## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



Matthias Sayer 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:
API# 30-045-35705, Section 3, Township 3 N/S, Range 9 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 NSL, NSP, DHC
<ul> <li>Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned</li> </ul>
<ul> <li>Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:</li> </ul>
<ul> <li>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</li> </ul>
<ul> <li>A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A</li> </ul>
<ul> <li>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</li> </ul>
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
o 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.
Charliterr 2-14-2017
NMOCD Approved by Signature Date

1220 South St. Francis Drive - Santa Fe, New Mexico 87505

Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

TUNGER LEAT 7 HB locumpiodure mosts 4/27/14





FORM APPROVED Form 3160-3 (March 2012) OMB No. 1004-0137 Expires October 31, 2014 UNITED STATES 5. Lease Serial No. DEPARTMENT OF THE INTERIOR N0G14011878 BUREAU OF LAND MANAGEMENT 6. If Indian, Allotce or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER EASTERN NAVAJO 7. If Unit or CA Agreement, Name and No. DRILL REENTER la. Type of work: WEST LYBROOK UNIT / NMNM1352163 8. Lease Name and Well No. Oil Well Gas Well Other Single Zone Multiple Zone W LYBROOK UT 752H lb. Type of Well: Name of Operator WPX ENERGY LLC 9. API Well No. 30-045-35805 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 3a. Address 720 S Main Aztec NM 87410 (505)333-1822 LYBROOK MANCOS W / LYBROOK MA Location of Well (Report location clearly and in accordance with any State requirements.\*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface SENW / 2017 FNL / 2485 FWL / LAT 36.228667 / LONG -107.740836 SEC 13 / T23N / R9W / NMP At proposed prod. zone SWSE / 330 FSL / 1607 FEL / LAT 36.228667 / LONG -107.740836 12. County or Parish 13. State 14. Distance in miles and direction from nearest town or post office\* SAN JUAN **37.8 miles** NM 17. Spacing Unit dedicated to this well 15. Distance from proposed\* 16. No. of acres in lease location to nearest 20 feet property or lease line, ft. (Also to nearest drig. unit line, if any) 160 440.49 OIL CONS. DIV DIST. 3 20. BLM/BIA Bond No. on file Distance from proposed location\* to nearest well, drilling, completed, 2017 feet applied for, on this lease, ft. 19. Proposed Depth JAN 31 2017 4703 feet / 15873 feet IND: B001576 22 Approximate date work will start\* 23. Estimated duration Elevations (Show whether DF, KDB, RT, GL, etc.) 6700 feet 12/01/2016 30 days 24. Attachments

KP

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.

25. Signature

- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

(Electronic Submission)	Lacey Granillo / Ph: (505)333-1816	11/03/2016
Title		
Permitting Tech III		
Approved by (Signature)	Name (Printed/Typed)	Date 127/17
Title AFM	Office FARMINGTON	
Application approval does not warrant or certify that the applicant hold	s legal or equitable title to those rights in the subject lease whi	ch would entitle the applicant to

Name (Printed/Typed)

conduct operations thereon. Conditions of approval, if any, are attached.

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.

(Continued on page 2)

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

\*(Instructions on page 2)

Date

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

**DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO** COMPLIANCE WITH ATTACHED "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 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

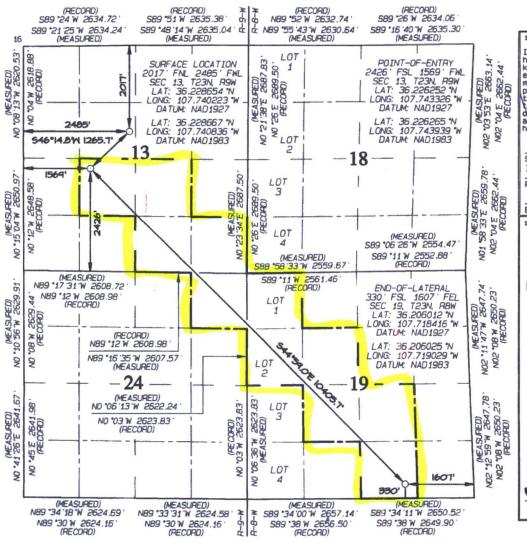
Submit one copy to Appropriate District Office

