Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition

to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date: _	5-4-15	
Well information;		
Operator WPX	, Well Name and Number Rosa Unit 27 #	108H
API# 30.039-3131	Section 19 Township 31 N/S Range	0

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

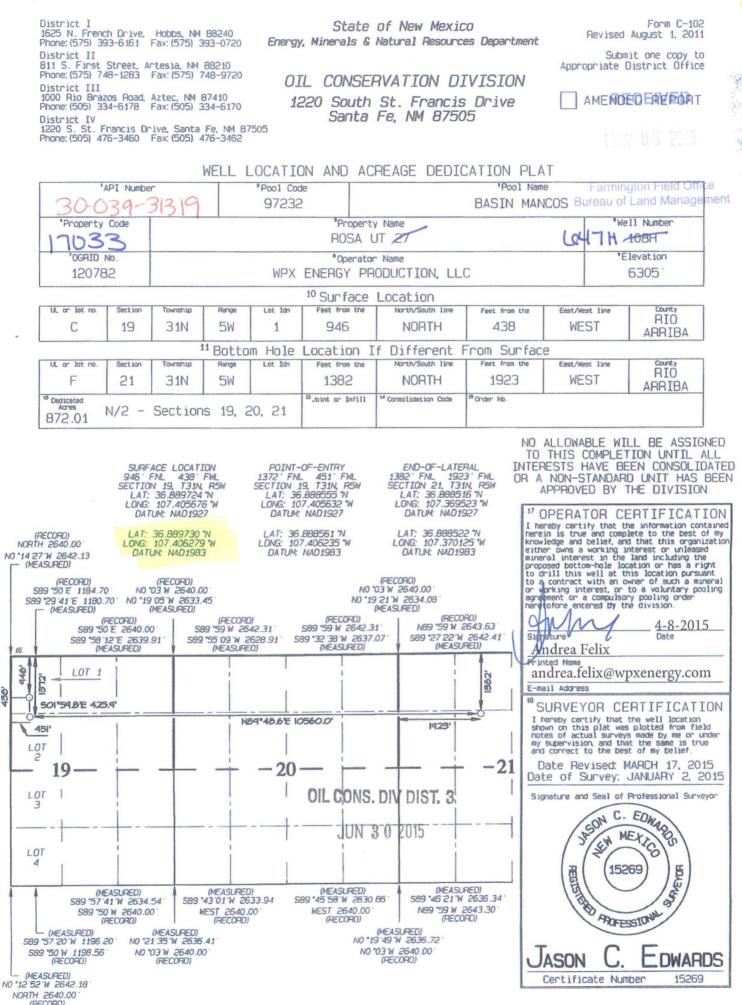
Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

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. * APD weld for name chance see St

NMOCD Approved by Signature Date 055 1220 South St. Francis Drive - Santa Fe. New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

