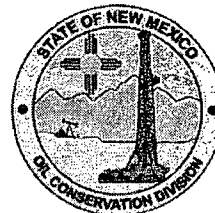


State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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



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: 12-1-14

Well information:

Operator WPX, Well Name and Number NE Chaco Com # 271H

API# 30-039-31288, Section 16, Township 23 (N)S, Range 6 (E)W

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
- ☒ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- ☒ 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. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- ☒ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.


NMOCD Approved by Signature

12.18-14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

DEC 03 2014

5. Lease Serial No.
NMNM-58870

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.

NE Chaco COM #271H

9. API Well No.

30-039-31288

10. Field and Pool, or Exploratory

Chaco Unit NE HZ (OIL)

11. Sec., T., R., M., or Blk. and Survey or Area

SHL: Section 16, T23N, R6W

BHL: Section 18, T23N, R6W

12. County or Parish

Rio Arriba 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) 333-1849

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

At surface 1430' FSL & 353' FWL, sec 16, T23N, R6W

At proposed prod. zone 1439' FNL & 262' FEL, sec 18, T23N, R6W

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

approximately 4 miles east of Lybrook, New Mexico

15. Distance from proposed*

location to nearest

property or lease line, ft.

(Also to nearest drig. unit line, if any) 353'

16. No. of Acres in lease

76.35

9,237-3

17. Spacing Unit dedicated to this well

627.87 acres

18. Distance from proposed location*

to nearest well, drilling, completed,

applied for, on this lease, ft.

22'

19. Proposed Depth

11,650' MD / 5,388' TVD

20. BLM/BIA Bond No. on file

UTB000178

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

6858' GR

22. Approximate date work will start*

February 1, 2015

23. Estimated duration

1 month

24. Attachments

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

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

Andrea Felix

Name (Printed/Typed)

Andrea Felix

Date

12-1-14

Title

Regulatory Specialist

Approved by (Signature)

AFM

Name (Printed/Typed)

Office

FFO

Date

12/16/14

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 Chaco Unit NE HZ (OIL) pool at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is under jurisdiction of the State of New Mexico and is co-located with the NE Chaco COM #209H, 210H, 243H, and the 244H which has been built.

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

No new access road is needed.

There will be no new pipeline. The pipeline for the NE Chaco COM #244H is on NMSLO surface and will be built as a lease action.

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"

OIL CONS. DIV DIST. 3

DEC 17 2014

NMCCDAV
Ke

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

District I
1625 N. French Drive, Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-31288	² Pool Code 98088	³ Pool Name CHACO UNIT NE HZ (OIL)
⁴ Property Code 313800	⁵ Property Name NE CHACO COM	⁶ Well Number 271H
⁷ GRID No. 120782	⁸ Operator Name WPX ENERGY PRODUCTION, LLC	⁹ Elevation 6858'

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
L	16	23N	6W		1430	SOUTH	353	WEST	RIO ARriba

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
H	18	23N	6W		1439	NORTH	262	EAST	RIO ARriba

¹² Dedicated Acres 627.87	N/2 - Section 17 N/2 - Section 18	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-13817A 9,237.3 acres
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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

END-OF-LATERAL
1439' FNL 262' FEL
SECTION 18, T23N, R6W
LAT: 36.228267°N
LONG: 107.501442°W
DATUM: NAD1927

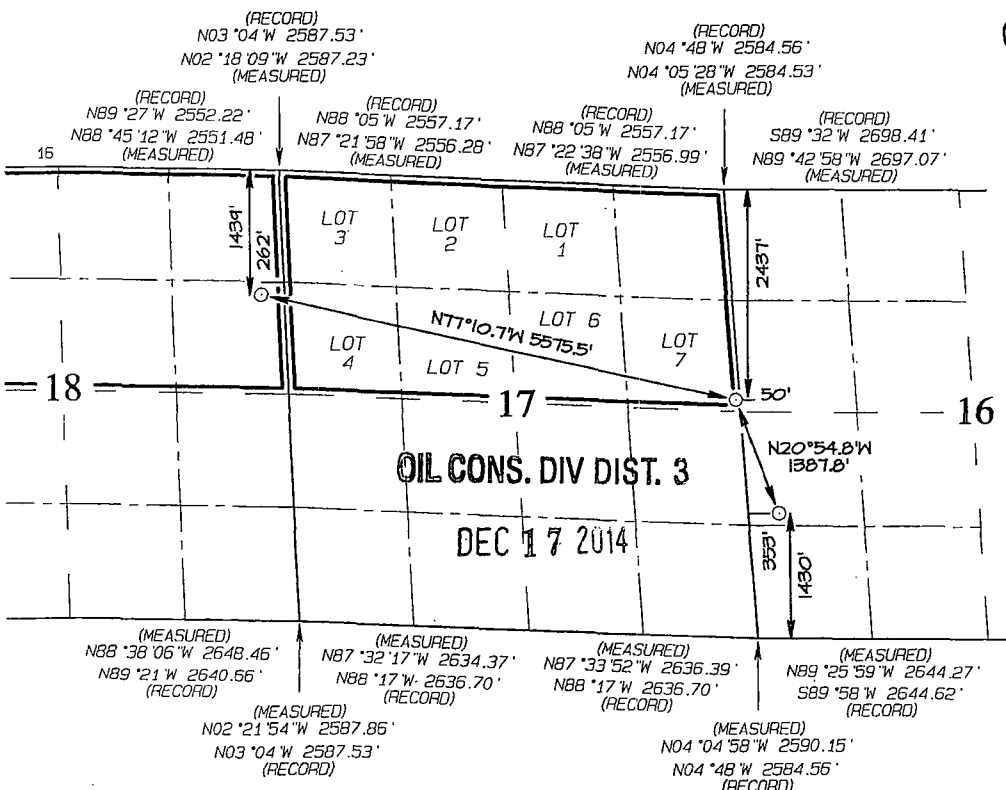
LAT: 36.228280°N
LONG: 107.502047°W
DATUM: NAD1983

