

February 29, 2012

Assistant District Manager, Minerals Bureau of Land Management Farmington Resource Area 1235 LaPlata Highway Farmington, New Mexico 87401 Commissioner of Public Lands State of New Mexico P. O. Box 1148 Santa Fe, New Mexico 87504-1148

Oil Conservation Commission State of New Mexico 1220 South St. Francis Drive Santa Fe, New Mexico 87505-4000

Re: Cox Canyon Unit I, Sec. No. 946 San Juan County, New Mexico 2012 Plan of Development

Gentlemen:

By letter dated January 10, 2011 WPX Energy Production, LLC (f/k/a Williams Production Company, LLC), as Cox Canyon Unit Operator, filed the 2011 Plan of Development for the referenced Unit. WPX Energy Production, LLC did not propose any wells under the 2011 Cox Canyon Plan of Development.

The Participating Areas, which have been established in the Cox Canyon Unit, are as follows:

<u>Formation</u> Pictured Cliffs Mesaverde Fruitland Coal

<u>Revision</u> s Fifth Initial l First <u>Effective</u> October 1, 1977 July 20, 1953 November 1, 1990

Attached are maps of each of the producing formations within the Cox Canyon Unit showing the boundaries of the Participating Areas as applicable. The Cox Canyon #14C PC and Cox Canyon #24 PC wells were plugged and abandoned in 2011. The Cox Canyon #9B MV/DK well was commingled in 2011.

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Pursuant to Section 10 the Cox Canyon Unit Agreement, WPX Energy Production, LLC, as Unit Operator, proposes that no wells will be drilled within the Cox Canyon Unit during 2012. WPX Energy Production, LLC, as Unit Operator, will drill any offset wells that may be required to prevent drainage of unitized substances and any other wells deemed necessary or which are requested by the Unit Operator or Working Interest Owners.

If this Plan of Development is acceptable, please signify your approval, as required under Section 10 of the Unit Agreement, in the space provided on the enclosed sheet and return an approved copy to Williams Production Company.

Copies of this Plan of Development are being sent to the Working Interest Owners as shown on the enclosed sheet.

Sincerely,

Brennan West

Landman WPX Energy Production, LLC

Enclosures

cc: Working Interest Owners Ken McQueen Bobby Goodwin Kris Russell Bryan Holmes Sean Brezas Barb Pickup Kirk Place Heather Riley Cox Canyon 2012 Plan of Development February 29, 2012

APPROVED:

Assistant District Manager, Minerals Bureau of Land Management Subject to like approval by the Commissioner of Public Lands and The Oil Conservation Commission

APPROVED:

Commissioner of Public Lands Subject to like approval by the Area Oil and Gas Supervisor and The Oil Conservation Commission

APPROVED:

Mai

Oil Conservation Commission Subject to like approval by the Area Oil and Gas Supervisor and The Commissioner of Public Lands DATE:

DATE:

DATE: 3/6/2012

The foregoing approvals are for the 2012 Plan of Development for the Cox Canyon Unit I, Sec. No. 946, San Juan County, New Mexico.

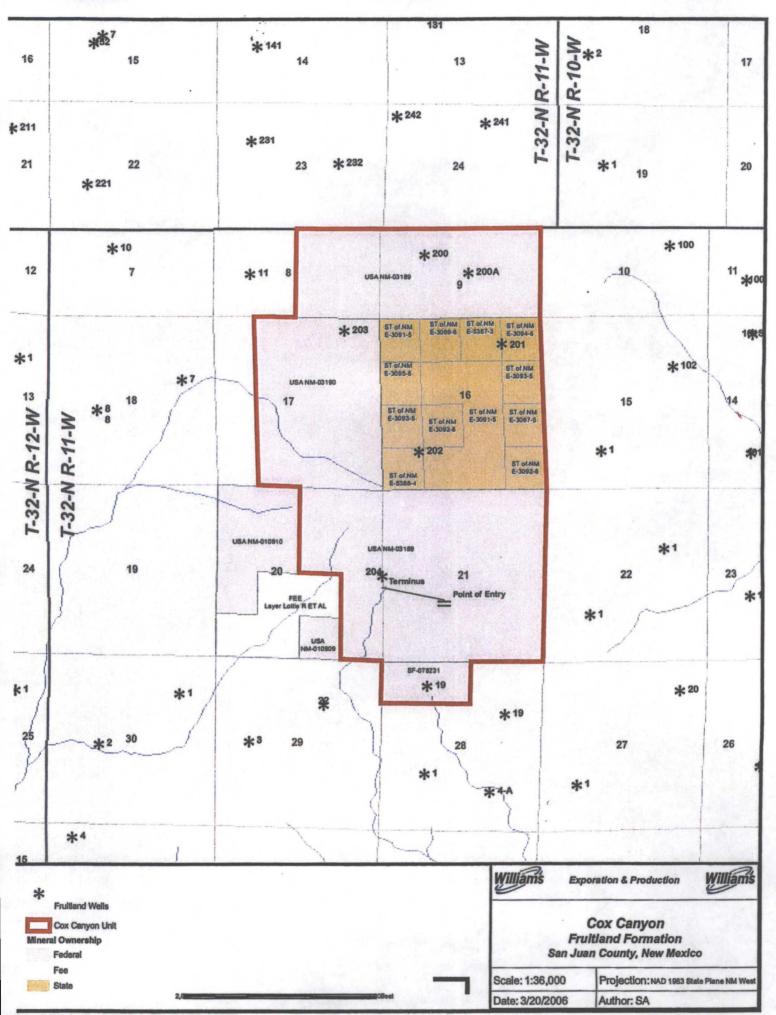
Cox Canyon 2012 Plan of Development February 29, 2012

