State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting 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: 3.29-10 Well information: Operator LAPX

, Well Name and Number 7059 Unit # WeleSH

API# 3009 -31358, Section 30, Township 31 N/S, Range

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
- K Hold C-104 for NSI), NSP. DHC
- Spacing rule violation. Operator must follow up with change of status notification on other well 0 to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply 0 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
- 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 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.

err

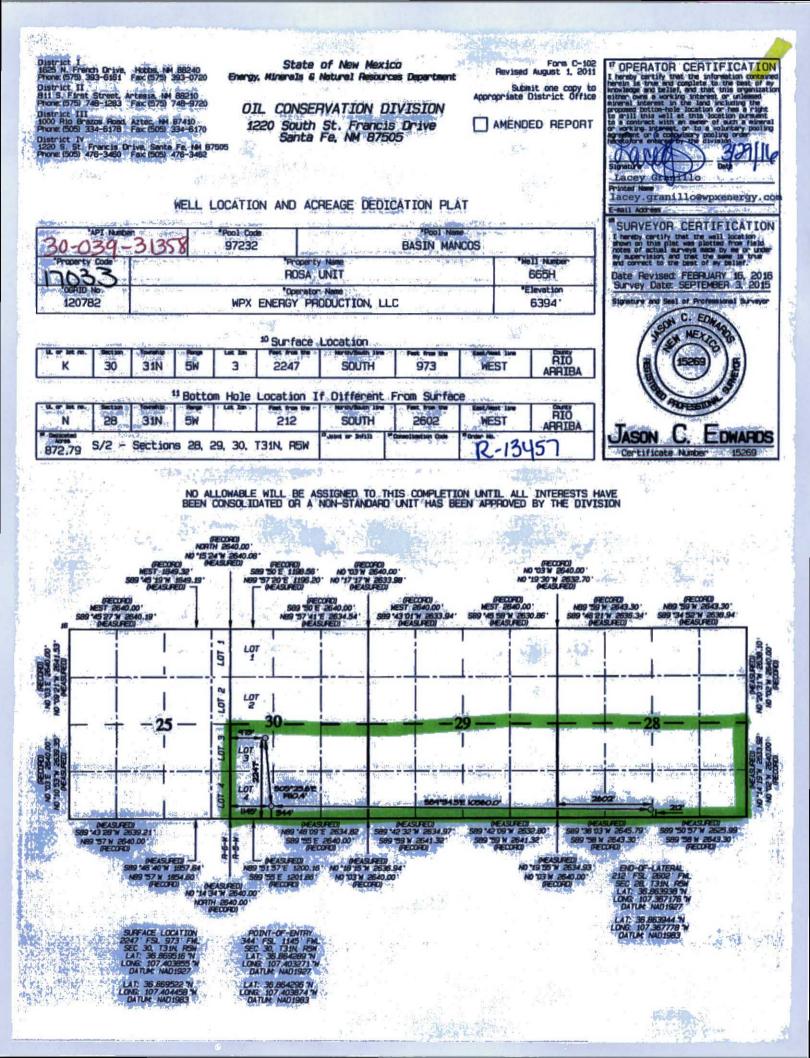
NMOCD Approved by Signature

<u>12-6-20</u>16 Date

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

Form 3160-3 (September 2001) UNITED STAT	ES		Expires Janu	110000000000000000000000000000000000000
DEPARTMENT OF THE	the second se		5. Lease Serial No.	MAR 2 9 2016
BUREAU OF LAND MAN APPLICATION FOR PERMIT TO I			6. If Indian, Allottee o	r Tribe Name
la. Type of Work: 🛛 DRILL	TER		7. If Unit or CA Agree Rosa Unit R-13457	MNM agging by E
1b. Type of Well: Oil Well 🛛 Gas Well 🗋 Other	Single Zone Mult	iple Zone	8. Lease Name and Wel Rosa UT #665H	I No.
2. Name of Operator WPX Energy Production, LLC			9. API Well No.	31358
3a. Address	3b. Phone No. (include area code)		10. Field and Pool, or Ea	ploratory
P.O. Box 640 Aztec, NM 87410	(505) 333-1849		Basin Mancos	
4. Location of Well (Report location clearly and in accordance with a			11. Sec., T., R., M., or B	Blk. and Survey or Area
At surface 2247' FSL & 973' FWL, sec 30, T31N, R5W At proposed prod. zone 212' FSL & 2602' FWL, sec 28, T31N, 14. Distance in miles and direction from nearest town or post office*	RSW OIL CONS. DIV DIST.	3	SHL: Section 30, T311 BHL: Section 28, T311	
14. Distance in miles and direction from nearest town or post office*	SEP 3 0 2016		12. County or Parish	13. State
Approximately 58 miles East from Bloomfield NM	SEF		Rio Arriba	NM
 Distance from proposed* location to nearest 	16. No. of Acres in lease	17. Spacin	g Unit dedicated to this we	D
property or lease line, ft. (Also to nearest drig. unit line, if any) 973'		872.79 A	Acres	
18. Distance from proposed location*	2507.3 19. Proposed Depth	20 BI M/F	BIA Bond No. on file	and the second
to nearest well, drilling, completed, applied for, on this lease, ft,			ar bond 110. on me	
15' 21. Elevations (Show whether DF, KDB, RT, GL, etc.)	18,527 MD / 7264 TVD 22. Approximate date work will s	UTB00	23. Estimated duration	
6394' GR	June 1, 2016		1 month	
	24. Attachments		Thomas	
The following, completed in accordance with the requirements of Onsl	nore Oil and Gas Order No.1, shall be att	ached to this	form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syster SUPO shall be filed with the appropriate Forest Service Office Signature A A A A A A A A A A A A A A A A A A A	n Lands, the). Item 20 above). 5. Operator certific 6. Such other site s authorized offic	ation.	unless covered by an exi rmation and/or plans as r	