POINT-OF-ENTRY
2437' FNL 50' FEL
SECTION 17, T23N, R6W
LAT: 36.225060°N
LONG: 107.482960°W
DATUM: NAD1927

LAT: 36.225074°N
LONG: 107.483565°W
DATUM: NAD1983

SURFACE LOCATION
1430' FSL 353' FWL
SECTION 16, T23N, R6W
LAT: 36.221517°N
LONG: 107.481225°W
DATUM: NAD1927

LAT: 36.221530°N
LONG: 107.481830°W
DATUM: NAD1983



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 or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Andrea Felix 12-1-14
Signature Date

Andrea Felix
Printed Name
Andrea.felix@wpenergy.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: NOVEMBER 6, 2014
Survey Date: SEPTEMBER 4, 2013

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

WPXENERGY.

WPX ENERGY

Operations Plan

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

DATE: 10/13/2014 **FIELD:** Chaco Unit NE HZ (oil)
WELL NAME: NE Chaco COM #271H **SURFACE:** STATE
SH Location: NWSW Sec 16-23N-6W **ELEVATION:** 6,858' GR
BH Location: SENE Sec 18-23N-6W **MINERALS:** BLM
Rio Arriba Co, NM
MEASURED DEPTH: 11,650' **LEASE #:** NMNM 58870

I. **GEOLOGY:** Surface formation – San Jose

A. **FORMATION TOPS:** (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1,368	1,357	Point Lookout	4,310	4,198
Kirtland	1,495	1,480	Mancos	4,564	4,443
Picture Cliffs	1,991	1,959	Kickoff Point	4,996	4,860
Lewis	1,992	1,960	Top Target	5,676	5,407
Chacra	2,291	2,248	Landing Point	6,074	5,517
Cliff House	3,535	3,450	Base Target	6,074	5,517
Menefee	3,559	3,473			
			TD	11,650	5,388

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, 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 +/- 4,996' (MD) / 4,860' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 6,074 (MD) / 5,517' (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 +/- 10,650' (MD) / 5,388' (TVD). Will run 4-1/2 in. Production Liner from +/- 6,024 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"	6,074'	7	23#	K-55
Prod. Liner	6.125"	6,074' - 10,650'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 6,024'	4-1/2"	11.6#	N-80

B. FLOAT EQUIPMENT:

1. SURFACE CASING: 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
2. 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., 2,000ft., 1,500 ft., and 1,000 ft.
3. 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 + 1 RSI (Sliding Sleeve) 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.
4. TIE-BACK CASING: None

C. CEMENTING:

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

1. 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).
2. INTERMEDIATE: 20 bbl (112 cu-ft) Mud Flush III spacer + Lead: +/- 700 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.
3. 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 (536.3 cu ft / 95.5 bbls). Mix Foamed Cement w/ +/- 75,000 SCF Nitrogen. Est. TOC +/- 5,724 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. 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 (~6,000' 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 6,174ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 6,024 ft. (MD) +/- 78 degree angle. TOC: +/- 5,724 ft. (MD).

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.

