State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary

David R. Catanach Division DirectorOil Conservation Division



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

NMOCD Approved by Signature

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: 5-21-15
Well information;
Operator WPX, Well Name and Number R SO Unit 29 # 106 H
API# <u>30-039-31331</u> , Section <u>25</u> , Township <u>31</u> N/S, Range <u>6</u> E/W
Conditions of Approval: (See the below checked and handwritten conditions) * APD Hold for
Notify Aztec OCD 24hrs prior to casing & cement. Hold C-104 for directional survey & "As Drilled" Plat
Hold C-104 for directional survey & "As Drilled" Plat
o Hold C-104 for NSL, NSP, DHC
 Spacing rule violation. Operator must follow up with change of status notification on other we 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 th 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.

OIL CONS. DIV DIST. 3

5. Lease Serial No.

SF-078769

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

JUN 3 0 2015

FURM AF	PROVED
OMB No.	1004-0136
Expires Janu	ary 31, 2004

APPLICA	APPLICATION FOR PERMIT TO DRILL OR REENTER									
la. Type of Work: 🛛 DRILL		REENTER			7. If Unit or CA Agreeme Rosa Unit R-13457					
u za czy u 🗆 Oil Well	☐ Gas Well ☐ C	Ithar	M Cingle Zone D M M	1 7	8. Lease Name and Well N	0.				
10. 1) po 01 o	23 Oas Well	Juiei	Single Zone Multi	pie Zone	Rosa UT 29 106H					
Name of Operator WPX Energy Production, LLC					9. API Well No. 30-039	3/331				
3a. Address			10. Field and Pool, or Exploratory							
P.O. Box 640 Aztec, NM 87410		(505)	333-1849		Basin Mancos					
4. Location of Well (Report location			quirements. *)		11. Sec., T., R., M., or Blk	and Survey or Area				
At surface 1015' FNL & 380					CITI . Cootion 25 T21N	D.C.W				
At proposed prod. zone 495' F	NL & 1193' FWL, sec	28, T31N, R5W			SHL: Section 25, T31N, BHL: Section 28, T31N,					
14. Distance in miles and direction	from nearest town or po	st office*			12. County or Parish	13. State				
Approximately 58 miles East from E	Bloomfield NM				Rio Arriba	NM				
15. Distance from proposed*		16. N	o. of Acres in lease	17. Spacing	Unit dedicated to this well	1144.85				
location to nearest property or lease line, ft. (Also to nearest drig. unit line,	ifany) 380°	25 1-144	560.00 185	NZ Sect	Spacing Unit dedicated to this well 2 Section 25, T. 3IN, R6w 500 Section 25, T. 3IN, R6w 600 West-Rosa-Unit Project Area 24, 118.76-Acres					
18. Distance from proposed location to nearest well, drilling, complete the control of the contr		19. P	19. Proposed Depth		BLM/BIA Bond No. on file					
applied for, on this lease, ft.	15'	18,2	57 MD / 7,218 TVD	UTB00						
21. Elevations (Show whether DF,	KDB, RT, GL, etc.)	22. A	pproximate date work will st	art*	23. Estimated duration					
6372' GR		June 1:	5, 2015		1 month					
			Attachments							
The following, completed in accorda	nce with the requiremen	its of Onshore Oil an	d Gas Order No.1, shall be atta	ched to this	form:					
 Well plat certified by a registered A Drilling Plan. A Surface Use Plan (if the locat SUPO shall be filed with the ap 	tion is on National For		Item 20 above). 5. Operator certifica	tion. pecific infor	unless covered by an exist					
25 Sendrure My	(Name <i>(Printed/Typed)</i> Andrea Felix		Date	5-21-2015				
Regulatory Specialist Senior										
Approved by (Signature)	n antièr	166	Name (Printed/Typed)		Date 4	6/24/15				
Title	AFIN		Office FFO							
Application approval does not warran operations thereon. Conditions of approval, if any, are att		licant holds legal or o	equitable title to those rights in	the subject le	ease which would entitle the	applicant to conduct				
Title 18 U.S.C. Section 1001 and Tit States any false, fictitious or fraudule				willfully to	make to any department or a	igency of the United				

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 103H / Rosa UT 29 104H / Rosa UT 29 105H / Rosa UT 29 107H / Rosa UT 29 108H.