	OIL CONS. DIV DIST. 3		DECEN	ED		
Form 3160-3 (September 2001)			RECEIV	EU	FORM APPRO OMB No. 100	4-0136
	JUN 30 2015 ITED STATE		MAY 05	2015	Expires January	31, 2004
	DEPARTMENT OF THE I		1.000 - 2.2		5. Lease Serial No. SF-078769	
	BUREAU OF LAND MANA			F	6. If Indian, Allottee or T	ribe Name
	APPLICATION FOR PERMIT TO D	Bur	Natra Rigton Fie		t	
la. Type of Work:	☐ DRILL ☐ REENTH	ER			7. If Unit or CA Agreemer Rosa Unit R-13457	
1b. Type of Well:	🗌 Oil Well 🛛 Gas Well 🔲 Other	Single	Zone 🗌 Multi	ple Zone	8. Lease Name and Well N Rosa UT 27 108H	0.
2. Name of Opera					9. API Well No.	1319
WPX Energy Produ 3a. Address	iction, LLC	3b. Phone No. (in	clude area code)		10. Field and Pool, or Explo	oratory
P.O. Box 640 Azte	c, NM 87410	(505) 333-1849			Basin Mancos	
	(Report location clearly and in accordance with an	y State requirements.	*)		11. Sec., T., R., M., or Blk.	and Survey or Area
	i' FNL & 438' FWL, sec 19, T31N, R5W				SHL: Section 19, T31N, I	R 5W
At proposed pro	od. zone 1382' FNL & 1923' FWL, sec 21, T31N	, R5W			BHL: Section 21, T31N, I	
14. Distance in mile	s and direction from nearest town or post office*				12. County or Parish	13. State
	les East from Bloomfield NM				Rio Arriba	NM
15. Distance from p		16. No. of Acres	s in lease	17. Spacing	Unit dedicated to this well	
location to neare property or lease	line ft.					
(Also to nearest 18. Distance from pr	drig. unit line, if any) 438,	1280.00 19. Proposed De	enth		Vest Rosa Unit Project Area A Bond No. on file	24,118.76 Acres
to nearest well, d	rilling, completed,	19. Floposed De	-Pul	20. BLIW/BI	A DOILO NO. ON INC	
accelled C	is lease, ft. 15'	18,019 MD / 6,	825 TVD	UTBOOD	0178	
applied for, on th			1	tart*	23. Estimated duration	
	w whether DF, KDB, RT, GL, etc.)	22. Approximat	te date work will s	lait	25. Estimated duration	
	w whether DF, KDB, RT, GL, etc.)	June 1, 2015			1 month	
21. Elevations (Sho 6305' GR The following, compl 1. Well plat certified 2. A Drilling Plan.	eted in accordance with the requirements of Onsho by a registered surveyor.	June 1, 2015 24. Attachm ore Oil and Gas Orde	eents er No.1, shall be atta	ached to this fo	1 month	ng bond on file (se
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(RECORD)

1



WPX ENERGY

Operations Plan

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

DATE:	4/14/15	FIELD:	Basin N	lancos	
WELL NAME:	ROSA UT 27 #108H	<u>St</u>	JRFACE:	BLM	
SH Location:	NWNW Sec 19-31N-05W	EI	LEVATION:	6305' GR	
BH Location:	SENW Sec 21-31N-05W Rio Arriba, NM	M	INERALS:	BLM	

MEASURED DEPTH: 18019'

- I. <u>GEOLOGY:</u> Surface formation San Jose
 - A. FORMATION TOPS: (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	2447	2429	Point Lookout	5693	5639
Kirtland	2545	2526	Mancos	6002	5945
Picture Cliffs	3379	3351	Kickoff Point	6374	6327
Lewis	3653	3622	Top Target	6923	6809
Chacra	4616	4574	Landing Point	7456	7032
Cliff House	5418	5367	Base Target	7456	7032
Menefee	5463	5412			
			TD	18019	6825

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

C. LOGGING PROGRAM: LWD GR from surface casing to TD.

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

II. DRILLING

- A. <u>MUD PROGRAM</u>: LSND mud (WBM) will be used to drill the 12-1/4" Surface hole and the 8 ¾" Directional Vertical hole of the wellbore. A LSND (WBM) or (OBM) will be used to drill the curve portion and the lateral portion of well. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses.
- B. <u>BOP TESTING</u>: 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 TYPE	OH SIZE (IN)	DEPTH (MD) (FT)	CASING SIZE (IN)	WEIGHT(LB)	GRADE
Surface	12.25"	320'	9.625"	36#	J-55
Intermediate	8.75"	6272'	7"	23#	N-80
Prod. Liner	6.125"	6122' -18019'	4-1/2"	11.6#	P-110
Tie-Back String	N/A	Surf6122'	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.
- <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.
- <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). 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. <u>TIE-BACK CASING:</u> Please see <u>Notes</u> below.

C. **CEMENTING:**

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

- <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. <u>PRODUCTION LINER</u>: 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 Water Spacer. Lead Cement: Extencem [™] System. Yield 1.29 cu ft/sk, 13.5 ppg, (1010 sx / 1303 cu ft. / 232 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 225 bbl Fr Water. Total Cement (1303 cu ft / 232 bbls).

Page 3 of 3

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# N-80 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).

