State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary

David R. Catanach Division Director Oil Conservation Division



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.

- 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

Date Date



Form 3160-3 (September 2001)

OIL CONS. DIV DIST. 3

JUN 3 0 2015 UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

NIII 2 1 2015

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

5. Lease Serial No.

SF-078771

Farmington Field Office. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL OR REENJERau of Land Management

la. Type of Work: DRILL	☐ REENTE	ER .				7. If Unit or CA Agr Rosa Unit R-13457	reement, Name and No.	
							NMNM-784	
1b. Type of Well: ☐ Oil Well ☐ Gas V	Vell 🔲 Other	⊠s	ingle Zone	☐ Multip	ole Zone	8. Lease Name and W	vell No.	
2. Name of Operator						Rosa UT 29 103H	·	
						9. API Well No.	- 2:201	
WPX Energy Production, LLC 3a. Address		3h Phone N	o. (include are	a code)		30 - 039 10. Field and Pool, or		
			•	u coue,			Exploratory	
P.O. Box 640 Aztec, NM 87410 4. Location of Well (Report location clearly and	d in accordance with an	(505) 333-1		······································		Basin Mancos	r Blk. and Survey or Area	
At surface 1045' FNL & 311' FEL, sec 2:		Sidie requirem	ienis. 7			11. 000., 1., 10., 14., 0	I Dik. and barvey of raca	
. (SHL: Section 25, T.		
At proposed prod. zone 1089' FNL & 560'	FWL, sec 26, T31N, F	K6W			·	BHL: Section 26, T	31N, R6W	
14. Distance in miles and direction from nearest	town or post office*	·				12. County or Parish	13. State	
Approximately 58 miles East from Bloomfield N	IM					Rio Arriba	NM	
15. Distance from proposed*		16. No. of	Acres in lease		17. Spacing	Unit dedicated to this	well	
location to nearest property or lease line, ft.		256	0.00		592	16 NZ 50	ec 25	
(Also to nearest drig. unit line, if any) 311,		592.16			_ ·	West Rosa Unit Project	Atea 24,118:76 Acres	
18. Distance from proposed location*		19. Propose	ed Depth		20. BLM/B	IA Bond No. on file		
to nearest well, drilling, completed, applied for, on this lease, ft.								
15′			0 / 6,787 TVD		UTB00			
21. Elevations (Show whether DF, KDB, RT, 0	GL, etc.)	22. Approximate date work will start*			art*	23. Estimated duration		
6372' GR		June 15, 201	5			1 month		
		24. Atta	chments					
The following, completed in accordance with the	requirements of Onsho	re Oil and Gas	Order No.1, s	hall be atta	ched to this	form:	,	
1. Well plat certified by a registered surveyor.			4. Bond to	cover the	e operations	unless covered by an	existing bond on file (see	
2. A Drilling Plan.			Item 2	0 above).	•			
3. A Surface Use Plan (if the location is on Na	•	Lands, the		or certifica				
SUPO shall be filed with the appropriate F	orest Service Office).			zed office		mation and/or plans a	as may be required by the	
25. Signature		Name	(Printed/Type	d)			Date 21 2215	
101010		Andre	a Felix				2210013	
Title Regulatory Specialist Senior								
								
Approved by (Signature)	ee/or	Name	:(Printed/Type	d)			Date 6/24/15	
Title	Uta	Office	F					
Application approval does not warrant or certify t	hat the applicant holds	legal or equital	hle title to that	e righte in	the subject !	ease which would entit!	e the applicant to conduct	
operations thereon.	nat the applicant notus	rogar or equitar	ore title to thos	oc rigino ili	nic subject i	case winen would cittle	e the applicant to conduct	
Conditions of approval, if any, are attached.								
Title 18 U.S.C. Section 1001 and Title 43 U.S.C	Section 1212, make it	t a crime for ar	v person knov	wingly and	willfully to	make to any departmen	nt or agency of the United	
States any false, fictitious or fraudulent statement						and the same of th		

*(Instructions on reverse,

WPX Energy Production, LLC, proposes to develop the Basin Mancos Pool at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is on lease on BLM surface within the Rosa Unit and will be co-located with the Rosa UT 29 101H / Rosa UT 29 102H / Rosa UT 29 104H / Rosa UT 29 107H / R

This location has been archaeologically surveyed by LaPlata Archeology. Copies of their report have been submitted directly to the BLM.

