88	-15.44	0.00
Hold 60° INC.	5616.65	60.00	262.09	5388.36	522.04	-1051.13	-324.83	9.00
Build/Turn 9"/100' to Landing	5676.65	60.00	262.09	5418.36	573.92	-1056.28	-376.29	0.00
Landing Point,Hold to TD	6038.48	91.64	270.14	5506.00	916.97	-1079.99	-721.67	9.00
Chaco 2408-25M #131H BHL	10738.41	91.65	270.14	5371.00	5524.00	-1068.67	-5419.64	0.00

Vertical Section (ft) Azim = 258.845° Scale = 1:400(ft) Origin = 0N/S, 0E/W

Chaco 2408-25M #131H R0 mdv 28Jan14 Proposal Geodetic Report

(Def Plan)

Report Date: January 28, 2014 - 01:10 PM
 Client: WPX Energy
 Field: NM San Juan County NAD27
 Structure / Slot: WPX Sec 25-24N-8W (Chaco 2408-25M #131H) / Chaco 2408-25M #131H
 Well: Chaco 2408-25M #131H
 Borehole: Original Hole
 UWI / API#: Unknown / Unknown
 Survey Name: Chaco 2408-25M #131H R0 mdv 28Jan14
 Survey Date: January 28, 2014
 Tort / AHD / DDI / ERD Ratio: 104.534 * / 6370.941 ft / 6.114 / 1.157
 Coordinate Reference System: NAD27 New Mexico State Plane, Western Zone, US Feet
 Location Lat / Long: N 36° 16' 43.42800", W 107° 38' 25.98000"
 Location Grid N/E Y/X: N 1920756.614 ftUS, E 556822.933 ftUS
 CRS Grid Convergence Angle: 0.1141 *
 Grid Scale Factor: 0.99992036
 Version / Patch: 2.7.1043.0

Survey / DLS Computation: Minimum Curvature / Lubinski
 Vertical Section Azimuth: 258.845 * (True North)
 Vertical Section Origin: 0.000 ft, 0.000 ft
 TVD Reference Datum: RKB
 TVD Reference Elevation: 6860.000 ft above MSL
 Seabed / Ground Elevation: 6846.000 ft above MSL
 Magnetic Declination: 9.511 *
 Total Gravity Field Strength: 998.5141mgN (9.80665 Based)
 Gravity Model: GARM
 Total Magnetic Field Strength: 50161.520 nT
 Magnetic Dip Angle: 63.034 *
 Declination Date: January 28, 2014
 Magnetic Declination Model: BGGM 2013
 North Reference: True North
 Grid Convergence Used: 0.0000 *
 Total Corr Mag North->True North: 9.5115 *
 Local Coord Referenced To: Well Head

