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: 4 - 1-1
Well information;
Operator WPX, Well Name and Number Wybrode Unit # 761H
API#30.045.35768 Section 33, Township 33 NS, Range E/W
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 NSI, 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
 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.
Charle Hern 12-15-2016
NMOCD Approved by Signature Date

14

NAV-ANOHE

UTIODOOFTE UNITED STATES CAM AM DEP TO THE INTERIOR **BUREAU OF LAND MANAGEMENT**

Expires January 31, 2004

APR 0 3 201 5. Lease Se

NMNM 121961 /0 E			A
TAINTIANT IZIOUI	NMNM	121961	POE

APPLICATION FOR PERMIT TO DRILL OR REENTE Farmington Field Office If Indian, Allottee or Tribe Name

ia. Type of Work: DRILL REENTER	t		7. If Unit or CA Agree NMNM 133613X 8. Lease Name and Wel	135	and No.	
1b. Type of Well: Oil Well Gas Well Other	☑ Single Zone ☐ Multi	ple Zone	W. Lybrook Unit #7	761H		
2. Name of Operator			9. API Well No.	2.0		
WPX Energy Production, LLC			30-045- 35	160		
3a. Address	3b. Phone No. (include area code)		10. Field and Pool, or E	xploratory	,	
P.O. Box 640 Aztec, NM 87410	(505) 333-1808		Lybrook Mancos W			
4. Location of Well (Report location clearly and in accordance with any			11. Sec., T., R., M., or E		survey or Area	
At surface 521' FSL & 538' FWL, sec 23, T23N, R9W		Swsu	SHL: Sec 23, T23N	, R9W		
At proposed prod. zone 283' FNL & 330' FEL, sec 35 T23N, R9W	1	NENE	BHL: Sec 35, T23N	, R9W		
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 in Bloomfield NM,	South 37.8 miles to Mile Marker 113.	4	San Juan		NM	
15. Distance from proposed®	16. No. of Acres in lease	17. Spacing	Unit dedicated to this we			
location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 521	150 ACres 320,00	360-A	cres / 12,807.24 Acres	OIL	CONS. DIV	DIST.
 Distance from proposed location^e to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Depth		IA Bond No. on file		DEC 1 2	2016
20' 21. Elevations (Show whether DF, KDB, RT, GL, etc.)	12467' MD / 4588' TVD 22. Approximate date work will s	UTB00	0178 23. Estimated duration			
		mrt.	1			
6748' GR	May 1, 2016 24. Attachments		1 month			
The 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.	4. Bond to cover th	e operations	unless covered by an ex	cisting bo	ond on file (see	
2. A Drilling Plan.	Item 20 above).	nel nu				
 A Surface Use Plan (if the location is on National Forest System is SUPO shall be filed with the appropriate Forest Service Office). 	Lands, the 5. Operator certific 6. Such other site sauthorized office	specific info	rmation and/or plans as	may be r	required by the	
25, Signature	Name (Printed/Typed)		- 11	Date		
III was h signal V')	Marie E. Jaramillo			4/7/16		
Title						
Permit Technician III						
Approved by (Signature) Hornacle	Name (Printed Typed)	rade	1	Date / //:	29/10	
Title Ading AFM-Minerals	Office FFO					
Application approval does not warrant or certify that the applicant holds operations thereon. Conditions of approval, if any, are attached.	legal or equitable title to those rights in	n the subject	lease which would entitle	the applic	ant to conduct	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it	a crime for any person knowingly ar	d willfully to	make to any department	or agency	y of the United	

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

*(Instructions on reverse)

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 IA and is on lease and will be twinned with the W. Lybrook Unit #726H/728H/729H/759H & 760H.

This location has been archaeologically surveyed by Western Archeological Consultants. Copies of their report have been submitted directly to the BLM.

MIMOC

The new access of 21.1' of BLM & new access of 4584.3' of Navajo Allotted is on lease access mad will be being and premitted via the APD.