No new access road is needed for this location as this location will be co-located with the existing WPX Rosa UT 165A.

New pipeline is approximately 725.1' on BLM surface on lease.

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

NMOCDA

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

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

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

Santa Fe, NM 87505

OIL CONSERVATION DIVISION 1220 South St. Francis Drive

Form C-102 Revised August 1, 2011

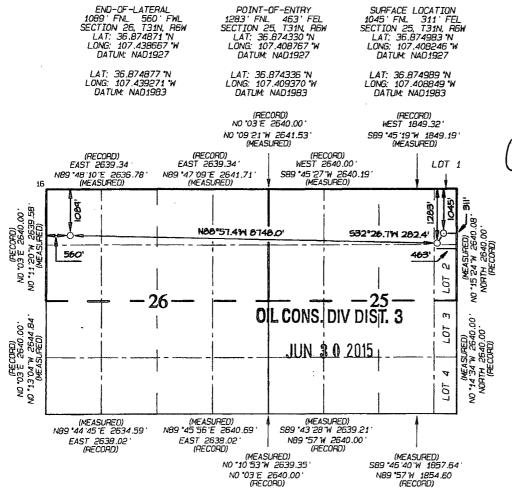
Submit one copy to Appropriate District Office

AMENDED REPORT

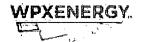
FUN 21 205

Farmington Field Office WELL LOCATION AND ACREAGE DEDICATION PLAT Bureau of Land Management 'API Number Pool Code Pool Name 30-039-3 97232 1324 BASIN MANCOS 'Property Code Property Name Well Number HEOF- HCEN ROSA UT 29 OGRID No. Elevation Operator Name WPX ENERGY PRODUCTION, LLC 120782 6372 ¹⁰ Surface Location UL or lot no. Sect ton Township Feet from the North/South line Lot Ide Feet from the East/Wast line RIO 25 NORTH Α 31N 6W 1 1045 311 EAST ARRIBA Bottom Hole Different From Surface Location If UL or lot no. Section Township Feet from the North/South line Feet from the East/West line RIÓ Π 26 31N 6W 1089 NORTH 560 WEST ARRIBA 12 Dedicated Acres Joint or Infill Consolidation Code Draer No. N/2 Section 592.16 N/2 _ Section 26

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



OPERATOR CERTIFICATION "OPEHAIUM 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 dontract with an owner of such a mineral
or working interest, or to a voluntary pooling
agraement or a compulsery pooling order
heretoforce entered by the division. areprenergy B 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: MARCH 20, 2015 Survey Date: FEBRUARY 6, 2015 Signature and Seal of Professional Surveyor SEON C. EDWARDS MEXICO ZEW ADTESSION TO SAME TOR ASON DWARDS Certificate Number 15269



WPX ENERGY

Operations Plan

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

DATE:

5/15/15

FIELD:

Basin Mancos

WELL NAME:

ROSA UT 29 #103H

SURFACE:

BLM

SH Location:

NENE Sec 25-31N-06W

ELEVATION: 6372' GR

BH Location:

NWNW Sec 26-31N-06W

MINERALS:

BLM

Rio Arriba, NM

MEASURED DEPTH:

16236'

l.	I. GEOLOGY: Surface formation – San Jose												
		Name	MD	TVD	Name	MD	TVD						
		Ojo Alamo	2513	2502	Point Lookout	5707	5677						
		Kirtland	2635	2624	Mancos	6183	6150						
		Picture Cliffs	3156	3142	Kickoff Point	6408	6382						
		Lewis	3543	3526	Top Target	6874	6803						
		Chacra	4629	4606	Landing Point	7483	7073						
		Cliff House	5457	5429	Base Target	7483	7073						
		Menefee	5500	5471									
					TD	16236	6787						

- A. MUD LOGGING PROGRAM: Mudlogger on location from surface csg to TD.
- B. LOGGING PROGRAM: LWD GR from surface casing to TD.
- C. 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 and the 8 3/4" Directional Vertical portion of the wellbore. A LSND (WBM) or (OBM) will be used to drill the curve and lateral portions of wellbore. 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 5000 psi, so the BOPE will be tested to 250 psi (Low) for 5 minutes and 5000 psi (High) for 10 minutes. Pressure test surface casing to 1500psi 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. All tests and inspections will be recorded in the tour book as to time and results.