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")	
Surface	0.00	0.00	180.95	0.00	0.00	0.00	0.00	N/A	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
Build 2"/100'	100.00	0.00	180.95	100.00	0.00	0.00	0.00	0.00	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
	200.00	0.00	180.95	200.00	0.00	0.00	0.00	0.00	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
	300.00	0.00	180.95	300.00	0.00	0.00	0.00	0.00	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
	400.00	0.00	180.95	400.00	0.00	0.00	0.00	0.00	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
	500.00	0.00	180.95	500.00	0.00	0.00	0.00	0.00	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
	550.00	0.00	180.95	550.00	0.00	0.00	0.00	0.00	1920756.61	556822.93	N 36 16 43.43	W 107 38 25.98	
	600.00	1.00	180.95	600.00	0.09	-0.44	-0.01	2.00	1920756.18	556822.93	N 36 16 43.42	W 107 38 25.98	
	700.00	3.00	180.95	699.93	0.82	-3.93	-0.07	2.00	1920752.69	556822.88	N 36 16 43.39	W 107 38 25.98	
	800.00	5.00	180.95	799.68	2.29	-10.90	-0.18	2.00	1920745.71	556822.77	N 36 16 43.32	W 107 38 25.98	
	900.00	7.00	180.95	899.13	4.48	-21.35	-0.36	2.00	1920735.26	556822.62	N 36 16 43.22	W 107 38 25.98	
	1000.00	9.00	180.95	998.15	7.40	-35.27	-0.59	2.00	1920721.35	556822.42	N 36 16 43.08	W 107 38 25.99	
	1100.00	11.00	180.95	1096.63	11.04	-52.63	-0.88	2.00	1920703.99	556822.16	N 36 16 42.91	W 107 38 25.99	
1200.00	13.00	180.95	1194.44	15.40	-73.41	-1.22	2.00	1920683.20	556821.86	N 36 16 42.70	W 107 38 25.99		
Hold 13.11" INC.	1205.60	13.11	180.95	1199.89	15.67	-74.68	-1.24	2.00	1920681.94	556821.84	N 36 16 42.69	W 107 38 26.00	
	1300.00	13.11	180.95	1291.83	20.16	-96.09	-1.60	0.00	1920660.53	556821.52	N 36 16 42.48	W 107 38 26.00	
	1400.00	13.11	180.95	1389.22	24.92	-118.77	-1.98	0.00	1920637.85	556821.19	N 36 16 42.25	W 107 38 26.00	
	1500.00	13.11	180.95	1486.62	29.68	-141.46	-2.36	0.00	1920615.17	556820.86	N 36 16 42.03	W 107 38 26.01	
	1600.00	13.11	180.95	1584.01	34.44	-164.14	-2.73	0.00	1920592.48	556820.53	N 36 16 41.80	W 107 38 26.01	
	1700.00	13.11	180.95	1681.40	39.19	-186.82	-3.11	0.00	1920569.80	556820.19	N 36 16 41.58	W 107 38 26.02	
	1800.00	13.11	180.95	1778.80	43.95	-209.50	-3.49	0.00	1920547.12	556819.86	N 36 16 41.36	W 107 38 26.02	
	1900.00	13.11	180.95	1876.19	48.71	-232.18	-3.87	0.00	1920524.44	556819.53	N 36 16 41.13	W 107 38 26.03	
	2000.00	13.11	180.95	1973.58	53.47	-254.87	-4.24	0.00	1920501.76	556819.20	N 36 16 40.91	W 107 38 26.03	
	2100.00	13.11	180.95	2070.97	58.23	-277.55	-4.62	0.00	1920479.08	556818.86	N 36 16 40.68	W 107 38 26.04	
