State of New Mexico Energy, Minerals and Natural Resources Department

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 <u>3160-3</u> APD form. Operator Signature Date: 12 - 3 - 15

Well information; Operator WPX, Well Name and Number WLybrook Unit # 748H

API# 30 045 - 35743, Section 12, Township 23 NS, Range 09 EW

Conditions of Approval:

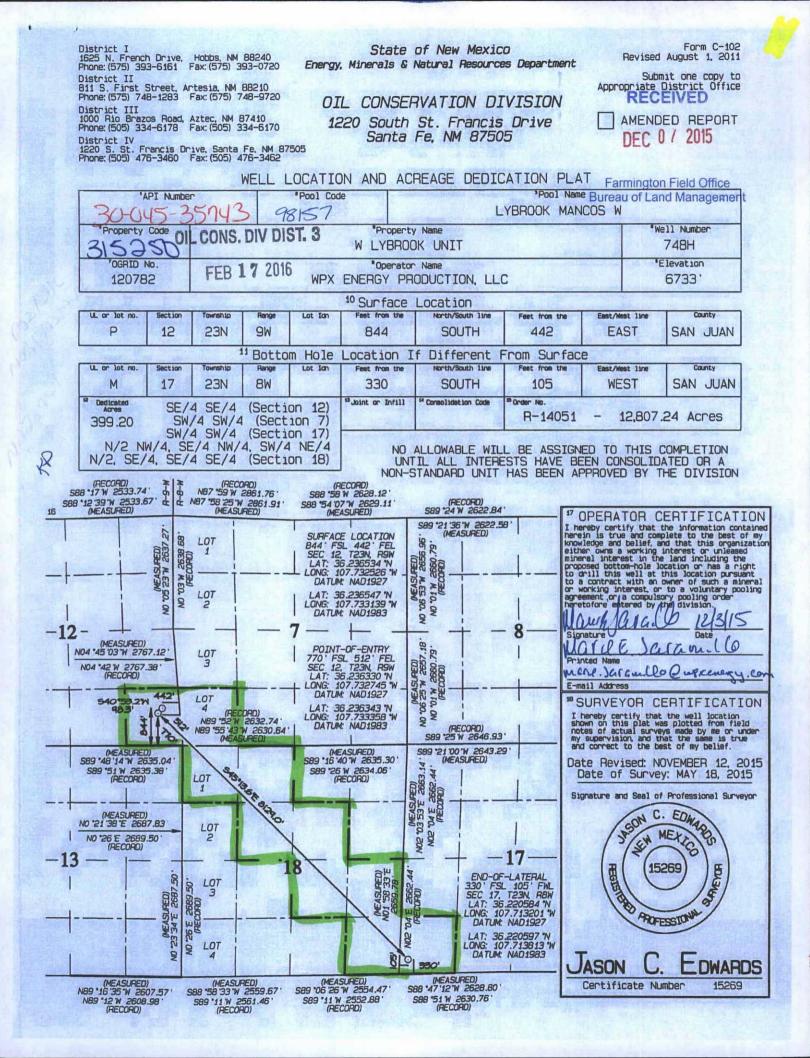
(See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, NSP, DHC
- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
 - 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