III. MATERIALS

A. CASING PROGRAM:

CASING TYP	E	OH SIZE ((N)	DEPTH (MD)	FI	CASING SIZE	WEIGHT (1	BGRADE
Surface		12.25"		320'+		9.625"	36#	J-55
Intermediate		8.75"		6308'		7"	23#	N-80
Prod. Liner		6.125"		6158' – 16236'		4-1/2"	11.6#	P-110
Tie-Back String	3	N/A		Surf. – 6158'		4-1/2"	11.6#	P-110

B. FLOAT EQUIPMENT:

- 1. <u>SURFACE CASING:</u> 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
- 2. <u>INTERMEDIATE CASING:</u> 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. <u>PRODUCTION LINER</u>: 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 the 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: Please see Notes below.

C. CEMENTING:

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

- 1. <u>SURFACE</u>: 5 bbl Fresh Water Spacer, 100 sx (160 cu.ft.) of 14.5 ppg Type I-II (Neat G) + 20% Fly Ash cement w/ 7.41 gal/sack mix water ratio @ 1.61 cu ft/sx yield. Calculated @ volume + 50% excess. WOC 12 hours. Test csg to 600psi. Total Volume: (160 cu-ft/100 sx/ Bbls).TOC at Surface.
- 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: 1001 cu-ft / 178.3 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). WOC 12 hrs. Test Casing to 1500 PSI for 30 minutes. Total Cement Volume: (900 sx / 1246 cu-ft / 222 bbls). Mix with +/- 84,000 SCF Nitrogen. TOC at surface.
- 3. PRODUCTION LINER: Spacer #1:10 bbl (56.cu-ft) Water Spacer. Spacer #2: 40 bbl 9.5 ppg (224.6 cu-ft) Tuned Spacer III. Spacer #3: 10 bbl (56 cu-ft) Water Spacer. Lead Cement: Extencem ™ System. Yield 1.36 cu ft/sk, 13.3 ppg, (804 sx / 1094 cu ft. / 194 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 224 bbl Fr Water. Total Cement (1094 cu ft / 194 bbls).

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 131,250# 100 mesh sand and 6,930,000# 40/70 mesh sand in 9,282,000 gallons water for 21 stages.
- 2. Isolate stages with flow through frac plug.
- 3. Drill out frac plugs and flowback lateral.

D. RUNNING TUBING

- 1. <u>Production Tubing:</u> Run 2-3/8", 4.7#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing in the curve.
- 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.