# OIL CONS. DIV DIST. 3

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

			WELL L	OCATIO	ON AND	ACR	EAGE	DEDIC	CATION	PLA	Т	FEB 0	6 2017	
1,	API Numbe	٢		*Pool Coo	ie	*Pool Name								
30-045-3	5805		9	8157		LYBROOK MANCOS W								
*Property 315250	Code				*Property Name W LYBROOK UNIT						"M	Well Number 752H		
'OGRID	No.				* Ope	erator	Name					* 6	Elevation	
12078	12		WPX ENERGY PRODUCTION, LLC 6700'								6700 '			
					10 Sunfa	ace L	.ocati	on						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the	North/S	outh line	Feet from	the	East	West line	County	
F	13	23N	9W		2017	7	NO	RTH	248	5	W	EST	SAN JUAN	
		1	1 Botto	m Hole	Locatio	Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the	North/9	louth line	Feet from	the	East,	West line	County	
0	19	23N	8W		330		SO	UTH	160	7	Ε	AST	SAN JUAN	
SE/4 SE/	/4 - S	NE/4 SW ection	13, T23	N, R9W	<sup>13</sup> Joint or In	nfil) 1	<sup>4</sup> Consolide	tion Code	Sorder No. R-1	4051	- 1	2,807.2	4 Acres	
W/2 SE,	4 SE/4 - Section 13, T23N, R9W   1/2 NW/4, SE/4 NW/4, NE/4 SW/4   2 SE/4 - Section 19, T23N, R8W   4 NE/4 - Section 24, T23N, R9W					NTIL	ALL I		S HAVE	BEEN	CON	SOLIDATI	MPLETION ED OR A	

UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



" OPERATOR CERTIFICATION 1 OPERATOR CERTIFICATION

I hereby certify that the information contained herein 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 drift this well at this location pursuant to a contract with an owner of such a mineral or working (interest of the a voluntary pooling agreepers or a comprisory booling order heretofore entered by the division.

10/31/17 Lacey Granillo lacey.granillo@wpxenergy.com E-mail Address \*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: OCTOBER 24, 2016 Survey Date: OCTOBER 23, 2015 Signature and Seal of Professional Surveyor C. EDWARD JASON MEXICO EN ADTESSION. SAME TOP Certificate Number 15269



#### **WPX Energy**

#### **Operations Plan**

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

Date:

November 3, 2016

Field:

Lybrook Mancos W

**Well Name:** 

W Lybrook Unit # 752H

Surface:

6700' GR

**SH Location:** 

SENW Sec 13 23N-09W

Elevation:

**BH Location:** 

SWSE Sec 19 23N-08W

Minerals:

Measured Depth: 15,872.27'

#### I. GEOLOGY

Surface formation - NACIMIENTO

#### A. FORMATION TOPS: (GR)

NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	422.00	422.00	POINT LOOKOUT	3,721.00	3,489.00
KIRTLAND	584.00	584.00	MANCOS	3,915.00	3,664.00
PICTURED CLIFFS	1,158.00	1,152.00	GALLUP	4,288.00	4,003.00
LEWIS	1,244.00	1,236.00	KICKOFF POINT	5,030.86	4,606.71
CHACRA	1,472.00	1,453.00	TOP TARGET	5,240.00	4,703.00
CLIFF HOUSE	2,691.00	2,560.00	LANDING POINT	5,466.58	4,742.00
MENEFEE	2,710.00	2,577.00	BASE TARGET	5,466.58	4,742.00
			TD	15,872.27	4,703.00

#### **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"	5,466.58'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5316.58' - 15,872.27'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf 5316.58'	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: 102 bbls, 291 sks, (573 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/ +/- 215 bbl Drilling mud or water. Total Cement: 161 bbls, 545 sks, (904 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 (1034 sx /1407 cuft /251 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/-219bbl Fr Water. Total Cement (1034 sx /1407bbls).