A new pipeline of 68.3' of BLM & new pipeline of 48725' of Navajo Allotted is put least likely confided pipeline with the order and permitted via the APD.

OPERATOR FROM OBTAINING ANY OTHER

OPERATIONS

This section is not to be a section in a AUTHORIZATION REQUIRED FOR OPERATIONS DRILLING OPERATIONS ON FEDERAL AND INDIAN LANDS

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165,4

AUTHORIZED APE GREJECT TO COMPLIANCE V. THATTACHED "GENERAL REQUIREMENTS"



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 Form C-102 Revised August 1, 2011

Submit one copy to Appropriate District Office

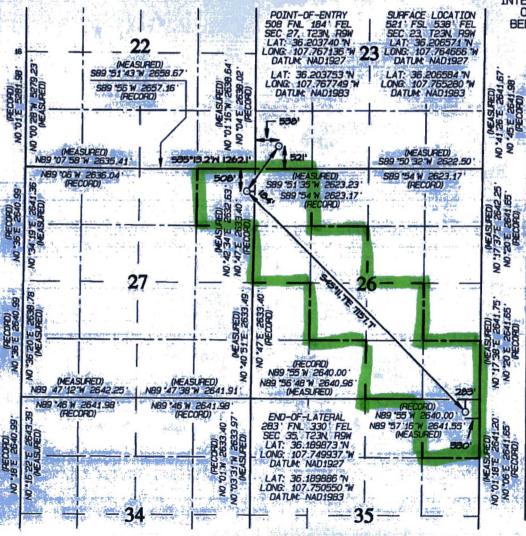
AMENDED REPORT

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

The state of the s	WE	LL LOCATION	AND ACREA	GE DEDICA	the same of the same of the	
30-045-35	768	Pool Code 98157	ALL DESCRIPTION	ĿΫ	Pool Name BROOK MANCO	OS W
Property Code	L. Carlotte		*Property Name W LYBROOK U	NIT		*Well Number 761H
'0GRID №. 120782		WPX EN	*Operator Name NERGY PRODUC	Market Call Co. Co.		*Elevation 6748
59	ex- /	10	Surface Loca	ation	F 1335 F 18 4 1 5	The second secon

1,5	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	M	23	23N	9W	in has	521	SOUTH	538	WEST	SAN JUAN
1	gapa .			1 Botto	m Hole	Location I	f Different	From Surfac	е	
1	Ut or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
S. C.	A ***	35	23N	9W	LA ACTOR	283	NORTH	330	EAST	SAN JUAN
	12 Dedicated Acres	NE /	4 NE/4	_Coc+	on 25	Doint or Infill	14 Consolidation Code	¹⁵ Order No.	Note that the state of	Almost of the Control
y.	360.00		NE/4			Total Control		R-14051	- 12,807.24	Acres
100 P	W/2 NI		/4 NW/				- Sect			
A.E	W/2 SE/2	SF/4	SF/A	Secti	00 25	THE WAY	A September 19 Sep	NO AL	DWARLE WILL	DE ACCIONE
	W/2 SE/4	1, SE/4	SE/4	- Secti	10N 26	or spring the same of		NO AL	LOWABLE WILL	BE ASSIGN

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







Operations Plan

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

Date:

April 14, 2016

Field:

Lybrook Mancos W

Well Name:

W Lybrook Unit 761H

Surface:

SH Location:

SWSW Sec 23 23N-09W

Elevation:

6748' GR

BH Location:

NENE Sec 35 23N-09W

Minerals:

BLM

Measured Depth: 12,467.39'

I. GEOLOGY

Surface formation - NACIMIENTO

A. FURIVIATION I	UPS: (ND)		1.00	The state of the s	
NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	307	307	POINT LOOKOUT	3555	3374
KIRTLAND	469	469	MANCOS	3744	3549
PICTURED CLIFFS	1040	1037	GALLUP	4112	3888
LEWIS	1162	1156	KICKOFF POINT	4,118.85	3,893.92
CHACRA	1350	1338	TOP TARGET	5097	4618
CLIFF HOUSE	2546	2445	LANDING POINT	5,309.44	4,656.97
MENEFEE	2565	2462	BASE TARGET	5,309.44	4,656.97
			TD	12,467.39	4,588.00