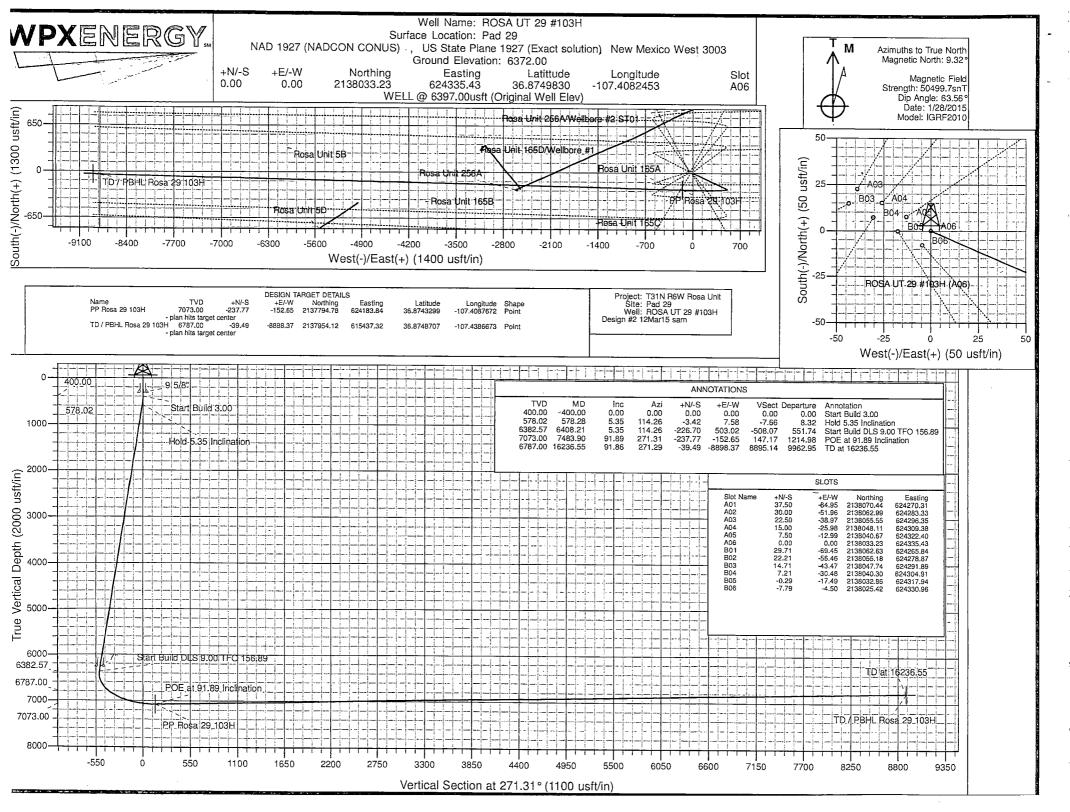
Proposed Operations:

A 4-1/2" 11.6# P-110 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# K-55 Intermediate casing with a Liner Hanger and pack-off assembly then cemented to top of liner hanger.

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

The Drilling Rig will be rigged down at this point and Completion operations will begin.

A 4-1/2" 11.6# P-110 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.



WPX Energy

T31N R6W Rosa Unit Pad 29 ROSA UT 29 #103H - Slot A06

Wellbore #1

Plan: Design #2 12Mar15 sam

Standard Planning Report - Geographic

18 March, 2015

WPX

Planning Report - Geographic

Database: Company: COMPASS-SANJUAN

WPX Energy

Project: T31N R6W Rosa Unit

Site: Pad 29

Well: ROSA UT 29 #103H Wellbore #1 Wellbore:

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: **Survey Calculation Method:** Well ROSA UT 29 #103H (A06) - Slot A06

WELL @ 6397.00usft (Original Well Elev) WELL @ 6397.00usft (Original Well Elev)

True

Minimum Curvature

Design: Project

T31N R6W Rosa Unit

Design #2 12Mar15 sam

Map System: Geo Datum:

US State Plane 1927 (Exact solution)

NAD 1927 (NADCON CONUS)

System Datum:

Mean Sea Level

Map Zone: New Mexico West 3003

Site

Pad 29

Site Position: Мар From: Position Uncertainty:

Northing: Easting: 0.00 usft

Slot Radius:

2,138,085.32 usft 624,244.26 usft 13.20 in

Latitude: Longitude: **Grid Convergence:**

36.8751272 -107.4085562

0.25 °

Well **Well Position**

+N/-S +E/-W

ROSA UT 29 #103H - Slot A06

0.00 usft Northing: 0.00 usft

Easting:

2,138,033.22 usft 624,335.43 usft Latitude: Longitude:

36.8749830 -107.4082453

Position Uncertainty 0.00 usft Wellhead Elevation: 0.00 usft Ground Level: 6,372.00 usft

Wellbore	Wellbore #1				·
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°) .	(nT)
	IGRF2010	1/28/2015	9.32	63.56	50,500

Design	Design #2 12Mar15 sam			· · · · · · ·	
Audit Notes:					
Version:	Phase:	PLAN	Tie On Depth:	0.00	
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(usft)	(usft)	(usft)	(°)	
	0.00	0.00	0.00	271.31	

Measured Depth (usft)	Inclination` (°)	Azimuth	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
578.28	5.35	114.26	578.03	-3.42	7.58	3.00	3.00	0.00	114.26	
6,408.21	5.35	114.26	6,382.57	-226.70	503.02	0.00	0.00	0.00	0.00	
7,483.90	91.89	271.31	7,073.00	-237.77	-152.65	9.00	8.05	14.60	156.89	PP Rosa 29 103H
16,236.55	91.86	271.29	6,787.00	-39.49	-8,898.37	0.00	0.00	0.00	-144.03	TD / PBHL Rosa 2