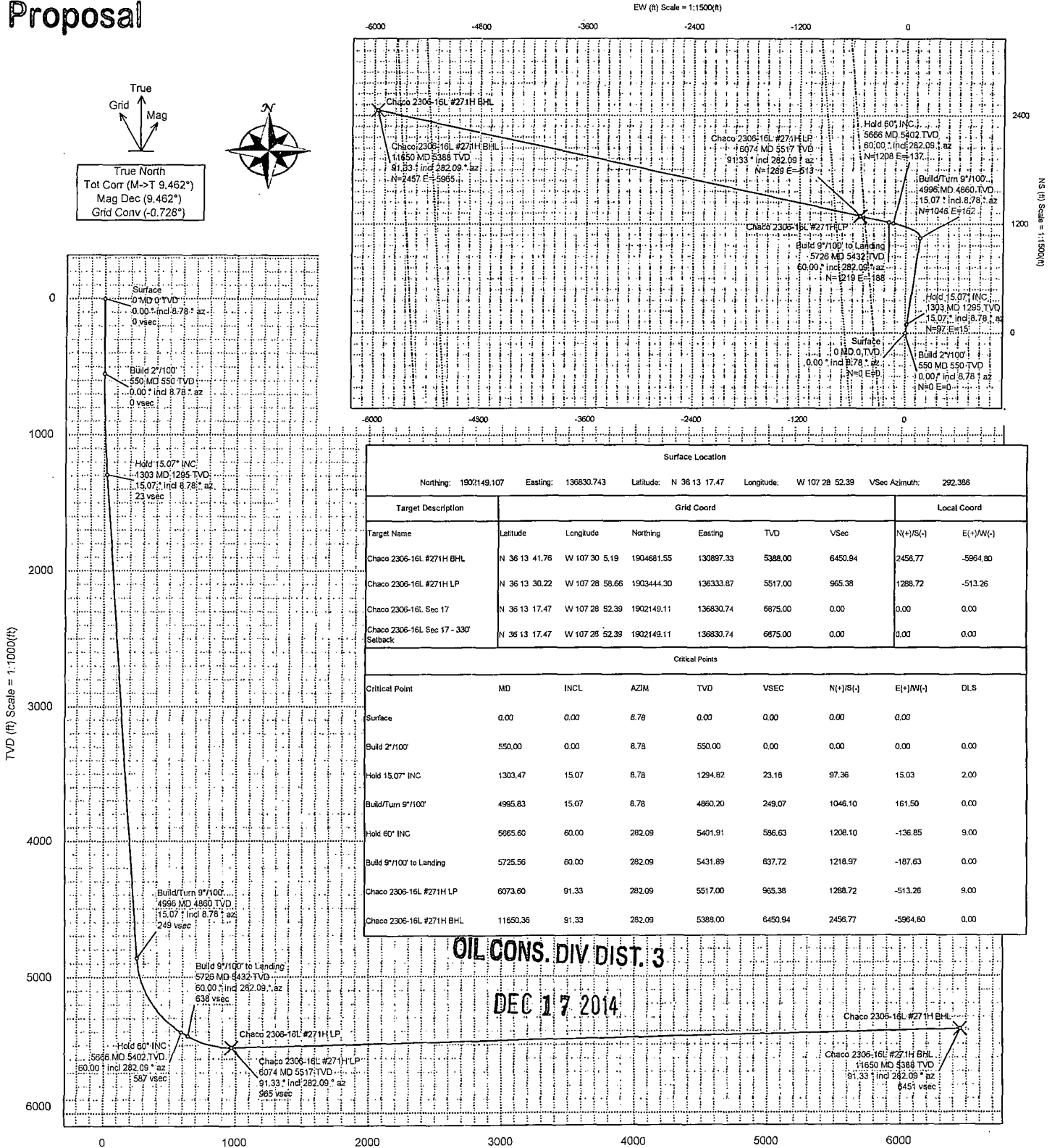
The Drilling Rig will be rigged down at this point and Completion operations will begin. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.

Note: Changes to formation tops, casing landing points, well TD and Directional Plan

Borehole: Original Hole	Well: Chaco 2306-16L #271H	Field: NM, Rio Arriba (NAD 27 CZ)	Structure: 16-23N-6W (Chaco 2306-16L Pad)
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Gravity & Magnetic Parameters Model: BGGM 2013 Dip: 63.019° Date: 12-Nov-2013 MagDec: 9.462° FS: 50174.435m Gravity FS: 998.92mgn (9.80665 Based)	Surface Location NAD27 New Mexico State Plane, Central Zone, US Feet Lat: N 36 13 17.47 Northing: 1902149.11ftU Grid Conv: -0.7276° Lon: W 107 28 52.39 Easting: 136830.74ftUS Scale Fact: 1.00005093	Miscellaneous Slot: Chaco 2306-16L #271H TVD Ref: KB 14ft(6875ft above MSL) Plan: Chaco 2306-16L #271H R1 mdv 14Aug14
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Proposal



OIL CONS. DIV DIST. 3

DEC 17 2014



Chaco 2306-16L #271H R1 mdv 14Aug14 Proposal Geodetic Report

(Def Plan)