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 %" 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"	5,309.44'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5159.44' - 12,467.39'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf 5159.44'	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: 97 bbls, 278 sks, (547 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/ +/- 209 bbl Drilling mud or water. Total Cement: 156 bbls, 532 sks, (878 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 (716 sx /974 cuft /173 bbls). Tail Spacer: 20 BBL of MMCR.
Displacement: Displace 'Planned WBD'lw/ +/-167,bbl Fr Water. Total Cement (716 sx /974 bbls).

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).

WPXENERGY

Well Name: W Lybrook UT #761H

Surface Location: 2309-23M WLU

NAD 1927 (NADCON CONUS) , US State Plane 1927 (Exact solution) New Mexico West 3003

Ground Elevation: 6748.00

+N/-S +E/-W 0.00 0.00

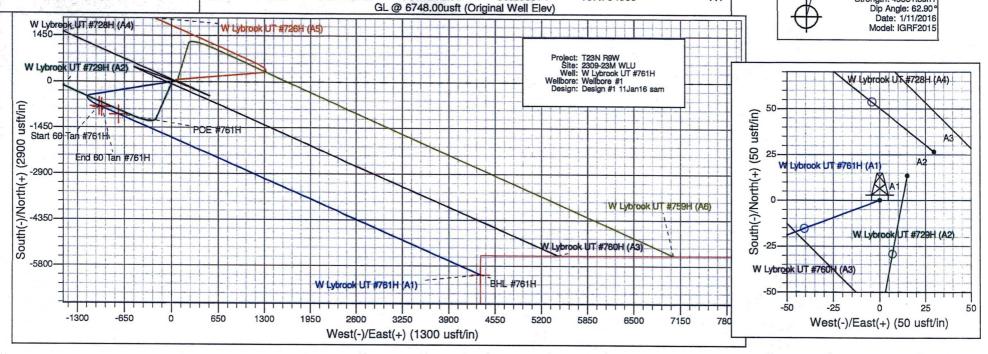
Northing Easting 1894440.38 520258.31

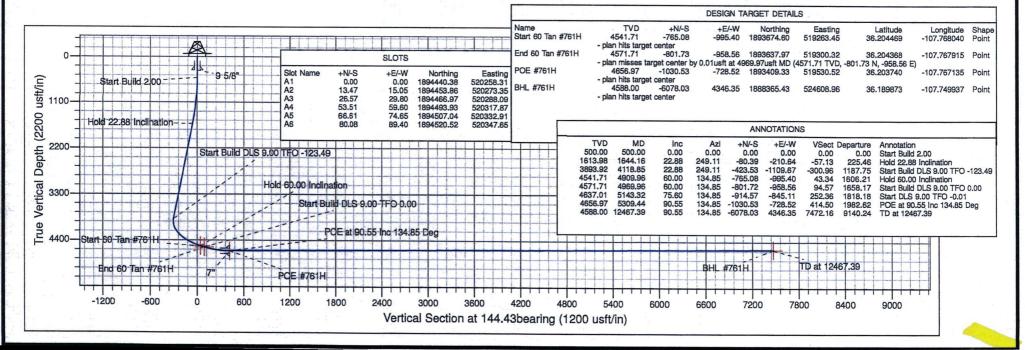
Latittude 36.206571

Longitude -107.764666 Slot A1

Azimuths to True North Magnetic North: 9.35

Magnetic Field Strength: 49881.5snT Dip Angle: 62.90





WPX Energy

T23N R9W 2309-23M WLU W Lybrook UT #761H - Slot A1

Wellbore #1

Plan: Design #1 11Jan16 sam

Standard Planning Report

12 January, 2016

WPX

Planning Report

 Database:
 COMPASS

 Company:
 WPX Energy

 Project:
 T23N R9W

 Site:
 2309-23M WLU

 Well:
 W Lybrook UT #761H

 Wellbore:
 Wellbore #1

 Design:
 Design #1 11Jan16 sam

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well W Lybrook UT #761H (A1) - Slot A1 GL @ 6748.00usft (Original Well Elev) GL @ 6748.00usft (Original Well Elev)