WPX

Planning Report - Geographic

Database: Company: COMPASS-SANJUAN

WPX Energy

Project: T31N R6W Rosa Unit

Site:

Pad 29

Well:

ROSA UT 29 #103H

Wellbore: Wellbore #1

Design:

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well ROSA UT 29 #103H (A06) - Slot A06

WELL @ 6397.00usft (Original Well Elev) WELL @ 6397.00usft (Original Well Elev)

Minimum Curvature

Design #2 12Mar15 sam

, leasured			Vertical			Map	Map		
Depth (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
0.00	0.00	0.00	0.00	0.00	0,00	2,138,033.22	624,335.43	36.8749830	-107.408
320.00	0.00	0.00	320.00	0.00	0.00	2,138,033.22	624,335.43	36.8749830	-107.408
9 5/8"			020.00			2,700,000.22	22,1000.70		
400.00	0.00	0.00	400.00	0.00	0.00	2,138,033.22	624,335.43	36.8749830	-107.408
Start Bui		2.00	400.00	0.00	. 0.00	2,700,000.22	02-1,000.70		107,100
500.00	3.00	114.26	499.95	-1.08	2.39	2,138,032.16	624,337.82	36.8749801	-107,408
578.28	5.35	114.26	578.03	-3.42	7.58	2,138,029.84	624,343.03	36.8749736	-107.408
	5 Inclination	114.20	370.03	-012		2,100,023.04	024,040.00		-107.400
1,000.00	5.35	114.26	997.91	-19.57	43.42	2,138,013.85	624,378.94	36.8749293	-107.408
1,500.00	5.35	114.26		-19.57 -38.72	45.42 85.91	2,137,994.89	•	36.8748767	-107.400 -107.407
2,000.00	5,35	114.26	1,495.73	-36.72 -57.87	128.40	2,137,994.69	624,421.51 624,464.09	36.8748241	-107.407
2,500.00	5.35	114.26	1,993.55 2,491.37	-57.02	170.89	2,137,956.97	624,506.66	36.8747715	-107.407
3,000.00	5.35	114.26	2,491.37	-77.02 -96.17	213.38	2,137,938.01	624,549.24	36.8747189	-107.407
3,500.00	5.35	114.26	3,487.02	-115.32	255.87	2,137,930.01	624,591.82	36.8746663	-107.407
4,000.00	5.35	114.26	3,984.84	-113.32	298.37	2,137,919.03	624,634.39	36.8746137	-107.407
4,500.00	5.35	114.26	4,482.67	-153.61	340.86	2,137,881.13	624,676.97	36.8745611	-107.407
5,000.00	5.35	114.26	4,482.07	-172.76	383.35	2,137,862.17	624,719.54	36.8745085	-107.407
5,500.00	5.35	114.26	5,478.31	-172.76 -191.91	425.84	2,137,843.21	624,762.12	36.8744559	-107.406
6,000.00	5.35	114.26	5,976.14	-211.06	468.33	2,137,824.25	624,804.69	36.8744033	-107.406
6,308.00	5.35	114.26	6,282.79	-211.06	494.50	2,137,812.57	624,830.92	36.8743709	-107.406
7"	0,00		0,202.79	-222.00	494.50	2,137,012.37	024,030.92	30,0743709	-107.400
6,408.21	5.35	114.26	6,382.57	-226.70	503.02	2,137,808.77	624,839.45	36.8743603	-107.406
	ld DLS 9.00 T		u						1 712 .11
6,500.00	3.94	239.15	6,474.21	-230.08	504.21	2,137,805.39	624,840.66	36.8743510	-107.406
7,000.00	48.37	269.38	6,912.45	-241.52	291.55	2,137,793.01	624,628.05	36.8743196	-107.407
7,483.90	91.89	271.31	7,073.00	-237.77	-152.65	2,137,794.78	624,183.84	36.8743299	-107.408
***	1.89 Inclination								
7,500.00	91.89	271.31	7,072.47	-237.40	-168.73	2,137,795.07	624,167.76	36.8743309	-107.408
8,000.00	91.89	271.31	7,056.00	-225.97	-668.33	2,137,804.28	623,668.11	36.8743623	-107.410
8,500.00	91.89	271.31	7,039.54	-214.56	-1,167.93	2,137,813.46	623,168.47	36.8743936	-107.412
9,000.00	91.88	271.31	7,023.10	-203.16	-1,667.53	2,137,822.64	622,668.82	36.8744248	-107.413
9,500.00	91.88	271.31	7,006.67	-191.77	-2,167.13	2,137,831.81	622,169.18	36.8744560	-107.415
10,000.00	91.88	271.30	6,990.27	-180.39	-2,666.73	2,137,840.96	621,669.53	36.8744872	-107.417
10,500.00	91.88	271.30	6,973.87	-169.03	-3,166.33	2,137,850.10	621,169.88	36.8745182	-107.419
11,000.00	91.88	271.30	6,957.50	-157.67	-3,665.93	2,137,859.23	620,670.23	36.8745493	-107.420
11,500.00	91.87	271.30	6,941.14	-146.33	-4,165.54	2,137,868.35	620,170.59	36.8745802	-107.422
12,000.00	91.87	271.30	6,924.80	-135.00	-4,665.14	2,137,877.45	619,670.94	36.8746111	-107.424
12,500.00	91.87	271.30	6,908.48	-123.68	-5,164.75	2,137,886.54	619,171.28	36.8746420	-107.425
13,000.00	91.87	271.30	6,892.17	-112.38	-5,664.35	2,137,895.63	618,671.63	36.8746727	-107.427
13,500.00	91.87	271.29	6,875.88	-101.09	-6,163.96	2,137,904.69	618,171.98	36.8747035	-107.429
14,000.00	91.86	271.29	6,859.60	-89.80	-6,663.57	2,137,913.75	617,672.33	36.8747342	-107.431
14,500.00	91.86	271.29	6,843.34	-78.53	-7,163.18	2,137,922.80	617,172.67	36.8747648	-107.432
15,000.00	91.86	271.29	6,827.10	-67.28	-7,662.79	2,137,931.83	616,673.02	36.8747953	-107.434
15,500.00	91.86	271.29	6,810.87	-56.03	-8,162.40	2,137,940.85	616,173.36	36.8748258	-107.436
16,000.00	91.86	271.29	6,794.66	-44.80	-8,662.01	2,137,949.86	615,673.71	36.8748563	-107.437
16,236.55	91.86	271.29	6,787.00	-39.49	-8,898.37	2,137,954.12	615,437.32	36.8748707	-107.438