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	RECEN	150		
Form 3160-3 (September 2001) FEB 17 2016 UNITED STATE	. DFC. 0 /	2015	FORM APPRO OMB No. 100 Expires January	OVED 4-0136 31, 2004
DEPARTMENT OF THE	Manager and an and a second		5. Lease Serial No.	
BUREAU OF LAND MANA	AGEMENT	ice	N0-G-1403-1944	
APPLICATION FOR PERMIT TO D	RILL OR REENTER	100	6. If Indian, Allottee or T	ribe Name
la. Type of Work: 🛛 DRILL	ER		7. If Unit or CA Agreemen	nt, Name and No.
1b. Type of Well: Oil Well Gas Well Other	Single Zong	tiple Zone	NMNM 135216X 8. Lease Name and Well N	0.
1b. Type of Well: Image: Construction of Construction 2. Name of Operator	Single Zone Mult	tiple Zone	W. Lybrook Unit #748F 9. API Well No.	<u>I</u>
WPX Energy Production, LLC	and the second		30-045-35	5743
3a. Address	3b. Phone No. (include area code)		10. Field and Pool, or Explo	oratory
P.O. Box 640 Aztec, NM 87410 4. Location of Well (Report location clearly and in accordance with an	(505) 333-1808		Lybrook Mancos W. 11. Sec., T., R., M., or Blk.	and Survey or Area
At surface 844' FSL & 442' FEL SEC 12, 23N 9W		SES	SHL: Sec 12, T23N, R9	
At proposed prod. zone 330' FSL & 105' FWL SEC 17, 23N 8W		Susi	BHL: Sec 17, T23N, R	
14. Distance in miles and direction from nearest town or post office*			12. County or Parish	13. State
From intersection US HWY 550 & US HWY 64 Bloomfield, 1 15. Distance from proposed*	M South HWY 550 37.8 miles to M 16. No. of Acres in lease		San Juan 2 Unit dedicated to this well	NM
location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 442 ³		399.20 acr		
18. Distance from proposed location*	160 acres 19. Proposed Depth	20. BLM/B	IA Bond No. on file	and the second second
to nearest well, drilling, completed, applied for, on this lease, ft.				
20' 21. Elevations (Show whether DF, KDB, RT, GL, etc.)	13488.58' MD / 4862' TVD 22. Approximate date work will	B00157 start*	23. Estimated duration	1000
6733' GR	January 1, 2015	22010	1 month	
	24. Attachments		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
3. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office)	6. Such other site authorized offic		mation and/or plans as may	
25. Signature	Name (Printed/Typed) Marie E. Jaramillo		Date 12/3	
Permit Technician III				
Approved by (Signeture)	Name (Printed/Typed)		Date	16/16
Title AF-11	Office II	2		/ / /
Application approval does not warrant or certify that the applicant hold operations thereon. Conditions of approval, if any, are attached.	s legal or equitable title to those rights i	in the subject le	ease which would entitle the	applicant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make States any false, fictitious or fraudulent statements or representations as		nd willfully to	make to any department or a	gency of the United
*(Instructions on reverse)	to any manor while to jundation.			
WPX Energy Production, LLC, proposes to develop the Lybrook Mana use plans.	cos W formation at the above described	d location in ac	ccordance with the attached d	rilling and surface
The well pad surface is under jurisdiction of the BLM and FIMO and is	s on lease on IA lands and will be twin	ned with the W	V. Lybrook Unit #707H/708F	I/709H/747H/749H.
This location has been archaeologically surveyed by La Plata. Copies of	f their report have been submitted dire	ectly to the BL	M. FIMO, BIA & NNHPD.	EPTANCE OF THE
A new 1303' on lease access road on IA surface will be built and perm	itted via the APD.	ACTION	DOES NOT RELIEV	E THE LESSEE ANI
A new 1303' on lease access road on IA surface will be built and perm A new 2720' on lease pipeline will be built and permitted via the APD The facilities for the well will be located on the Remote Facilities Pad	A total of 1664' will be on IA surface	and 1056' wil	IL be on BLM surface	NG ANY OTHER
DRILLING OPERATION OF THE SUBJECT TO	23-8-18D located on BLM surface and	WINDEFERRE	The astian is subject and pracedural review	to technical w pursuant to
COMPLIANCE WITH A THAT AND A THAT	NMOCD	A .	43 EFR 3165.3 and a pursuant to 43 CFR 3	3165.4
OFFICE			form committee and the second	





WPX Energy

Operations Plan

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

Date:	December 7, 2015	Field:	Lybrook Mancos W
Well Name:	W Lybrook Unit #748H	Surface:	IA
SH Location:	SESE Sec 12-23N-09W	Elevation:	6733' GR
BH Location:	SWSW Sec 17-23N-08W	Minerals:	FED

Measured Depth: 13,488.58'

I. GEOLOGY: SURFACE FORMATION - NACIMIENTO

A. FUR	IVIATION TOP	<u>3 (ND)</u>			
NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	585	585	POINT LOOKOUT	3,709	3,652
KIRTLAND	747	747	MANCOS	3,888	3,827
PICTURED CLIFFS	1,324	1,315	GALLUP	4,233	4,166
LEWIS	1,445	1,434	KICKOFF POINT	4,963.62	4,780.71
CHACRA	1,631	1,616	TOP TARGET	5,182	4,872
CLIFF HOUSE	2,761	2,723	LANDING POINT	5,359.61	4,896.00
MENEFEE	2,738	2,740	BASE TARGET	5,359.61	4,896.00
	1.1.1.1.1.1.1.1	and the second	TD	13,488.58	4,862.00

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

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

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

II. DRILLING

A. **MUD PROGRAM:** LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 ¾" Directional Vertical hole, and the curve portion of the wellbore. A LSND (WBM) or (OBM) will be used to drill the lateral portion of well. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses.

