

WPX Energy Production, LLC
One Williams Center, MD 44
Tulsa, Oklahoma 74101-3102

12:13921
C:15281



April 16, 2015

Bureau of Land Management (4 copies)
Assistant Field Manager, Minerals
Mr. David J. Mankiewicz
6251 College Blvd., Suite A
Farmington, New Mexico 87402

State of New Mexico (2 copies)
Commissioner of Public Lands
Attn: Mr. Pete Martinez
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico (2 copies)
Oil Conservation Division
Attn: Engineering Bureau
1200 South St. Francis Drive
P.O. Box 2308
Santa Fe, New Mexico 87504-2308

RECEIVED OGD
2015 APR 22 A 10:36

Re: Northwest Lybrook Unit, NMNM 133482X
Rio Arriba and San Juan Counties, New Mexico
NOTICE OF PAYING (COMMERCIAL) WELL DETERMINATION
Unitized (Mancos) Formations

Dear Mr. Mankiewicz, Mr. Martinez and Engineering Bureau:

Pursuant to the provisions of the Unit Agreement for the Development and Operation of the Northwest Lybrook Unit, WPX Energy Production, LLC, as Unit Operator, has determined the initial test well (Chaco 2408-36P #143H; API: 30-045-35474) is capable of producing unitized substances in paying quantities from the unitized formations. Data and analysis is attached for your consideration.

WPX Energy Production, LLC is seeking approval of the paying (commercial) well determination. Approval by the Bureau of Land Management, authorized officer and New Mexico Commissioner of Public Lands, for the determination considering this well capable of producing in paying quantities (to-wit: quantities sufficient to repay the costs of drilling, completing, and producing operations, with a reasonable profit) will satisfy the Northwest Lybrook Unit Agreement requirement for validation.

Upon receipt of Bureau of Land Management approval and concurring response from the Commissioner of Public Lands, a formal Participating Area Schedule will be prepared and submitted. This submission will be for a fully expanded Unit Participating Area (not just for the commercial well).

Copies of this letter are being sent to the unit working interest owner on the attached sheet. If you have any questions or need any additional information, please contact the undersigned at (539) 573-4684.

Respectfully yours,

Mark Beach
Mark Beach
Division Order Team Lead

BLM Assistant Field Manager, Minerals
NM Commissioner of Public Lands
April 16, 2015

APPROVED _____ DATE _____
Authorized Officer, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Authorized Officer, Minerals for the
Bureau of Land Management

The foregoing is the approval for the paying (commercial) well determination submission dated April 16, 2015, for the initial well in the unitized formations.

Copies to Northwest Lybrook Unit WI Owner:

SFF Production LLC

303 W. Wall Street, Suite 2300

Midland, TX 78701

April 8, 2015

The CHACO 2408-36P #143H LYBROOK GALLUP Formation Well (commercial)

is located 782 feet from the South Line and 244 feet from the East Line, Section 36 Township 24 North, Range 8 West, N.M.P.M., San Juan County, New Mexico. This well was spud on September 21, 2013 and completed in the Lybrook Gallup formation on November 4, 2013. The Gallup formation was completed between the following depths: 6,153' to 10,392' MD. This well has a 2.375" tubing string. This well was shut in with a SICP of 420 psig. On November 27, 2013 the well was tested and after flowing for 24 hours through a 1" choke on the 2.375" tubing, the well gauged 446 Bbl Oil and 266 Bbl Water.

Based on the historic and projected production, the lease operating expenses, and the oil, gas, and ngl price, this well is expected to have a Before Tax Rate of Return (BTAXROR) of 9.97% and is therefore determined commercial.

Attached to this document are the following:

- ARIES economic model output including oil, gas, and ngl price assumptions
- Historic production plot with forecast
- Well-bore schematic
- State of NM Form C-104
- BLM Form 1004-0137 (Well Completion Report)

Evaluating Engineer



Marcia Brueggenjohann
Manager, Reservoir Engineering
WPX ENERGY Inc., San Juan Basin Unit

NW LYBROOK UT #143H | 1PDP | GALLUP | N5EIO1XURM | 62367400
Filtered by Scenario: SJB-OP-PostAudit

Titles

@PROPID: @M.PROPID RSV CAT: @M.RESERVE_CATEGORY	BASE
WELL NAME: @M.WELL_NAME	BASE
FIELD: @M.FIELD	BASE
CNTY: @M.BHL_COUNTY ST: @M.STATE	BASE
RESERVOIR: @M.RESERVOIR	BASE
OPERATOR: @M.OPERATOR	BASE

Miscellaneous

BTU @M.BTU	BASE
WELLS 1 0.	BASE
SHRINK @M.SHRINK_PLANT	BASE
LOSS NO	

Production

START 12/2013	SJ_OP_POST
OIL 692.169 X B/D 5 EXP B/1.4000 92.599	SJ_OP_POST
" X 5.00000 B/D X YRS EXP 5	SJ_OP_POST
START 12/2013	SJ_OP_POST
GAS 400 X M/D 30 YRS EXP 3	SJ_OP_POST
NGL/GAS 144 B/MM TO LIFE LIN TIME	SJ_OP_POST

Prices

SIDFILE SJB_15ACT_COMMERCIAL	SJ_OP_POST
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Expenses