WPX

Planning Report - Geographic

Database:

COMPASS-SANJUAN

WPX Energy

Local Co-ordinate Reference:

Well ROSA UT 29 #103H (A06) - Slot A06

Company: Project:

T31N R6W Rosa Unit

Design #2 12Mar15 sam

TVD Reference: MD Reference:

WELL @ 6397.00usft (Original Well Elev)

Site:

Pad 29

North Reference:

WELL @ 6397.00usft (Original Well Elev)

Well:

ROSA UT 29 #103H

True

Wellbore:

Design:

Wellbore #1

Survey Calculation Method:

Minimum Curvature

Design Targets Target Name - hit/miss target Dip Dir. TVD +N/-S +E/-W Dip Angle Northing Easting - Shape (°) (°) (usft) (usft) (usft) (usft) (usft) Longitude Latitude TD / PBHL Rosa 29 103 0.00 -107.4386674 0.00 6,787.00 -39.49 -8,898.37 2,137,954.12 615,437.32 36.8748707 - plan hits target center - Point PP Rosa 29 103H 0.00 0.00 7,073.00 -237.77 624,183.84 36.8743299 -107.4087672 -152.65 2,137,794.78 - plan hits target center - Point

Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (in)	Hole Diameter (in)	
320.00	320.00	9 5/8"		9.62	12.25	
6,308.00	6,282.79	7"		7.00	8.75	
-	Depth (usft) 320.00	Depth (usft) Depth (usft) 320.00 320.00	Depth (usft) (usft) (usft) 320.00 320.00 9 5/8"	Depth (usft) Depth (usft) Name 320.00 320.00 9 5/8"	Depth (usft) Depth (usft) Diameter (in) 320.00 320.00 9 5/8" 9.62	Depth (usft) Depth (usft) Diameter (in) Diameter (in) 320.00 320.00 9 5/8" 9.62 12.25