#### 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).

## **WPX** Energy

T23N R9W 2309-13F WLU W Lybrook UT #752H - Slot A5

Wellbore #1

Plan: Design #1 26Sept16 sam

## **Standard Planning Report**

26 September, 2016

#### WPX

#### Planning Report

COMPASS Database: Company: **WPX Energy** Project: **T23N R9W** Site: 2309-13F WLU Well: W Lybrook UT #752H

Wellbore: Wellbore #1

Design #1 26Sept16 sam Design:

**Local Co-ordinate Reference:** 

**TVD Reference: MD Reference:** North Reference:

**Survey Calculation Method:** 

Well W Lybrook UT #752H (A5) - Slot A5

GL @ 6700.00usft (Original Well Elev) GL @ 6700.00usft (Original Well Elev)

True

Minimum Curvature

Project **T23N R9W** 

Map System: Geo Datum:

US State Plane 1927 (Exact solution)

NAD 1927 (NADCON CONUS)

Map Zone:

New Mexico West 3003

System Datum:

Mean Sea Level

Site 2309-13F WLU

Site Position: From:

Мар

Northing: Easting:

1,902,559.83 usft 527,432.82 usft Latitude: Longitude:

36,228860 -107.740321

**Position Uncertainty:** 

0.00 usft Slot Radius: 13.200 in

**Grid Convergence:** 

0.05°

Well W Lybrook UT #752H - Slot A5

**Well Position** +N/-S +E/-W -74.99 usft 28.91 usft Northing: Easting:

1,902,484.87 usft 527,461.80 usft Latitude: Longitude:

36.228654 -107.740223

**Position Uncertainty** 

Version:

0.00 usft

Wellhead Elevation:

0.00 usft

**Ground Level:** 

6,700.00 usft

Wellbore Wellbore #1 Declination Dip Angle Field Strength Magnetics **Model Name** Sample Date (nT) (°) (°) **IGRF2015** 4/25/2016 9.31 62.92 49,867

Design Design #1 26Sept16 sam **Audit Notes:** 

Phase:

**PLAN** 

Tie On Depth:

0.00

Vertical Section: +N/-S Depth From (TVD) +E/-W Direction (usft) (usft) (usft) (bearing) 0.00 0.00 0.00 142.02

fleasured 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	
1,777.30	25.55	259.47	1,735.40	-51.20	-275.34	2,00	2.00	0.00	259.47	
4,185.26	25.55	259.47	3,907.96	-241.06	-1,296.24	0.00	0.00	0.00	0.00	
5,030.86	60.00	135.07	4,606.71	-585.88	-1,202.74	9.00	4.07	-14.71	-132.59	Start 60 Tan #752
5,130.86	60.00	135.07	4,656.71	-647.19	-1,141.58	0.00	0.00	0.00	0.00	End 60 Tan #752H
5,294.78	74.75	135.07	4,719.59	-754.02	-1,035.02	9.00	9.00	0.00	0.00	
5,466.58	90.21	135.07	4,742.00	-874.24	-915.10	9.00	9.00	0.00	0.00	POE #752H
15,872,27	90.21	135.07	4,703.00	-8.241.39	6,433,51	0.00	0.00	0.00	0.00	BHL #752H

### WPX

#### **Planning Report**

Database: Company: Project: COMPASS WPX Energy T23N R9W 2309-13F WLU

Well: W Lybrook UT #752H
Wellbore: Wellbore #1

Design:

Site:

Design #1 26Sept16 sam

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well W Lybrook UT #752H (A5) - Slot A5 GL @ 6700.00usft (Original Well Elev) GL @ 6700.00usft (Original Well Elev)