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 R5W Rosa Unit Pad 27 ROSA UT 27 #108H - Slot B07

Wellbore #1

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Plan: Design #2 16Mar15 sam

Standard Planning Report

13 April, 2015

WPX

Planning Report

Company: Project: Site: Well: Wellbore: Design:	WPX I T31N Pad 2 ROSA Wellbo	UT 27 #108H	it		TVD Refe MD Refer North Ref	ence:		Well ROSA UT 2 KB @ 6330.00u KB @ 6330.00u True Minimum Curva	sft (Aztec 100 sft (Aztec 100	00)
Project	T31N F	5W Rosa Unit	t in the second							
Map System: Geo Datum: Map Zone:	NAD 192	Plane 1927 (I 7 (NADCON 0 kico West 3003			System Da	itum:	M	ean Sea Level		đ
Site	Pad 27								eren aleman er en der	and a particular to the second
Site Position: From: Position Uncertain		Long 0.0	Northi Eastin 0 usft Slot R			3,400.02 usft 5,077.55 usft 13.20 in	Latitude: Longitude: Grid Converg	jence:		36.8897153 -107.4056260 0.26 [°]
Well	ROSAL	JT 27 #108H -	Slot B07							and the first state of the second state
Well Position	+N/-S +E/-W			orthing: sting:		2,143,403.27 625,062.90		itude: igitude:		36.8897244 -107.4056760
Position Uncertain	itv	0.		ellhead Elevation	n•	0.00	usft Gro	und Level:		6,305.00 usf
Wellbore	Wellbo					ation	Din A	ngle	Field	Strength
Wellbore Magnetics	Wellbo	del Name IGRF2010	Sample 1		Declina (°)		Dip A (°	and the second		Strength nT) 50,520
Wellbore Magnetics Design	Wellbo	del Name	Sample 1	e Date	Declina			")		nT)
Wellbore Magnetics	Wellbo	del Name IGRF2010	Sample 1	e Date 2/18/2014	Declina (°)	9.33		63.57		nT)
Wellbore Magnetics Design Audit Notes:	Wellbo	del Name IGRF2010 #2 16Mar15 sa	Sample 1 am Phase Depth From (TV (usft)	e Date 2/18/2014 	Declina (°) AN +N/-S (usft)	9.33 Tie +E/ (us	On Depth: /-W sft)) 63.57 Dire	(0.00 ection (°)	nT)
Wellbore Magnetics Design Audit Notes: Version:	Wellbo	del Name IGRF2010 #2 16Mar15 sa	Sample 1 am Phase Depth From (TV	e Date 2/18/2014 	Declina (°)	9.33 Tie +E/	On Depth: /-W sft)) 63.57 Dire	(0.00 ection	nT)
Wellbore Magnetics Design Audit Notes: Version:	Wellbo	del Name IGRF2010 #2 16Mar15 sa	Sample 1 am Phase Depth From (TV (usft)	e Date 2/18/2014 	Declina (°) AN +N/-S (usft)	9.33 Tie +E/ (us	On Depth: /-W sft)) 63.57 Dire	(0.00 ection (°)	nT)
Wellbore Magnetics Design Audit Notes: Version: Vertical Section: Plan Sections Measured	Wellbo	del Name IGRF2010 #2 16Mar15 sa	Sample 1 am Phase Depth From (TV (usft)	e Date 2/18/2014 	Declina (°) AN +N/-S (usft)	9.33 Tie +E/ (us	On Depth: /-W sft)) 63.57 Dire	(0.00 ection (°)	nT)