Plan Annotal	tions					
	Measured	Vertical	Local Coor	dinates		
	Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
	400.00	400.00	0.00	0.00	Start Build 3.00	
	578.28	578.03	-3.42	7.58	Hold 5.35 Inclination	
	6,408.21	6,382.57	-226.70	503.02	Start Build DLS 9.00 TFO 156.89	
	7,483.90	7,073.00	-237.77	-152.65	POE at 91.89 Inclination	
	16,236.55	6,787.00	-39.49	-8,898.37	TD at 16236.55	

D. Well pad

- 1. The construction phase of the project will commence upon receipt of the approved APD.
- 2. Vegetation and topsoil removal, storage, and protection are described in detail in the Reclamation Plan (Appendix C).
- 3. The well pads would be leveled to provide space and a level surface for vehicles and equipment. Excavated materials from cuts will be used on fill portions of the well pad to level the pad. No additional surfacing materials will be required for construction.
- 4. As determined during the onsites on January 7, 2015 and March 11, 2015, the following best management practices will be implemented:
 - a. The Rosa UT 27 will be co-located with the Rosa Unit 204A.
 - b. The Rosa UT 29 will be co-located with the Rosa Unit 165A and facilities will be placed on the existing 165A well pad. The existing access road will be re-routed to accommodate for the new wells and production equipment.
 - c. No additional fill would be required to construct the pad.
 - d. Diversions will be installed upon reclamation.
- 5. All project activities will be confined to permitted areas only.
- 6. Construction equipment may include chain saws, a brush hog, scraper, maintainer, excavator, and a dozer.
- 7. If drilling has not been initiated on the well pad within 120 days of the well pad being constructed, the operator will consult with the BLM to address a site-stabilization plan.

E. Production Facilities

- 1. As practical, access will be a teardrop-shaped road through the production area so that the center may be revegetated.
- 2. Within 90 days of installation, production facilities would be painted Juniper Green to blend with the natural color of the landscape and would be located, to the extent practical, to reasonably minimize visual impact.
- 3. Berms will be constructed around all storage facilities sufficient in size to contain the storage capacity of tanks. Berm walls will be compacted with appropriate equipment to assure containment.

F. Recycling Containment

- 1. Recycling containments are governed by the NMOCD and would be constructed in compliance with their rules.
- 2. Prior to constructing the Section 30 Recycling Containment, topsoil will be stripped and stockpiled for use as final cover during reclamation. Topsoil will be stockpiled within a Temporary Use Area (TUA), approximately 2 acres in size, located adjacent to and outside of the perimeter fence surrounding the recycling containment (Figure 8, Appendix B). Topsoil stockpiles will be reseeded and BMP's utilized as appropriate to reduce soil erosion.
- 3. The spoil from the holding pond will be utilized to reclaim a large, incised, abandoned arroyo directly west of the recycling containment. The area to be reclaimed is estimated at approximately 3 acres. Within the proposed arroyo reclaim area, spoil will be stockpiled approximately 10 feet above grade for the life of the recycling containment and then reclaimed back to blend with the surrounding grade upon final reclamation (Figure 8, Appendix B).
- 4. The holding pond would be approximately 700 feet by 300 feet and 25 feet deep. Total volume would be 622,708 barrels. The inside grade of the levee would be no steeper