	2200.00	13.11	180.95	2168.37	62.99	-300.23	-5.00	0.00	1920456.40	556818.53	N 36 16 40.46	W 107 38 26.04	
	2300.00	13.11	180.95	2265.76	67.75	-322.91	-5.38	0.00	1920433.72	556818.20	N 36 16 40.23	W 107 38 26.05	
	2400.00	13.11	180.95	2363.15	72.51	-345.60	-5.76	0.00	1920411.04	556817.87	N 36 16 40.01	W 107 38 26.05	
	2500.00	13.11	180.95	2460.55	77.26	-368.28	-6.13	0.00	1920388.35	556817.53	N 36 16 39.79	W 107 38 26.05	
	2600.00	13.11	180.95	2557.94	82.02	-390.96	-6.51	0.00	1920365.67	556817.20	N 36 16 39.56	W 107 38 26.06	
	2700.00	13.11	180.95	2655.33	86.78	-413.64	-6.89	0.00	1920342.99	556816.87	N 36 16 39.34	W 107 38 26.06	
	2800.00	13.11	180.95	2752.72	91.54	-436.32	-7.27	0.00	1920320.31	556816.54	N 36 16 39.11	W 107 38 26.07	
	2900.00	13.11	180.95	2850.12	96.30	-459.01	-7.64	0.00	1920297.63	556816.20	N 36 16 38.89	W 107 38 26.07	
	3000.00	13.11	180.95	2947.51	101.06	-481.69	-8.02	0.00	1920274.95	556815.87	N 36 16 38.66	W 107 38 26.08	
	3100.00	13.11	180.95	3044.90	105.82	-504.37	-8.40	0.00	1920252.27	556815.54	N 36 16 38.44	W 107 38 26.08	
	3200.00	13.11	180.95	3142.30	110.57	-527.05	-8.78	0.00	1920229.59	556815.21	N 36 16 38.22	W 107 38 26.09	
	3300.00	13.11	180.95	3239.69	115.33	-549.74	-9.15	0.00	1920206.91	556814.87	N 36 16 37.99	W 107 38 26.09	
	3400.00	13.11	180.95	3337.08	120.09	-572.42	-9.53	0.00	1920184.23	556814.54	N 36 16 37.77	W 107 38 26.10	
	3500.00	13.11	180.95	3434.47	124.85	-595.10	-9.91	0.00	1920161.54	556814.21	N 36 16 37.54	W 107 38 26.10	
	3600.00	13.11	180.95	3531.87	129.61	-617.78	-10.29	0.00	1920138.86	556813.88	N 36 16 37.32	W 107 38 26.11	
	3700.00	13.11	180.95	3629.26	134.37	-640.46	-10.67	0.00	1920116.18	556813.54	N 36 16 37.09	W 107 38 26.11	
	3800.00	13.11	180.95	3726.65	139.13	-663.15	-11.04	0.00	1920093.50	556813.21	N 36 16 36.87	W 107 38 26.11	
	3900.00	13.11	180.95	3824.05	143.89	-685.83	-11.42	0.00	1920070.82	556812.88	N 36 16 36.65	W 107 38 26.12	
	4000.00	13.11	180.95	3921.44	148.64	-708.51	-11.80	0.00	1920048.14	556812.55	N 36 16 36.42	W 107 38 26.12	
	4100.00	13.11	180.95	4018.83	153.40	-731.19	-12.18	0.00	1920025.46	556812.21	N 36 16 36.20	W 107 38 26.13	
	4200.00	13.11	180.95	4116.23	158.16	-753.88	-12.55	0.00	1920002.78	556811.88	N 36 16 35.97	W 107 38 26.13	
	4300.00	13.11	180.95	4213.62	162.92	-776.56	-12.93	0.00	1919980.10	556811.55	N 36 16 35.75	W 107 38 26.14	
	4400.00	13.11	180.95	4311.01	167.68	-799.24	-13.31	0.00	1919957.41	556811.22	N 36 16 35.52	W 107 38 26.14	
	4500.00	13.11	180.95	4408.40	172.44	-821.92	-13.69	0.00	1919934.73	556810.88	N 36 16 35.30	W 107 38 26.15	
	4600.00	13.11	180.95	4505.80	177.20	-844.60	-14.06	0.00	1919912.05	556810.55	N 36 16 35.08	W 107 38 26.15	
