State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



Tony Delfin Deputy Cabinet Secretary

New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.	
Operator Signature Date: 11-12-15 Well information; Operator WPX , Well Name and Number W Lybrook Unit #7 API# 30-045-35726 , Section 9 , Township 23 N/S, Range 08 E/W	02 F
API# 30-045-35726, Section 9, Township 23 N/S, Range 08 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	
o Hold C-104 for NSL, NSP, DHC	
 Spacing rule violation. Operator must follow up with change of status notification on othe to be shut in or abandoned 	r well
 Regarding the use of a pit, closed loop system or below grade tank, the operator must comp with the following as applicable: 	oly
 A pit requires a complete C-144 be submitted and approved prior to the construction use of the pit, pursuant to 19.15.17.8.A 	on or
 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 below grade tank, pursuant to 19.15.17.8.C 	of the
Once the well is spud, to prevent ground water contamination through whole or partial confrom the surface, the operator shall drill without interruption through the fresh water zone can and shall immediately set in cement the water protection string	
Submit Gas Capture Plan form prior to spudding or initiating recompletion operations	
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 a 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

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OMB No. 1004-0136 Expires January 31, 2004

Proposition and		
RECE	5. Lease	Ser

,	Lease	361	iai	NO.	
	NMNN	110	93	99	-3

10V 12 6. If Indian, Allottee or Tribe Name

		12			
la. Type of Work: DRILL REENTER	Ł	-		7. If Unit or CA Agre	
The second secon		Fam	nington Fi		NIT NMNM -13521
1b. Type of Well: Oil Well Gas Well Other	⊠ s	ingle Zone Multi	of Land A	8. Lease Name and We	
		ingle Zone	ipie Zone	W LYBROOK UN	IT #702H
2. Name of Operator				9. API Well No.	21721
WPX Energy Production, LLC	21 71 37				-35726
a. Address	3b. Phone No	o. (include area code)		10. Field and Pool, or I	Exploratory
P.O. Box 640 Aztec, NM 87410	(505) 333			LYBROOK MANCO	
Location of Well (Report location clearly and in accordance with any	State requirem	CONS. DIV DI	CT 2	11. Sec., T., R., M., or	Blk. and Survey or Area
At surface 371' FSL & 693' FWL SEC 9 23N 8W	OIL	. GONO. DIV DI	01.0	SHL: Sec 9, T23N,	, R8W
At proposed prod. zone 436' FNL & 330' FWL SEC 8 23N 8W		***** 0 0 001		BHL: Sec 8, T23N	, R8W
Distance in miles and direction from nearest town or post office*		MAY 0 9 201	0	12. County or Parish	13. State
From Bloomfield NM Drive South approximately 38.7 miles to Mi	le Marker 112	2.7		San Juan County	NM
Distance from proposed*		Acres in lease	17 Spacin	g Unit dedicated to this v	
location to nearest	10.110.011	rotoo iii louoo			
property or lease line, ft. (Also to nearest drig. unit line, if any) 371	977 acr	rec	280- ACR	ES	
Distance from proposed location*	19. Propose	The state of the s	20. BLM/E	BIA Bond No. on file	
to nearest well, drilling, completed,					
applied for, on this lease, ft. 40'	12219"	MD / 5255' TVD	UTB00	00178	
Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approx	imate date work will s	tart*	23. Estimated duration	1
6930° GR	Decemb	ber 1, 2015		1 month	
	24. Attac	chments			
following, completed in accordance with the requirements of Onshor	e Oil and Gas	Order No.1, shall be att	ached to this	form:	
Well plat certified by a registered surveyor.		A Don'd to source th		unless sourced by an a	visting hand on file (see
A Drilling Plan.		Item 20 above).	ie operations	unless covered by an e	xisting bond on file (see
A Surface Use Plan (if the location is on National Forest System I	ands, the	5. Operator certific	ation.		
SUPO shall be filed with the appropriate Forest Service Office).		Such other site s authorized office		rmation and/or plans as	may be required by the
Signature	Name	(Printed/Typed)			Date
() (U) (V) (MA)		ey Granillo			11/12/15
e	; Edoc	у Станно			
rmit Technician III					
proved by (Signature)	Name	(Printed/Typed)			Date - /
10)//// con les 104					5/6/16
e difficulty	Office	ė			1-11
AHM		7	FF	2	
plication approval does not warrant or certify that the applicant holds le	egal or equital	ble title to those rights in	n the subject	lease which would entitle	the applicant to conduct
rations thereon.					
nditions of approval, if any, are attached.					
le 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it tes any false, fictitious or fraudulent statements or representations as to			d willfully to	make to any department	or agency of the United
nstructions on reverse)					

