Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oll 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 <u>3160-3</u> APD form.

| Operator Signature Date: | 8/30/17 | | | |
|--------------------------|------------------------|------|------|------|
| Well information; | | | | |
| Operator UPX | , Well Name and Number | Rasa | Unit | 7404 |

API# 3 - 039 - 3 (364), Section 33, Township 3 (NS, Range 5 EW)

Conditions of Approval: (See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- V Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, 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.

2-13-2017

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 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

| | | | | OIL CONS. | div dist. 3 |
|--|---|---|--|---|--|
| . orm 3160 -3 (March 2012) | | | | | 6 2017 APPROVED io. 1004-0137 Ictober 31, 2014 |
| UNITED STATI DEPARTMENT OF THE | ES E INTERIOR | | | 5. Lease Serial No. NMSF078773 | |
| BUREAU OF LAND MA | O DRILL OF | REENTER | | 6. If Indian, Allotee | or Tribe Name |
| la. Type of work: | NTER | | | 7. If Unit or CA Agre ROSA UNIT / NMN | ement, Name and No. IM78407E |
| lb. Type of Well: Oil Well 🔽 Gas Well 🛄 Other | Si | ngle Zone 🖌 Multi | ole Zone | 8. Lease Name and ROSA UNIT 740H | Well No. |
| 2. Name of Operator WPX ENERGY LLC | | | R | 9. API Well No. | 1-31364 |
| 3a. Address 720 S Main Aztec NM 87410 | 3b. Phone No (505)333- |). (include area code) 1822 | -97 - | 10. Field and Pool, or D BASIN MANCOS C | Exploratory GAS POOL / MANC |
| Location of Well (Report location clearly and in accordance with At surface NENW / 319 FNL / 1681 FWL / LAT 36.862 At proposed prod. zone LOT 1 / 559 FNL / 660 FWL / LA | any State requiren 2483 / LONG - AT 36.861818 / | uents.*) 107.370925 LONG -107.40553 | 2 | 11. Sec., T. R. M. or B SEC 33 / T31N / R | lk.and Survey or Area 5W / NMP |
| 14. Distance in miles and direction from nearest town or post office* 38 miles | | | | 12. County or Parish RIO ARRIBA | 13. State NM |
| 15. Distance from proposed* location to nearest 319 feet property or lease line, ft. (Also to nearest drig, unit line, if any) | 16. No. of a 1920 | acres in lease | 17. Spacir 872.89 | ng Unit dedicated to this w | vell |
| Distance from proposed location* to nearest well, drilling, completed, 0 feet applied for, on this lease, ft. | 19. Propose 5500 feet | d Depth | 20. BLM/ | BIA Bond No. on file TB000178 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6492 feet | 22 Approxi | mate date work will sta | rt*) | 23. Estimated duratio 45 days | n |
| | 24. Atta | chments | | | |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office). | em Lands, the | Bond to cover t Item 20 above). Operator certifi Such other site BLM. | ttached to the he operation specific inf | us form: ons unless covered by an ormation and/or plans as | existing bond on file (may be required by th |
| 25. Signature (Electronic Submission) | Name Marie | (Printed/Typed) e Jaramillo / Ph: (50 | 333 | 08 | Date 08/30/2017 |
| File Permitting Tech III | | | | | |
| Approved by (Signature) | Name | (Printed/Typed) | | | Date 9/11/17 |
| Title AFIN | Office | MINGTON | | | 11.414 |
| Application approval does not warrant of certify that the applicant h conduct operations thereon. Conditions of approval, if any, are attached. | olds legal or equ | itable title to those right | nts in the sul | bject lease which would e | entitle the applicant to |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a States any false, fictitious or fraudulent statements or representations | a crime for any p as to any matter | person knowingly and within its jurisdiction. | willfully to r | make to any department of | or agency of the United |
| (Continued on page 2) | | | | *(Inst | ructions on page |
| ILLING OPERATIONS AUTHORIZED E SUBJECT TO COMPLIANCE WITH TACHED "GENERAL REQUIREMENTS" | | BLM'S ACTION OPERA AUTHO ON FED | APPROV DOES FOR FRO RIZATIO | VAL OR ACCEP NOT RELIEVE 1 OM OBTAINING ON REQUIRED F ND INDIAN LAT | FANCE OF THIS THE LESSEE AN ANY OTHER FOR OPERATIONDS |
| action is subject to inical and procedural review iuant to 43 CFR 3165.3 and eal pursuant to 43 CFR 3165.4 | NN | | | | |