	4700.00	13.11	180.95	4603.19	181.95	-867.29	-14.44	0.00	1919889.37	556810.22	N 36 16 34.85	W 107 38 26.16	
	4800.00	13.11	180.95	4700.58	186.71	-889.97	-14.82	0.00	1919866.69	556809.89	N 36 16 34.63	W 107 38 26.16	
	4900.00	13.11	180.95	4797.98	191.47	-912.65	-15.20	0.00	1919844.01	556809.55	N 36 16 34.40	W 107 38 26.17	
	Build/Turn 9°/100'	4962.73	13.11	180.95	4859.07	194.48	-926.88	-15.44	0.00	1919829.78	556809.34	N 36 16 34.26	W 107 38 26.17
		5000.00	13.59	195.37	4895.34	197.30	-935.33	-16.67	9.00	1919821.33	556808.13	N 36 16 34.18	W 107 38 26.18
		5100.00	18.11	224.43	4991.66	215.41	-957.81	-30.69	9.00	1919798.83	556794.15	N 36 16 33.96	W 107 38 26.35
5200.00		25.11	240.03	5084.65	248.39	-979.56	-60.02	9.00	1919777.02	556784.87	N 36 16 33.74	W 107 38 26.71	
5300.00		33.05	248.84	5172.01	295.42	-1000.04	-103.92	9.00	1919756.45	556721.01	N 36 16 33.54	W 107 38 27.25	
5400.00		41.38	254.49	5251.60	355.36	-1018.76	-161.32	9.00	1919737.82	556663.66	N 36 16 33.35	W 107 38 27.95	
5500.00		49.92	258.51	5321.46	426.72	-1035.25	-230.80	9.00	1919720.99	556594.21	N 36 16 33.19	W 107 38 28.80	
5600.00		58.55	261.63	5379.86	507.75	-1049.10	-310.66	9.00	1919706.98	556514.39	N 36 16 33.05	W 107 38 29.77	
5616.65		60.00	262.09	5388.36	522.04	-1051.13	-324.83	9.00	1919704.92	556500.23	N 36 16 33.03	W 107 38 29.95	
Hold 60° INC. Build/Turn 9°/100' to Landing		5676.65	60.00	262.09	5418.36	573.92	-1058.28	-376.29	0.00	1919697.67	556448.78	N 36 16 32.96	W 107 38 30.58
		5700.00	62.03	262.71	5429.68	594.30	-1060.98	-396.54	9.00	1919694.93	556428.54	N 36 16 32.94	W 107 38 30.82
		5800.00	70.75	265.13	5469.69	685.47	-1070.61	-487.56	9.00	1919685.12	556337.54	N 36 16 32.84	W 107 38 31.93
		5900.00	79.51	267.31	5495.33	781.22	-1076.95	-583.90	9.00	1919678.80	556241.22	N 36 16 32.78	W 107 38 33.11
	6000.00	88.27	269.36	5505.97	879.19	-1079.82	-683.19	9.00	1919675.52	556141.95	N 36 16 32.75	W 107 38 34.32	
	Landing Point, Hold to TD	6038.48	91.65	270.14	5506.00	916.97	-1079.99	-721.67	9.00	1919675.28	556103.48	N 36 16 32.75	W 107 38 34.79
	6100.00	91.65	270.14	5504.23	977.27	-1079.84	-783.16	0.00	1919675.31	556041.99	N 36 16 32.75	W 107 38 35.54	
	6200.00	91.65	270.14	5501.36	1075.29	-1079.59	-863.12	0.00	1919675.35	555942.04	N 36 16 32.75	W 107 38 36.76	
	6300.00	91.65	270.14	5498.49	1173.32	-1079.35	-963.08	0.00	1919675.40	555842.09	N 36 16 32.75	W 107 38 37.99	
	6400.00	91.65	270.14	5495.62	1271.34	-1079.11	-1063.04	0.00	1919675.44	555742.14	N 36 16 32.76	W 107 38 39.21	
	6500.00	91.65	270.14	5492.75	1369.36	-1078.7							