(men agricultural)

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

The well pad surface is under jurisdiction of the BLM and is off lease on BLM lands and will be twinned with the W LYBROOK UT #701H. The pad will be permitted as a ROW.

This location has been archaeologically surveyed by Western Archeology. Copies of their report have been submitted directly to the BLM, FIMO, BIA & NNHPD.

A new 3260.8' off lease access road will be built on BLM lands and permitted via ROW.

A new 3635.2 off lease pipeline on BLM lands will be built and permitted via the ROW.

A-E SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

This action is subject to 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 AND ACCEPTANCE OF THIS ACCEPTANCE OF



District I
1625 N. French Drive, Hobbs, NM 88240
Phone: (575) 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

State of New Mexico Energy, Minerals & Natural Resources Department

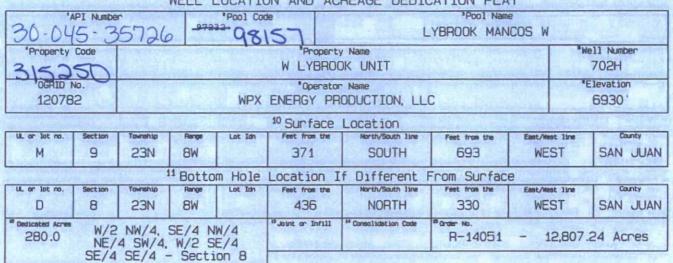
Revised August 1, 2011 Submit one copy to Appropriate District Office

Form C-102

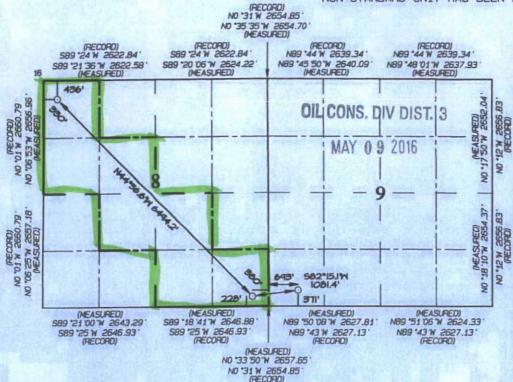
OIL CONSERVATION DIVISION 1220 South St. Francis Drive Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT



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



END-OF-LATERAL 436 'FNL 330 'FNL SECTION 8, 1729N, RBM LAT: 36,247694 'N LONG: 107.711831 'W DATUM: NAD1927 LAT: 36,247707 'N LONG: 107.712443 'W DATUM: NAD1983 POINT-OF-ENTRY
228' FSL 380' FEL
SECTION 8, T23N, R8N
LAT: 36.235050 'N
LONG: 107.696295 'N
DATUM: NAD1927
LAT: 36.235063 'N
LONG: 107.696907 'N
DATUM: NAD1983

SURFACE LOCATION 371 FSL 693 FWL SECTION 9, T23N, R8W LAT: 36.235446 FW LONG: 107.692661 W DATUM: NAD1927 LAT: 36.25459 FN LONG: 107.693273 W DATUM: NAD1983 OPERATOR CERTIFICATION
I hereby certify that the information contained
herebn is true and complete to the best of my
knowledge and belief, and that this organization
either owns a working interest or unleased
mineral interest in the land including the
proposed bottom-hole location or has a right
to drill this well at this location pursuant
to a contract with an owner of such a mineral
or working interest, or to a voluntary pooling
agreement or a compulsory pooling order
heretokore miles by the division.