Minimum Curvature

Project T23N R9W

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

Site 2309-23M WLU Northing: 1,894,520.52 usft 36,206791 Site Position: Latitude: -107.764363 From: Мар Easting: 520,347.65 usft Longitude: Slot Radius: 13.200 in **Grid Convergence:** 0.04 **Position Uncertainty:** 0.00 usft

Well W Lybrook UT #761H - Slot A1 36,206571 **Well Position** +N/-S -80.08 usft Northing: 1,894,440.38 usft Latitude: -107.764666 -89.40 usft +E/-W Easting: 520,258.31 usft Longitude: **Position Uncertainty** 0.00 usft Wellhead Elevation: 0.00 usft **Ground Level:** 6,748.00 usft

Wellbore #1 Wellbore Field Strength **Model Name Sample Date** Declination Dip Angle **Magnetics** (nT) (°) (°) 62.90 49,882 IGRF2015 1/11/2016 9,34

Design #1 11Jan16 sam Design **Audit Notes:** PLAN 0.00 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (bearing) (usft) 0.00 0.00 0.00 144.43

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	
1,644.16	22.88	249.11	1,613,98	-80,39	-210.64	2.00	2.00	0.00	249.11	
4,118.85	22.88	249.11	3,893.92	-423.53	-1,109.67	0.00	0.00	0.00	0.00	
4,909.96	60.00	134.85	4,541.71	-765.08	-995.40	9.00	4.69	-14.44	-123.49	Start 60 Tan #761h
4,969.96	60.00	134.85	4,571.71	-801.72	-958.56	0.00	0.00	0.00	0.00	End 60 Tan #761H
5,143.32	75.60	134.85	4,637.01	-914.57	-845.11	9.00	9,00	0.00	0.00	
5,309.44	90.55	134.85	4,656.97	-1,030.53	-728.52	9.00	9.00	0.00	-0.01	POE #761H
12,467.39	90.55	134.85	4,588,00	-6,078.03	4,346.35	0.00	0.00	0.00	0.00	BHL #761H

WPX

Planning Report

Database: Company: Project: Site:

Well:

Wellbore: Design: COMPASS WPX Energy T23N R9W 2309-23M WLU W Lybrook UT #761H

Wellbore #1 Design #1 11Jan16 sam Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well W Lybrook UT #761H (A1) - Slot A1 GL @ 6748.00usft (Original Well Elev) GL @ 6748.00usft (Original Well Elev)