STX/OIL 8.3468 X % TO LIFE PC 0	SJ_OP_POST
STX/GAS 9.1468 X % TO LIFE PC 0	SJ_OP_POST
OPC/T 13561.10 13561.1 \$/M 2015.2 AD PC 0	SJ_OP_POST
" 6000 6000 \$/M TO LIFE PC 0	SJ_OP_POST
GTC/GAS @M.GATHERING_FEE X \$/M TO LIFE PC 0	SJ_OP_POST
FLU/REV @M.FLU_SHRINK X FRAC TO LIFE PC 0	SJ_OP_POST
STX/NGL 9.1468 X % TO LIFE PC 0	SJ_OP_POST
GPC/REV .14 X FRAC TO LIFE PC 0	SJ_OP_POST
OPC/OIL 0 X \$/B 2015.2 AD PC 0	SJ_OP_POST
" 4.7 X \$/B TO LIFE PC 0	SJ_OP_POST

Ownership

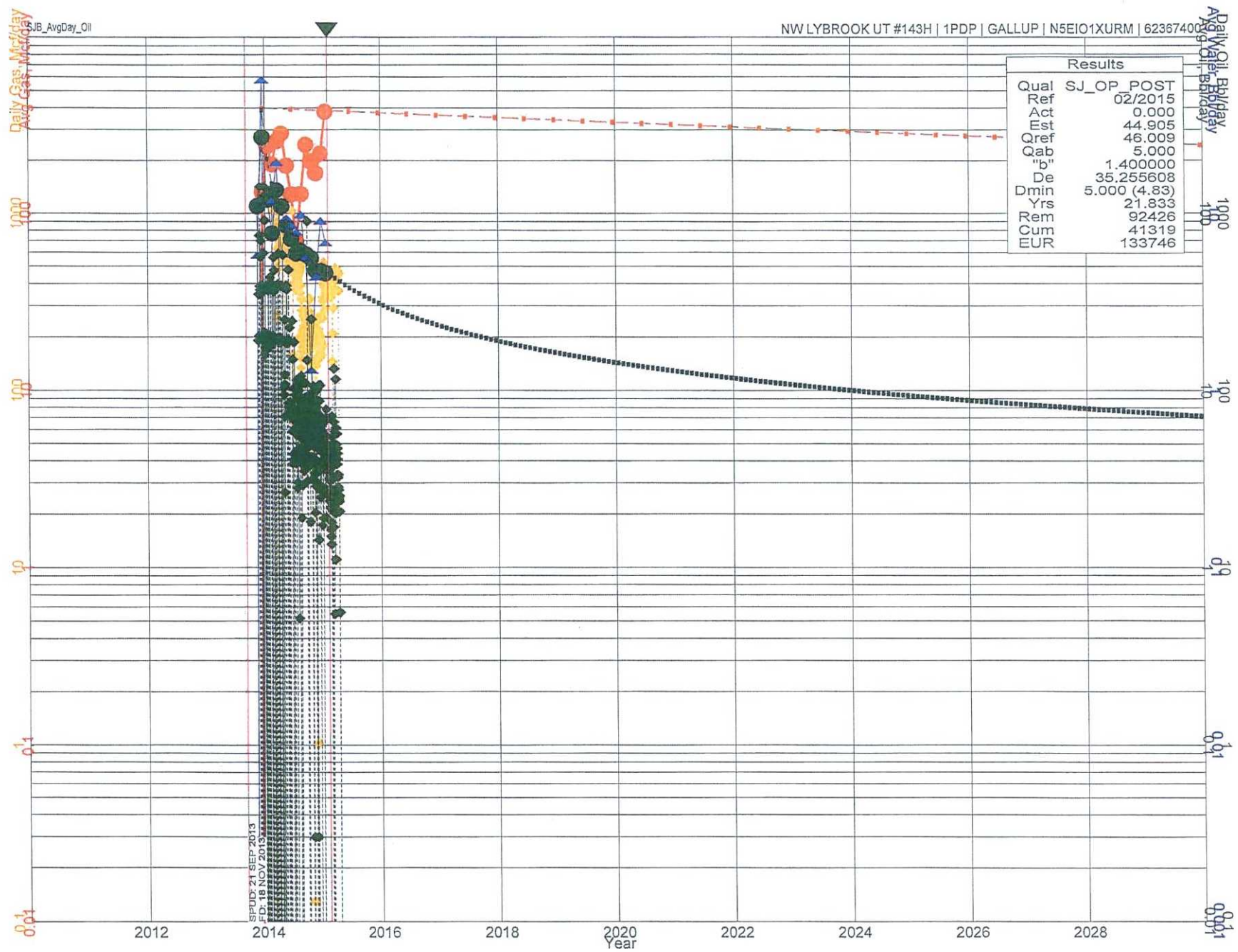
NET @M.WI @M.NRI @M.NRI FRAC	BASE
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Investments

DRILL 968.71 968.71 M\$G 10/2013 AD PC 0	SJ_OP_POST
COMPL 2159.65 2159.65 M\$G 11/2013 AD PC 0	SJ_OP_POST

Overlays

LOAD MP.OIL OIL 11/2013 03/2015 #	SJ_OP_POST
LOAD MP.GAS GAS 12/2013 03/2015 #	SJ_OP_POST



QPROPID: RSV CAT: IPDP
WELL NAME: NW LYBROOK UT #143H
FIELD: LYBROOK GALLUP
CNTY: SAN JUAN ST: NM
RESERVOIR: GALLUP
OPERATOR: WPX

Date: 04/08/2015
Time: 12:52:00
DBS: SJB
Settings: SETDATA_EL
Scenario: SJB-OP-PostAudit