B. <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 1300 psi, so the BOPE will be tested to 250 psi (Low) for 5 minutes and 1500 psi (High) for 10 minutes. Pressure test surface casing to 600 psi for 30 minutes and intermediate casing to 1500 psi for 30 minutes. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. The drum brakes will be inspected and tested each tour. All tests and inspections will be recorded in the tour book as to time and results.

III. MATERIALS

A. CASING PROGRAM:

CASING TYPE	OH SIZE (IN)	DEPTH (MD)	CSG SIZE	WEIGHT	GRADE	CONN
SURFACE	12.25"	320.00'	9.625"	36 LBS	J-55 or equiv	STC
INTERMEDIATE	8.75"	5,359.61'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5209.61' - 13,488.58'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf 5209.61'	4.5"	11.6 LBS	P-110 or equiv	LTC

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 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. Place DV tool @ the top of the Chacra formation. If cement is circulated back to surface on the first stage, a cancelation device will be dropped to shift the dv tool closed and the 2nd stage cement job will be aborted at that time.

3. <u>PRODUCTION LINER</u>: Run 4-1/2" Liner with cement nose guide Float Shoe + 1 jt. 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.

C. CEMENTING:

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

1. Surface 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 STAGE 1: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 103 bbls, 294 sks, (579 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 86 bbls, 373 sks, (485 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 211 bbl Drilling mud or water. Total Cement: 189 bbls, 667 sks, (1064 cuft) STAGE 2: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 33 bbls, 95 sks, (186 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 16 bbls, 78 sks, (90 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 60 bbl Drilling mud or water. Total Cement: 49 bbls, 174 sks, (276 cuft)

3. PROD. 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 Water Spacer. Lead Cement: Extencem ™ System. Yield 1.36 cuft/sk 13.3 ppg (811 sx /1103 cuft /196 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 140 bbl Fr Water. Total Cement (811 sx /1103bbls). I. COMPLETION

A. <u>CBL</u>

Run CCL for perforating

A. 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.

B. STIMULATION

1. Stimulate with approximately 2,805,000# 20/40 mesh sand and 340,000# 16/30 mesh sand in 619,113 gallons water with 42,696 mscf N2 for 17 stages.

- 2. Isolate stages with flow through frac plug.
- 3. Drill out frac plugs and flowback lateral.

C. RUNNING TUBING

1. <u>Production Tubing:</u> Run 2-7/8", 6.5#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing near Top of Liner.

• 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:

Proposed Operations:

A 4-1/2" 11.6# P-110 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# J-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).