True

Minimum Curvature

ned Survey	74.97.00.11								
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
<b>9 5/8"</b> 500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build		10.00		- 75 (1.85)			0.00	were in the M	
1,000.00	10.00	259.47	997.47	-7.96	-42.79	-20.06	2.00	2.00	0.00
1,500.00	20.00	259.47	1,479.82	-31.59	-169.86	-79.62	2.00	2.00	0.00
1,777,30	25.55	259.47	1,735.40	-51.20	-275.34	-129.07	2.00	2.00	0.00
Hold 25.55 I			- Jedered			Name I a A	1000	3 4 6 5 6 6 6	
2,000.00	25.55	259.47	1,936.33	-68.76	-369.76	-173.33	0.00	0.00	0.00
2,500.00	25.55	259.47	2,387.45	-108.18	-581.74	-272.69	0.00	0.00	0.00
3,000.00	25.55	259.47	2,838.57	-147.61	-793.73	-372.06	0.00	0.00	0.00
3,500.00	25.55	259.47	3,289.69	-187.03	-1,005.71	-471.43	0.00	0.00	0.00
4,000.00	25.55	259,47	3,740,81	-226.45	-1,217.70	-570.80	0.00	0.00	0.00
4,185.26	25.55	259.47	3,907.96	-241.06	-1,296.24	-607.62	0.00	0.00	0.00
	OLS 9.00 TFO -13					44	94	1 1 4 4 To 1 1	
4,500.00	21.14	183.89	4,202.75	-311.53	-1.368.29	-596.39	9.00	-1.40	-24.01
5,000.00	57.42	136.28	4,590.68	-567.02	-1,221.17	-304.48	9.00	7.26	-9.52
5,030.86	60.00	135.07	4,606.71	-585.88	-1,202.74	-278.27	9.00	8.36	-3.91
Hold 60.00 t	nclination								
5,130.86	60.00	135.07	4,656.71	-647.19	-1,141.58	-192.30	0.00	0.00	0.00
The state of the s	OLS 9.00 TFO 0.0		1,000,		1,147.00	102.00	0.00	0.00	The Address Associa
5,294.78	74.75	135.07	4,719.59	-754.02	-1,035.02	-42.53	9.00	9.00	0.00
Start DLS 9.			.,		.,	,			- 1
5,466.58	90.21	135.07	4,742.00	-874.24	-915.10	126.03	9.00	9.00	0.00
the season of the season of the	Inc 135,07 Deg						4 14 3	2.7	e se samparenti
5,500.00	90.21	135.07	4,741.87	-897.90	-891.50	159.20	0.00	0.00	0.00
6,000.00	90.21	135.07	4,740.00	-1,251.90	-538.39	655.53	0.00	0.00	0.00
6,500.00	90.21	135.07	4,738.13	-1,605.90	-185.29	1,151.85	0.00	0.00	0.00
7,000.00	90.21	135.07	4,736.25	-1,959.89	167.82	1,648.17	0.00	0.00	0.00
7,500.00	90.21	135.07	4,734.38	-2,313.89	520.92	2,144.49	0.00	0.00	0.00
8,000.00	90.21	135.07	4,732.50	-2,667.88	874.03	2,640.81	0.00	0.00	0.00
8,500.00	90.21	135.07	4,730.63	-3,021.88	1,227.13	3,137.13	0.00	0.00	0.00
9,000.00	90.21	135.07	4,728.76	-3,375.88	1,580.24	3,633,46	0.00	0.00	0.00
9,500.00	90.21	135.07	4,726.88	-3,729.87	1,933.34	4,129.78	0.00	0.00	0.00
10,000.00	90.21	135.07	4,725.01	-4,083.87	2,286.45	4,626.10	0.00	0.00	0.00
10,500.00	90.21	135.07	4,723.14	-4,437.86	2,639.55	5,122.42	0.00	0.00	0.00
11,000.00	90.21	135.07	4,721.26	-4,791.86	2,992.66	5,618.74	0.00	0.00	0.00
11,500.00	90.21	135.07	4,719.39	-5,145.86	3,345.76	6,115.06	0.00	0.00	0.00
12,000.00	90.21	135.07	4,717.51	-5,499.85	3,698.87	6,611.38	0.00	0.00	0.00
12,500.00	90.21	135.07	4,715.64	-5,853.85	4,051.97	7,107.71	0.00	0.00	0.00
13,000.00	90.21	135.07	4,713.77	-6,207.85	4,405.08	7,604.03	0.00	0.00	0.00
13,500.00	90.21	135.07	4,711.89	-6,561.84	4,758.18	8,100.35	0.00	0.00	0.00
14,000.00	90.21	135.07	4,710.02	-6,915.84	5,111.29	8,596.67	0.00	0.00	0.00
14,500.00	90.21	135.07	4,708.14	-7,269.83	5,464.39	9,092.99	0.00	0.00	0.00
15,000.00	90,21	135.07	4,706.27	-7,623.83	5,817.50	9,589.31	0.00	0.00	0,00
15,500.00	90,21	135,07	4,704.40	-7,977.83	6,170.60	10,085.64	0.00	0.00	0,00
15,872.27	90.21	135,07	4,703.00	-8,241.39	6,433.51	10,455.17	0.00	0.00	0.00
TD at 15872.	27								