COMBINED INPUT DATA

INITIAL CALCULATED DATA

KEYWORD & Ref. Code	Beginning	Ending Rates	Schedule Limit	Method & Value	Ultimate @	End Pt.	Init. Deff	Init. Rate	Final Rate
400 START	12/2013								
401 OIL	692.17	X B/D	5.00 EXP	B/1.4000 92.60	117.874	10/2027	92.5990	21053.	242.
402 "	X	5.00 B/D	X YRS	EXP 5.00	138.940	11/2036	5.0000	242.	152.
403 START	12/2013								
404 GAS	400.00	X M/D	30.00 YRS	EXP 3.00	2871.151	11/2043	2.9999	12167.	4879.
405 NGL/GAS	144.00	144.00 B/MM	TO LIFE	LIN TIME		11/2036			
500 PRI/GAS	12/2013 3.3	2.19 2.11 2.81 #/M				3/2014			
501 "	X 4.16	4.09 3.89 4.17 #/M				7/2014			
502 "	X 3.87	3.67 4.5 4.38 #/M				11/2014			
503 "	X 5.62	2.83 2.88 2.61 #/M				3/2015			
504 "	X 2.44	2.46 2.51 2.61 #/M				7/2015			
505 "	X 2.63	2.62 2.63 2.77 #/M				11/2015			
506 "	X 2.92	3.09 3.08 2.98 #/M				3/2016			
507 "	X 2.81	2.8 2.83 2.91 #/M				7/2016			
508 "	X 2.92	2.9 2.91 3.05 #/M				11/2016			
509 "	X 3.24	#/M				12/2016			
510 "	X 2.96	3.26 3.43 3.51 #/Y				12/2020			
511 "	X 3.62	3.74 3.88 4.01 #/Y				12/2024			
512 "	X 4.11	4.2 4.32 4.32 #/Y				12/2028			
513 "	4.32	X \$/M	TO LIFE	PC 0.00		9/2032		4.320	4.320
514 PRI/OIL	11/2013 101.71	101.87 95.35 95.35 #/M				2/2014			
515 "	X 95.35	94.62 94.62 94.62 #/M				6/2014			
516 "	X 96.01	96.01 96.01 96.01 #/M				10/2014			
517 "	X 96.01	96.01 94.99 94.99 #/M				2/2015			
518 "	X 94.99	94.99 94.99 94.99 #/M				6/2015			
519 "	X 94.75	94.75 94.75 94.75 #/M				10/2015			
520 "	X 94.75	94.75 62.04 62.04 #/M				2/2016			
521 "	X 62.04	62.04 62.04 62.04 #/M				6/2016			
522 "	X 62.04	62.04 62.04 62.04 #/M				10/2016			
523 "	X 62.04	62.04 #/M				12/2016			
524 "	X 62.04	62.04 62.04 62.04 #/Y				12/2020			
525 "	X 62.04	62.04 62.04 62.04 #/Y				12/2024			
526 "	X 62.04	62.04 62.04 62.04 #/Y				12/2028			
527 "	62.04	X \$/B	TO LIFE	PC 0.00		9/2032		62.040	62.040
528 PRI/NGL	12/2013 31.37	37.47 36.35 26.33 #/M				3/2014			
529 "	X 24.25	23.73 23.88 29.87 #/M				7/2014			
530 "	X 26.78	29.26 25.66 23.02 #/M				11/2014			
531 "	X 14.94	11.19 13.02 13.02 #/M				3/2015			
532 "	X 13.02	13.02 13.02 13.02 #/Y				3/2019			
533 "	X 13.02	13.02 13.02 13.02 #/Y				3/2023			
534 "	X 13.02	13.02 13.02 13.02 #/Y				3/2027			
535 "	13.02	X \$/B	TO LIFE	PC 0.00		9/2032		13.020	13.020
600 STX/OIL	8.35	X	TO LIFE	PC 0.00		9/2032		0.083	0.083
601 STX/GAS	9.15	X	TO LIFE	PC 0.00		9/2032		0.091	0.091
602 OPC/T	13561.10	13561.10 \$/M	2015.20 AD	PC 0.00		11/2013		13561.100	13561.100
603 "	6000.00	6000.00 \$/M	TO LIFE	PC 0.00		11/2036		6000.000	0.091
604 GTC/GAS	0.96	X \$/M	TO LIFE	PC 0.00		9/2032		0.960	0.960
605 FLU/REV	0.07	X FRAC	TO LIFE	PC 0.00		9/2032		0.065	0.065
606 STX/NGL	9.15	X	TO LIFE	PC 0.00		9/2032		0.091	0.091
607 GPC/REV	0.14	X FRAC	TO LIFE	PC 0.00		9/2032		0.140	0.140
608 OPC/OIL	0.00	X \$/B	2015.20 AD	PC 0.00		2/2015			
609 "	4.70	X \$/B	TO LIFE	PC 0.00		9/2032		4.700	4.700
705 LSE/WI	1.0000	D FRAC	TO LIFE	FLAT 0.00		11/2036		1.000	1.000
720 NET/OIL	0.8150	D FRAC	TO LIFE	FLAT 0.00		11/2036		0.815	0.815
740 NET/GAS	0.8150	D FRAC	TO LIFE	FLAT 0.00		11/2036		0.815	0.815
OVERLAYS	Beginning	Ending Rates	Schedule Limit	Method & Value	Ultimate @	End Pt.	Init. Deff	Init. Rate	Final Rate
900 OIL	11/2013 3289.951	8407.993 3696.371 2156.473 #			17.551	2/2014			
901 "	X 4203.672	3290.737 2642.367 2142.136 1832.93 #			31.663	7/2014			
902 "	X 1889.336	1755.143 1722.782 1417.211 1454.169 #			39.901	12/2014			
903 "	X 1418.143	871.231 #			42.191	2/2015			