True

Minimum Curvature

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	A Application of the Party of t								
1,000.00	10.00	249.11	997.47	-15.52	-40.66	-11.03	2.00	2.00	0.00
1,500.00	20.00	249.11	1,479.82	-61.61	-161.41	-43.78	2.00	2.00	0.00
1,644.16	22.88	249.11	1,613.98	-80.39	-210.64	-57.13	2.00	2.00	0.00
Hold 22.88 In	nclination								
2,000.00	22.88	249.11	1,941.82	-129.73	-339.91	-92.19	0.00	0.00	0.00
2,500.00	22.88	249.11	2,402.47	-199.06	-521.56	-141.45	0.00	0.00	0.00
3,000.00	22.88	249.11	2,863.12	-268.39	-703.20	-190.72	0.00	0.00	0.00
3,500.00	22.88	249.11	3,323.77	-337.72	-884.85	-239.98	0.00	0.00	0.00
4,000.00	22.88	249.11	3,784.42	-407.05	-1,066,50	-289.25	0.00	0.00	0.00
4,118.85	22.88	249.11	3,893.92	-423.53	-1,109.67	-300.96	0.00	0.00	0.00
Start Build D	LS 9.00 TFO -12	3.49							
4,500.00	28.12	163.34	4,248.22	-539.49	-1,154.50	-232.71	9.00	1.37	-22.50
4,909.96	60.00	134.85	4,541.71	-765.08	-995.40	43.34	9.00	7.78	-6.95
Hold 60.00 In	clination								
4,969.96	60.00	134.85	4,571.71	-801.72	-958,56	94.57	0.00	0.00	0.00
Start Build D	LS 9.00 TFO 0.0	0							
5,000.00	62.70	134.85	4,586,11	-820.31	-939.87	120,56	9.00	9.00	0.00
5,143.32	75.60	134.85	4,637.01	-914.57	-845.11	252,36	9.00	9.00	0.00
Start DLS 9.0	A STATE OF THE PARTY OF THE PAR								
5,309,00	90.51	134.85	4,656.97	-1,030.22	-728.83	414.06	9.00	9.00	0.00
7"			*,000.07		120.00		0.00		
5,309.44	90.55	134.85	4,656.97	-1,030.53	-728.52	414,50	9.00	9.00	0.00
Control of the last of the las	Inc 134.85 Deg	MARKET AND IN							
5,500.00	90.55	134.85	4,655.13	-1,164.91	-593.42	602.39	0.00	0.00	0.00
•			•	•					
6,000.00	90.55	134.85	4,650.32	-1,517,49	-238.92	1,095.38	0.00	0.00	0.00
6,500.00	90.55	134.85	4,645.50	-1,870.07	115.57	1,588.38	0.00	0.00	0.00
7,000.00	90.55	134.85	4,640.68	-2,222.64	470.06	2,081.37	0.00		
7,500.00 8,000.00	90.55 90.55	134.85 134.85	4,635.86 4,631.05	-2,575.22 -2,927.80	824.55	2,574.37 3,067.36	0.00	0.00	0.00
					1,179.04	75			
8,500.00	90.55	134.85	4,626.23	-3,280.38	1,533.53	3,560.35	0.00	0.00	0.00
9,000.00	90.55	134.85	4,621.41	-3,632.96	1,888.03	4,053.35	0.00	0.00	0.00
9,500.00	90.55	134.85	4,616.59	-3,985.54	2,242.52	4,546.34	0.00	0.00	0.00
10,000.00	90,55	134.85	4,611.77	-4,338.12	2,597.01	5,039.34	0.00	0.00	0.00
10,500.00	90.55	134.85	4,606.96	-4,690.70	2,951.50	5,532.33	0.00	0.00	0.00
11,000.00	90,55	134.85	4,602.14	-5,043.28	3,305.99	6,025.33	0.00	0.00	0.00
11,500.00	90.55	134.85	4,597.32	-5,395.86	3,660.48	6,518.32	0.00	0.00	0.00
12,000.00	90.55	134.85	4,592.50	-5,748.44	4,014.97	7,011.32	0.00	0.00	0.00
12,467.39	90.55	134.85	4,588.00	-6,078.03	4,346.35	7,472.16	0.00	0.00	0.00

WPX

Planning Report

Database: COMPASS
Company: WPX Energy
Project: T23N R9W
Site: 2309-23M WLU
Well: W Lybrook UT #761H
Wellbore: Wellbore #1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well W Lybrook UT #761H (A1) - Slot A1 GL @ 6748.00usft (Original Well Elev) GL @ 6748.00usft (Original Well Elev) True

Minimum Curvature

Design:	Design #1 11.	lan16 sam							
Design Targets					ericalista				
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 #761H - plan hits target ce - Point	0.00 enter	0.00	4,541.71	-765.08	-995.40	1,893,674.60	519,263.45	36.204469	-107.768040
End 60 Tan #761H - plan misses targe - Point	0.00 et center by 0.01	0,00 usft at 4969	4,571.71 .97usft MD	-801.73 (4571.71 TVD,	-958.56 -801.73 N, -9	1,893,637.97 58.56 E)	519,300.32	36.204369	-107.767915
BHL #761H - plan hits target ce - Point	0.00 enter	0.00	4,588.00	-6,078.03	4,346.35	1,888,365.43	524,608.96	36.189873	-107.749937
POE #761H - plan hits target ce - Point	0.00 enter	0.00	4,656.97	-1,030.53	-728.52	1,893,409.34	519,530.52	36.203740	-107.767136

sing 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
	5,309.00	4,656.97	7"		7.000	8.750