WPX Energy

T23N R9W W Lybrook 2309-12D W Lybrook UT #748H - Slot A3

Wellbore #1

Plan: Design #1 2Nov15 sam

Standard Planning Report

02 November, 2015

WPX

Planning Report

Company: Project: Site: Well: Wellbore: Design:	WPX T23N W Ly W Ly Welb	PASS Energy I R9W brook 2309-12[brook UT #748] brook UT #748] pore #1 gn #1 2Nov15 s	H		TVD Refe MD Refer North Ref	ence:		Well W Lybrook KB @ 6747.00u: KB @ 6747.00u: True Minimum Curvat	sft (Aztec 920 sft (Aztec 920))
Project	T23N	R9W					S. Marker M.			
Map System: Geo Datum: Map Zone:	NAD 19	te Plane 1927 (27 (NADCON 0 exico West 3003	CONUS)		System Da	tum:	Me	ean Sea Level		
Site	W Lyb	rook 2309-12D								Local Anna
Site Position: From: Position Uncert	Ma tainty:	1.1	Northi Eastin 0 usft Slot R	g:		5,338.99 usft 9,692.39 usft 13.200 in	Latitude: Longitude: Grid Converg	ence:		36.236489 -107.732650 0.06 °
Well	W Lybr	ook UT #748H	- Slot A3	200.27						Selection of the
Well Position	+N/-S +E/-W tainty	36.	48 usft Ea	rthing: sting: Ilhead Elevati	on:	1,905,355.43 529,728.85 0.00	usft Lon	itude: ngitude: bund Level:		36.236534 -107.732527 6,733.00 usft
Wellbore	Wellb	ore #1								
Magnetics	M	odel Name	Sample	Date	Declina (°)		Dip A (°			Strength InT)
Magnetics	M	odel Name IGRF200510		2/31/2009	Declina (°)		Dip A (°			
Magnetics Design			1					9		nT)
		IGRF200510	1	2/31/2009		9.98		63.08		nT)
Design Audit Notes:	Desigr	IGRF200510 n #1 2Nov15 sa	1 m	2/31/2009 :: Pl	(*)	9.98 Tie +E (u	(*	") 63.08 Dire (ber		nT)
Design Audit Notes: Version: Vertical Sectior	Desigr	IGRF200510 n #1 2Nov15 sa	m Phase Depth From (TV (usft)	2/31/2009 :: Pl	(*) LAN +N/-S (usft)	9.98 Tie +E (u	(* On Depth: :/-W sft)	") 63.08 Dire (ber	0.00 ection aring)	nT)
Design Audit Notes: Version:	Desigr	IGRF200510 n #1 2Nov15 sa	m Phase Depth From (TV (usft)	2/31/2009 :: Pl	(*) LAN +N/-S (usft)	9.98 Tie +E (u	(* On Depth: :/-W sft)	") 63.08 Dire (ber	0.00 ection aring)	nT)
Design Audit Notes: Version: Vertical Section Plan Sections Measured Depth	Design n: Inclination	IGRF200510 n #1 2Nov15 sa [1 m Depth From (TV (usft) 0.00 Vertical Depth	2/31/2009 :: Pi 'D) +N/-S	(°) LAN +N/-S (usft) 0.00 +E/-W	9.98 Tie +E (u 0. Dogleg Rate	0 On Depth: 2/-W sft) 00 Build Rate	") 63.08 Dire (bea 13 Turn Rate	0.00 action aring) 5.52 TFO	nT) 50,621
Design Audit Notes: Version: Vertical Section Plan Sections Measured Depth (usft) 0.00 500,00 1,077.84 4,169.50	Design n: Inclination (°) 0,00 0,00 11,56 11,56	IGRF200510 n #1 2Nov15 sa Azimuth (bearing) 0.00 0.00 307.51 307.51	1 m Depth From (TV (usft) 0.00 Vertical Depth (usft) 0.00 500.00 1,073.93 4,102.91	2/31/2009 :: Pl (D) +N/-S (usft) 0.00 0.00 0.00 35.36 412.51	(*) LAN +N/-S (usft) 0.00 +E/-W (usft) 0.00 0.00 -46.07 -537.39	9,98 Tie *E (u 0, Dogieg Rate (*/100usft) 0.00 0.00 2.00 0.00	(* • On Depth: :/-W sft) 00 Build Rate (*/100usft) 0.00 0.00 2.00 0.00	") 63.08 Dire (be: 13 Turn Rate ("/100usft) 0.00 0.00 0.00 0.00 0.00	0.00 ection aring) 5.52 TFO (°) 0.00 0.00 307.51 0.00	nT) 50,621 Target
Design Audit Notes: Version: Vertical Section Plan Sections Measured Depth (usft) 0.00 500.00 1,077.84	Design n: inclination (°) 0,00 0,00 11.56	IGRF200510 n #1 2Nov15 sa (Azimuth (bearing) 0.00 0.00 307.51	1 m Depth From (TV (usft) 0.00 Vertical Depth (usft) 0.00 500.00 1,073.93	2/31/2009 :: Pl 'D) +N/-S (usft) 0.00 0.00 0.00 35.36	(*) LAN +N/-S (usft) 0.00 +E/-W (usft) 0.00 0.00 -46.07	9.98 Tie *E (u 0. Dogieg Rate (*/100usft) 0.00 0.00 2.00	(* On Depth: (/-W sft) .00 Build Rate (*/100usft) 0.00 0.00 2.00	") 63.08 Dire (ber 13 Turn Rate ("/100usft) 0.00 0.00 0.00	0.00 ection aring) 5.52 TFO (°) 0.00 0.00 0.00 307.51 0.00 -173.32	nT) 50,621

.