WORKING INTEREST OWNERS COX CANYON UNIT

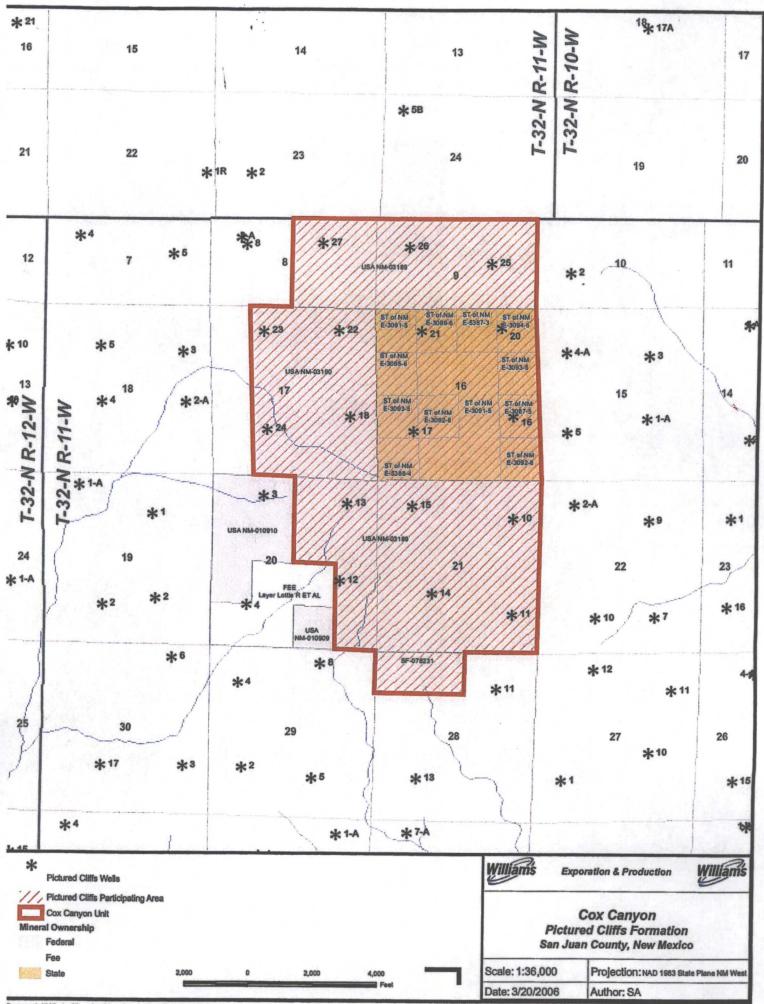
BP America Production Company Attn: Craig Carley 501 Westlake Park Boulevard (77079) P.O. Box 3092 Houston, TX 77253-3092

Burlington Resources Attn: Land Department P. O. Box 4289 Farmington, NM 87499-4289

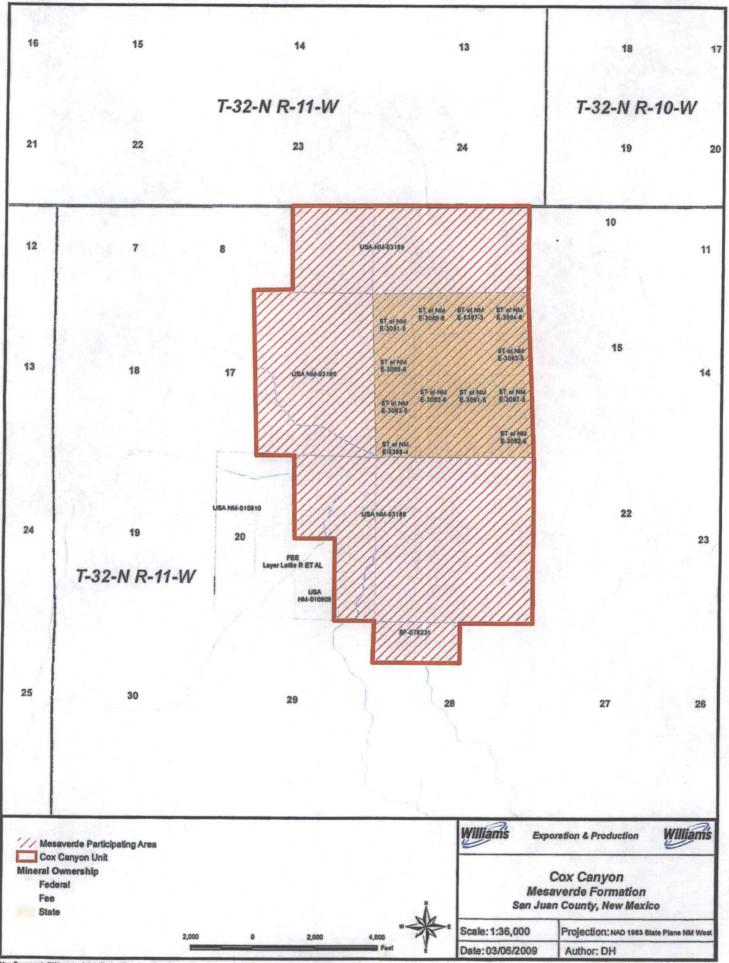
ConocoPhillips Company Attn: Land Department P. O. Box 4289 Farmington, NM 87499-4289



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