Report Date:	August 15, 2014 - 10:48 AM	Survey / DLS Computation:	Minimum Curvature / Lubinski
Client:	WPX Energy	Vertical Section Azimuth:	292.386 ° (True North)
Field:	NM, Rio Arriba (NAD 27 CZ)	Vertical Section Origin:	0.000 ft, 0.000 ft
Structure / Slot:	WPX 16-23N-6W (Chaco 2306-16L Pad) / Chaco 2306-16L #271H	TVD Reference Datum:	KB 14ft
Well:	Chaco 2306-16L #271H	TVD Reference Elevation:	6875.000 ft above MSL
Borehole:	Original Hole	Seabed / Ground Elevation:	6861.000 ft above MSL
UWI / API#:	Unknown / Unknown	Magnetic Declination:	9.462 °
Survey Name:	Chaco 2306-16L #271H R1 mdv 14Aug14	Total Gravity Field Strength:	998.9204mgn (9.80665 Based)
Survey Date:	November 12, 2013	Gravity Model:	DOX
Tort / AHD / DDI / ERD Ratio:	106.672 ° / 7377.458 ft / 6.221 / 1.337	Total Magnetic Field Strength:	50174.435 nT
Coordinate Reference System:	NAD27 New Mexico State Plane, Central Zone, US Feet	Magnetic Dip Angle:	63.019 °
Location Lat / Long:	N 36° 13' 17.47200", W 107° 28' 52.39200"	Declination Date:	November 12, 2013
Location Grid N/E Y/X:	N 1902149.107 ftUS, E 136830.743 ftUS	Magnetic Declination Model:	BGGM 2013
CRS Grid Convergence Angle:	-0.7276 °	North Reference:	True North
Grid Scale Factor:	1.00005093	Grid Convergence Used:	0.0000 °
Version / Patch:	2.8.551.0	Total Corr Mag North->True North:	9.4618 °
		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 (°)	Longitude (°)
Surface	0.00	0.00	8.78	0.00	0.00	0.00	0.00	N/A	1902149.11	136830.74	36.221520	-107.481220
	100.00	0.00	8.78	100.00	0.00	0.00	0.00	0.00	1902149.11	136830.74	36.221520	-107.481220
	200.00	0.00	8.78	200.00	0.00	0.00	0.00	0.00	1902149.11	136830.74	36.221520	-107.481220
	300.00	0.00	8.78	300.00	0.00	0.00	0.00	0.00	1902149.11	136830.74	36.221520	-107.481220
	400.00	0.00	8.78	400.00	0.00	0.00	0.00	0.00	1902149.11	136830.74	36.221520	-107.481220
	500.00	0.00	8.78	500.00	0.00	0.00	0.00	0.00	1902149.11	136830.74	36.221520	-107.481220
Build 2°/100'	550.00	0.00	8.78	550.00	0.00	0.00	0.00	0.00	1902149.11	136830.74	36.221520	-107.481220
	600.00	1.00	8.78	600.00	0.10	0.43	0.07	2.00	1902149.54	136830.82	36.221521	-107.481220
	700.00	3.00	8.78	699.93	0.92	3.88	0.60	2.00	1902152.98	136831.39	36.221531	-107.481218
	800.00	5.00	8.78	799.68	2.57	10.77	1.66	2.00	1902159.86	136832.54	36.221550	-107.481214
	900.00	7.00	8.78	899.13	5.02	21.10	3.26	2.00	1902170.17	136834.27	36.221578	-107.481209
	1000.00	9.00	8.78	998.15	8.30	34.86	5.38	2.00	1902183.90	136836.57	36.221616	-107.481202
	1100.00	11.00	8.78	1096.63	12.38	52.02	8.03	2.00	1902201.02	136839.43	36.221663	-107.481193
	1200.00	13.00	8.78	1194.44	17.28	72.56	11.20	2.00	1902221.53	136842.87	36.221719	-107.481182
	1300.00	15.00	8.78	1291.46	22.97	96.47	14.89	2.00	1902245.39	136846.86	36.221785	-107.481170
Hold 15.07° INC	1303.47	15.07	8.78	1294.82	23.16	97.36	15.03	2.00	1902246.28	136847.01	36.221787	-107.481169
	1400.00	15.07	8.78	1388.02	29.09	122.17	18.86	0.00	1902271.03	136851.15	36.221856	-107.481156
	1500.00	15.07	8.78	1484.58	35.20	147.86	22.83	0.00	1902296.67	136855.45	36.221926	-107.481143
	1600.00	15.07	8.78	1581.15	41.32	173.55	26.79	0.00	1902322.32	136859.74	36.221997	-107.481129
	1700.00	15.07	8.78	1677.71	47.44	199.25	30.76	0.00	1902347.96	136864.03	36.222067	-107.481116
	1800.00	15.07	8.78	1774.27	53.56	224.94	34.73	0.00	1902373.60	136868.33	36.222138	-107.481102
	1900.00	15.07	8.78	1870.83	59.67	250.64	38.69	0.00	1902399.25	136872.62	36.222208	-107.481089
	2000.00	15.07	8.78	1967.39	65.79	276.33	42.66	0.00	1902424.89	136876.91	36.222279	-107.481075
	2100.00	15.07	8.78	2063.95	71.91	302.03	46.63	0.00	1902450.53	136881.21	36.222350	-107.481062
	2200.00	15.07	8.78	2160.51	78.03	327.72	50.59	0.00	1902476.18	136885.50	36.222420	-107.481048
	2300.00	15.07	8.78	2257.07	84.15	353.42	54.56	0.00	1902501.82	136889.79	36.222491	-107.481035
	2400.00	15.07	8.78	2353.63	90.26	379.11	58.53	0.00	1902527.46	136894.08	36.222561	-107.481022