WPX

Planning Report

Database: Company:	COMPASS WPX Energy	Local Co-ordinate Reference: TVD Reference:	Well W Lybrook UT #748H (A3) - Slot A: KB @ 6747.00usft (Aztec 920)
Project:	T23N R9W	MD Reference:	KB @ 6747.00usft (Aztec 920)
Site:	W Lybrook 2309-12D	North Reference:	True
Well:	W Lybrook UT #748H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 2Nov15 sam		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	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"			A State of the						
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.0
Start Build 2	.00					IT IS A BARRIER	1.5 民族主义会		
1,000.00	10.00	307.51	997.47	26.50	-34.52	-43.10	2.00	2.00	0.0
1,077.84	11.56	307.51	1,073.93	35.36	-46.07	-57.51	2.00	2.00	0.0
Hold 11.56 In	clination	San Uper Line	the states			17 (No. 24) (14)			THE PLANE
1,500.00	11.56	307.51	1,487.53	86.86	-113.16	-141.26	0.00	0.00	0.0
2,000.00	11.56	307.51	1,977.39	147.86	-192.62	-240.45	0.00	0.00	0.0
2,500.00	11.56	307.51	2,467.26	208.85	-272.08	-339.65	0.00	0.00	0.0
3,000.00	11.56	307.51	2,957.12	269.85	-351.54	-438.84	0.00	0.00	0.00
3,500.00	11.56	307.51	3,446.98	330.84	-431.00	-538.03	0.00	0.00	0.0
4,000.00	11.56	307.51	3,936.85	391.83	-510.46	-637.22	0.00	0.00	0.0
4,169.50	11.56	307.51	4,102.91	412.51	-537.39	-670.85	0.00	0.00	0.00
	LS 9.00 TFO -17						C. Hand Darter	0.00	
4,500.00	18.31	138.10	4,429.05	393.60	-528.79	-651.32	9.00	2.04	-51.20
4,963.62	60.00	134.83	4,780.71	188.71	-328.86	-365.06	9.00	8.99	-0.7
Hold 60.00 In	and the second se	CARACTER DE	12 1 1 2 2 3	The second second	all the second		Rolles Statistics	Service and the	CONTRACTOR OF
5,000.00	60.00	134.83	4,798.90	166.50	-306.52	-333.56	0.00	0.00	0.00
5,023.62	60.00	134.83	4,810.71	152.08	-292.01	-313.10	0.00	0.00	0.0
state first in the section	LS 9.00 TFO 0.0		4,010.71	152.00	-232.01	-010.10	0.00	0.00	0.00
5,188,45	74.83	134.83	4,873.83	45.08	-184.38	-161.35	9.00	9.00	0.0
Start DLS 9.0		104.00	4,070.00	40.00	-104.00	-101.00	0.00	0.00	0.00
5,359.61	90.24	134.83	4,896.00	-74.21	-64.39	7.84	9.00	9.00	0.00
HIM MARKED WATCHING	Inc 134.83 deg	104.00	1,000.00	1 1.4	01.00		0.00	0.00	0.01
5,360.00	90.24	134.83	4,896.00	-74.49	-64.11	8.23	0.00	0.00	0.00
7"		and the second	1,000.00	1 1110					in the second
5,500.00	90.24	134.83	4,895.41	-173.19	35.17	148.22	0.00	0.00	0.00
6,000.00	90.24	134.83	4,893.32	-525.71	389.75	648,18	0.00	0.00	0.00
6,500.00	90.24	134.83	4,891.23	-878.22	744.33	1,148.14	0.00	0.00	0.00
7,000.00	90.24	134.83	4,889.14	-1,230.74	1,098.92	1,648.10	0.00	0.00	0.00
7,500.00	90.24	134.83	4,887.05	-1,583.25	1,453.50	2,148.05	0.00	0.00	0.00
8,000.00	90.24	134.83	4,884.96	-1,935.77	1,808.08	2,648.01	0.00	0.00	0.00
8,500.00	90.24	134.83	4,882.87	-2,288.28	2,162.66	3,147.97	0.00	0.00	0.00
9,000.00	90.24	134.83	4,880.77	-2,2640.80	2,102.00	3,147.97	0.00	0.00	0.00
9,500.00	90.24	134.83	4,878.68	-2,993.32	2,871.83	4,147.89	0.00	0.00	0.00
10,000.00	90.24	134.83	4,876.59	-3,345.83	3,226.41	4,147.85	0.00	0.00	0.00
10,500.00	90.24	134.83	4,874.50	-3,698.35	3,580.99	5,147.81	0.00	0.00	0.00
				10141101-0011000	state accession with	ANA SUMPORTABLE			
11,000.00	90.24	134.83	4,872.41	-4,050.86	3,935.57	5,647.77	0.00	0.00	0.00
11,500.00	90.24	134.83	4,870.32	-4,403.38	4,290.15	6,147.73	0.00	0.00	0.00
12,000.00	90.24	134.83	4,868.23	-4,755.89	4,644.73	6,647.69	0.00	0.00	0.00
12,500.00	90.24	134.83	4,866.13	-5,108.41	4,999.32	7,147.65	0.00	0.00	0.00
13,000.00	90.24	134.83	4,864.04	-5,460.93	5,353.90	7,647.61	0.00	0.00	0.00
13,488.58	90.24	134.83	4,862.00	-5,805.39	5,700.39	8,136.15	0.00	0.00	0.00
TD at 13488.		The second statements	the second second	States of the owner of the	The subscription in the	Charles Conferences	The Land De la seconda de la		THE OWNER WATER OF THE OWNER WATER