Signature

LACRY GRANTICO OPERATOR CERTIFICATION Signature LACEY GRAINI LO Printed Name
LACEY.GRANILLO@WPXENERGY.COM E-mail Address 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date Revised: NOVEMBER 2, 2015 Date of Survey: AUGUST 25, 2015 Signature and Seal of Professional Surveyor C. EDWARDS JASON MEXICO **JEW** REGISTERED SMENTH ARCHESSION **DWARDS** Certificate Number 15269

WPX Energy

T23N R8W W Lyrook 2308-09M W Lybrook 2308-09M #702H - Slot A2

Wellbore #1

Plan: Design #1 21Oct15 sam

Standard Planning Report

27 October, 2015

WPX

Planning Report

Database:

COMPASS

Local Co-ordinate Reference:

Well W Lybrook 2308-09M #702H (A2) - Slot

Company: Project: Site:

WPX Energy **T23N R8W** W Lyrook 2308-09M

TVD Reference: MD Reference:

GL @ 6930.00usft GL @ 6930.00usft

W Lybrook 2308-09M #702H

North Reference:

True

Well: Wellbore:

Wellbore #1 Design #1 21Oct15 sam Survey Calculation Method:

Minimum Curvature

Design: Project

T23N R8W

Map System: Geo Datum:

US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS)

System Datum:

Mean Sea Level

Map Zone:

New Mexico West 3003

W Lyrook 2308-09M

Site Position:

Northing:

1,904,995.32 usft

Latitude:

36.235504

From: Position Uncertainty:

Site

Мар

Easting: 0.00 usft Slot Radius: 541,519.96 usft 13.200 in

Longitude: **Grid Convergence:** -107.692546 0.08

Well

Well Position

W Lybrook 2308-09M #702H - Slot A2

+N/-S +E/-W

-21.11 usft -33.92 usft

Northing:

1,904,974.16 usft 541,486.07 usft Latitude:

36.235446 -107.692661

Position Uncertainty

0.00 usft

Easting: Wellhead Elevation:

0.00 usft

Longitude: Ground Level:

6,930.00 usft

Wellbore Wellbore #1

Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) 10/21/2015 IGRF2010 9.28 62.94 50,022

Design

Design #1 21Oct15 sam

Audit Notes:

Version:

Phase:

PLAN

Tie On Depth:

0.00

Vertical Section:

Depth From (TVD) (usft)

0.00

+N/-S (usft)

0.00

+E/-W (usft) 0.00

Direction (bearing) 308.27

Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,087.34	11.75	222.35	1,083.23	-44.34	-40.42	2.00	2.00	0.00	222.35	
4,652.03	11.75	222.35	4,573.27	-580.64	-529.35	0.00	0.00	0.00	0.00	
5,332.61	60.00	315.14	5,130.71	-405.98	-811.27	9.00	7.09	13.63	99.39	Start 60 tan #702h
5,392.61	60.00	315.14	5,160.71	-369.15	-847.92	0.00	0.00	0.00	0.00	End 60 tan #702H
5,555.76	74.68	315.14	5,223.39	-262.72	-953.83	9.00	9.00	0.00	0.00	
5,725.06	89.92	315.14	5,246.00	-144.14	-1,071.82	9.00	9.00	0.00	0.00	POE #702H
12,219,17	89.92	315.14	5,255.00	4,459,11	-5,652,58	0.00	0.00	0.00	0.00	BHL #702H

WPX

Planning Report

Database:

COMPASS

Local Co-ordinate Reference:

Well W Lybrook 2308-09M #702H (A2) - Slot

GL @ 6930.00usft

GL @ 6930.00usft

Company: Project: Site:

WPX Energy T23N R8W

W Lyrook 2308-09M

MD Reference: North Reference:

TVD Reference:

True

Well: Wellbore: W Lybrook 2308-09M #702H Wellbore #1

Survey Calculation Method:

Minimum Curvature

Design: Design #1 210ct15 sam

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"									
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2									
1,000.00	10.00	222.35	997.47	-32.16	-29.32	3.10	2.00	2.00	0.00
1,087.34	11.75	222.35	1,083.23	-44.34	-40.42	4.27	2.00	2.00	0.00
Hold 11.75 la			SECTION STATE			STATE OF THE PARTY.			
1 500 00	44.75	222.25	1 497 25	106.42	07.03	10.26	0.00	0.00	0.00
1,500.00	11.75 11.75	222,35 222,35	1,487.25 1,976.78	-106.42 -181.65	-97.02 -165.60	10.26 17.51	0.00	0.00	0.00
2,500.00	11.75	222.35	2,466.31	-256.87	-234.18	24.77	0.00	0.00	0.00
3,000.00	11.75	222.35	2,955.84	-332.09	-302.76	32.02	0.00	0.00	0.00
3,500.00	11.75	222.35	3,445.37	-407.32	-371.34	39.27	0.00	0.00	0.00
4,000.00	11.75	222.35	3,934.89	-482.54	-439.92	46.52	0.00	0.00	0.00
4,500.00	11.75	222.35	4,424.42	-557.77	-508.50	53.78	0.00	0.00	0.00
4,652.03	11.75	222.35	4,573.27	-580.64	-529.35	55.98	0.00	0.00	0.00
THE RESERVE AND THE PARTY OF TH	LS 9.00 TFO 99.								
5,000.00	31.39	302.30	4,900.32	-557.83	-632.38	151.00	9.00	5.64	22.98
5,332.61	60.00	315.14	5,130.71	-405.98	-811.27	385.50	9.00	8.60	3.86
Hold 60.00 In	nclination								
5,392.61	60.00	315.14	5,160.71	-369.15	-847.92	437.09	0.00	0.00	0.00
Start Build D	LS 9.00 TFO 0.0	0							
5,500.00	69.66	315.14	5,206.32	-300.33	-916.40	533.47	9.00	9.00	0.00
5,555.76	74.68	315.14	5,223.39	-262.72	-953.83	586.15	9.00	9.00	0.00
Start DLS 9.	00 TFO 0.00								
5,725.00	89.92	315.14	5,246.00	-144.19	-1,071.78	752.17	9.00	9.00	0.00
7"									
5,725.06	89.92	315.14	5,246.00	-144.14	-1,071.82	752.23	9.00	9.00	0.00
POE at 89.92	Inc 315.14 deg								
6,000.00	89.92	315.14	5,246.38	50.74	-1,265.76	1,025.19	0.00	0.00	0.00
6,500.00	89.92	315.14	5,247.07	405.16	-1,618.44	1,521.60	0.00	0.00	0.00
7,000.00	89.92	315.14	5,247.77	759.58	-1,971.13	2,018.01	0.00	0.00	0.00
7,500.00	89.92	315.14	5,248.46	1,114.00	-2,323.82	2,514.42	0.00	0.00	0.00
8,000.00	89.92	315.14	5,249.15	1,468.41	-2,676.50	3,010.82	0.00	0.00	0.00
8,500.00	89.92	315.14	5,249.85	1,822.83	-3,029.19	3,507.23	0.00	0.00	0.00
9,000.00	89.92	315.14	5,250.54	2,177.25	-3,381.87	4,003.64	0.00	0.00	0.00
9,500.00	89.92	315.14	5,251.23	2,531.67	-3,734.56	4,500.05	0.00	0.00	0.00
10,000.00	89.92	315.14	5,251.92	2,886.09	-4,087.25	4,996.46	0.00	0.00	0.00
10,500.00	89.92	315.14	5,252.62	3,240.50	-4,439.93	5,492.86	0.00	0.00	0.00
11,000.00	89.92	315.14	5,253.31	3,594.92	-4,792.62	5,989.27	0.00	0.00	0.00
11,500.00	89.92	315.14	5,254.00	3,949.34	-5,145.30	6,485.68	0.00	0.00	0.00
12,000.00	89.92	315.14	5,254.70	4,303.76	-5,497.99	6,982.09	0.00	0.00	0.00
12,219.17	89.92	315.14	5,255.00	4,459.11	-5,652.58	7,199.68	0.00	0.00	0.00