904 GAS	12/2013 4114 7493 5370 8017 8611 5841 3854 2206 #	45.506	7/2014
905 "	X 4013.74 7402.47 6179.41 5134.08 6814.65 11849.42 #	86.900	1/2015
906 "	X 9575.95 #	96.476	2/2015

INVESTMENTS	Tangible	Intang Units	Invest. Point	Method & Value	Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 DRILL	968.71	968.71 MSG	10/2013 AD	PC 0.00	1937.420	10/2013	0	1937.4	1937.4
801 COMPL	2159.65	2159.65 MSG	11/2013 AD	PC 0.00	4319.300	11/2013	0	4319.3	4319.3

MISCELLANEOUS DATA PARAMETERS

201 BTU	1.01	
202 WELLS	1.00	0.00
203 SHRINK	0.65	
204 LOSS	NO	

RUN SETTINGS

Base Date	: 01/2013	Time Frames	: 60*1,14*12		
P.W. Date	: 10/2013	Primary PW%	: 10.0	Discount Freq.	: MID
Report Date	: 10/2013				
Qualifiers	Prod = SJ_OP_POST	Price = SJ_OP_POST	Cost = SJ_OP_POST	Owner = BASE	
	Title = BASE	Misc = BASE	Invest = SJ_OP_POST	Overlay = SJ_OP_POST	

BACKUP PARAMETERS USED

NET/NGL	NET/GAS
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@PROPID: RSV CAT: 1PDP
WELL NAME: NW LYBROOK UT #143H
FIELD: LYBROOK GALLUP
CNTY: SAN JUAN ST: NM
RESERVOIR: GALLUP
OPERATOR: WEX

DATE : 04/08/2015
TIME : 12:52:00
DBS : SJB
SETTINGS : SETDATA_EL
SCENARIO : SJB-OP-PostAudit

RESERVES AND ECONOMICS

EFFECTIVE DATE: 10/2013

--END-- MO-YEAR	GROSS PRODUCTION				NET PRODUCTION				PRICES		NO. OF WELLS	OPERATIONS, M\$		
	OIL,	MBBL	GAS,	MMCF	OIL,	MBBL	GAS,	MMCF	OIL \$/B	GAS \$/M		OIL REVENUE	GAS REVENUE	TOTAL REVENUE
10-2013	0.000		0.000		0.000		0.000		0.00	0.000	0.0	0.000	0.000	0.000
11-2013	3.290		0.000		0.000		0.000		0.00	0.000	1.0	0.000	0.000	0.000
12-2013	8.408		4.114		6.853		2.179		101.87	3.333	1.0	698.066	7.264	750.065
01-2014	3.696		7.493		3.013		3.969		95.35	2.212	1.0	287.246	8.780	349.325
02-2014	2.156		5.370		1.758		2.845		95.35	2.131	1.0	167.580	6.062	225.218
03-2014	4.204		8.017		3.426		4.247		95.35	2.838	1.0	326.668	12.053	375.985
04-2014	3.291		8.611		2.682		4.562		94.62	4.202	1.0	253.766	19.166	307.165
05-2014	2.642		5.841		2.154		3.094		94.62	4.131	1.0	203.767	12.782	249.963
06-2014	2.142		3.854		1.746		2.042		94.62	3.929	1.0	165.191	8.021	206.753
07-2014	1.833		2.206		1.494		1.169		96.01	4.212	1.0	143.423	4.922	190.192
08-2014	1.889		4.014		1.540		2.126		96.01	3.909	1.0	147.837	8.311	193.570
09-2014	1.755		7.402		1.430		3.921		96.01	3.707	1.0	137.337	14.536	192.657
10-2014	1.723		6.179		1.404		3.274		96.01	4.545	1.0	134.805	14.878	185.359
11-2014	1.417		5.134		1.155		2.720		96.01	4.424	1.0	110.894	12.032	154.850
12-2014	1.454		6.815		1.185		3.610		96.01	5.676	1.0	113.786	20.491	154.944
01-2015	1.418		11.849		1.156		6.277		94.99	2.858	1.0	109.788	17.942	143.170
02-2015	0.871		9.576		0.710		5.073		94.99	2.909	1.0	67.448	14.756	100.123
03-2015	1.304		11.697		1.062		6.197		94.99	2.636	1.0	100.921	16.335	135.129
04-2015	1.248		11.668		1.017		6.181		94.99	2.464	1.0	96.596	15.232	129.657
05-2015	1.197		11.638		0.976		6.165		94.99	2.485	1.0	92.691	15.318	125.792
S TOT	45.939		131.479		34.759		69.651		96.60	3.286	1.0	3357.810	228.883	4169.917
AFTER	78.936		1878.365		64.333		995.064		65.06	3.774	1.0	4185.789	3755.094	10811.075
TOTAL	124.876		2009.844		99.092		1064.715		76.13	3.742	1.0	7543.599	3983.977	14980.992