	2500.00	15.07	8.78	2450.20	96.38	404.81	62.50	0.00	1902553.11	136898.38	36.222632	-107.481008
	2600.00	15.07	8.78	2546.76	102.50	430.50	66.46	0.00	1902578.75	136902.67	36.222703	-107.480995
	2700.00	15.07	8.78	2643.32	108.62	456.19	70.43	0.00	1902604.39	136906.96	36.222773	-107.480981
	2800.00	15.07	8.78	2739.88	114.73	481.89	74.40	0.00	1902630.04	136911.26	36.222844	-107.480968
	2900.00	15.07	8.78	2836.44	120.85	507.58	78.36	0.00	1902655.68	136915.55	36.222914	-107.480954
	3000.00	15.07	8.78	2933.00	126.97	533.28	82.33	0.00	1902681.32	136919.84	36.222985	-107.480941
	3100.00	15.07	8.78	3029.56	133.09	558.97	86.30	0.00	1902706.97	136924.14	36.223055	-107.480927
	3200.00	15.07	8.78	3126.12	139.20	584.67	90.26	0.00	1902732.61	136928.43	36.223126	-107.480914
	3300.00	15.07	8.78	3222.69	145.32	610.36	94.23	0.00	1902758.25	136932.72	36.223197	-107.480901
	3400.00	15.07	8.78	3319.25	151.44	636.06	98.20	0.00	1902783.90	136937.01	36.223267	-107.480887
	3500.00	15.07	8.78	3415.81	157.56	661.75	102.16	0.00	1902809.54	136941.31	36.223338	-107.480874
	3600.00	15.07	8.78	3512.37	163.67	687.45	106.13	0.00	1902835.18	136945.60	36.223408	-107.480860
	3700.00	15.07	8.78	3608.93	169.79	713.14	110.10	0.00	1902860.83	136949.89	36.223479	-107.480847
	3800.00	15.07	8.78	3705.49	175.91	738.84	114.06	0.00	1902886.47	136954.19	36.223550	-107.480833
	3900.00	15.07	8.78	3802.05	182.03	764.53	118.03	0.00	1902912.11	136958.48	36.223620	-107.480820
	4000.00	15.07	8.78	3898.61	188.14	790.22	122.00	0.00	1902937.76	136962.77	36.223691	-107.480806
	4100.00	15.07	8.78	3995.17	194.26	815.92	125.96	0.00	1902963.40	136967.07	36.223761	-107.480793
	4200.00	15.07	8.78	4091.74	200.38	841.61	129.93	0.00	1902989.04	136971.36	36.223832	-107.480780
	4300.00	15.07	8.78	4188.30	206.50	867.31	133.90	0.00	1903014.69	136975.65	36.223902	-107.480766
	4400.00	15.07	8.78	4284.86	212.62	893.00	137.86	0.00	1903040.33	136979.94	36.223973	-107.480753
	4500.00	15.07	8.78	4381.42	218.73	918.70	141.83	0.00	1903065.97	136984.24	36.224044	-107.480739
	4600.00	15.07	8.78	4477.98	224.85	944.39	145.80	0.00	1903091.62	136988.53	36.224114	-107.480726
	4700.00	15.07	8.78	4574.54	230.97	970.09	149.76	0.00	1903117.26	136992.82	36.224185	-107.480712
	4800.00	15.07	8.78	4671.10	237.09	995.78	153.73	0.00	1903142.90	136997.12	36.224255	-107.480699
	4900.00	15.07	8.78	4767.66	243.20	1021.48	157.70	0.00	1903168.55	137001.41	36.224326	-107.480685
Build/Turn 9°/100'	4995.83	15.07	8.78	4860.20	249.07	1046.10	161.50	0.00	1903193.12	137005.52	36.224394	-107.480673
	5000.00	15.04	7.34	4864.22	249.33	1047.17	161.65	9.00	1903194.19	137005.89	36.224397	-107.480672
	5100.00	16.92	334.92	4960.55	263.46	1073.27	157.13	9.00	1903220.35	137001.50	36.224468	-107.480687
	5200.00	22.47	313.57	5054.78	292.06	1099.68	137.07	9.00	1903247.01	136981.78	36.224541	-107.480755
	5300.00	29.69	301.22	5144.60	334.43	1125.74	101.98	9.00	1903273.52	136947.02	36.224612	-107.480874
	5400.00	37.63	293.53	5227.81	389.54	1150.82	52.71	9.00	1903299.22	136898.07	36.224681	-107.481041
	5500.00	45.92	288.23	5302.35	456.02	1174.29	-9.52	9.00	1903323.48	136836.13	36.224746	-107.481252
	5600.00	54.39	284.25	5366.38	532.24	1195.57	-83.18	9.00	1903345.70	136762.75	36.224804	-107.481502
Hold 60° INC	5665.60	60.00	282.09	5401.91	586.63	1208.10	-136.85	9.00	1903358.90	136709.24	36.224839	-107.481664
	5700.00	60.00	282.09	5419.11	615.94	1214.33	-165.98	0.00	1903365.51	136680.19	36.224856	-107.481783
Build 9°/100' to Landing	5725.56	60.00	282.09	5431.89	637.72	1218.97	-187.63	0.00	1903370.42	136658.60	36.224868	-107.481856
	5800.00	66.70	282.09	5465.26	703.14	1232.89	-252.65	9.00	1903385.17	136593.76	36.224907	-107.482077
	5900.00	75.70	282.09	5497.45	796.19	1252.70	-345.12	9.00	1903406.15	136501.54	36.224961	-107.482390
	6000.00	84.70	282.09	5514.45	893.04	1273.32	-441.38	9.00	1903427.99	136405.55	36.225018	-107.482716
Chaco 2306-16L #271H LP	6073.60	91.33	282.09	5517.00	965.38	1288.72	-513.26	9.00	1903444.30	136333.87	36.225060	-107.482960