dy de





WPX Energy

Operations Plan

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

| Date: | August 24, 2017 | Field: | Basin Mancos |
|---------------------|---------------------|-------------------|---------------------|
| Well Name: | Rosa Unit #740H | Surface: | Federal |
| SH Location: | NENW SEC 33 31N-05W | Elevation: | 6492' GR |
| BH Location: | NENW SEC 31 31N-05W | Minerals: | Federal |

Measured Depth: 17,708.84'

I. <u>GEOLOGY:</u> SURFACE FORMATION - San Jose A. FORMATION TOPS (KB)

| NAME | MD | TVD | NAME | MD | TVD |
|-----------------|----------|----------|---------------|-----------|----------|
| | | | | | |
| OJO ALAMO | 2,684.00 | 2,656.00 | MENEFEE | 5,645.00 | 5,587.00 |
| KIRTLAND | 2,805.00 | 2,775.00 | POINT LOOKOUT | 5,839.00 | 5,781.00 |
| FRUITLAND | 3,238.00 | 3,201.00 | MANCOS | 6,442.00 | 6,384.00 |
| PICTURED CLIFFS | 3,587.00 | 3,545.00 | KICKOFF POINT | 6,573.78 | 6,515.38 |
| LEWIS | 3,801.00 | 3,756.00 | TOP TARGET | 7,284.00 | 7,087.00 |
| CHACRA | 4,773.00 | 4,715.00 | LANDING POINT | 7,575.24 | 7,152.00 |
| CLIFF HOUSE | 5,587.00 | 5,529.00 | BASE TARGET | 7,575.24 | 7,152.00 |
| | | | TD | 17,708.84 | 7,132.00 |

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 ³/₄" 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. 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, equiv or < | STC |
| INTERMEDIATE | 8.75" | 6474' | 7" | 23 LBS | J-55, equiv or < | LTC |
| PRODUCTION | 6.125" | 6323.78' - 17,708.84' | 4.5" | 11.6 LBS | P-110, equiv or < | LTC |
| TIE BACK | 6.125" | Surf 6323.78' | 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. <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. A DV tool will be placed 100' above the top of the Chacra formation.

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). 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 min. 12 hours. Total Volume: (160 cu-ft/100 sx/ Bbls).TOC at Surface.

2.Intermediate STAGE 1: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 79 bbls, 225 sks, (444 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/ +/- 255 bbl Drilling mud or water. Total Cement: 97 bbls, 301 sks, (542 cuft)
 STAGE 2: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 111 bbls, 321 sks, (626 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/ +/- 146 bbl Drilling mud or water. Total Cement: 129 bbls, 406 sks, (723 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 (1008 sx /1371 cuft /244 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 238bbl Fr Water. Total Cement (1008 sx /1371bbls). 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 31 Rosa Unit #740H - Slot A1