--END-- MO-YEAR	OPERATIONS, M\$				CAPITAL COSTS, M\$				10.0%	
	SEV + ADV TAXES	NET OPER EXPENSES	INTEREST+ PRINCIPAL	OPERATION CASH FLOW	TANGIBLE INV.	INTANG. INV.	TOTAL BORROW INV	TOTAL EQUITY INV	CASH FLOW BTAX, M\$	CUM. DISC BTAX, M\$
10-2013	0.000	0.000	0.000	0.000	968.710	968.710	0.000	1937.420	-1937.420	-1937.420
11-2013	0.000	0.000	0.000	0.000	2159.650	2159.650	0.000	4319.300	-4319.300	-6222.549
12-2013	63.022	24.392	0.000	662.651	0.000	0.000	0.000	0.000	662.651	-5572.927
01-2014	29.654	28.093	0.000	291.578	0.000	0.000	0.000	0.000	291.578	-5289.342
02-2014	19.260	26.255	0.000	179.703	0.000	0.000	0.000	0.000	179.703	-5115.949
03-2014	31.777	25.926	0.000	318.282	0.000	0.000	0.000	0.000	318.282	-4811.271
04-2014	26.066	26.343	0.000	254.756	0.000	0.000	0.000	0.000	254.756	-4569.333
05-2014	21.233	23.965	0.000	204.764	0.000	0.000	0.000	0.000	204.764	-4376.411
06-2014	17.590	22.367	0.000	166.796	0.000	0.000	0.000	0.000	166.796	-4220.503
07-2014	16.249	22.519	0.000	151.424	0.000	0.000	0.000	0.000	151.424	-4080.084
08-2014	16.523	23.157	0.000	153.891	0.000	0.000	0.000	0.000	153.891	-3938.507
09-2014	16.523	26.345	0.000	149.788	0.000	0.000	0.000	0.000	149.788	-3801.794
10-2014	15.876	24.732	0.000	144.751	0.000	0.000	0.000	0.000	144.751	-3670.724
11-2014	13.277	23.208	0.000	118.365	0.000	0.000	0.000	0.000	118.365	-3564.394
12-2014	13.262	22.998	0.000	118.684	0.000	0.000	0.000	0.000	118.684	-3458.621
01-2015	12.217	25.038	0.000	105.915	0.000	0.000	0.000	0.000	105.915	-3364.975
02-2015	8.618	23.791	0.000	67.713	0.000	0.000	0.000	0.000	67.713	-3305.579
03-2015	11.553	23.799	0.000	99.778	0.000	0.000	0.000	0.000	99.778	-3218.749
04-2015	11.087	23.422	0.000	95.148	0.000	0.000	0.000	0.000	95.148	-3136.603
05-2015	10.764	23.166	0.000	91.862	0.000	0.000	0.000	0.000	91.862	-3057.922
S TOT	354.552	439.518	0.000	3375.848	3128.360	3128.360	0.000	6256.720	-2880.871	-3057.922
AFTER	955.381	3583.626	0.000	6272.068	0.000	0.000	0.000	0.000	6272.068	-7.599
TOTAL	1309.933	4023.144	0.000	9647.916	3128.360	3128.360	0.000	6256.720	3391.197	-7.599

@PROPID: RSV CAT: 1PDP
 WELL NAME: NW LYBROOK UT #143H
 FIELD: LYBROOK GALLUP
 CNTY: SAN JUAN ST: NM
 RESERVOIR: GALLUP
 OPERATOR: WPK

DATE : 04/08/2015
 TIME : 12:52:00
 DBS : SJB
 SETTINGS : SETDATA EL
 SCENARIO : SJB-OP-PostAudit

AFTER TAX ECONOMICS

EFFECTIVE DATE: 10/2013

--END-- MO-YEAR	TAXABLE CASH FLOW M\$-----	DEPRECI- TION M\$-----	DEPLETION M\$-----	INTANG. EXPENSED M\$-----	INTEREST PAID & CAP M\$-----	TAXABLE INCOME M\$-----	TAX CREDIT M\$-----	TAXES PAYABLE M\$-----	CASH FLOW ATAK M\$-----	10.0% CUM. DISC ATAK M\$-----
10-2013	0.000	0.000	0.000	968.710	0.000	-968.710	0.000	-377.797	-1559.623	-1561.120
11-2013	0.000	82.419	0.000	2159.650	0.000	-2242.069	0.000	-874.407	-3444.893	-4982.199
12-2013	662.651	210.635	0.000	0.000	0.000	452.015	0.000	176.286	486.365	-4505.396
01-2014	291.578	92.601	0.000	0.000	0.000	198.978	0.000	77.601	213.977	-4297.285
02-2014	179.703	54.024	0.000	0.000	0.000	125.679	0.000	49.015	130.688	-4171.186
03-2014	318.282	105.310	0.000	0.000	0.000	212.972	0.000	83.059	235.223	-3946.017
04-2014	254.756	82.439	0.000	0.000	0.000	172.317	0.000	67.204	187.553	-3767.902
05-2014	204.764	66.196	0.000	0.000	0.000	138.568	0.000	54.042	150.723	-3625.895
06-2014	166.796	53.664	0.000	0.000	0.000	113.131	0.000	44.121	122.675	-3511.229
07-2014	151.424	45.918	0.000	0.000	0.000	105.506	0.000	41.147	110.277	-3408.967
08-2014	153.891	47.331	0.000	0.000	0.000	106.559	0.000	41.558	112.333	-3305.622
09-2014	149.788	43.970	0.000	0.000	0.000	105.819	0.000	41.269	108.519	-3206.576
10-2014	144.751	43.159	0.000	0.000	0.000	101.592	0.000	39.621	105.130	-3111.383
11-2014	118.365	35.504	0.000	0.000	0.000	82.861	0.000	32.316	86.049	-3034.083
12-2014	118.684	36.430	0.000	0.000	0.000	82.254	0.000	32.079	86.605	-2956.899
01-2015	105.915	35.527	0.000	0.000	0.000	70.388	0.000	27.451	78.463	-2887.524
02-2015	67.713	21.826	0.000	0.000	0.000	45.887	0.000	17.896	49.817	-2843.826
03-2015	99.778	32.658	0.000	0.000	0.000	67.120	0.000	26.177	73.601	-2779.776
04-2015	95.148	31.258	0.000	0.000	0.000	63.889	0.000	24.917	70.231	-2719.143
05-2015	91.862	29.994	0.000	0.000	0.000	61.867	0.000	24.128	67.734	-2661.127
S TOT	3375.848	1150.862	0.000	3128.360	0.000	-903.374	0.000	-352.316	-2528.556	-2661.127
AFTER	6272.068	1977.498	0.000	0.000	0.000	4294.571	0.000	1674.883	4597.187	-401.898
TOTAL	9647.916	3128.360	0.000	3128.360	0.000	3391.197	0.000	1322.567	2068.630	-401.898