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (°)	Longitude (°)
	6100.00	91.33	282.09	5516.39	991.34	1294.25	-539.07	0.00	1903450.16	136308.13	36.225075	-107.483047
	6200.00	91.33	282.09	5514.08	1089.71	1315.19	-636.82	0.00	1903472.35	136210.64	36.225133	-107.483379
	6300.00	91.33	282.09	5511.76	1188.07	1336.14	-734.58	0.00	1903494.53	136113.16	36.225190	-107.483710
	6400.00	91.33	282.09	5509.45	1286.44	1357.08	-832.33	0.00	1903516.72	136015.67	36.225248	-107.484042
	6500.00	91.33	282.09	5507.14	1384.80	1378.03	-930.09	0.00	1903538.90	135918.19	36.225305	-107.484373
	6600.00	91.33	282.09	5504.82	1483.17	1398.97	-1027.84	0.00	1903561.09	135820.70	36.225363	-107.484704
	6700.00	91.33	282.09	5502.51	1581.53	1419.92	-1125.60	0.00	1903583.27	135723.22	36.225420	-107.485036
	6800.00	91.33	282.09	5500.20	1679.90	1440.86	-1223.35	0.00	1903605.46	135625.73	36.225478	-107.485367
	6900.00	91.33	282.09	5497.88	1778.26	1461.81	-1321.10	0.00	1903627.65	135528.25	36.225535	-107.485699
	7000.00	91.33	282.09	5495.57	1876.63	1482.75	-1418.86	0.00	1903649.83	135430.76	36.225593	-107.486030
	7100.00	91.33	282.09	5493.26	1974.99	1503.70	-1516.61	0.00	1903672.02	135333.27	36.225650	-107.486362
	7200.00	91.33	282.09	5490.94	2073.36	1524.64	-1614.37	0.00	1903694.20	135235.79	36.225708	-107.486694
	7300.00	91.33	282.09	5488.63	2171.72	1545.59	-1712.12	0.00	1903716.39	135138.30	36.225765	-107.487024
	7400.00	91.33	282.09	5486.32	2270.08	1566.53	-1809.88	0.00	1903738.57	135040.82	36.225823	-107.487356
	7500.00	91.33	282.09	5484.00	2368.45	1587.48	-1907.63	0.00	1903760.76	134943.33	36.225881	-107.487687
	7600.00	91.33	282.09	5481.69	2466.81	1608.42	-2005.39	0.00	1903782.95	134845.85	36.225938	-107.488019
	7700.00	91.33	282.09	5479.38	2565.18	1629.37	-2103.14	0.00	1903805.13	134748.36	36.225996	-107.488350
	7800.00	91.33	282.09	5477.07	2663.54	1650.31	-2200.90	0.00	1903827.32	134650.88	36.226053	-107.488681
	7900.00	91.33	282.09	5474.75	2761.91	1671.26	-2298.65	0.00	1903849.50	134553.39	36.226111	-107.489013
	8000.00	91.33	282.09	5472.44	2860.27	1692.20	-2396.40	0.00	1903871.69	134455.90	36.226168	-107.489344
	8100.00	91.33	282.09	5470.13	2958.64	1713.15	-2494.16	0.00	1903893.87	134358.42	36.226226	-107.489676
	8200.00	91.33	282.09	5467.81	3057.00	1734.09	-2591.91	0.00	1903916.06	134260.93	36.226283	-107.490007
	8300.00	91.33	282.09	5465.50	3155.37	1755.04	-2689.67	0.00	1903938.25	134163.45	36.226341	-107.490338
	8400.00	91.33	282.09	5463.19	3253.73	1775.98	-2787.42	0.00	1903960.43	134065.96	36.226398	-107.490670
	8500.00	91.33	282.09	5460.87	3352.09	1796.93	-2885.18	0.00	1903982.62	133968.48	36.226456	-107.491001
	8600.00	91.33	282.09	5458.56	3450.46	1817.87	-2982.93	0.00	1904004.80	133870.99	36.226513	-107.491333
	8700.00	91.33	282.09	5456.25	3548.82	1838.82	-3080.69	0.00	1904026.99	133773.51	36.226571	-107.491664
	8800.00	91.33	282.09	5453.93	3647.19	1859.76	-3178.44	0.00	1904049.17	133676.02	36.226628	-107.491995
	8900.00	91.33	282.09	5451.62	3745.55	1880.71	-3276.20	0.00	1904071.36	133578.54	36.226686	-107.492327
	9000.00	91.33	282.09	5449.31	3843.92	1901.65	-3373.95	0.00	1904093.55	133481.05	36.226743	-107.492658
	9100.00	91.33	282.09	5446.99	3942.28	1922.60	-3471.71	0.00	1904115.73	133383.56	36.226801	-107.492990
	9200.00	91.33	282.09	5444.68	4040.65	1943.54	-3569.46	0.00	1904137.92	133286.08	36.226858	-107.493321
	9300.00	91.33	282.09	5442.37	4139.01	1964.49	-3667.21	0.00	1904160.10	133188.59	36.226916	-107.493652
	9400.00	91.33	282.09	5440.05	4237.38	1985.43	-3764.97	0.00	1904182.29	133091.11	36.226973	-107.493984
	9500.00	91.33	282.09	5437.74	4335.74	2006.38	-3862.72	0.00	1904204.47	132993.62	36.227031	-107.494315
	9600.00	91.33	282.09	5435.43	4434.11	2027.32	-3960.48	0.00	1904226.66	132896.14	36.227088	-107.494647
	9700.00	91.33	282.09	5433.12	4532.47	2048.27	-4058.23	0.00	1904248.85	132798.65	36.227146	-107.494978
	9800.00	91.33	282.09	5430.80	4630.83	2069.21	-4155.99	0.00	1904271.03	132701.17	36.227203	-107.495310
	9900.00	91.33	282.09	5428.49	4729.20	2090.16	-4253.74	0.00	1904293.22	132603.68	36.227261	-107.495641
	10000.00	91.33	282.09	5426.18	4827.56	2111.10	-4351.50	0.00	1904315.40	132506.20	36.227318	-107.495972
	10100.00	91.33	282.09	5423.86	4925.93	2132.05	-4449.25	0.00	1904337.59	132408.71	36.227376	-107.496304
	10200.00	91.33	282.09	5421.55	5024.29	2152.99	-4547.01	0.00	1904359.78	132311.22	36.227433	-107.496635
	10300.00	91.33	282.09	5419.24	5122.66	2173.94	-4644.76	0.00	1904381.96	132213.74	36.227491	-107.496967
	10400.00	91.33	282.09	5416.92	5221.02	2194.88	-4742.51	0.00	1904404.15	132116.25	36.227548	-107.497298
	10500.00	91.33	282.09	5414.61	5319.39	2215.83	-4840.27	0.00	1904426.33	132018.77	36.227606	-107.497629
	10600.00	91.33	282.09	5412.30	5417.75	2236.77	-4938.02	0.00	1904448.52	131921.28	36.227663	-107.497961
	10700.00	91.33	282.09	5409.98	5516.12	2257.72	-5035.78	0.00	1904470.70	131823.80	36.227721	-107.498292
	10800.00	91.33	282.09	5407.67	5614.48	2278.66	-5133.53	0.00	1904492.89	131726.31	36.227778	-107.498624
	10900.00	91.33	282.09	5405.36	5712.84	2299.61	-5231.29	0.00	1904515.08	131628.83	36.227836	-107.498955
	11000.00	91.33	282.09	5403.04	5811.21	2320.55	-5329.04	0.00	1904537.26	131531.34	36.227893	-107.499287
	11100.00	91.33	282.09	5400.73	5909.57	2341.50	-5426.80	0.00	1904559.45	131433.85	36.227950	-107.499618
	11200.00	91.33	282.09	5398.42	6007.94	2362.44	-5524.55	0.00	1904581.63	131336.37	36.228008	-107.499949
	11300.00	91.33	282.09	5396.10	6106.30	2383.39	-5622.31	0.00	1904603.82	131238.88	36.228065	-107.500281
	11400.00	91.33	282.09	5393.79	6204.67	2404.33	-5720.06	0.00	1904626.00	131141.40	36.228123	-107.500612
	11500.00	91.33	282.09	5391.48	6303.03	2425.28	-5817.82	0.00	1904648.19	131043.91	36.228180	-107.500944
	11600.00	91.33	282.09	5389.17	6401.40	2446.22	-5915.57	0.00	1904670.38	130946.43	36.228238	-107.501275
Chaco 2306-16L #271H BHL	11650.36	91.33	282.09	5388.00	6450.94	2456.77	-5964.80	0.00	1904681.55	130897.33	36.228267	-107.501442