[Title Permitting Tech III	Name (Printed/Typed) Lacey Granillo			3/29/16
Approved by (Signature)	Name (Printed/Typed)		D	ate /
Title	Office			9/27/16
AEM	FF	0		
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 in	the subject l	ease which would entitle th	he 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	it a crime for any person knowingly an to any matter within its jurisdiction.	d willfully to	make to any department o	r agency of the United
*(Instructions on reverse)		1000		
WPX Energy Production, LLC, proposes to develop the Basin Mancos	Pool at the above described location in	accordance v	with the attached drilling an	nd surface use plans.
The well pad surface is on lease on BLM surface within the Rosa Unit				Rosa Unit Pad 30.
This location has been archaeologically surveyed by LaPlata Archeolog	gB Capies of thein report have been sub	mitted directl	CE OF THIS	
New access road is approximately 105.7' on lease on BLM surface.	ACTION DOES NOT RELIE	VF THE	I ECCEP AND	and the state to shall all
New pipeline is approximately 2913.2' on lease on BLM surface.	OPERATOR FROM OBTAIN AUTHORIZATION REQUIN	PD FOR	ODED ATTON OOD DI	tion is subject to technical ocedural review pursuant to
DRILLING OPERATIONED IN SURACE.	ON FEDERAL AND INDIAN	LANDS	A.3. C.1+1	R 3165.3 and appeal int to 43 CFR 3165.4
DRILLING ARE SUB RECHED AUTHORIZED ARE SUB RECHED COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"	NMOCDA		pursua	nt to 43 CPR 3100.4
U				
a.				

R







WPX Energy

Operations Plan

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

Date:	March 18, 2016	Field:	Basin Mancos
Well Name:	Rosa Unit #665H	Surface:	BLM
SH Location:	NESW Sec 30 31-05W	Elevation:	6394' GR
BH Location:	SESW Sec 28 31N-05W	Minerals:	FED

Measured Depth: 18,527.45'

I. <u>GEOLOGY:</u> SURFACE FORMATION - NACIMIENTO

NAME	MD	TVD	NAME	MD	TVD	
OJO ALAMO	2576	2509	MENEFEE	5697	5493	
KIRTLAND	2721	2648	POINT LOOKOUT	5890	5677	
FRUITLAND	3212	3117	MANCOS	6399	6164	
PICTURED CLIFFS	3355	3254	KICKOFF POINT	6,917.24	6,658.87	
LEWIS	3771	3652	TOP TARGET	7684	7256	
CHACRA	4787	4623	LANDING POINT	7,967.36	7,314.00	
CLIFF HOUSE	5650	5448	BASE TARGET	7,967.36	726	
			TD	18,527.45	7,264.00	

A. FORMATION TOPS (KB)

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. <u>MUD PROGRAM:</u> LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 ⁴/₄" Directional Vertical hole. A LSND (WBM) or (OBM) will be used to drill the curve and 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 BOPE will be tested to 5000 psi (High) for 10 minutes. Annular preventor will be tested to 50% of rated working pressure. Pressure test surface casing to 1500 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 test 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, equiv or <	STC
INTERMEDIATE	8.75"	6817'	7 ⁿ	23 LBS	J-55, equiv or <	LTC
PRODUCTION	6.125"	6667.24' - 18,527.45'	4.5"	11.6 LBS	P-110, equiv or <	LTC
TIE BACK	6.125"	Surf 7817.36'	4.5"	11.6 LBS	P-110, equiv or <	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. A DV tool will be placed 100' above the top of the Chacra formation.