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.

This action is subject to

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

technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

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

ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"



MAY 27 2015

Farmington Field Office Bureau of Land Management District I
1625 N. French Drive, Hobbs. NM 88240
Phone: (375) 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

'API Number

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Drive Santa Fe. NM 87505

Form C-102 Revised August 1, 2011

Submit one copy to Appropriate District Office

AMENDED REPORT

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
nineral interest in the land including the
proposed bottom-hole location or has a right
to orill this well at this location pursuant
to a contract with an owner of such a mineral
or working interest, or to a voluntary pooling
egreement or a compulsory populing order.
heretofore entered by the division.
1112000
Signature (Date
Hudrea felix
TURLING TORIN

17 OPERATOR CERTIFICATION

Ambrea felixalupxenergy (s) E-mail Address

SURVEYOR CERTIFICATION
I haveby 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 convect to the best of my belief.

Date Revised: MARCH 19, 2015
Date of Survey: JANUARY 2, 2015
Signature and Seal of Professional Surveyor

SCON C. EDWARD BY MEXICO

JASON C. EDWARDS
Certificate Number 15269

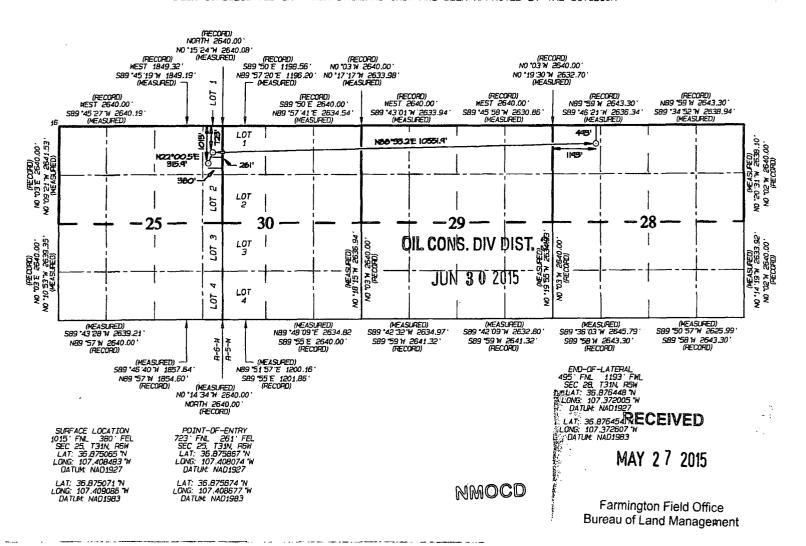
WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Code

30-03	39-1	3133	\	97232	?	BASIN MANCOS					
1703	Code		Property Name ROSA UT 29 "Well Number USSH100FF								
70GRID 1 12078			*Operator Name *Elevation WPX ENERGY PRODUCTION, LLC 6372								
10 Surface Location U. or lot no. Section Township Rengo Lot Ion Feet from the North/South line Feet from the Section County											
A ·	25	31N	6W	1	1015	NORTH	Fest from the 380	East/Nest 11ro EAST	PIO ARRIBA		
					Location I		From Surfac	e			
ul or let no.	Section 28	31N	5W	Let Ian	Feet from the 495	North/South line	Feet from the	East/Hest line WEST	RIO ARRIBA		
1144.85	Deploated N/2 - Section 25, T31N, R6W South or Infill Schedulation Code Sorder No.										