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	ZERO	Original Hole / Chaco 2306-16L #271H R1 mdv 14Aug14
	1	14.000	550.000	1/100.000	12.250	9.625	SLB_NSG+MSHOT	Original Hole / Chaco 2306-16L #271H R1 mdv 14Aug14
	1	550.000	4995.000	1/100.000	8.750	7.000	SLB_MWD-STD	Original Hole / Chaco 2306-16L #271H R1 mdv 14Aug14
	1	4995.000	6073.000	1/30.000	8.750	7.000	SLB_MWD-STD	Original Hole / Chaco 2306-16L #271H R1 mdv 14Aug14
	1	6073.000	11650.365	1/100.000	6.125	4.500	SLB_MWD-STD	Original Hole / Chaco 2306-16L #271H R1 mdv 14Aug14

7.0 Methods for Handling Waste

- ✓ A. Cuttings
 - 1. Drilling operations will utilize a closed-loop system. Drilling of the horizontal laterals will be accomplished with water-based mud. All cuttings will be placed in roll-off bins and hauled to a commercial disposal facility or land farm. WPX will follow Onshore Oil and Gas Order No. 1 regarding the placement, operation, and removal of closed-loop systems. No blow pit will be used.
 - 2. Closed-loop tanks will be adequately sized for containment of all fluids.
- B. Drilling Fluids
 - 1. Drilling fluids will be stored onsite in above-ground storage tanks. Upon termination of drilling operations, the drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical. All residual fluids will be hauled to a commercial disposal facility.
- C. Spills
 - 1. Any spills of non-freshwater fluids will be immediately cleaned up and removed to an approved disposal site.
- D. Sewage
 - 1. Portable toilets will be provided and maintained during construction, as needed (see Figure 4 for the location of toilets).
- E. Garbage and other water material
 - 1. 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.
- F. Hazardous Waste
 - 1. No chemicals subject to reporting under Superfund Amendments and Reauthorization Act Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
 - 2. No extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
 - 3. All fluids (i.e., scrubber cleaners) used during washing of production equipment will be properly disposed of to avoid ground contamination or hazard to livestock or wildlife.
- G. Produced Water:
 - 1. WPX Energy will dispose of produced water from this well at one of the following facilities:
 - a. Lybrook Yard WDW #1, API #30-039-27533, NMOCD permit #SWD-907, operated by Elm Ridge Resources, located in NE ¼, Section 14, Township 23 North, Range 7 West
 - b. Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW ¼, Section 8, Township 24 North, Range 3 West
 - c. Rosa Unit SWD #001, API #30-039-27055, NMOCD permit SWD-916, operated by WPX Energy, located in SE ¼, Section 23, Township 31 North, Range 6 West
 - d. Rosa Unit SWD #002, API #30-039-30182, NMOCD permit SWD-1236, operated by WPX Energy, located in NW ¼, Section 25, Township 31 North, Range 5 West
 - e. Basin Disposal, permit #NM-01-005, located in the NW ¼, Section 3, Township 29 North, Range 11 West