 <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.

C. CEMENTING:

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

<u>1. 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 STAGE 1: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 92 bbls, 263 sks, (517 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 17 bbls, 75 sks, (98 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 268 bbl Drilling mud or water. Total Cement: 110 bbls, 338 sks, (615 cuft) STAGE 2: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 110 bbls, 318 sks, (620 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 17 bbls, 85 sks, (98 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 145 bbl Drilling mud or water. Total Cement: 128 bbls, 403 sks, (717 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 (1050 sx /1428 cuft /254 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 140 bbl Fr Water. Total Cement (1050 sx /1428bbls).



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# 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

T31N R5W Rosa Unit Pad 30 Rosa Unit #665H - Slot B6

Wellbore #1

Plan: Design #1 22Dec15 sam

Standard Planning Report

22 December, 2015

WPX

Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	WPX T31N Pad 3 Rosa Wellb	PASS Energy R5W Rosa Un 30 Unit #665H ore #1 an #1 22Dec15			TVD Refe MD Refer North Ref	ence:		Well Rosa Unit # KB @ 6419.00u KB @ 6419.00u True Minimum Curval	sft (Aztec 100 sft (Aztec 100	00)
Project	T31N	R5W Rosa Unit	Line Line			dis distances				CARL COLOR AND A
Map System: Geo Datum: Map Zone:	NAD 19	e Plane 1927 (27 (NADCON (xico West 3003	CONUS)		System Da	tum:	M	ean Sea Level		
Site	Pad 30					Selections is	100000000			
Site Position: From: Position Uncertaint		/Long 0.0	North Eastii 0 usft Slot F	-		,114.76 usft ,593.42 usft 13.200 in	Latitude: Longitude: Grid Converg	ence:		36.869698 -107.403974 0.26 °
Well	Rosa U	Init #665H - Slo	ot B6		Vision Diale			STREET, ST.		
Well Position Position Uncertaint	+N/-S +E/-W	34.	79 usft Ea	orthing: isting: ellhead Elevat	ion:	2,136,048.70 625,628.50 0.00	usft Lor	itude: igitude: ound Level:		36.869516 -107.403855 6,394.00 usft
Wellbore	Wellbo	ore #1		unger stra						
Magnetics	Ma	odel Name	Samp	e Date	Declina (°)		Dip A ('	"	Field	Strength (nT)
an and a second s		IGRF2010		9/9/2015		9.24		63.54		50,436
Design	Design	#1 22Dec15 s	am						in yakan	Not the Prove of
Audit Notes: Version:			Phas	e: P	LAN	Tie	On Depth:		0.00	
Vertical Section:		E	Depth From (T (usft) 0.00	/D)	+N/-S (usft) 0.00	(u	5/-W sft) .00	(bea	ection aring) 0.71	
Plan Sections					514405-0	Statistic of				
Measured Depth Incl (usft)	ination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00 500.00 1,354.72 6,917.24	0.00 0.00 17.09 17.09	0.00 0.00 195.29 195.29	0.00 500.00 1,342.10 6,658.87	0.00 0.00 -122.08 -1,699.31	0.00 0.00 -33.37 -464.49	0.00 0.00 2.00 0.00	0.00 0.00 2.00 0.00	0.00 0.00 0.00	0.00 0.00 195.29 0.00	
7,967.36	90.27	90.68	7,314.00	-1,902.83	170.89	9.00	6.97	-9.96	-103.91	POE #665H BHL #665H