Wellbore #1

Plan: Design #1 13Apr17 sam

Standard Planning Report

12 June, 2017

WPX

Planning Report

| Database: Company: Project: Site: Well: Well: Wellbore: Design: | CON WP> T311 Pad Rosa Welli Desi | IPASS (Energy NR5W Rosa L 31 a Unit #740H bore #1 gn #1 13Apr17 | Jnit 7 sam | | Local Co TVD Ref MD Refe North Re Survey C | Local Co-ordinate Reference: Well Rosa Unit # TVD Reference: GL @ 6492.0008 MD Reference: GL @ 6492.0008 North Reference: True Survey Calculation Method: Minimum Curvat | | | #740H (A1) - usft (Original usft (Original ature | Slot A1 Well Elev) Well Elev) |
|--|--|---|--------------------------------------|--|--|--|--|--|---|-------------------------------------|
| Project | T31N | R5W Rosa U | nit | | | | | | | |
| Map System: Geo Datum: Map Zone: | US Sta NAD 19 New Me | te Plane 1927 927 (NADCON exico West 30 | (Exact solution CONUS) 03 |) | System Da | atum: | M U | lean Sea Level sing geodetic sc | ale factor | |
| Site | Pad 3 | 1 | anninna rindhinannin | | a anticon en el tabas | | | And the second | | |
| Site Position: From: Position Uncerta | Lai ninty: | t/Long 0. | North Easti 00 usft Slot I | ning: ng: Radius: | 2,11 63 | 33,531.5 usft 35,449.6 usft 13.200 in | Latitude: Longitude: Grid Conver | gence: | | 36.862476 -107.370323 0.28 ° |
| Well | Rosa l | Jnit #740H - S | lot A1 | | | | u z oku z zegoda zna osta | | | |
| Well Position | +N/-S +E/-W | (| 0.00 usft N | orthing: asting: | | 2,133,531. 635,449.0 | 5 usft Lat 6 usft Lot | itude: ngitude: | | 36.862476 -107.370323 |
| Position Uncerta | inty | C |).00 usft W | ellhead Eleva | tion: | 0.0 | Dusft Gro | ound Level: | | 6,492.00 usft |
| Magnetics | M | IGRF2010 | Samp D | le Date 3/15/2017 | Declina (°) | ation 9.03 | Dip / (| Angle °) 63.50 | Field | Strength (nT) 50,286 |
| Design | Design | #1 13Apr17 s | am | and the second second second | 4 | and served in the server | and the second second | | | |
| Audit Notes: Version: | | | Phas | e: f | PLAN | Tie | on Depth: | | 0.00 | |
| vertical Section: | | | (usft) 0.00 | VD) | (usft) 0.00 | (u 0 | .00 | (be 26 | aring) 88.64 | |
| Plan Sections | | 1000 | | | | | | | de competencies | |
| Measured Depth li (usft) | nclination (°) | 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 1,000.00 4,510.68 | 0.00 0.00 10.00 10.00 | 0.00 0.00 111.74 111.74 | 0.00 500.00 997.47 4,454.81 | 0.00 0.00 -16.12 -241.87 | 0.00 0.00 40.43 606.71 | 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 0.00 111.74 0.00 | VP #740H |
| 6,573.78 7,575.24 17,708.84 | 0.00 90.13 90.10 | 0.00 270.10 270.10 | 6,515.38 7,152.00 7,132.00 | -257.99 -257.99 -256.92 -239.89 | 647.14 9.07 -10,124.50 | 0.00 9.00 0.00 | 0.00 9.00 0.00 | 0.00 -8.98 0.00 | 0.00 270.10 -179.66 | KOP #740H POE #740H BHL #740H |

WPX

Planning Report

| Database: Company: Project: Site: Well: Wellbore: Design: | COMPASS WPX Energy T31N R5W Rosa Unit Pad 31 Rosa Unit #740H Wellbore #1 Design #1 13Apr17 sam | Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: | Well Rosa Unit #740H (A1) - Slot A1 GL @ 6492.00usft (Original Well Elev) GL @ 6492.00usft (Original Well Elev) True Minimum Curvature | |
|---|--|---|--|--|
|---|--|---|--|--|