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

Pool Name





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 #106H

SURFACE:

BLM

SH Location:

NENE Sec 25-31N-06W

ELEVATION: 6372' GR

BH Location:

NWNW Sec 28-31N-05W

MINERALS:

BLM

MEASURED DEPTH: 18257'

Rio Arriba, NM

GEOLO	OGY: Surfa	ce formation	– San Jose			
	Name	MD	TVD	Name	MD	TVD
:						
	Ojo Alamo	2523	2513	Point Lookout	5715	5688
	Kirtland	2645	2635	Mancos	6191	6161
	Picture Cliffs	3166	3153	Kickoff Point	6646	6619
	Lewis	3552	3537	Top Target	7319	7181
	Chacra	4638	4617	Landing Point	7705	7309
	Cliff House	5466	5440	Base Target	7705	7309
	Menefee	5508	5482			
				TD	18257	7218

- A. **MUD LOGGING PROGRAM:** Mudlogger on location from surface csq 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 the 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 SI	ZE (IN	() DEPTH	<u>(MD) (</u> F1	CASING	SIZE (IN	WEIGHT(I	B <u>GRAD</u> I
Surface	12.2	25"	320	' +	9.62	5"	36#	J-55
Intermediate	8.7	'5"	654	·6'	7"		23#	N-80
Prod. Liner	6.12	25"	6396' – 1	8257'	4-1/	2"	11.6#	P-110
Tie-Back String	5 N/.	A	Surf	- 6396'	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. 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. <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, (946 sx / 1288 cu ft. / 229 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 253 bbl Fr Water. Total Cement (1288 cu ft / 229 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 175,000# 100 mesh sand and 9,240,000# 40/70 mesh sand in 12,376,000 gallons water for 28 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.

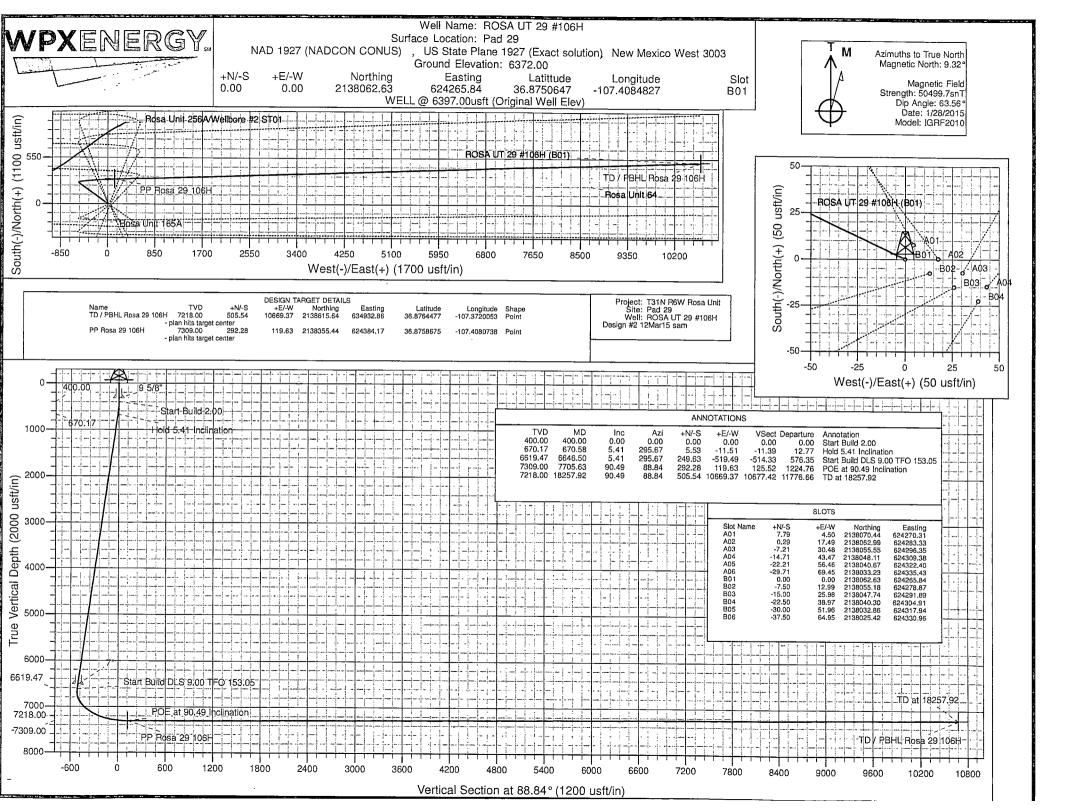
Proposed Operations:

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 #106H - Slot B01

Wellbore #1

Plan: Design #2 12Mar15 sam

Standard Planning Report - Geographic

17 March, 2015

WPX

Planning Report - Geographic

Database: COMPASS-SANJUAN Local Co-ordinate Reference: Well ROSA UT 29 #106H (B01) - Slot B01 WPX Energy Company: TVD Reference: WELL @ 6397.00usft (Original Well Elev) Project: T31N R6W Rosa Unit WELL @ 6397.00usft (Original Well Elev) MD Reference: Pad 29 Site: North Reference: True Well: ROSA UT 29 #106H **Survey Calculation Method:** Minimum Curvature Wellbore #1 Wellbore: Design #2 12Mar15 sam Design:

Project T31N R6W Rosa Unit

Map System: US State Plane 1927 (Exact solution) System Datum: Mean Sea Level .

Geo Datum: NAD 1927 (NADCON CONUS)

Map Zone: New Mexico West 3003

Site Pad 29 Northing: 2,138,085,32 usft Site Position: Latitude: 36.8751272 Easting: -107.4085562 Map 624,244.26 usft Longitude: From: Position Uncertainty: 0.00 usft Slot Radius: 13.20 in **Grid Convergence:** 0.25

Well ROSA UT 29 #106H - Slot B01 Well Position +N/-S 0.00 usft Northing: 2,138,062.62 usft 36.8750646 Latitude: +E/-W 0.00 usft Easting: 624,265.85 usft -107.4084828 Longitude: 0.00 usft Wellhead Elevation: 0.00 usft 6,372.00 usft **Position Uncertainty** Ground Level:

 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 #2 12Mar15 sam Design Audit Notes: Phase: Version: 0.00 Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.00 0.00 0.00 88.84

/leasured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Dogleg Rate	Build Rate	Turn Rate	TFO	
(usft) (°)		(°)	(usft) (usft)			(°/100usft)	(°/100usft)	(°)	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	
670.58	5.41	295.67	670.17	5.53	-11.51	2.00	2.00	0.00	295.67	
6,646.50	5.41	295.67	6,619.47	249.63	-519.49	0.00	0.00	0.00	0.00	
7,705.63	90.49	88.84	7,309.00	292.28	119.63	9.00	8.03	14.46	153.05	PP Rosa 29 106H
18,257.92	90.49	88.84	7,218.00	505.54	10,669.37	0.00	0.00	0.00	0.00	TD / PBHL Rosa 29

WPX

Planning Report - Geographic

Database: Company: COMPASS-SANJUAN

Project:

WPX Energy T31N R6W Rosa Unit

Site:

Pad 29

Well: Wellbore: ROSA UT 29 #106H

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:

MD Reference: North Reference: Well ROSA UT 29 #106H (B01) - Slot B01 WELL @ 6397.00usft (Original Well Elev) WELL @ 6397.00usft (Original Well Elev)

True

Minimum Curvature

Wellbore #1

Design #2 12Mar15 sam Design:

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
			a compression and a second						
0.00	0.00	0.00	0.00	0.00	0.00	2,138,062.62	624,265.85	36.8750646	-107.4084
320.00	0.00	0.00	320.00	0.00	0.00	2,138,062.62	624,265.85	36.8750646	-107.4084
9 5/8"						_			
400.00	0.00	0.00	400.00	0.00	0.00	2,138,062.62	624,265.85	36.8750646	-107.4084
Start Bui									
500.00	2.00	295.67	499.98	0.76	-1.57	2,138,063.37	624,264.27	36.8750667	-107.4084
670.58	5.41	295.67	670.17	5.53	-11.51	2,138,068.10	624,254.31	36.8750798	-107.408
Hold 5.41	Inclination	·							
1,000.00	5.41	295.67	998.13	18.99	-39.51	2,138,081.43	624,226.25	36.8751168	-107.4086
1,500.00	5.41	295.67	1,495.90	39.41	-82.01	2,138,101.67	624,183.66	36.8751729	-107.4087
2,000.00	5.41	295.67	1,993.67	59.83	-124,51	2,138,121.90	624,141.07	36.8752290	-107.4089
2,500.00	5.41	295.67	2,491.44	80.26	-167.02	2,138,142.14	624,098.47	36.8752851	-107.4090
3,000.00	5.41	295.67	2,989.22	100.68	-209.52	2,138,162.37	624,055.88	36.8753412	-107.4091
3,500.00	5.41	295.67	3,486.99	121.10	-252.02	2,138,182.60	624,013.29	36.8753973	-107.4093
4,000.00	5.41	295.67	3,984.76	141.53	-294.52	2,138,202.84	623,970.70	36.8754534	-107.4094
4,500.00	5.41	295.67	4,482.53	161.95	-337.02	2,138,223.07	623,928.10	36.8755095	-107.4096
5,000.00	5.41	295,67	4,980.30	182.37	-379.53	2,138,243.30	623,885.51	36.8755656	-107.4097
5,500.00	5.41	295.67	5,478.07	202.80	-422.03	2,138,263.54	623,842.92	36.8756217	-107.4099
6,000.00	5.41	295.67	5,975.84	223.22	-464.53	2,138,283.77	623,800.33	36.8756778	-107.4100
6,500.00	5.41	295.67	6,473.62	243.64	-507.03	2,138,304.01	623,757.74	36.8757338	-107.4102
6,546.00	5.41	295.67	6,519.41	245.52	-510.94	2,138,305.87	623,753.82	36.8757390	-107.4102
7"		•	•			•			
6,646.50	5.41	295.67	6,619.47	249.63	-519.49	2,138,309.94	623,745.26	36.8757503	-107.4102
Start Buil	ld DLS 9.00 TI	O 153.05							
7,000.00	27.09	84.02	6,961.62	265.64	-452.73	2,138,326.25	623,811.94	36.8757943	-107.4100
7,500.00	72.00	88.02	7,277.85	286.79	-82.65	2,138,349.04	624,181.92	36.8758524	-107.4087
7,705.63	90,49	88.84	7,309.00	292.28	119.63	2,138,355.44	624,384.17	36.8758675	-107.4080
POF at 90	0.49 Inclinatio	n					,		
8,000.00	90.49	88.84	7,306.46	298.23	413.93	2,138,362.70	624,678.44	36.8758838	-107.4070
8,500.00	90,49	88.84	7,302.15	308.34	913.81	2,138,375.03	625,178.27	36.8759115	-107.4053
9,000.00	90.49	88.84	7,297.84	318.44	1,413.69	2,138,387.36	625,678.10	36.8759392	-107.4036
9,500.00	90.49	88.84	7,293.53	328.55	1,913.57	2,138,399.69	626,177.93	36.8759669	-107.4019
10,000.00	90.49	88.84	7,289.21	338.66	2,413.45	2,138,412.01	626,677.76	36.8759946	-107.4002
10,500.00	90.49	88.84	7,284.90	348.76	2,913.32	2,138,424.34	627,177.59	36.8760222	-107.3985
11,000.00	90.49	88.84	7,280.59	358.87	3,413.20	2,138,436.67	627,677.42	36.8760498	-107.3968
11,500.00	90.49	88.84	7,276.28	368.97	3,913.08	2,138,449.00	628,177.25	36.8760774	-107.3951
12,000.00	90.49	88.84	7,271.97	379.08	4,412.96	2,138,461.33	628,677.08	36.8761049	-107.3933
12,500.00	90.49	88.84	7,267.65	389.18	4,912.84	2,138,473.66	629,176.91	36.8761324	-107.3916
13,000.00	90.49	88.84	7,263.34	399.29	5,412.72	2,138,485.99	629,676.74	36.8761599	-107.3899
13,500.00	90.49	88.84	7,259.03	409.39	5,912.60	2,138,498.32	630,176.57	36.8761874	-107.3882
14,000.00	90.49	88.84	7,254.72	419.50	6,412.48	2,138,510.65	630,676.40	36.8762149	-107.3865
14,500.00	90.49	88.84	7,250.41	429.60	6,912.36	2,138,522.98	631,176.23	36,8762423	-107.3848
15,000.00	90.49	88.84	7,246.10	439.71	7,412.24	2,138,535.31	631,676.05	36.8762697	-107.3831
15,500.00	90.49	88.84	7,241.78	449.81	7,912.12	2,138,547.64	632,175.88	36.8762971	-107.3814
16,000.00	90.49	88.84	7,237.47	459.92	8,412.00	2,138,559.97	632,675.71	36.8763245	-107.3797
16,500.00	90.49	88.84	7,233.16	470.02	8,911.88	2,138,572.30	633,175.54	36.8763518	-107.3780
17,000.00	90.49	88.84	7,228.85	480.13	9,411.76	2,138,584.63	633,675.37	36.8763791	-107.3763
17,500.00	90.49	88.84	7,224.54	490.23	9,911.63	2,138,596.96	634,175.20	36.8764064	~107.3745
18,000.00	90.49	88.84	7,220.22	500.34	10,411.51	2,138,609.29	634,675.03	36.8764336	-107.3728
18,257.92	90.49	88.84	7,218.00	505.54	10,669.37	2,138,615.64	634,932.86	36.8764477	-107.3720
,0,201.02	30.43	55.04	, , _ , 0.00	550.07	. 0,000.07	2,.20,010.01	00 1,002.00	00,0,01111	. 57 . 57 20

