Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.		5. Lease Serial No. N0-G-1403-1944 6. If Indian, Allottee or Tribe Name Sureau of Land Mana		
SUBMIT IN TRIPLICATE - Other instructions on page 2.		7. If Unit of CA/Agreement, Name and/or No.		
1. Type of Well		NMNM 135216X		
Oil Well Gas Well Other		Well Name and No. W. Lybrook UT # 748H		
Name of Operator WPX Energy Production, LLC		9. API Well No. 30-045-35743		
3a. Address PO Box 640 Aztec, NM 87410	3b. Phone No. (include area code) 505-333-1808	10. Field and Pool or Exploratory Area Lybrook Mancos W		
4. Location of Well (Footage, Sec., T.,R,M., or Survey Description) SHL: 844' FSL & 442' FEL, Sec 12, T23N, R9W BHL: 330'FSL & 105' FWL, Sec 17 T23N, R8W		11. Country or Parish, State San Juan, NM		

BHL: 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Reclamation Fracture Treat Well Integrity New Construction Casing Repair Recomplete Other Subsequent Report Eliminate DV Tool-Change Plans Plug and Abandon Temporarily Abandon Cement Convert to Final Abandonment Notice Plug Back Water Disposal Injection

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

WPX plans to eliminate the DV tool on the above mentioned well with contingency to run it if significant losses are encountered during the drilling process.

> 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

OIL CONS. DIV DIST. 3 MAR 17 2016

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Lacey Granillo	Title Permit Tech III	
Signature	Date 3/7/16	
HAIS SPACE FOR FEL	ERAL OR STATE OFFICE	USE
Approved by Abdelgadic Imadani Conditions of approval, if any, are attached. Approval of this notice does not w	Title PE	Date 3/11/16
conditions of approval if any, are attached. Approval of this notice does not wertify that the applicant holds legal or equitable title to those rights in the subjection would entitle the applicant to conduct operations thereon.	Parrant or ect lease Office	0

(Instructions on page 2)





WPX Energy

Operations Plan

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

Date:

March 10, 2016

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. FORMATION TOPS: (KB)

NAME	MD	TVD	NAME	MD	TVD	
OJO ALAMO	585	585	POINT LOOKOUT 3709		3652	
KIRTLAND	747	747	MANCOS 3888		3827	
PICTURED CLIFFS	1324	1315	GALLUP 4233		4166	
LEWIS	1445	1434	KICKOFF POINT	OFF POINT 4,169.50		
CHACRA	1631	1616	TOP TARGET	5182 48		
CLIFF HOUSE	2761	2723	LANDING POINT	5,359.61	4,896.00	
MENEFEE	2738	2740	BASE TARGET	5,359.61	4,896.00	
	is fire-III		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. NATURAL GAUGES:

Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. DRILLING

A. MUD PROGRAM:

LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 3/4" Directional Vertical hole, 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. BOP TESTING:

While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The BOPE will be tested to 2,000 psi (High) for 10 minutes and the annular tested to 1,500 psi for 10 minutes. Pressure test surface casing to 1,500 psi for 30 minutes and intermediate casing to 1,500 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)	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. SURFACE CASING:

9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.

2. INTERMEDIATE CASING:

7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) centralizer at 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. If losses are encountered during the drilling of the intermediate section a DV tool will be utalized and a 2 stage cement job may be planned to ensure cement circ back to surface. The DV tool will be placed 100' above 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, if no cement is seen at surface on the 1st stage the stage tool will be opend and a 2nd stage cement job will be pumped.

3. PRODUCTION LINER:

Run 4-1/2" Liner with cement nose guide Float Shoe + 2jts. of 4-1/2" casing + Landing Collar + 4-1/2" pup joint + 1 RSI (Sliding Sleeve) positioned inside 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. CEMENT:

(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:

Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 99 bbls, 282 sks, (556 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 59 bbls, 254 sks, (331 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 211 bbl Drilling mud or water. Total Cement: 158 bbls, 536 sks, (886 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).

D. COMPLETION:

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.

If this horizontal well is 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.

NOTES:

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).