Measured	Vertical	Local Coor	dinates		
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
500.00	500.00	0.00	0.00	Start Build 2.00	
1,644.16	1,613.98	-80.39	-210.64	Hold 22.88 Inclination	
4,118.85	3,893.92	-423.53	-1,109.67	Start Build DLS 9.00 TFO -123.49	
4,909.96	4,541.71	-765.08	-995.40	Hold 60.00 Inclination	
4,969.96	4,571.71	-801.72	-958.56	Start Build DLS 9.00 TFO 0.00	
5,143.32	4,637.01	-914.57	-845.11	Start DLS 9.00 TFO -0.01	
5,309.44	4,656.97	-1,030.53	-728.52	POE at 90.55 Inc 134.85 Deg	
12,467.39	4,588.00	-6,078.03	4,346.35	TD at 12467.39	



- 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

 Portable toilets will be provided and maintained during construction, as needed (see Figures 4 and 5 in Appendix B for the location of toilets).

E. Garbage and other water material

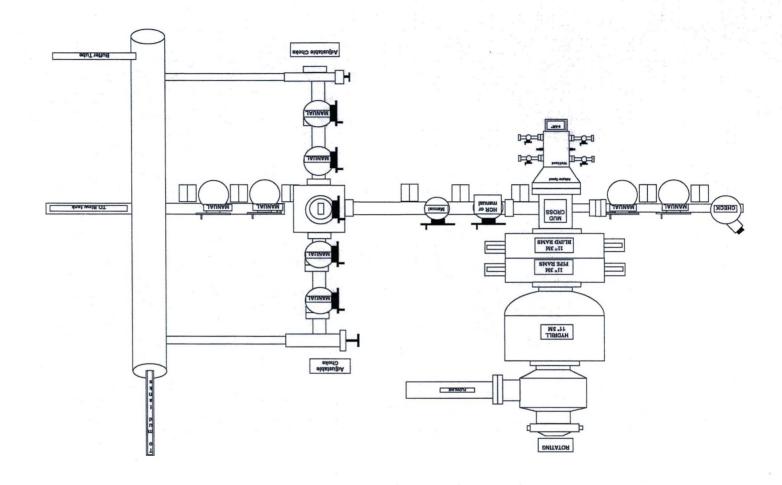
 All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.

F. Hazardous Waste

- 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:

- 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
 - Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW ¼, Section 8, Township 24 North, Range 3 West
 - 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
- Water will be hauled by truck. Some produced water may also be used in drilling and completion operations as an alternative disposal method.



3,000 PSI rated Choke system

<u>Directions from the Intersection of US Hwy 550 & US Hwy 64</u> in Bloomfield, NM to WPX Energy Production, LLC W Lybrook Unit #761H 521' FSL & 538' FWL, Section 23, T23N, R9W, N.M.P.M., San Juan County, NM

Latitude: 36.206584°N Longitude: 107.765280°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 fork in roadway;

Go Left (Southerly) remaining on County Road #7890 for 1.3 miles to four-way intersection;

Go Left (South-easterly) remaining on County Road #7890 for 0.6 miles to fork in roadway;

Go Right (South-westerly) remaining on County Road #7890 for 0.5 miles to WPX W Lybrook Unit #720H proposed access on right-hand side of County Road #7890;

Go Right (Westerly) exiting County Road #7890 following along WPX W Lybrook Unit #720H proposed access for 3123.1' to fork in proposed access;

Go Left (Westerly) which is straight, continuing for 4605.4' to staked WPX W Lybrook Unit #761H location.