WPX

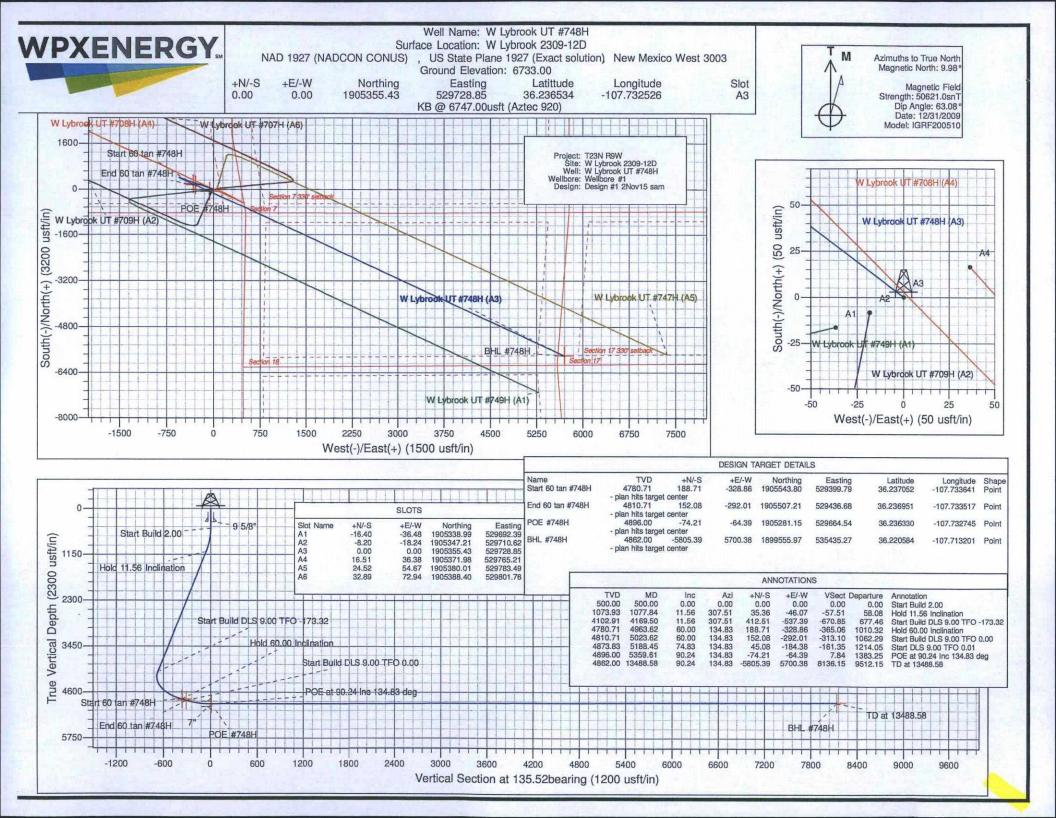
Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	COMPASS WPX Energy T23N R9W W Lybrook 23 W Lybrook UT Wellbore #1 Design #1 2N	Г #748Н			TVD Referen MD Referen North Refer	ice:	KB @ 674	prook UT #748H (A3) - 7.00usft (Aztec 920) 7.00usft (Aztec 920) Curvature	Slot A3
Design Targets Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (bearing	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Start 60 tan #748H - plan hits target co - Point	0.00 enter	0.00	4,780.71	188.71	-328.86	1,905,543.80	529,399.80	36.237052	-107.733642
End 60 tan #748H - plan hits target of - Point	0.00 enter	0.00	4,810.71	152.08	-292.01	1,905,507.21	529,436.68	36.236952	-107.733517
BHL #748H - plan hits target co - Point	0.00 enter	0.00	4,862.00	-5,805.39	5,700.39	1,899,555.97	535,435.27	36.220584	-107.713201
POE #748H - plan hits target of - Point	0.00 enter	0.00	4,896.00	-74.21	-64.39	1,905,281.15	529,664.54	36.236330	-107.732745