BTAX RATE OF RETURN (PCT)	9.97	ATAK RATE OF RETURN (PCT)	7.81
BTAX PAYOUT YEARS	7.29	ATAK PAY OUT YEARS	8.70
BTAX PAYOUT YEARS (DISC)	19.00	ATAK PAY OUT YEARS (DISC)	19.00
BTAX NET INCOME/INVEST	1.54	ATAK NET INCOME/INVEST	1.33
BTAX NET INCOME/INVEST (DISC)	1.00	ATAK NET INCOME/INVEST (DISC)	0.94
PRODUCTION START DATE	12/2013	PROJECT LIFE (YEARS)	19.00
		DISCOUNT - RATE (PCT)	10.00
INITIAL OIL PRICE (\$/B)	101.870	INITIAL GAS PRICE (\$/M)	3.333
MAXIMUM OIL PRICE (\$/B)	62.040	MAXIMUM GAS PRICE (\$/M)	4.363
GROSS OIL WELLS	1.	GROSS GAS WELLS	0.
CUMULATIVE OIL (MMBL)	-3.290	CUMULATIVE GAS (MMF)	0.000
REMAINING OIL (MMBL)	124.876	REMAINING GAS (MMCF)	2009.844
ULTIMATE OIL (MMBL)	121.586	ULTIMATE GAS (MMCF)	2009.844
INITIAL WI (PCT)	100.000	FINAL WI (PCT)	100.000
INITIAL NET OIL (PCT)	208.286	FINAL NET OIL (PCT)	81.500
INITIAL NET GAS (PCT)	81.500	FINAL NET GAS (PCT)	81.500

PRESENT WORTH PROFILE AND RATE-OF-RETURN VS. BONUS TABLE			
P.W. FACTOR	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.00	3391.2	2068.6	3391.2
5.00	1251.5	516.5	747.1
10.00	-7.6	-401.9	-542.4
15.00	-810.9	-991.0	-1280.9
20.00	-1360.2	-1396.0	-1751.9
25.00	-1758.2	-1690.6	-2076.8
30.00	-2060.3	-1915.1	-2314.4
35.00	-2298.4	-2092.5	-2496.3
40.00	-2491.6	-2236.9	-2640.5
50.00	-2788.5	-2459.3	-2856.1
60.00	-3008.1	-2624.3	-3010.8
70.00	-3178.5	-2752.6	-3128.2
80.00	-3315.5	-2855.9	-3220.7
90.00	-3428.4	-2941.2	-3295.8
100.00	-3523.4	-3013.0	-3358.0

8' ISIG

CONFIDENTIAL

CHACO 2408-36P #143H LYBROOK GALLUP Horizontal

(page 1)