WPX Planning Report

Database: Company:	COMPASS WPX Energy	Local Co-ordinate Reference: TVD Reference:	Well Rosa Unit #665H (B6) - Slot B6 KB @ 6419.00usft (Aztec 1000)
Project:	T31N R5W Rosa Unit	MD Reference:	KB @ 6419.00usft (Aztec 1000)
Site:	Pad 30	North Reference:	True
Well:	Rosa Unit #665H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 22Dec15 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	0.0
320.00	0.00	0.00	320.00	0.00	0.00	0.00	0.00	0.00	0.0
9 5/8"	Statistics of the second								
500.00	0.00	0.00	500.00	0,00	0.00	0.00	0.00	0.00	0.0
Start Build 2 1,000.00	10.00	195.29	997.47	-41.98	-11.48	-3.48	2.00	2.00	0.0
1,354.72	17.09	195.29	1,342.10	-122.08	-33.37	-10.11	2.00	2.00	0.0
Hold 17.09 In	other states are stated as a state of the st	State State	ALC AND DEPARTMENT	The second second				reliances Train	A. S. Stranger
1 500 00	17.09	105 20	1,480.96	162 28	44 63	-13.52	0.00	0.00	0.0
1,500.00 2,000.00	17.09	195.29 195.29	1,958.87	-163.28 -305.05	-44.63	-13.52	0.00	0.00	0.0
2,500.00	17.09	195.29	2,436.78	-446.82	-122.13	-37.00	0.00	0.00	0.0
3,000.00	17.09	195.29	2,914.69	-588.59	-160.89	-48.74	0.00	0.00	0.0
3,500.00	17.09	195.29	3,392.60	-730.37	-199.64	-60.48	0.00	0.00	0.0
			Contraction of the						
4,000.00	17.09	195.29 195.29	3,870.51	-872.14	-238.39	-72.22	0.00	0.00	0.0
4,500.00	17.09		4,348.42	-1,013.91	-277.14		0.00	0.00	0.00
5,000.00	17.09	195.29	4,826.33	-1,155.69	-315.89	-95.69	0.00	0.00	0.00
5,500.00	17.09 17.09	195.29 195.29	5,304.24 5,782.16	-1,297.46 -1,439.23	-354.65 -393.40	-107.43	0.00	0.00	0.0
6,500.00	17.09	195.29	6,260.07	-1,581.00	-432.15	-130.91	0.00	0.00	0.0
6,817.00	17.09	195.29	6,563.06	-1,670.89	-456.72	-138.35	0.00	0.00	0.00
7" 6,917.24	17.09	195.29	6,658.87	-1,699.31	-464.49	-140.71	0.00	0.00	0.00
	LS 9.00 TFO -10		0,000.07	-1,088.31	-404.43	-140.71	0.00	0.00	0.00
7,000.00	16.88	169.61	6,738.13	-1,722.90	-465.53	-137.35	9.00	-0.26	-31.03
7,500.00	50.32	105.07	7,158.86	-1,850.95	-255.76	92.56	9.00	6.69	-12.91
7,967.36	90.27	90.68	7,314.00	-1,902.83	170.89	521.42	9.00	8.55	-3.08
and the second second second	Inc 90.68 Deg	90.00	7,314.00	-1,902.03	170.08	521.42	9.00	0.00	-3.00
8,000.00	90.27	90.68	7,313.85	-1,903.22	203.53	553.56	0.00	0.00	0.00
8,500.00	90.27	90.68	7,311.48	-1,909.18	703.49	1,045.92	0.00	0.00	0.00
9,000.00	90.27	90.68	7,309.11	-1,915.14	1,203.45	1,538.29	0.00	0.00	0.00
9,500.00	90.27	90.68	7,306.74	-1,921.10	1,703.41	2,030.65	0.00	0.00	0.00
10,000.00	90.27	90.68	7,304.38	-1,927.06	2,203.36	2,523.01	0.00	0.00	0.00
10,500.00	90.27	90.68	7,302.01	-1,933.03	2,203.30	3,015.38	0.00	0.00	0.00
11,000.00	90.27	90.68	7,299.64	-1,938.99	3,203.28	3,507.74	0.00	0.00	0.00
11,500.00	90.27	90.68	7,297.27	-1,944.95	3,703.24	4,000.10	0.00	0.00	0.00
12,000.00	90.27	90.68	7,294.91	-1,950.91	4,203.20	4,492.46	0.00	0.00	0.00
12,500.00	90.27	90.68	7,292.54	-1,956.87	4,703.16	4,984.83	0.00	0.00	0.00
13,000.00	90.27	90.68	7,292.54	-1,950.07	5,203.12	5,477.19	0.00	0.00	0.00
13,500.00	90.27	90.68	7,287.80	-1,968.79	5,703.08	5,969.55	0.00	0.00	0.00
14,000.00	90.27	90.68	7,285.44	-1,974.75	6,203.04	6,461.92	0.00	0.00	0.00
14,500.00	90.27	90.68	7,283.07	-1,980.71	6,702.99	6,954.28	0.00	0.00	0.00
15,000.00	90.27	90.68	7.280.70	-1,986.67	7,202.95	7,446.64	0.00	0.00	0.00
		90.68		-1,986.67	7,202.95	7,446.64	0.00	0.00	0.00
15,500.00	90.27 90.27	90.68	7,278.33 7,275.97	-1,992.63	8,202.87	8,431.37	0.00	0.00	0.00
		90,68						0.00	0.00
16,500.00 17,000.00	90.27	90.68	7,273.60 7,271.23	-2,004.55 -2,010.51	8,702.83 9,202.79	8,923.73 9,416.09	0.00	0.00	0.00
						CMING STORES			
17,500.00	90.27	90,68	7,268.86	-2,016.47	9,702.75	9,908.46	0.00	0.00	0.00
18,000.00	90.27	90.68	7,266.50	-2,022.43	10,202.71	10,400.82	0.00	0.00	0.00
18,500.00	90.27	90.68	7,264.13	-2,028.39	10,702.67	10,893.18	0.00	0.00	0.00
18,527.45	90.27	90.68	7,264.00	-2,028.73	10,730.11	10,920.22	0.00	0.00	0.00