WPX

Planning Report

Database:

COMPASS

Local Co-ordinate Reference:

Survey Calculation Method:

Well W Lybrook 2308-09M #702H (A2) - Slot

A2

 Company:
 WPX Energy

 Project:
 T23N R8W

 Site:
 W Lyrook 2308-09M

TVD Reference: MD Reference: North Reference: GL @ 6930.00usft GL @ 6930.00usft

Well:

W Lybrook 2308-09M #702H

True Minimum Curvature

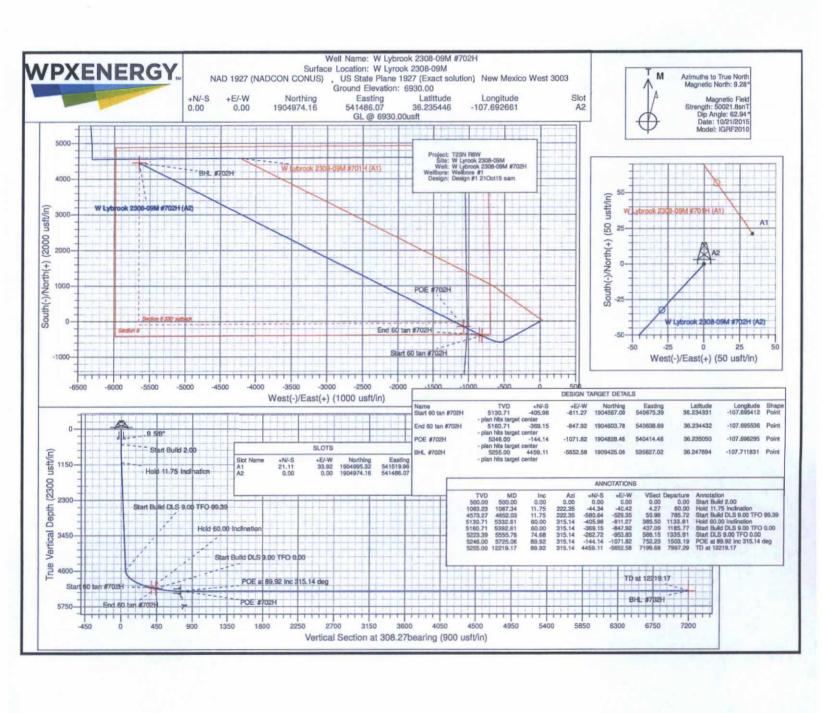
Wellbore: Wellbore #1

Design: Design #1 21Oct15 sam

Design Targets Target Name - hit/miss target Dip Angle Dip Dir. TVD +N/-S +E/-W Northing Easting - Shape (usft) (usft) (usft) (bearing (usft) (usft) (°) Latitude Longitude Start 60 tan #702H 0.00 540,675.39 36.234331 -107.695412 0.00 5,130.71 -405.98 -811.27 1,904,567.01 - plan hits target center - Point End 60 tan #702H 540,638.69 36.234432 -107.695536 0.00 0.00 5,160.71 -369.15 -847.92 1,904,603.78 - plan hits target center - Point -107.696296 POE #702H 0.00 -1,071.82 1,904,828.46 540,414.46 36.235050 0.00 5,246.00 -144.14 - plan hits target center - Point -107.711831 BHL #702H 0.00 5,255.00 4,459.11 -5,652.58 1,909,425.06 535,827.02 36.247694 - plan hits target center - Point

asing Points						
	Measured Depth (usft)	Vertical Depth (usft)		Name	Casing Diameter (in)	Hole Diameter (in)
	320.00	320.00	9 5/8"		9.625	12.250
	5,725.00	5,246.00	7"		7.000	8.750