Spud: 9/21/13

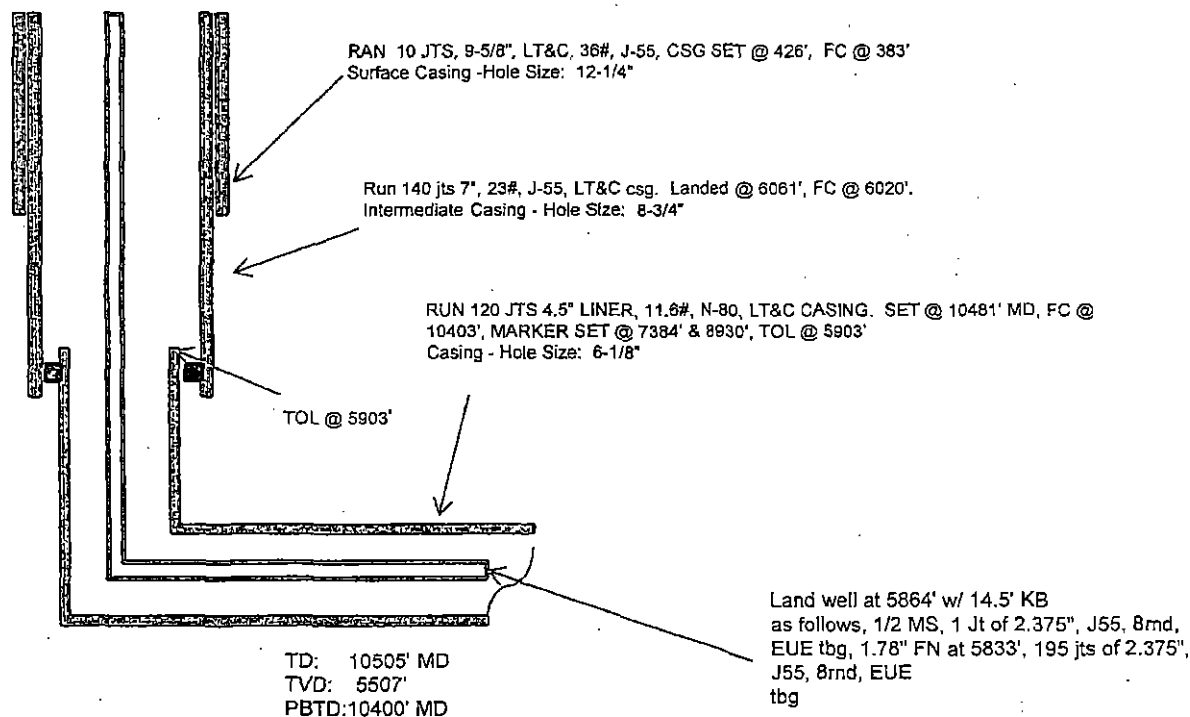
Completed: 11/24/13

Surface Location: 782' FSL & 244' FEL
SE/4 SE/4 Section 36 (P), T24N, R8W

BHL: 2254' FSL & 230' FWL
NW/4 SW/4 Section 36 (L), T24N, R8W

San Juan., NM
Elevation: 6922' GR
API: 30-045-35474

Tops	MD	TVD
Ojo Alamo	1205'	1201'
Kirtland	1359'	1352'
Pictured Cliffs	1923'	1897'
Lewis	2090'	2056'
Chacra	2368'	2321'
Cliff House	3520'	3420'
Menefee	3566'	3463'
Point Lookout	4371'	4231'
Mancos	4643'	4490'
Gallup	5020'	4850'



HOLE SIZE	CASING	CEMENT	VOLUME	CMT TOP
12-1/4"	9-5/8"	230 sx	269 cu.ft.	Surface
8-3/4"	7"	780 sx	946 cu. ft.	Surface
6-1/8"	4-1/2"	355 sx	503 cu. ft.	5903' TOL

Lg 11/6/13

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address ¹ Operator name and Address WPX Energy Production, LLC. P.O. Box 640 Aztec, NM 87410		² OGRID Number 120782
		³ Reason for Filing Code/ Effective Date TEST ALLOWABLE
⁴ API Number 30-045-35474	⁵ Pool Name Lybrook Gallup	⁶ Pool Code 42289
⁷ Property Code 39936	⁸ Property Name CHACO 2408-36P	⁹ Well Number #143H

II. ¹⁰ Surface Location

UL or lot no. P	Section 36	Township 24N	Range 8W	Lot Idn	Feet from the 782'	North/South Line SOUTH	Feet from the 244'	East/West line EAST	County SAN JUAN
--------------------	---------------	-----------------	-------------	---------	-----------------------	---------------------------	-----------------------	------------------------	--------------------

" Bottom Hole Location

UL or lot no. L	Section 36	Township 24N	Range 8W	Lot Idn	Feet from the 2254'	North/South line SOUTH	Feet from the 230'	East/West line WEST	County SAN JUAN
¹² Lse Code	¹³ Producing Method Code	¹⁴ Gas Connection Date ~11/8/13	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
248440	WESTERN REFINING COMPANY, L.P.	O
194503	BEE LINE GAS SYSTEMS	G

IV. Well Completion Data

²¹ Spud Date 9/21/13	²² Ready Date ~11/8/13	²³ TD 10505' MD 5507' TVD	²⁴ PBTD 10403' MD 5510' TVD	²⁵ Perforations ~6153'-10392' MD ~5577'- 5512' TVD	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
12-1/4"	9-5/8", 36#, J-55	426' MD	230sx - surface		
8-3/4"	7", 23#, J-55	6061' MD	780 sx- surface		
6-1/8"	4-1/2", 11.6#, N-80	10481' MD	355 sx- TOL 5903'		
RCUD NOV 5 '13 OIL CONS. DIV.					

V. Well Test Data

DIST. 3

³¹ Date New Oil	³² Gas Delivery Date	³³ Test Date	³⁴ Test Length	³⁵ Tbg. Pressure	³⁶ Csg. Pressure
³⁷ Choke Size	³⁸ Oil	³⁹ Water	⁴⁰ Gns		⁴¹ Test Method

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Larry Higgins</i>		OIL CONSERVATION DIVISION	
Printed name: LARRY HIGGINS		Approved by: <i>Charlie Lee</i> 11-6-13	
Title: PERMIT SUPERVISOR		Title: SUPERVISOR DISTRICT # 3	
E-mail Address: Larry.higgins@wpenergy.com		Approval Date: NOV 06 2013	
Date: 11/4/13	Phone: 505-333-1808		