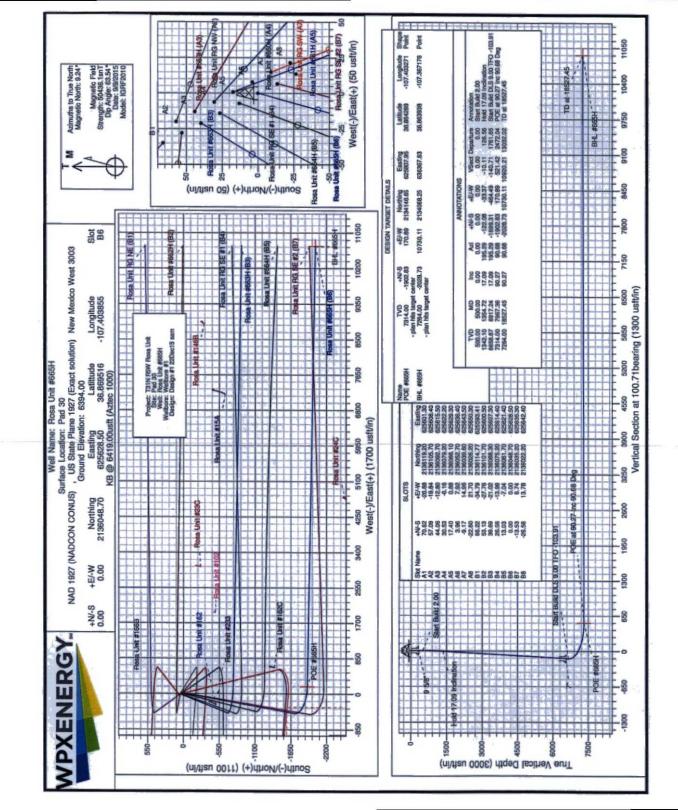
COMPASS 5000.1 Build 78



Planning Report

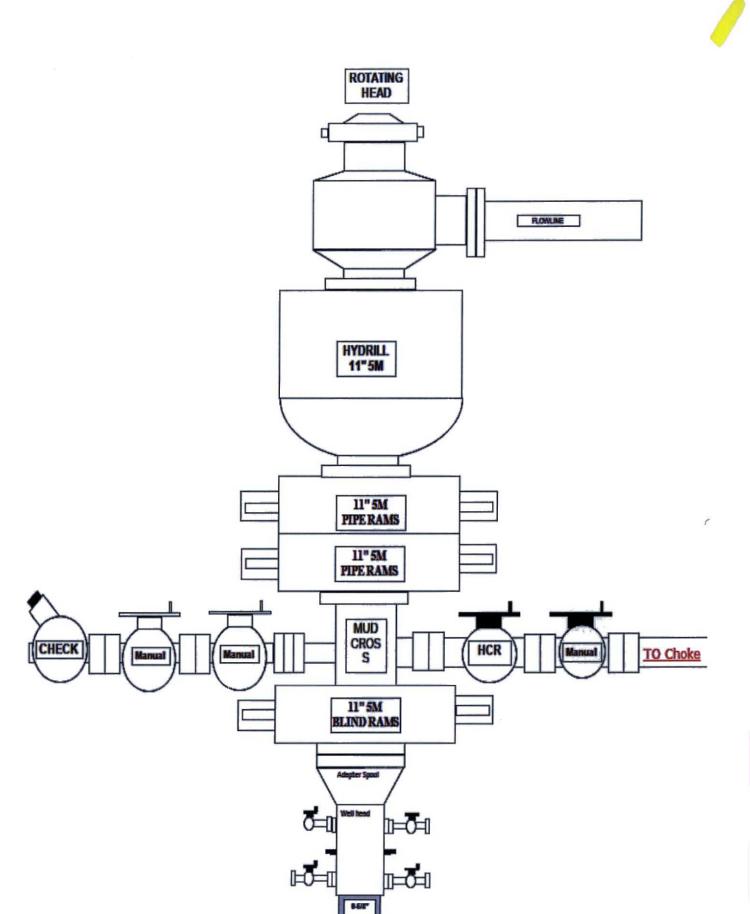
Database: Company: Project: Site: Well: Wellbore: Design:	WPX E T31N F Pad 30 Rosa U Wellbo	COMPASS WPX Energy T31N R5W Rosa Unit Pad 30 Rosa Unit #665H Wellbore #1 Design #1 22Dec15 sam			TVD Reference:KBMD Reference:KBNorth Reference:True			ell Rosa Unit #665H (B6) - Slot B6 @ 6419.00usft (Aztec 1000) @ 6419.00usft (Aztec 1000) we nimum Curvature			
Design Targets					in the set		25 25 ES				
Target Name - hit/miss tar - Shape	rget Dip A (°	and the second	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Lati	itude	Longitude	
BHL #665H - plan hits t - Point	arget center	0.00 0.00	7,264.00	-2,028.73	10,730.11	2,134,068.25	636,367.	63	36.863938	-107.367176	
POE #665H - plan hits t - Point	arget center	0.00 0.00	7,314.00	-1,902.83	170.89	2,134,146.65	625,807.	95	36.864289	-107.403271	
Casing Points	ENGINE .								a.oog.anvina		
	Measured Depth (usft)	Vertical Depth (usft)			Name			Casing Diameter (in)	Hole Diameter (in)		
	320.0 6,817.0		9 5/8" 7"					9.625 7.000	12.250 8.750		
Plan Annotation	ns										
	Measured Depth (usft)	Vertical Depth (usft)	Local +N/-S (usft)		s E/-W usft)	Comment					
	500.00 1,354.72 6,917.24 7,967.36 18,527.45	500.00 1,342.10 6,658.87 7,314.00 7,264.00	0.00 -122.08 -1,699.31 -1,902.83 -2,028.73		0.00 -33.37 -464.49 170.89 10,730.11	Start Build 2.00 Hold 17.09 Inclination Start Build DLS 9.00 POE at 90.27 Inc 90.0 TD at 18527.45	TFO -103.9	11			

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- A. Cuttings
 - Drilling operations will utilize a closed-loop system. Drilling of the horizontal lateral will be accomplished with water-based mud. All cuttings will be placed in roll-off bins and hauled to Section 23 cuttings disposal recycling containment. No blow pit will be used. 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