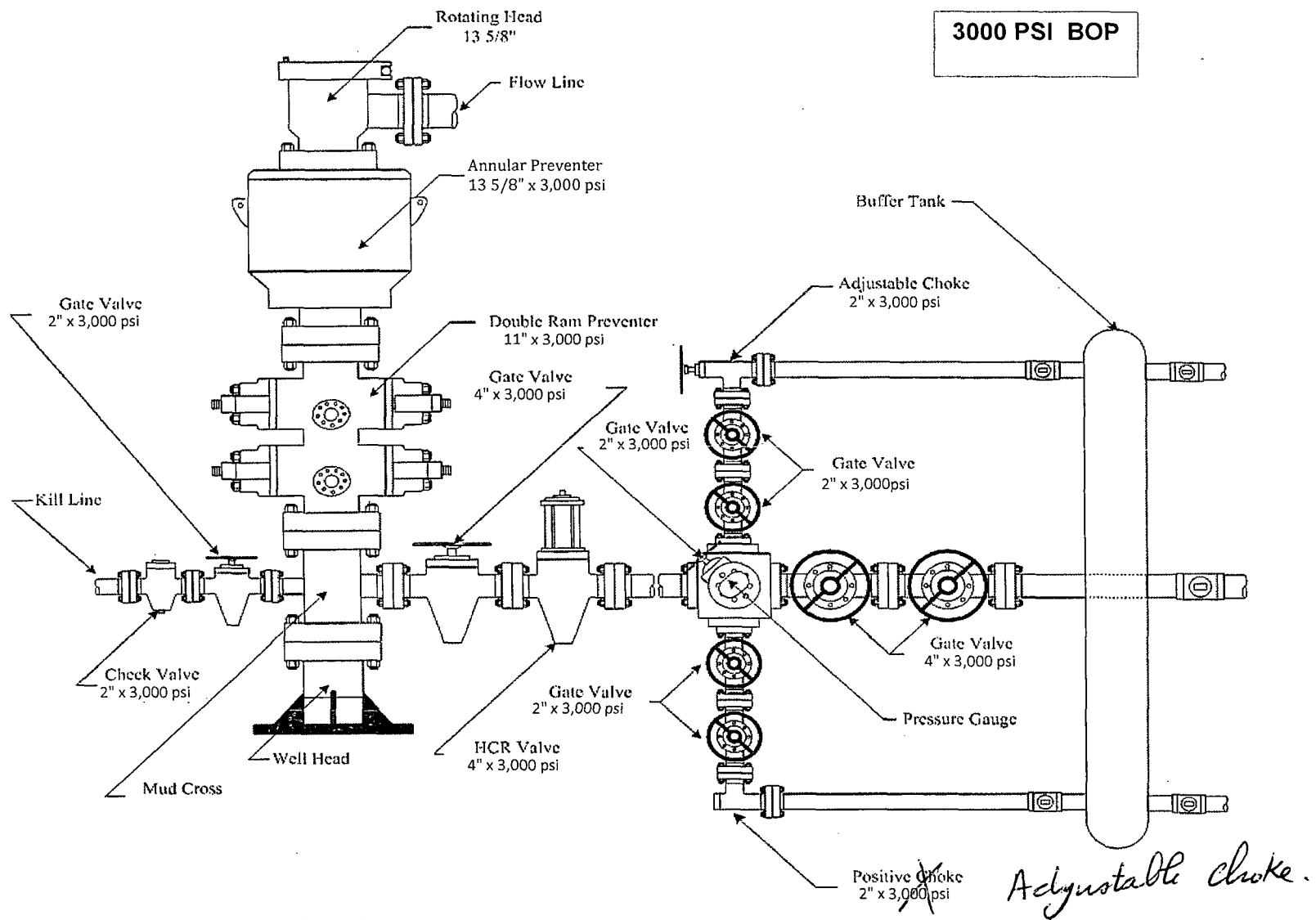
Directions from the Intersection of US Hwy 550 & US Hwy 64

in Bloomfield, NM to WPX Energy Production, LLC NE Chaco COM #271H

1430' FSL & 353' FWL, Section 16, T23N, R6W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.221530°N Longitude: 107.481830°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 52.1 miles to Mile Marker 99.1 to new access on left-hand side of highway which continues for 968' to staked WPX NE Chaco COM #271H location.



OIL CONS. DIV DIST. 3

DEC 17 2014