sing Points						
	Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (in)	Hole Diameter (in)
	320.00	320.00	9 5/8"	and the second se	9.625	12.250
	5,360.00	4,896.00	7"		7.000	8.750

Plan Annotations

Measured	Vertical	Vertical Local Cool			
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
 500.00	500.00	0.00	0.00	Start Build 2.00	-
1,077.84	1,073.93	35.36	-46.07	Hold 11.56 Inclination	
4,169.50	4,102.91	412.51	-537,39	Start Build DLS 9.00 TFO -173.32	
4,963.62	4,780.71	188.71	-328,86	Hold 60.00 Inclination	
5,023.62	4,810.71	152.08	-292.01	Start Build DLS 9.00 TFO 0.00	
5,188.45	4,873.83	45.08	-184.38	Start DLS 9.00 TFO 0.01	
5,359.61	4,896.00	-74.21	-64.39	POE at 90.24 Inc 134.83 deg	
13,488.58	4.862.00	-5,805.39	5,700.39	TD at 13488.58	



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 a commercial disposal facility or land farm. WPX will follow Onshore Oil and Gas Order No. 1 regarding the placement, operation, and removal of closed-loop systems. No blow pit will be used.
 - 2. Closed-loop tanks will be adequately sized for containment of all fluids.
- B. Drilling Fluids
 - 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
 - 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 Figures 4a and 4b in Appendix B for the location of toilets).
- E. Garbage and other water material
 - 1. All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.
- F. Hazardous Waste
 - 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.
 - No extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
 - 3. All fluids (i.e., scrubber cleaners) used during washing of production equipment will be properly disposed of to avoid ground contamination or hazard to livestock or wildlife.
- G. Produced Water:
 - 1. WPX Energy will dispose of produced water from this well at one of the following facilities:
 - a. Lybrook Yard WDW #1, API #30-039-27533, NMOCD permit #SWD-907, operated by Elm Ridge Resources, located in NE ¼, Section 14, Township 23 North, Range 7 West
 - b. Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW ¼, Section 8, Township 24 North, Range 3 West
 - c. Basin Disposal, permit #NM-01-005, located in the NW ¼, Section 3, Township 29 North, Range 11 West
 - d. Sunco SWD #001, API #30-045-28653, NMOCD permit SWD-457, operated by Key Energy, located in NW ¼, Section 2, Township 29 North, Range 12 West

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

in Bloomfield, NM to WPX Energy Production, LLC Remote Facilities Pad 23-8-18D

451' FNL & 896' FWL, Section 18, T23N, R8W, N.M.P.M., San Juan County, NM

Latitude: 36.232985°N Longitude: 107.728379°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 37.8 miles to Mile Marker 113.4;

Go Right (South-westerly) on County Road #7890 for 0.8 miles to new access on left-hand side of existing roadway which continues for 110.8' to staked WPX Remote Facilities Pad 23-8-18D location.