Wellbore Magnetics Design Audit Notes: Version: Vertical Section: Plan Sections Measured Depth Ind	Wellbo Mo Design	del Name IGRF2010 #2 16Mar15 sa D	Sample 1 am Phase Depth From (TV (usft) 0.00 Vertical Depth	e Date 2/18/2014 2: PLA 7D) +N/-S	Declina (°) 	9.33 Tie +E/ (us 0.0	On Depth: /-W sft) 00 Build Rate	n) 63.57 Dire 90 Turn Rate	(0.00 ection (°) 0.07 TFO	nT) 50,520
Wellbore Magnetics Design Audit Notes: Version: Vertical Section: Plan Sections Measured Depth Inc (usft)	Clination (°) 0.00 0.00	del Name IGRF2010 #2 16Mar15 sa D Azimuth (°)	Sample 1 am Phase Depth From (TV (usft) 0.00 Vertical Depth (usft) 0.00 420.00	e Date 2/18/2014 2: PLA 7D) +N/-S (usft)	Declina (°) +N/-S (usft) 0.00 +E/-W (usft)	9.33 Tie +E/ (us 0.0 Dogleg Rate (*/100usft) 0.00 0.00	On Depth: /-W sft) 00 Build Rate (*/100usft) 0.00 0.00) 63.57 Dire 90 Turn Rate (°/100usft) 0.00 0.00	() 0.00 ection (°) 0.07 TFO (°) 0.00 0.00	nT) 50,520
Wellbore Magnetics Design Audit Notes: Version: Vertical Section: Plan Sections Measured Depth Ind (usft)	Wellbo Mo Design clination (°) 0.00	del Name IGRF2010 #2 16Mar15 sa D C Azimuth (°) 0.00	Sample 1 am Phase Depth From (TV (usft) 0.00 Vertical Depth (usft) 0.00	e Date 2/18/2014 :: PLA /D) +N/-S (usft) 0.00	Declina (°) +N/-S (usft) 0.00 +E/-W (usft) 0.00	9.33 Tie +E/ (us 0.0 Dogleg Rate (*/100usft) 0.00	On Depth: /-W sft) 00 Build Rate (°/100usft) 0.00	0) 63.57 Dire 90 Turn Rate (°/100usft) 0.00	() 0.00 ection (°) 0.07 TFO (°) 0.00	nT) 50,520
Wellbore Magnetics Design Audit Notes: Version: Vertical Section: Plan Sections Measured Depth (usft) 0.00 420.00	Clination (°) 0.00 0.00	del Name IGRF2010 #2 16Mar15 sa D Azimuth (°) 0.00 0.00	Sample 1 am Phase Depth From (TV (usft) 0.00 Vertical Depth (usft) 0.00 420.00	e Date 2/18/2014 :: PLA /D) +N/-S (usft) 0.00 0.00	Declina (°) +N/-S (usft) 0.00 +E/-W (usft) 0.00 0.00	9.33 Tie +E/ (us 0.0 Dogleg Rate (*/100usft) 0.00 0.00	On Depth: /-W sft) 00 Build Rate (*/100usft) 0.00 0.00) 63.57 Dire 90 Turn Rate (°/100usft) 0.00 0.00	() 0.00 ection (°) 0.07 TFO (°) 0.00 0.00	nT) 50,520
Wellbore Magnetics Design Audit Notes: Version: Vertical Section: Plan Sections Measured Depth (usft) 0.00 420.00 786.52	Vellbo Mo Design clination (°) 0.00 0.00 7.33	del Name IGRF2010 #2 16Mar15 sa L Azimuth (°) 0.00 0.00 239.16	Sample 1 am Phase Depth From (TV (usft) 0.00 Vertical Depth (usft) 0.00 420.00 785.52	e Date 2/18/2014 :: PLA /D) +N/-S (usft) 0.00 0.00 -12.00	Declina (°) +N/-S (usft) 0.00 +E/-W (usft) 0.00 0.00 0.00 0.00 -20.10	9.33 Tie +E/ (us 0.0 Dogleg Rate (*/100usft) 0.00 0.00 2.00	On Depth:) 63.57 Dire 90 Turn Rate (°/100usft) 0.00 0.00 0.00	() 0.00 ection (°) 0.07 TFO (°) 0.00 0.00 239.16 0.00	nT) 50,520

