State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy 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 <u>3160-5</u> form. Operator Signature Date: **Original APD 9/28/2015** Sundry Extension Date 1/2/2018

			frmWellFi	lterSul	b							
API WELL #	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng W/E
30-045-35719- 00-00	W ALAMITO UNIT		WPX ENERGY PRODUCTION, LLC	0	N	San Juan	F	F	12	22	N	8 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,
- O 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 recompletions operations.

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd January 11, 2018 Page 2

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.

Comply with current regulations at time of spud Prior to production operator needs to be in compliance with RULE 19.15.5.9

Katheric Below

NMOCD Approved by Signature

<u>1/10/18</u> Date

(June 2015)	UNITED STA	TES		FORM APPROVED
(June 2015)	DEPARTMENT OF TH			OMB No. 1004-0137 Expires: January 31, 2018
	BUREAU OF LAND MA		5. Lease Seria	1 , ,
SUM	RY NOTICES AND RE	PORTS ON WELLS	NMNM117	143 Allottee or Tribe Name
		s to drill or to re-enter a		moure of the Name
		(APD) for such proposa		
SUBI 1. Type of Well	IIT IN TRIPLICATE - Other in	structions on page 2	7. If Unit of C NMNM1	A/Agreement, Name and ODAS, DIV DIS 33613X
⊠Oil Well	Gas Well Othe	er	8. Well Name W Alamito I	
2. Name of Operator WPX Energy Production, LLC			9. API Well N 30-045-357	
3a. Address		3b. Phone No. (include area co		Pool or Exploratory Area
PO Box 640 Aztec, NM 87	410	505-333-1816	Alamito Ma	ncos W
4. Location of Well <i>(Footage, Se</i> SHL: 1944' FNL & 1850' FW BHL: 330' FSL & 2250' FWL		on)	11. Country o San Juan, Ni	r Parish, State M
12.	CHECK THE APPROPRIATE	E BOX(ES) TO INDICATE NATU	RE OF NOTICE, REPORT (OR OTHER DATA
TYPE OF SUBMISSION	[TY	PE OF ACTION	
Notice of Intent	Acidize	Deepen	Production (Start/Res	ume)
	Alter Casing	Hydraulic Fracturing	Reclamation	Well Integrity
Subsequent Report	Casing Repair	New Construction	Recomplete	Other <u>APD Extension</u>
Final Abandonment Notice		Plug and Abandon	Temporarily Abandon	1
	Convert to Injection	Plug Back	Water Disposal	
. Describe Proposed or Completed	Operation: Clearly state all pertinent of	letails, including estimated starting date	of any proposed work and appro	ximate duration thereof. If the proposal is to deepen
directionally or recomplete horizo provide the Bond No. on file with completion or recompletion in a r reclamation, have been completed is ready for final inspection.)	ntally, give subsurface locations and n BLM/BIA. Required subsequent rep lew interval, a Form 3160-4 must be and the operator has detennined that	letails, including estimated starting date measured and true vertical depths of all p orts must be filed within 30 days follow filed once testing has been completed. F	pertinent markers and zones. Atta ring completion of the involved i inal Abandonment Notices must	ach the Bond under which the work will be perfonned operations. If the operation results in a multiple be filed only after all requirements, including
directionally or recomplete horizo provide the Bond No. on file with completion or recompletion in a r reclamation, have been completed is ready for final inspection.)	ntally, give subsurface locations and n BLM/BIA. Required subsequent rep lew interval, a Form 3160-4 must be and the operator has detennined that	letails, including estimated starting date measured and true vertical depths of all p orts must be filed within 30 days follow filed once testing has been completed. F t the site	pertinent markers and zones. Atta ring completion of the involved i inal Abandonment Notices must	ach the Bond under which the work will be perfonned operations. If the operation results in a multiple to be filed only after all requirements, including RECEIVED
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