Measured	Vertical	Local Coordinates			
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
500.0	0 500.00	0.00	0.00	Start Build 2.00	
1,087.3	4 1,083.23	-44.34	-40.42	Hold 11.75 Inclination	
4,652.0	3 4,573.27	-580.64	-529.35	Start Build DLS 9.00 TFO 99.39	
5,332.6	5,130.71	-405.98	-811.27	Hold 60.00 Inclination	
5,392.6	5,160.71	-369.15	-847.92	Start Build DLS 9.00 TFO 0.00	
5,555.7	6 5,223.39	-262.72	-953.83	Start DLS 9.00 TFO 0.00	
5,725.0	6 5,246.00	-144.14	-1,071.82	POE at 89.92 Inc 315.14 deg	
12,219.1		4,459.11	-5,652.58	TD at 12219.17	





WPX Energy

Operations Plan

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

Date:

November 11, 2015

Field:

Lybrook Mancos W

Well Name:

W LYBROOK UT #702H

Surface: BLM

SH Location:

SWSW Sec 9 23N-08W

Elevation: 6930' GR

BH Location:

NWNW Sec 8 23N-08W

Minerals:

FED

Measured Depth: 12,219.17

I. GEOLOGY:

SURFACE FORMATION - NACIMIENTO

A. FORMATION TOPS (GL)

NAME	MD	TVD	NAME	MD	TVD	
OJO ALAMO	957	955	POINT LOOKOUT	4007	3942	
KIRTLAND	1169	1163	MANCOS	4198	4129	
PICTURED CLIFFS	1553	1539	GALLUP	4555	4478	
LEWIS	1666	1650	KICKOFF POINT	5,332.61	5,130.71	
CHACRA	1931	1909	TOP TARGET	5496	4871	
CLIFF HOUSE	3029	2984	LANDING POINT	5,725.06	5,246.00	
MENEFEE	3079	3033	BASE TARGET	5,725.06	5,246.00	
			TD	12,219.17	5,255.00	

- 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. <u>MUD PROGRAM:</u> LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 %" 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'	9.625"	36 LBS	J-55 or equiv	STC
INTERMEDIATE	8.75"	5,725.06'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5575.06' - 12,219.17	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf 5575.06'	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. <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 2,500 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.

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
 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. 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 (651 sx /885 cuft /158 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 140 bbl Fr Water. Total Cement (651 sx /885bbls).

I. COMPLETION

A. CBL

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# 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).

- c. The construction zone near corner 6 of the West Lybrook UT Nos. 701H & 702H well pad may be shortened to accommodate drainage and badland hills.
- 5. All project activities will be confined to permitted areas only.
- Construction equipment may include chain saws, a brush hog, scraper, maintainer, excavator, and a dozer.
- If drilling has not been initiated on the well pads within 120 days of the well pads being constructed, the operator will consult with the BLM to address a site-stabilization plan.

D. Production Facilities

- As practical, accesses will be a teardrop-shaped road through the production area so that the center may be revegetated.
- 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 on the Remote Facilities Pad, to minimize visual impact to the extent practicable.
- 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.

After the completion phases and pipeline installation, portions of the project areas not needed for operation will be reclaimed. When the well is plugged, final reclamation will occur within the remainder of the project areas. 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
 a commercial disposal facility or a 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
 - Portable toilets will be provided and maintained during construction, as needed (see Figure 4 in Appendix B for the location of toilets).
- E. Garbage and other water material
 - 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

<u>Directions from the Intersection of US Hwy 550 & US Hwy 64</u> in Bloomfield, NM to WPX Energy Production, LLC W Lybrook UT #702H 371' FSL & 693' FWL, Section 9, T23N, R8W, N.M.P.M., San Juan County, NM

Latitude: 36.235459°N Longitude: 107.693273°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 38.7 miles to Mile Marker 112.7;

Go Right (Southerly) on County Road #7900 for 0.3 miles to proposed WPX Remote Facilities Pad access on left-hand side of County Road #7900;

Go Left (Easterly) along WPX Remote Facilities Pad proposed access for 596.3' to staked WPX Remote Facilities Pad;

Go Straight (Easterly) to NE corner of staked Remote Facilities Pad, from which new access continues east for 3260.8' To staked WPX W Lybrook UT #702H location;