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
	6600.00	91.65	270.14	5489.86	1467.38	-1076.62	-1282.85	0.00	1919675.53	555442.24	N 36 16 32.76	W 107 38 41.65
	6700.00	91.65	270.14	5487.01	1565.41	-1078.38	-1382.91	0.00	1919675.58	555442.29	N 36 16 32.76	W 107 38 42.87
	6800.00	91.65	270.14	5484.14	1663.43	-1078.13	-1482.87	0.00	1919675.62	555442.33	N 36 16 32.77	W 107 38 44.09
	6900.00	91.65	270.14	5481.27	1761.45	-1077.89	-1582.83	0.00	1919675.66	555442.38	N 36 16 32.77	W 107 38 45.31
	7000.00	91.65	270.14	5478.39	1859.48	-1077.65	-1682.79	0.00	1919675.71	555442.43	N 36 16 32.77	W 107 38 46.53
	7100.00	91.65	270.14	5475.52	1957.50	-1077.40	-1782.74	0.00	1919675.75	555042.48	N 36 16 32.77	W 107 38 47.75
	7200.00	91.65	270.14	5472.65	2055.52	-1077.16	-1882.70	0.00	1919675.79	554942.53	N 36 16 32.78	W 107 38 48.97
	7300.00	91.65	270.14	5469.78	2153.55	-1076.92	-1982.66	0.00	1919675.84	554842.58	N 36 16 32.78	W 107 38 50.19
	7400.00	91.65	270.14	5466.91	2251.57	-1076.68	-2082.62	0.00	1919675.88	554742.63	N 36 16 32.78	W 107 38 51.41
	7500.00	91.65	270.14	5464.04	2349.59	-1076.43	-2182.58	0.00	1919675.92	554642.68	N 36 16 32.78	W 107 38 52.63
	7600.00	91.65	270.14	5461.16	2447.62	-1076.19	-2282.54	0.00	1919675.97	554542.73	N 36 16 32.78	W 107 38 53.85
	7700.00	91.65	270.14	5458.29	2545.64	-1075.95	-2382.50	0.00	1919676.01	554442.78	N 36 16 32.79	W 107 38 55.08
	7800.00	91.65	270.14	5455.42	2643.66	-1075.71	-2482.45	0.00	1919676.05	554342.83	N 36 16 32.79	W 107 38 56.30
	7900.00	91.65	270.14	5452.55	2741.69	-1075.47	-2582.41	0.00	1919676.10	554242.88	N 36 16 32.79	W 107 38 57.52
	8000.00	91.65	270.14	5449.68	2839.71	-1075.23	-2682.37	0.00	1919676.14	554142.93	N 36 16 32.79	W 107 38 58.74
	8100.00	91.65	270.14	5446.80	2937.73	-1074.98	-2782.33	0.00	1919676.18	554042.98	N 36 16 32.80	W 107 38 59.96
	8200.00	91.65	270.14	5443.93	3035.76	-1074.74	-2882.29	0.00	1919676.22	553943.03	N 36 16 32.80	W 107 39 1.18
	8300.00	91.65	270.14	5441.06	3133.78	-1074.50	-2982.25	0.00	1919676.26	553843.08	N 36 16 32.80	W 107 39 2.40
	8400.00	91.65	270.14	5438.19	3231.80	-1074.26	-3082.20	0.00	1919676.31	553743.13	N 36 16 32.80	W 107 39 3.62
	8500.00	91.65	270.14	5435.32	3329.83	-1074.02	-3182.16	0.00	1919676.35	553643.17	N 36 16 32.81	W 107 39 4.84
	8600.00	91.65	270.14	5432.44	3427.85	-1073.78	-3282.12	0.00	1919676.39	553543.22	N 36 16 32.81	W 107 39 6.06
	8700.00	91.65	270.14	5429.57	3525.87	-1073.54	-3382.08	0.00	1919676.43	553443.27	N 36 16 32.81	W 107 39 7.28
	8800.00	91.65	270.14	5426.70	3623.90	-1073.30	-3482.04	0.00	1919676.47	553343.32	N 36 16 32.81	W 107 39 8.50
	8900.00	91.65	270.14	5423.83	3721.92	-1073.06	-3582.00	0.00	1919676.51	553243.37	N 36 16 32.81	W 107 39 9.72
	9000.00	91.65	270.14	5420.95	3819.94	-1072.82	-3681.96	0.00	1919676.55	553143.42	N 36 16 32.82	W 107 39 10.94
	9100.00	91.65	270.14	5418.08	3917.97	-1072.58	-3781.91	0.00	1919676.60	553043.47	N 36 16 32.82	W 107 39 12.17
	9200.00	91.65	270.14	5415.21	4015.99	-1072.34	-3881.87	0.00	1919676.64	552943.52	N 36 16 32.82	W 107 39 13.39
	9300.00	91.65	270.14	5412.33	4114.02	-1072.10	-3981.83	0.00	1919676.68	552843.57	N 36 16 32.82	W 107 39 14.61
	9400.00	91.65	270.14	5409.46	4212.04	-1071.86	-4081.79	0.00	1919676.72	552743.62	N 36 16 32.83	W 107 39 15.83
	9500.00	91.65	270.14	5406.59	4310.06	-1071.62	-4181.75	0.00	1919676.76	552643.67	N 36 16 32.83	W 107 39 17.05
	9600.00	91.65	270.14	5403.71	4408.09	-1071.38	-4281.71	0.00	1919676.80	552543.72	N 36 16 32.83	W 107 39 18.27
	9700.00	91.65	270.14	5400.84	4506.11	-1071.14	-4381.68	0.00	1919676.84	552443.77	N 36 16 32.83	W 107 39 19.49
	9800.00	91.65	270.14	5397.97	4604.13	-1070.91	-4481.62	0.00	1919676.88	552343.82	N 36 16 32.83	W 107 39 20.71
	9900.00	91.65	270.14	5395.09	4702.16	-1070.67	-4581.58	0.00	1919676.92	552243.87	N 36 16 32.84	W 107 39 21.93
	10000.00	91.65	270.14	5392.22	4800.18	-1070.43	-4681.54	0.00	1919676.96	552143.92	N 36 16 32.84	W 107 39 23.15
	10100.00	91.65	270.14	5389.35	4898.21	-1070.19	-4781.50	0.00	1919677.00	552043.97	N 36 16 32.84	W 107 39 24.37
	10200.00	91.65	270.14	5386.47	4996.23	-1069.95	-4881.46	0.00	1919677.03	551944.02	N 36 16 32.84	W 107 39 25.59
	10300.00	91.65	270.14	5383.60	5094.25	-1069.71	-4981.41	0.00	1919677.07	551844.06	N 36 16 32.85	W 107 39 26.81
	10400.00	91.65	270.14	5380.73	5192.28	-1069.48	-5081.37	0.00	1919677.11	551744.11	N 36 16 32.85	W 107 39 28.03
	10500.00	91.65	270.14	5377.85	5290.30	-1069.24	-5181.33	0.00	1919677.15	551644.16	N 36 16 32.85	W 107 39 29.25
	10600.00	91.65	270.14	5374.98	5388.33	-1069.00	-5281.29	0.00	1919677.19	551544.21	N 36 16 32.85	W 107 39 30.48
	10700.00	91.65	270.14	5372.10	5486.35	-1068.76	-5381.25	0.00	1919677.23	551444.26	N 36 16 32.85	W 107 39 31.70
Chaco 2408-25M #131H BHL	10738.41	91.65	270.14	5371.00	5524.00	-1068.67	-5419.64	0.00	1919677.24	551405.87	N 36 16 32.85	W 107 39 32.17

