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Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR SEP 2 7 2016

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

BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NMNM 057164 SUNDRY NOTICES AND REPORTS ON WELLS on Field Office Do not use this form for proposals to drill or to re-enter an nagement 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. Kimbeto Wash Unit 1. Type of Well OIL CONS. DIV DIST. 3 8. Well Name and No. KWU # 771H Oil Well Gas Well Other 2. Name of Operator 9. API Well No. WPX Energy Production, LLC 30-045-35756 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area PO Box 640 Aztec, NM 87410 505-333-1816 **Basin Mancos** 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State SHL: 393' FSL & 1128' FEL Sec 17, T23N 9W San Juan, NM BHL: 334' FNL & 2193' FEL Sec 18, T23N 9W 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 Fracture Treat Reclamation Well Integrity Casing Repair New Construction Other Recomplete Subsequent Report FLARE EXTENSION Change Plans Plug and Abandon Temporarily Abandon Convert to Final Abandonment Notice Plug Back Water Disposal 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 Energy requests authorization to flare this well for an additional 30 days. The nitrogen content is approximately 32% (see attached gas measurement report). (Date of expiration is 10/5/16) At this current nitrogen content level, the Williams system is not able to take this additional volume to their system. The approval for gas pipeline is currently being permitted by the BLM FFO by a series of APD's. WPX is testing the commerciality of this well and respectfully requests additional time to further evaluate this well. WPX will continue to explore options to eliminate flaring. SEE ATTACHED FOR CONDITIONS OF APPROVAL Dave Mankievicz gave WPX verbal approval for this plan on September 14, 2016. 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Lacey Granillo Title Permit Tech III Signature Date 9/27/16 SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 9/27/16 Title Date Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease Office which would entitle the applicant to conduct operations thereon.

(Instructions on page 2)

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



2030 Afton Place Farmington, NM 87401 (505) 325-6622

Analysis No: WP160388 Cust No: 85500-12675

Well/Lease Information

Customer Name: WPX ENERGY PRODUCTION, LLC

Well Name:

KWU #771H

County/State:

SAN JUAN NM

Location:

Field:

Formation: Cust. Stn. No.: **MANCOS**

Source:

METER RUN

Pressure:

95 PSIG

Sample Temp:

97 DEG. F

Well Flowing:

Y

Date Sampled:

09/26/2016

Sampled By:

J. MILLER

Foreman/Engr.:

DILLAIN GAGE

Remarks:

SPOT SAMPLE

Analysis

	Analysis			
Component::	Mole%:	**GPM:	*BTU:	*SP Gravity:
Nitrogen	32.322	3.5660	0.00	0.3126
CO2	0.241	0.0410	0.00	0.0037
Methane	48.030	8.1650	485.10	0.2660
Ethane	6.994	1.8760	123.77	0.0726
Propane	6.941	1.9170	174.64	0.1057
Iso-Butane	0.883	0.2900	28.71	0.0177
N-Butane	2.479	0.7840	80.87	0.0497
I-Pentane	0.586	0.2150	23.45	0.0146
N-Pentane	0.602	0.2190	24.13	0.0150
Hexane Plus	0.922	0.4120	48.60	0.0305
Total	100.000	17.4850	989.28	0.8882

^{* @ 14.730} PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

COMPRESSIBLITY FACTOR

(1/Z):

1.003

994.6

BTU/CU.FT (DRY) CORRECTED FOR (1/Z): BTU/CU.FT (WET) CORRECTED FOR (1/Z):

977.3

REAL SPECIFIC GRAVITY:

0.8905

DRY BTU @ 14.650:

989.2

CYLINDER #:

CHACO #2

DRY BTU @ 14.696:

992.3

CYLINDER PRESSURE: 72 PSIG

GPM, BTU, and SPG calculations as shown

above are based on current GPA factors.

DRY BTU @ 14.730:

994.6

DATE RUN:

9/27/16 12:00 AM

DRY BTU @ 15.025:

1014.5

ANALYSIS RUN BY:

DAWN BLASSINGAME

^{**@ 14.730} PSIA & 60 DEG. F.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 6251 College Blvd. - Suite A Farmington, New Mexico 87402 www.blm.gov/nm



In Reply refer To:

Conditions of Approval

KWU #771H Section 17-23N-9W Lease No. NMNM057164

- Flaring is authorized pursuant to NTL 4A Part III A and IV B. As such, no royalty obligation will be incurred during the clean-up period. The flared volumes must be reported on your Oil and Gas Operation Reports (OGORs) during the flaring period.
- Flaring will be authorized until November 05, 2016 if additional time is required, please contact this office accordingly.
- Please take appropriate and necessary safety precautions at this well site during the flaring period.