WPX

Planning Report

Design:	Design #2 16Mar15 sam		
Wellbore:	Wellbore #1		
Well:	ROSA UT 27 #108H	Survey Calculation Method:	Minimum Curvature
Site:	Pad 27	North Reference:	True
Project:	T31N R5W Rosa Unit	MD Reference:	KB @ 6330.00usft (Aztec 1000)
Company:	WPX Energy	TVD Reference:	KB @ 6330.00usft (Aztec 1000)
Database:	COMPASS-SANJUAN	Local Co-ordinate Reference:	Well ROSA UT 27 #108H (B07) - Slot B07

Planned Survey

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Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
320.00	0.00	0.00	320.00	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8"	0.00	0.00	420.00	0.00	0.00	0.00	0.00	0.00	0.00
420.00 Start Build 2		0.00	420.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	1.60	239.16	499.99	-0.57	-0.96	-0.96	2.00	2.00	0.00
786.52	7.33	239.16	785.52	-12.00	-20.10	-20.09	2.00	2.00	0.00
Hold 7.33 In	clination								
1,000.00	7.33	239.16	997.26	-25.96	-43.49	-43.46	0.00	0.00	0.00
1,500.00	7.33	239.16	1,493.17	-58.67	-98.27	-98.20	0.00	0.00	0.00
2,000.00	7.33	239.16	1,989.08	-91.37	-153.05	-152.93	0.00	0.00	0.00
2,500.00	7.33	239.16	2,485.00	-124.07	-207.82	-207.67	0.00	0.00	0.00
3,000.00	7.33	239.16	2,980.91	-156.77	-262.60	-262.41	0.00	0.00	0.0
3,500.00	7.33	239.16	3,476.82	-189.47	-317.38	-317.15	0.00	0.00	0.00
4,000.00	7.33	239.16	3,972.74	-222.17	-372.15	-371.88	0.00	0.00	0.00
4,500.00	7.33	239.16	4,468.65	-254.87	-426.93	-426.62	0.00	0.00	0.00
5,000.00	7.33	239.16	4,964.56	-287.58	-481.71	-481.36	0.00	0.00	0.00
5,500.00	7.33	239.16	5,460.48	-320.28	-536.49	-536.09	0.00	0.00	0.0
6,000.00	7.33	239.16	5,956.39	-352.98	-591.26	-590.83	0.00	0.00	0.0
6,272.00	7.33	239.16	6,226.17	-370.77	-621.06	-620.61	0.00	0.00	0.0
7"			ALL STORAGE						
6,374.07	7.33	239.16	6,327.41	-377.44	-632.24	-631.78	0.00	0.00	0.00
Start Build/T	urn DLS 9.00 TF	O -148.81							
6,500.00	6.31	126.91	6,452.85	-385.75	-633.61	-633.14	9.00	-0.81	-89.14
7,000.00	50.16	93.31	6,883.89	-414.85	-408.29	-407.79	9.00	8.77	-6.72
7,456.36	91.12	90.07	7,032.00	-425.70	12.94	13.46	9.00	8.98	-0.7
POE at 91.12	2 Inclination								
7,500.00	91.12	90.07	7,031.14	-425.75	56.58	57.10	0.00	0.00	0.00
8,000.00	91.12	90.07	7,021.35	-426.33	556.48	557.00	0.00	0.00	0.00
8,500.00	91.12	90.07	7,011.55	-426.92	1,056.38	1,056.90	0.00	0.00	0.00
9,000.00	91.12	90.07	7,001.75	-427.51	1,556.29	1,556.81	0.00	0.00	0.00
9,500.00	91.12	90.07	6,991.95	-428.10	2,056.19	2,056.71	0.00	0.00	0.00
10,000.00	91.12	90.07	6,982.15	-428.69	2,556.09	2,556.62	0.00	0.00	0.00
10,500.00	91.12	90.07	6,972.35	-429.28	3,056.00	3,056.52	0.00	0.00	0.00
11,000.00	91.12	90.07	6,962.55	-429.86	3,555.90	3,556.42	0.00	0.00	0.00
11,500.00	91.12	90.07	6,952.75	-430.45	4,055.80	4,056.33	0.00	0.00	0.00
12,000.00	91.12	90.07	6,942.95	-431.04	4,555.71	4,556.23	0.00	0.00	0.00
12,500.00	91.12	90.07	6,933.15	-431.63	5,055.61	5,056.14	0.00	0.00	0.00
13,000.00	91.12	90.07	6,923.35	-432.22	5,555.52	5,556.04	0.00	0.00	0.00
13,500.00	91.12	90.07	6,913.55	-432.81	6,055.42	6,055.94	0.00	0.00	0.00
14,000.00	91.12	90.07	6,903.75	-433.39	6,555.32	6,555.85	0.00	0.00	0.00
14,500.00	91.12	90.07	6,893.96	-433.98	7,055.23	7,055.75	0.00	0.00	0.00
15,000.00	91.12	90.07	6,884.16	-434.57	7,555.13	7,555.66	0.00	0.00	0.00
15,500.00	91.12	90.07	6,874.36	-435.16	8,055.03	8,055.56	0.00	0.00	0.00
16,000.00	91.12	90.07	6,864.56	-435.75	8,554.94	8,555.46	0.00	0.00	0.00
16,500.00	91.12	90.07	6,854.76	-436.34	9,054.84	9,055.37	0.00	0.00	0.00
17.000.00	91.12	90.07	6,844.96	-436.92	9,554.74	9,555.27	0.00	0.00	0.00
17,500.00	91.12	90.07	6,835.16	-437.51	10,054.65	10,055.18	0.00	0.00	0.00
18,000.00	91.12	90.07	6,825.36	-438.10	10,554.55	10,555.08	0.00	0.00	0.00
18,018.38	91.12	90.07	6,825.00	-438.12	10,572.93	10,573.46	0.00	0.00	0.00