Survey Type: Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma
Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Survey Tool Type	Borehole / Survey
	1	0.000	14.000	1/100.000	30.000	30.000	SLB_MWD-STD-Depth Only	Original Hole / Chaco 2408-25M #131H R0 mdv 28Jan14
	1	14.000	10738.411	1/100.000	30.000	30.000	SLB_MWD-STD	Original Hole / Chaco 2408-25M #131H R0 mdv 28Jan14

1. INTRODUCTION

WPX Energy Production, LLC (WPX) is providing this Surface Use Plan of Operations (SUPO)/Plan of Development (POD) to the Bureau of Land Management – Farmington Field Office (BLM-FFO) as part of their Chaco 2408-25M No. 131H (131H) Application for Permit to Drill (APD) and Right-of-Way (ROW) Grants. This SUPO/POD is provided per Onshore Oil and Gas Order No. 1, 43 Code of Federal Regulations (CFR) 2804.12, 43 CFR 2884.11, BLM Manual Section 2804 (Applying for Federal Land Policy and Management Act [FLPMA] Grants), and BLM FLPMA ROW Manual Section 2884 (Applying for a Mineral Leasing Act Grant or a Temporary Use Permit).

The 131H oil and natural gas well will be twinned with the Chaco 2408-25M No. 237H (237H) well. A SUPO/POD was originally submitted for the 237H project in November 2013. The 237H project included the 237H well (to be permitted via an approved APD) and an associated well pad and access road (to be permitted via Right-of-Way [ROW] Grants). A well pad associated with a plugged & abandoned (P&A) Elm Ridge Exploration Company (Elm Ridge) well would be used as a temporary use area (TUA); because a Final Abandonment Notice has not been issued for this well pad, the use of it as a TUA will be authorized by an agreement between WPX and Elm Ridge. The 237H project has not yet been permitted. This SUPO/POD will serve as a revision to the original 237H SUPO/POD.