## WPX Planning Report

Database: Company: Project:

Site:

Well:

Wellbore:

- Point

Design:

COMPASS WPX Energy T23N R9W

Wellbore #1

Design #1 26Sept16 sam

T23N R9W 2309-13F WLU W Lybrook UT #752H MD Reference: North Reference: Survey Calculation Method:

TVD Reference:

Local Co-ordinate Reference:

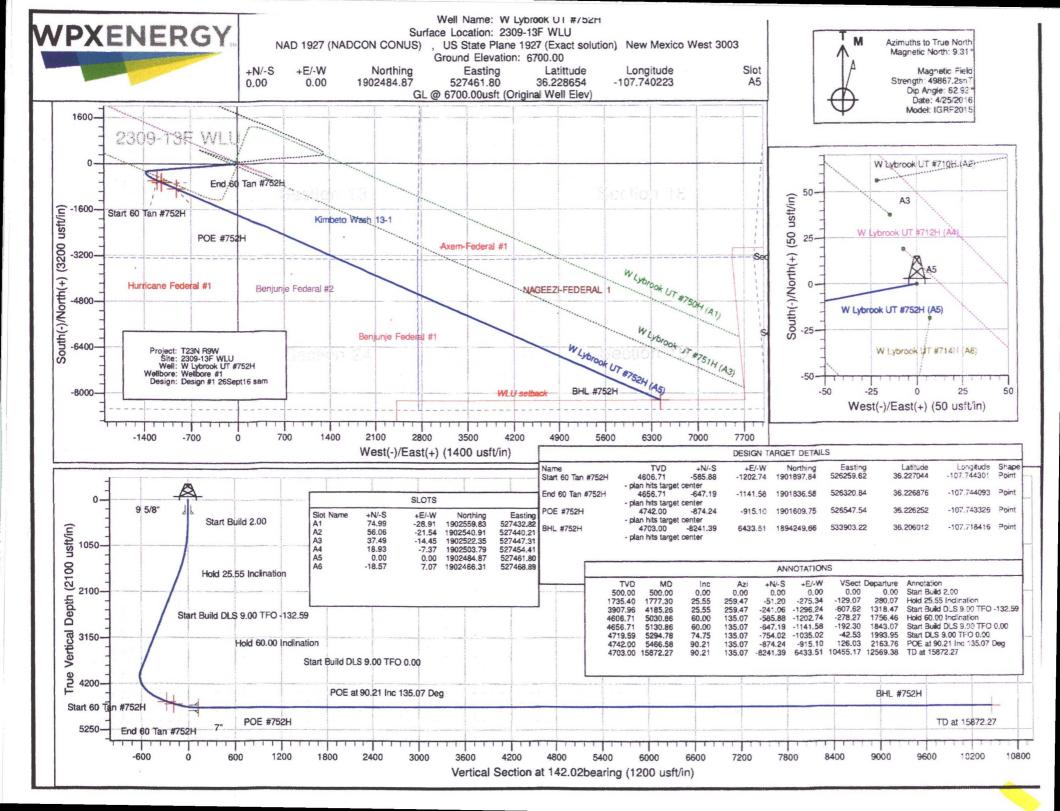
Well W Lybrook UT #752H (A5) - Slot A5 GL @ 6700.00usft (Original Well Elev) GL @ 6700.00usft (Original Well Elev) True