- than two horizontal feet to one vertical foot (2H:1V) and the outside grade no steeper than 3H:1V.
- 5. The recycling containments will be lined with a 45-mil LLDPE primary (upper) liner and a 30-mil LLDPE secondary (lower) liner with a leak detection system between the upper and lower geomembrane liners. Liners will be installed in a manner consistent with the manufacture's specifications.
- 6. The leak detection system will contain a 200-mil Hypernet drainage material between the primary and secondary liner that is sufficiently permeable to allow the transport of fluids to the drainage pipes and observation ports. When the holding pond contains fluid, the liners will be inspected daily.
- 7. The holding ponds will be netted with extruded polypropylene netting (3 ½ cm sized mesh). It will be supported by a system of perimeter and interior support poles and cables specifically designed to each individual pond for the purpose of excluding birds, bats and other small mammals. The entire perimeter of the netting enclosure will have a 2-foot net overhang on the ground to prevent small animals from entering the enclosure (See Appendix D). The support cable used along the perimeter and interior of the enclosure consists of ¼" 7 x 19 galvanized aircraft cable. The netting is woven to the perimeter cable with a 2.5 mm poly wire. The netting enclosure will be secured at ground level with a 4mm corrosion resistant poly wire. The netting enclosure will include double gates for access into the holding pond when needed. Appendix D further describes and illustrates the netting enclosure that will be implemented and how it will be constructed.
- 8. The outer perimeter of the recycling containment will be fenced to exclude wildlife and livestock. The game fence will be 8 feet tall. It will consist of woven wire fencing and two strands of 12½ GA barbed wire at the top and bottom. The first strand of barbed wire will be strung 2 inches from ground surface. The bottom of the woven wire will be placed 2 inches above the first strand of barbed wire. Two levels of woven wire fencing fabric, overlapping each other by 3 inches and totaling 7 feet 6 inches in height will be stapled to the wooden posts. A second strand of barbed wire will be strung 1 inch from the top of the woven wire. Two wooden stays will be stapled to the woven wire at 5-foot, 4-inch intervals between wooden posts. Refer to Appendix E Game Fence Detail for specific construction and material details.
- 9. The entire disturbed area will be completely reclaimed when all drilling and completion activities have been concluded.

√ G. Cuttings Disposal

- 1. Cuttings will be buried within the existing disturbance of two sandstone quarry pits. These pits were previously permitted under a free use permit with the BLM-FFO and have expired. WPX is in the process of renewing these free use permits in order to utilize the remaining material for road maintenance. Cuttings buried at the Section 23 Cuttings Disposal would be located within the existing Rosa Rock Pit #4 (FUP NM-070-90-04CX). Cuttings buried at the Section 25 Recycling Containment would located within the existing Rosa Pit #165 (FUP NM-070-01-472CX). The cuttings will be utilized to reclaim and restore the area to near original land contours.
- 2. Once the quarry has been depleted of its resources, drill cuttings will be tested and placed within the pits and continue until storage of the cuttings disposal meets capacity or drilling of all permitted wells associated with the cuttings disposal is complete, whichever comes first, at which point it will be closed and the area reclaimed.

3. Cuttings disposal construction, operation and closure will be permitted and regulated under NMOCD Rule 17.

After the completion phases and pipeline installation, portions of the project area not needed for operation will be reclaimed. When all wells are plugged, final reclamation will occur within the remainder of the project area. Reclamation is described in detail in the Reclamation Plan (Appendix C).

7.0 Methods for Handling Waste

A. Cuttings

- 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
 Section 23 cuttings disposal and/or a cuttings disposal at Section 25 recycling containment.
 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. If oil-based mud drilling is used, a closed-loop system will be used to minimize potential impacts to surface and groundwater quality. A 30-mil reinforced liner will be placed under the drill rig mats and all drilling machinery. This 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.
- 3. 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 11 and 12 in Appendix B for the location of toilets).

E. Garbage and other waste 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.

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

in Bloomfield, NM to WPX Energy Production, LLC Rosa UT 29 #103H

1045' FNL & 311' FEL, Section 25, T31N, R6W, N.M.P.M., Rio Arriba County, NM

<u>Latitude: 36.874989°N Longitude: 107.408893°W Datum: NAD1983</u>

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Easterly on US Hwy 64 for 38.0 miles to Mile Marker 102.3 to State Hwy 527 (Simms Hwy);

Go Left (North-westerly) on State Hwy 527 (Simms Hwy) for 7.9 miles to Rosa Road @ La Jara Station;

Go Right (Northerly) on Rosa Road for 6.5 miles to 4-way intersection;

Go Left which is straight (North-easterly) remaining on Rosa Road for 4.0 miles to 4-way intersection;

Go Straight (Northerly) for 0.4 miles to staked WPX Rosa UT 29 #103H location which overlaps existing WPX Rosa UT #165A location.