The addition of the 131H well (to be permitted via an approved APD) to the 237H project will not result in any new surface impacts beyond those already described for the 237H project; neither the well pad, access road, nor TUA will change in size or location. The “project” discussed in this document will refer to the 237H and 131H as a collective project.

The 131H and 237H wells will drill to Navajo Allotted minerals. All surface features associated with the 131H/237H project will be on off-lease surface managed by the BLM-FFO.

A pre-disturbance onsite meeting was held for the 237H project on September 5, 2013. The BLM, WPX, and an environmental consultant (Nelson Consulting, Inc.) attended the meeting. Because no new surface disturbance is associated with the addition of the 131H to the project, a second onsite meeting was not required.

In addition to the best management practices (BMPs) provided below and in the Surface Reclamation Plan (Reclamation Plan; Appendix A), the general Conditions of Approval and stipulations will be followed, if any are attached to the approved APDs or ROW Grants.

2. PROJECT LOCATION AND DESCRIPTION

2.1. Project Location

The project area is located in San Juan County, New Mexico. The project area is located approximately 35 road miles south-southeast of the town of Bloomfield, New Mexico. To access the project area from the town of Bloomfield, head south from the U.S. Highway 550-U.S. Highway 64 intersection for approximately 43 miles, turn left onto County Road 7998 for approximately 1 mile, and turn left onto an unnamed road for approximately 0.6 mile to the start of the 131H/237H access road. The access route from U.S. Highway 550 is depicted on Figure B.1 (Appendix B) and on the construction plats provided in the APD and ROW Grant permit packages.

The legal location of the project area is described in the table below (New Mexico Principal Meridian [NMPM]).

90 days of installation, above-ground structures not subject to safety requirements will be painted Juniper Green to blend with vegetation and reduce visual resource impacts.

7. WATER SUPPLY

The wells will be horizontally drilled, and completion will include well stimulation (hydraulic fracturing). Water for drilling and completion operations will be purchased from San Juan Basin Water Haulers Association. San Juan Basin Water Haulers Association will obtain water from the following two permitted water wells:

- Turtle Mountain: SJ-960-S-3
- Blanco Trading Post: WR711

The water hauler(s) will access the project area via the roads described in Sections 2 (Project Location and Description) and 3 (New or Reconstructed Access Roads).

8. CONSTRUCTION

Excavated materials from the cuts will be used on the fill portions of the location to level the well pad. Approximately 9 feet of cut and 5 feet of fill will be needed to create a level well pad. No additional materials will be required for construction of the well pad.

Construction plats are provided in the APD and ROW Grant permit packages.

Working areas will be confined to the project areas described in Section 2 (Project Location and Description).

Maintenance activities will cease when soil or road surfaces become saturated to the extent that construction equipment is unable to stay within the project area and/or when activities cause irreparable harm to roads, soils, or streams. WPX will use the six-step frozen ground procedure during frozen ground conditions.

9. METHODS FOR HANDLING WASTE DISPOSAL

- ✓ Drilling operations will utilize a closed-loop system. Drilling of the horizontal lateral may be done with water-based mud. All water-based mud cuttings will be hauled to a commercial disposal facility or land farm.

The drilling operations area will be enclosed by a containment berm and ditches, which will drain to sump areas for spill prevention and control. The containment berm will be ramped to allow access to the solids control area.

WPX will follow New Mexico Oil Conservation Division "Pit Rule" guidelines and Onshore Order Nos. 1 and 7 regarding the placement, operation, and closure of any reserve pits or closed-loop systems. No blow pit will be used.

As stated in the Reclamation Plan (Appendix A), if drilling has not been initiated on the well pad within 120 days of the well pad being constructed, WPX will submit a site-stabilization plan to the BLM-FFO.

All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed. Portable toilets will be provided and maintained during construction, as needed (see Figure B.3, Appendix B).

B.2. Existing Wells and Water Features within 1-Mile Radius of Project Area