Minimum Curvature

Design Targets									
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 #752H - plan hits target cent - Point	0.00 ler	0.00	4,606.71	-585.88	-1,202.74	1,901,897.84	526,259.63	36.227045	-107.74430
End 60 Tan #752H - plan hits target cent - Point	0.00 ler	0.00	4,656.71	-647.19	-1,141.58	1,901,836.59	526,320.84	36.226876	-107.74409
BHL #752H - plan hits target cent - Point	0.00 ler	0.00	4,703.00	-8,241.39	6,433.51	1,894,249.66	533,903.22	36.206012	-107.71841
POE #752H	0.00	0.00	4,742.00	-874.24	-915.10	1,901,609.75	526,547.54	36.226252	-107.74332

Casing Points							
	Measured Depth (usft)	Vertical Depth (usft)		Namo	Casing Diameter (in)	Hole Diameter (in)	
	320.00	320.00	9 5/8"		9.625	12.250	
	5,466.58	4,742.00	7"		7.000	8.750	

an Annotatio	ons				
	Measured Depth (usft)	Vertical Depth (usft)	Local Coor +N/-S (usft)	dinates +E/-W (usft)	Comment
	500.00	500.00	0.00	0.00	Start Build 2.00
	1,777.30	1,735.40	-51.20	-275.34	Hold 25.55 Inclination
	4,185.26	3,907.96	-241.06	-1,296.24	Start Build DLS 9.00 TFO -132.59
	5,030.86	4,606.71	-585.88	-1,202.74	Hold 60.00 Inclination
	5,130.86	4,656.71	-647.19	-1,141.58	Start Build DLS 9.00 TFO 0.00
	5,294.78	4,719.59	-754.02	-1,035.02	Start DLS 9.00 TFO 0.00
	5,466.58	4,742.00	-874.24	-915.10	POE at 90.21 Inc 135.07 Deg
	15,872.27	4,703.00	-8,241.39	6,433.51	TD at 15872.27



(Lat/Long) is recorded and full drill log report is completed and filed with WPX. The bed will not be energized for a minimum of 45 days.

After the completion phases and pipeline installation, portions of the project area not needed for operation will be reclaimed. When the wells are plugged, final reclamation will occur within the remainder of the project area. Reclamation is described in detail in the Surface Use Reclamation Plan (Appendix A).

#### 7. 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 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 3, 4, 6 and 7 in Appendix B for the location of toilets per wellpad).

#### E. Garbage and other waste material

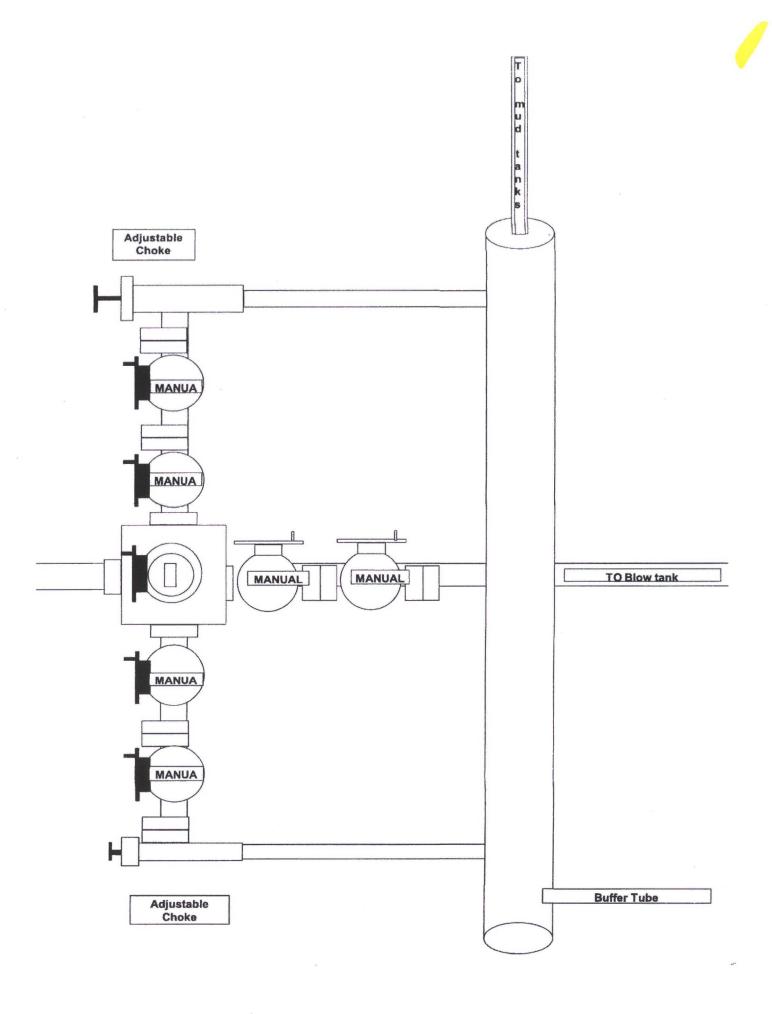
All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.