Planned Survey

| Measured Depth (usft) | Inclination | Azimuth | Vertical Depth (usft) | +N/-S (usft) | +E/-W | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------------|-------------|-------------|-----------------------------|-----------------|------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 0.00 | | (100011119) | 0.00 | (1011) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 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 | 0.00 | 0.00 | 500.00 | 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 |
| Start Build 2. | .00 | 444 74 | 007 17 | 10.10 | 10.10 | 10.01 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 10.00 | 111.74 | 997.47 | -16.12 | 40.43 | -40.04 | 2.00 | 2.00 | 0.00 |
| Hold 10.00 In | clination | | | 10.07 | | | | | |
| 1,500.00 | 10.00 | 111.74 | 1,489.87 | -48.27 | 121.08 | -119.90 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 10.00 | 111.74 | 1,982.27 | -80.42 | 201.73 | -199.77 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 10.00 | 111.74 | 2,474.68 | -112.58 | 282.38 | -279.64 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 10.00 | 111.74 | 2,967.08 | -144.73 | 363.03 | -359.50 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 10.00 | 111.74 | 3,459.48 | -176.88 | 443.69 | -439.37 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 10.00 | 111.74 | 3,951.89 | -209.03 | 524.34 | -519.24 | 0.00 | 0.00 | 0.00 |
| 4 500 00 | 10.00 | 111 74 | 4 444 29 | -241 19 | 604 99 | -599 11 | 0.00 | 0.00 | 0.00 |
| 4 510 68 | 10.00 | 111 74 | 4 454 81 | -241.87 | 606 71 | -600.81 | 0.00 | 0.00 | 0.00 |
| Start Drop 2 | 00 | 111.74 | 4,404.01 | -241.07 | 000.71 | 000.01 | 0.00 | 0.00 | 0.00 |
| 5 000 00 | 0.21 | 111 74 | 4 941 60 | 257 09 | 647 12 | 640.92 | 2.00 | 2.00 | 0.00 |
| 5,000.00 | 0.21 | 0.00 | 4,941.00 | -257.90 | 647.12 | -040.03 | 2,00 | -2.00 | 0.00 |
| 5,010.00 | 0.00 | 0.00 | 4,852.20 | -257.89 | 047.14 | -040.05 | 2.00 | -2.00 | 0.00 |
| Vertical | 0.00 | 0.00 | 5 444 00 | 057.00 | | 010.05 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 0.00 | 0.00 | 5,441.60 | -257.99 | 647.14 | -640.85 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 0.00 | 0.00 | 5,941.60 | -257.99 | 647.14 | -640.85 | 0.00 | 0.00 | 0.00 |
| 6,473.00 | 0.00 | 0.00 | 6,414.60 | -257.99 | 647.14 | -640.85 | 0.00 | 0.00 | 0.00 |
| 7" | | | | | | | | | |
| 6,500,00 | 0.00 | 0.00 | 6,441,60 | -257.99 | 647,14 | -640.85 | 0.00 | 0.00 | 0.00 |
| 6.573.78 | 0.00 | 0.00 | 6,515,38 | -257.99 | 647.14 | -640.85 | 0.00 | 0.00 | 0.00 |
| KOP DI S 9 0 | TEO 270 10 | | | | | | | | |
| 7 000 00 | 38.36 | 270 10 | 6 910 46 | -257 76 | 509 72 | -503 47 | 9.00 | 9.00 | 0.00 |
| 1,000.00 | 00.00 | 270.10 | 0,010.40 | 201.10 | 000.72 | 000.47 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 83.36 | 270.10 | 7,147.73 | -257.04 | 84.14 | -78.03 | 9.00 | 9.00 | 0.00 |
| 7,575.24 | 90.13 | 270.10 | 7,152.00 | -256.92 | 9.07 | -2.98 | 9.00 | 9.00 | 0.00 |
| POE at 90.13 | Inclination | | | | | | | | |
| 8,000.00 | 90.13 | 270.10 | 7,151.04 | -256.20 | -415.69 | 421.64 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 90.13 | 270.10 | 7,149.92 | -255,36 | -915.69 | 921.48 | 0.00 | 0.00 | 0.00 |
| 9,000.00 | 90.13 | 270.10 | 7,148.82 | -254.52 | -1,415.69 | 1,421.32 | 0.00 | 0.00 | 0.00 |
| 9,500.00 | 90,12 | 270.10 | 7.147.73 | -253.68 | -1,915.69 | 1,921,16 | 0.00 | 0.00 | 0.00 |
| 10,000.00 | 90.12 | 270.10 | 7,146.65 | -252.84 | -2,415.68 | 2,421.00 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 90.12 | 270.10 | 7,145.60 | -252.00 | -2,915.68 | 2,920.83 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 90.12 | 270.10 | 7,144.55 | -251.16 | -3,415.68 | 3,420.67 | 0.00 | 0.00 | 0.00 |
| 11,500.00 | 90.12 | 270.10 | 7,143.52 | -250.32 | -3,915.68 | 3,920.51 | 0.00 | 0.00 | 0.00 |
| 12 000 00 | 00.12 | 270 10 | 7 142 51 | -240 48 | 4 415 69 | 4 420 35 | 0.00 | 0.00 | 0.00 |
| 12,000.00 | 90.12 | 270.10 | 7 144 54 | -248.40 | -4,415.00 | 4,420.33 | 0.00 | 0.00 | 0.00 |
| 13,000.00 | 90.11 | 270.10 | 7 140 53 | -240.04 | -4,010.00 | 5 420 02 | 0.00 | 0.00 | 0.00 |
| 13,500.00 | 90.11 | 270.10 | 7 139 56 | -247.00 | -5,415.07 | 5,919.86 | 0.00 | 0.00 | 0.00 |
| 14 000 00 | 90.11 | 270 10 | 7 138 61 | -246 12 | -6 415 67 | 6,419,70 | 0.00 | 0.00 | 0.00 |
| 14,000,00 | 00.11 | 210.10 | 1,100.01 | 210.12 | -0,-110.07 | 0,410.10 | 0.00 | 0.00 | 0.00 |
| 14,500.00 | 90.11 | 270.10 | 7,137.67 | -245.28 | -6,915.67 | 6,919.54 | 0.00 | 0.00 | 0.00 |
| 15,000.00 | 90.11 | 270.10 | 7,136.74 | -244.44 | -7,415.67 | 7,419.38 | 0.00 | 0.00 | 0.00 |
| 15,500.00 | 90.10 | 270.10 | 7,135.83 | -243.60 | -7,915.67 | 7,919.21 | 0.00 | 0.00 | 0.00 |
| 16,000.00 | 90.10 | 270.10 | 7,134.94 | -242.76 | -8,415.66 | 8,419.05 | 0.00 | 0.00 | 0.00 |
| 16,500.00 | 90.10 | 270.10 | 7,134.06 | -241.92 | -8,915.66 | 8,918.89 | 0.00 | 0.00 | 0.00 |
| 17,000.00 | 90.10 | 270.10 | 7,133.20 | -241.08 | -9,415.66 | 9,418,73 | 0.00 | 0.00 | 0.00 |
| 17,500.00 | 90,10 | 270.10 | 7.132.35 | -240.24 | -9,915,66 | 9,918,57 | 0.00 | 0.00 | 0.00 |
| 17,708.84 | 90.10 | 270.10 | 7,132.00 | -239.89 | -10,124.50 | 10,127.35 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |

6/12/2017 11:33:25AM

COMPASS 5000.1 Build 78

WPX

Planning Report

| Design: | Design #1 13Apr17 sam | | |
|-----------|-----------------------|------------------------------|---------------------------------------|
| Wellbore | Wellbore #1 | | |
| Well: | Rosa Unit #740H | Survey Calculation Method: | Minimum Curvature |
| Site: | Pad 31 | North Reference: | True |
| Project: | T31N R5W Rosa Unit | MD Reference: | GL @ 6492.00usft (Original Well Elev) |
| Company: | WPX Energy | TVD Reference: | GL @ 6492.00usft (Original Well Elev) |
| Database: | COMPASS | Local Co-ordinate Reference: | Well Rosa Unit #740H (A1) - Slot A1 |

| Design largets | | | | | | | | | |
|---|------------------|----------------------|---------------|-----------------|-----------------|--------------------|-------------------|-----------|-------------|
| 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 |
| VP #740H - plan hits target cen - Point | 0.00 ter | 0.00 | 4,952.28 | -257.99 | 647.14 | 2,133,276.7 | 636,097.9 | 36.861767 | -107.368111 |
| KOP #740H - plan hits target cent - Point | 0.00 ter | 0.00 | 6,515.38 | -257.99 | 647.14 | 2,133,276.7 | 636,097.9 | 36.861767 | -107.368111 |
| BHL #740H - plan hits target cent - Point | 0.00 ter | 0.00 | 7,132.00 | -239.89 | -10,124.50 | 2,133,242.6 | 625,327.0 | 36.861812 | -107.404929 |
| POE #740H - plan hits target cent - Point | 0.00 ter | 0.00 | 7,152.00 | -256.92 | 9.07 | 2,133,274.7 | 635,459.9 | 36.861770 | -107.370292 |

| Casing Points | | | | | | | |
|---------------|----------|----------|--------|------|----------|----------|--|
| | Measured | Vertical | | | Casing | Hole | |
| | Depth | Depth | | | Diameter | Diameter | |
| | (usft) | (usft) | | Name | (in) | (in) | |
| | 320.00 | 320.00 | 9 5/8" | | 9,625 | 13.500 | |
| | 6,473.00 | 6,414.60 | 7" | | 7.000 | 8.500 | |