WPX

Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	COMPASS-S WPX Energy T31N R5W F Pad 27 ROSA UT 27 Wellbore #1 Design #2 16	Rosa Unit #108H			TVD Refere MD Referer North Refer	nce:	KB @ 6330	UT 27 #108H (B07) - .00usft (Aztec 1000) .00usft (Aztec 1000) urvature	Slot B07
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 27 #10 - plan hits target cer - Point		0.00	6,825.00	-438.12	10,572.93	2,143,012.53	635,637.69	36.8885155	-107.3695226
PP Rosa 27 #108H - plan hits target cer - Point	0.00 hter	0.00	7,032.00	-425.70	12.94	2,142,977.64	625,077.75	36.8885551	-107.4056318

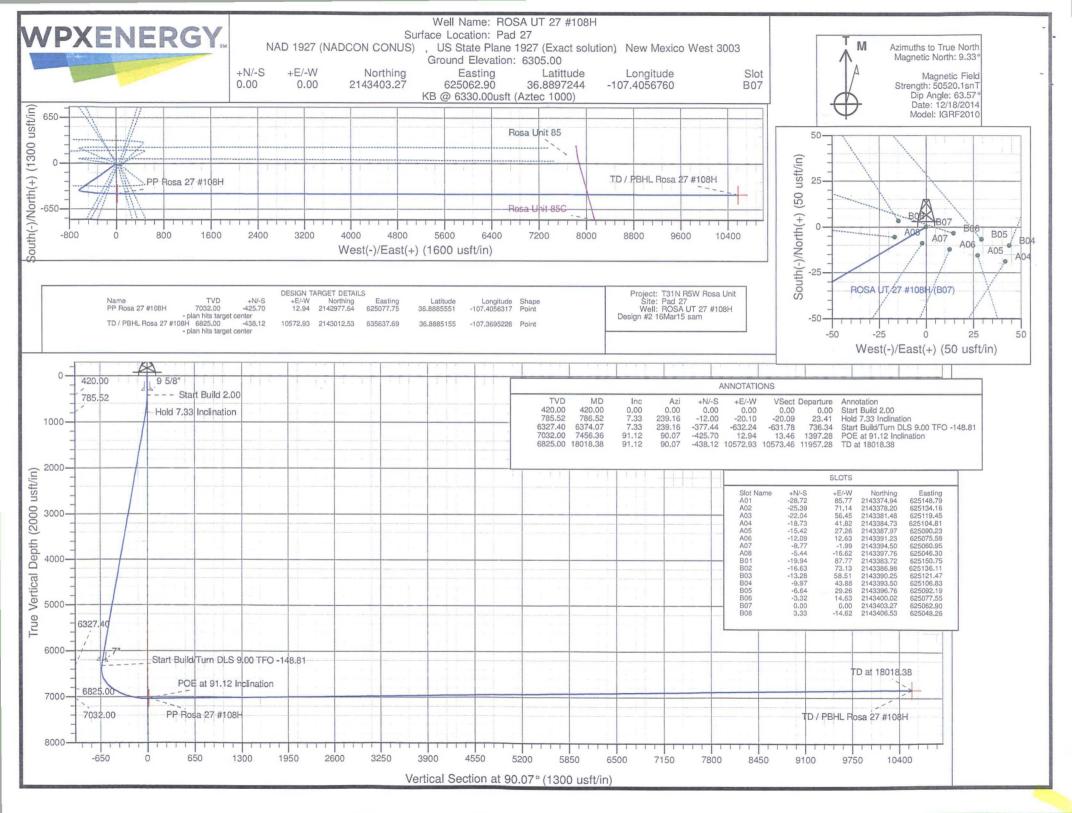
Casing Points

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Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (in)	Hole Diameter (in)	
320.00	320.00	9 5/8"		9.62	12.25	
6,272.00	6,226.17	7"		7.00	8.75	

Plan Annotations

Measured	Vertical	Local Coor	dinates	
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
420.00	420.00	0.00	0.00	Start Build 2.00
786.52	785.52	-12.00	-20.10	Hold 7.33 Inclination
6,374.07	6,327.41	-377.44	-632.24	Start Build/Turn DLS 9.00 TFO -148.81
7,456.36	7,032.00	-425.70	12.94	POE at 91.12 Inclination