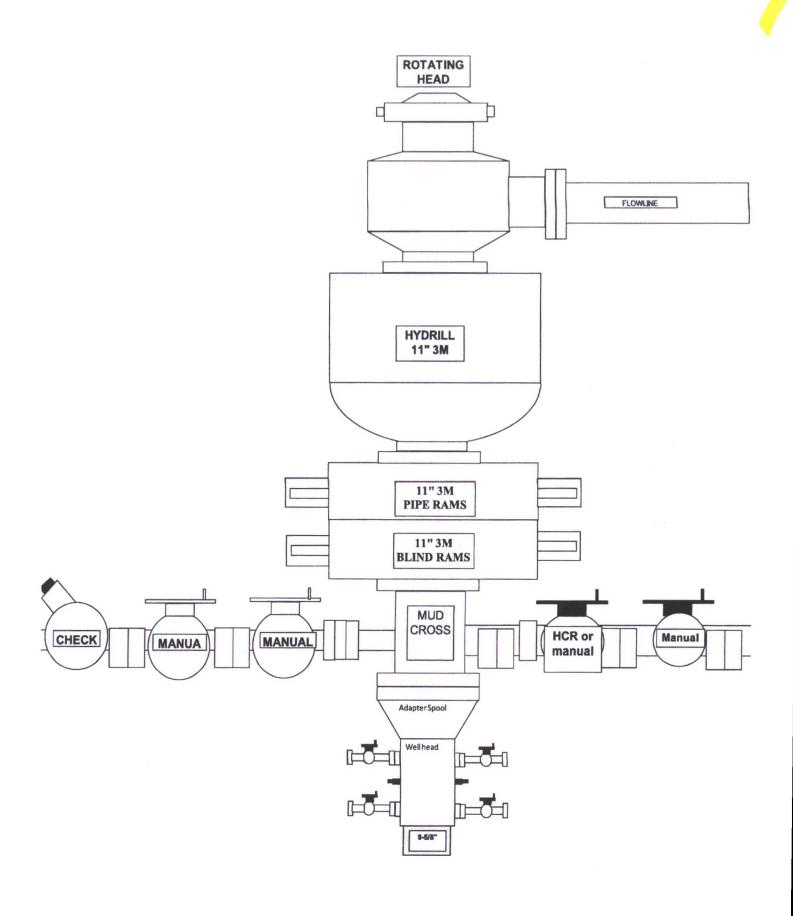
#### F. Hazardous Waste

- 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.
- 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:

- 1 WPX Energy will dispose of produced water from this well at one of the following facilities:
  - 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
  - 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.





# <u>Directions from the Intersection of US Hwy 550 & US Hwy 64</u> <u>in Bloomfield, NM to WPX Energy Production, LLC W Lybrook Unit #751H</u> 1980' FNL & 2471' FWL, Section 13, T23N, R9W, N.M.P.M., San Juan County, NM

Latitude: 36.228770°N Longitude: 107.740885°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 begin access on right-hand side of roadway;

Go Right (North-westerly) continuing for 5799.2' to staked WPX W Lybrook Unit #751H location.