Plan Annotations

| 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 |
| 1,000.00 | 997.47 | -16.12 | 40.43 | Hold 10.00 Inclination |
| 4,510.68 | 4,454.81 | -241.87 | 606.71 | Start Drop -2.00 |
| 5,010.68 | 4,952.28 | -257.99 | 647.14 | Vertical |
| 6,573.78 | 6,515.38 | -257.99 | 647.14 | KOP DLS 9.00 TFO 270.10 |
| 7,575.24 | 7,152.00 | -256.92 | 9.07 | POE at 90.13 Inclination |
| 17,708.84 | 7,132.00 | -239,89 | -10,124.50 | TD at 17708.84 |



Topsoil removal, storage, and protection are described in detail in the Surface Reclamation Plan (Appendix A).

Construction of the proposed Rosa Unit Pad 31 Project would be accomplished utilizing native borrow and subsoils within the project area. If additional construction or surfacing material is needed and is economically viable, it would be obtained from a permitted location. The Natural Resources Conservation Service (NRCS) has mapped the soils in the proposed Rosa Unit Pad 31 Project area. Complete soil information is available in the NRCS's *Soil Survey of Carson National Forest, New Mexico, Part of Rio Arriba County* (USDA/NRCS 2016). The soil map units within the proposed project area footprint are described in the sections below.

A. Vessilla-Menefee-Orlie complex, 1 to 30 percent slopes

This soil map unit is located throughout the majority of the project area. The area is characterized by a gently sloped mesa top. Excavated soils during construction and balancing of the well pad would consist of native borrow and subsoils from the Vessilla-Menefee-Orlie complex, 1 to 30 percent slopes. A brief description of this soil can be found below.

The Vessilla-Menefee-Orlie complex is composed of 45 percent Vessilla and similar soils, 25 percent Meneffee and similar soils, 20 percent Orlie and similar soils, and 10 percent other minor components. The parent material of Vessilla soils is alluvium derived from sandstone and/or eolian deposits derived from sandstone and/or residuum weathered from sandstone. Vessilla soils occur on 1-30 percent slopes, are well drained, and have a depth to restrictive lithic bedrock at 6 to 20 inches. The parent material of Menefee soils is residuum weathered from shale and/or slope alluvium derived from shale. Menefee soils occur on 2-30 percent slopes, are well drained, and have a depth to restrictive lithic bedrock at more than 8 to 20 inches. The parent material of Orlie loam soils is alluvium derived from sandstone and shale and/or eolian deposits derived from sandstone and shale. Orlie soils occur on 1-8 percent slopes, are well drained, and have a depth to restrictive lithic bedrock at more than 80 inches. Landforms associated with this soil are mesas and hillslopes (USDA/NRCS 2016).

7. METHODS FOR HANDLING WASTE

A. Cuttings

- Drilling operations would utilize a closed-loop system. Drilling of the horizontal laterals would be accomplished with water-based mud. All cuttings would be placed in roll-off bins and hauled to a commercial disposal facility, land farm, or WPX permitted cutting disposal. WPX would follow Onshore Oil and Gas Order No. 1 regarding the placement, operation, and removal of closed-loop systems. No blow pit would 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 would be adequately sized for containment of all fluids.
- B. Drilling Fluids
 - 1 Drilling fluids would be stored onsite in above-ground storage tanks. Upon termination of drilling operations, the drilling fluids would be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical. All residual fluids would be hauled to a commercial disposal facility.
- C. Spills

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

in Bloomfield, NM to WPX Energy Production, LLC Rosa Unit #740H

319' FNL & 1681' FWL, Section 33, T31N, R5W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.862483°N Longitude: 107.370925°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 Right (North easterly) which is straight for 0.7 miles to fork in roadway;

Go Right (South-easterly) for 1.3 miles to begin proposed access on left-hand side of Forest Road #309 which continues for 417.3' to staked WPX Rosa Unit #740H location.