 - 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
 - 1. All garbage and trash will be placed in a metal trash containment. 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.
 - 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:
 - WPX will recycle and reuse all produced water from the wells to complete subsequent wells in the area during completion operations. Produced water will be filtered, treated and stored in holding ponds at the recycling containments.
 - Once drilling is complete, WPX Energy will dispose of produced water from these wells 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



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

in Bloomfield, NM to WPX Energy Production, LLC Rosa Unit #665H

2247' FSL & 973' FWL, Section 30, T31N, R5W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.869522°N Longitude: 107.404458°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 fork in roadway;

Go Left (Northerly) which is straight remaining on Rosa Road for 2.4 miles to fork in roadway;

Go Right (Easterly) exiting Rosa Road for 0.2 miles to fork in roadway;

Go Left (North-easterly) for 1.0 mile to fork in roadway;

Go Left (North westerly) for 0.4 miles to fork in roadway;

Go Left (Westerly) which is straight for 0.3 miles to existing WPX Rosa Unit #162 location from which new access on north-east corner of pad continues for 105.7' to staked WPX Rosa Unit #665H location.

APD Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 29 day of March 2016.

Name_Lacey Erranillo

Position Title <u>Permitting Tech III</u>

Address _ P.O. Box 640, Aztec, NM 87410

Telephone _(505) 333-1816____

Field representative (if not above signatory)

E-mail <u>lacey.granillo@wpxenergy.com</u>

Date: March 29, 2016

Lacey Granillo Permitting Tech III WPX Energy Production, LLC