WPX

Planning Report - Geographic

Database: Company: COMPASS-SANJUAN

WPX Energy T31N R6W Rosa Unit

Project: Site: Pad 29

Well: ROSA UT 29 #106H Wellbore: Wellbore #1

Design: Design #2 12Mar15 sam

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference: MD Reference:

WELL @ 6397.00usft (Original Well Elev) WELL @ 6397.00usft (Original Well Elev) North Reference:

True

Minimum Curvature

Well ROSA UT 29 #106H (B01) - Slot B01

Design Targets										
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
TD / PBHL Rosa 29 106 - plan hits target cent - Point	0.00 er	0.00	7,218.00	505.54	10,669.37	2,138,615.64	634,932.86	36.8764477	-107.3720054	
PP Rosa 29 106H - plan hits target cent - Point	0.00 er	0.00	7,309.00	292.28	119.63	2,138,355.44	624,384.17	36.8758675	-107.4080738	

Casing Points			•	•		
	Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (in)	Hole Diameter (in)	
	320.00	320.00	9 5/8"	9.62	12,25	
	6,546.00	6,519.41	7"	7.00	8.75	

Plan Annotations					•
,	Measured	Vertical	Local Coord	inates	
	Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
	400.00	400.00	0,00	0.00	Start Build 2.00
	670.58	670.17	5.53	-11.51	Hold 5.41 Inclination
	6,646.50	6,619.47	249.63	-519.49	Start Build DLS 9.00 TFO 153.05
	7,705.63	7,309.00	292.28	119.63	POE at 90.49 Inclination
	18,257.92	7,218.00	505.54	10,669.37	TD at 18257.92

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 mínimize visual impact.
- 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 ½" 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.
- 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

- 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.

<u>Directions from the Intersection of US Hwy 550 & US Hwy 64</u> in Bloomfield, NM to WPX Energy Production, LLC Rosa UT 29 #106H 1015' FNL & 380' FEL, Section 25, T31N, R6W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.875071°N Longitude: 107.409086°W Datum: NAD1983

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 #106H location which overlaps existing WPX Rosa UT #165A location.