18,018.38	6,825.00	-438.12	10,572.93	TD at 18018.38



- 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.
 - 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.
 - 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

- 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

- 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 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
 - 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 27 #108H

946' FNL & 438' FWL, Section 19, T31N, R5W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.889730°N Longitude: 107.406279°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;

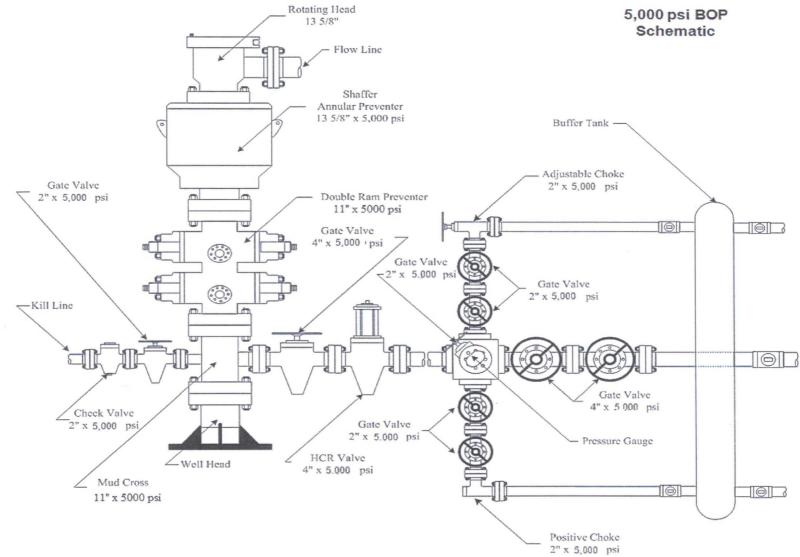
Go Left which is straight (North-easterly) remaining on Rosa Road for 5.9 miles to fork in road;

Go Right (Easterly) for 0.25 miles to fork in roadway:

Go Right which is straight (Easterly) for 0.1 miles to fork in roadway:

Go Left which is straight (Easterly) for 1.3 miles to fork in roadway;

Go Right (Westerly) for 0.1 miles to new access on right-hand side of roadway which continues for 71.0' to staked WPX Rosa UT 27 #108H location.



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