AV

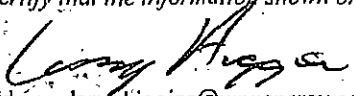
CONFIDENTIAL

CONFIDENTIAL

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brnzos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505			Form C-105 Revised August 1, 2011																																	
		1. WELL API NO. 30-045-35474																																				
		2. Type of Lease ☒ STATE ☐ FEE ☐ FED/INDIAN																																				
		3. State Oil & Gas Lease No.																																				
WELL COMPLETION OR RECOMPLETION REPORT AND LOG																																						
4. Reason for filing: ☒ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) ☐ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)				5. Lease Name or Unit Agreement Name Chaco 2408-3P																																		
				6. Well Number: #143H																																		
				RCVD DEC 3 '13																																		
7. Type of Completion: ☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER				OIL CONS. DIV.																																		
8. Name of Operator WPX Energy Production, LLC				9. OGRID 120782 DIST. 3																																		
10. Address of Operator 721 SOUTH MAIN AZTEC, NM 87410				11. Pool name or Wildcat LYBROOK GALLUP																																		
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the																																
Surface:	P	36	24N	8W		782'																																
BH:	L	36	24N	8W		2254'																																
13. Date Spudded	14. Date T.D. Reached	15. Date Rig Released		16. Date Completed (Ready to Produce)		17. Elevations (DF and RKB, RT, GR, etc.) 6922'																																
9/21/13	10/5/13	10/8/13		11/18/13																																		
18. Total Measured Depth of Well		19. Plug Back Measured Depth		20. Was Directional Survey Made?		21. Type Electric and Other Logs Run																																
10505' MD 5507' TVD		10400' MD 5510' TVD		YES		NA																																
22. Producing Interval(s), of this completion - Top, Bottom, Name LYBROOK GALLUP: 6153'-10392' MD																																						
23. CASING RECORD (Report all strings set in well)																																						
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED																																	
9-5/8"	36#, J-55	426' MD	12-1/4"	230 sx - surface																																		
7"	23#, J-55	6061' MD	8-3/4"	780 sx - surface																																		
24. LINER RECORD																																						
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD- File at later date																																	
4-1/2"	5903'	10481'	355		SIZE	DEPTH SET																																
					2-3/8"	5864'																																
26. Perforation record (interval, size, and number) LYBROOK GALLUP: 6153'-10392' MD Mancos 15 th - 24, 0.40" holes Mancos 14 th - 24, 0.40" holes Mancos 13 th - 24, 0.40" holes Mancos 12 th - 24, 0.40" holes Mancos 11 th - 24, 0.40" holes Mancos 10 th - 24, 0.40" holes Mancos 9 th - 24, 0.40" holes Mancos 8 th - 18, 0.40" holes Mancos 7 th - 24, 0.40" holes Mancos 6 th - 24, 0.40" holes Mancos 5 th - 24, 0.40" holes Mancos 4 th - 24, 0.40" holes Mancos 3 rd - 24, 0.40" holes Mancos 2 nd - 24, 0.40" holes Mancos 1 st - 48, 0.42" holes				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr><td>6153'-6351'</td><td>260,800#, 20/40 PSA Sand</td></tr> <tr><td>6426'-6647'</td><td>262,600#, 20/40 PSA Sand</td></tr> <tr><td>6719'-6943'</td><td>261,400#, 20/40 PSA Sand</td></tr> <tr><td>7009'-7223'</td><td>266,300#, 20/40 PSA Sand</td></tr> <tr><td>7302'-7517'</td><td>211,100#, 20/40 PSA Sand</td></tr> <tr><td>7583'-7795'</td><td>215,100#, 20/40 PSA Sand</td></tr> <tr><td>7877'-8085'</td><td>215,200#, 20/40 PSA Sand</td></tr> <tr><td>8180'-8356'</td><td>215,300#, 20/40 PSA Sand</td></tr> <tr><td>8428'-8625'</td><td>212,800#, 20/40 PSA Sand</td></tr> <tr><td>8698'-8933'</td><td>214,800#, 20/40 PSA Sand</td></tr> <tr><td>8998'-9209'</td><td>214,600#, 20/40 PSA Sand</td></tr> <tr><td>9272'-9499'</td><td>215,200#, 20/40 PSA Sand</td></tr> <tr><td>9586'-9813'</td><td>215,900#, 20/40 PSA Sand</td></tr> <tr><td>9891'-10129'</td><td>214,500 # 20/40 PSA Sand</td></tr> <tr><td>10198'-10392'</td><td>215,500 # 20/40 PSA Sand</td></tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	6153'-6351'	260,800#, 20/40 PSA Sand	6426'-6647'	262,600#, 20/40 PSA Sand	6719'-6943'	261,400#, 20/40 PSA Sand	7009'-7223'	266,300#, 20/40 PSA Sand	7302'-7517'	211,100#, 20/40 PSA Sand	7583'-7795'	215,100#, 20/40 PSA Sand	7877'-8085'	215,200#, 20/40 PSA Sand	8180'-8356'	215,300#, 20/40 PSA Sand	8428'-8625'	212,800#, 20/40 PSA Sand	8698'-8933'	214,800#, 20/40 PSA Sand	8998'-9209'	214,600#, 20/40 PSA Sand	9272'-9499'	215,200#, 20/40 PSA Sand	9586'-9813'	215,900#, 20/40 PSA Sand	9891'-10129'	214,500 # 20/40 PSA Sand	10198'-10392'	215,500 # 20/40 PSA Sand
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28.

PRODUCTION

Date First Production 11/18/13		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>)			Well Status (<i>Prod. or Shut-in</i>)		
		Flowing			Producing		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/27/13	24 hrs	1"		446		266	
Flow Tubing Press. n/a	Casing Pressure 420	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (<i>Corr.</i>)	
29. Disposition of Gas (<i>Sold, used for fuel, vented, etc.</i>)						30. Test Witnessed By	
Vented - Not of pipeline quality. Will be put to sales as soon as possible.							
31. List Attachments WBD							
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.							
33. If an on-site burial was used at the well, report the exact location of the on-site burial:							
Latitude				Longitude		NAD 1927 1983	
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief							
Signature		Printed		Name		Title	
		Larry Higgins		Permit Suprv		Date 12/03/13	
E-mail Address- larry.higgins@wpenergy.com (505)333-1808							



12113-921
C:15207

RECEIVED OCD

Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

2015 JUN -5 PM 3:07
COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

May 29, 2015

WPX Energy Production, LLC
One Williams Center, MD 44
Tulsa, Oklahoma 74101-3102

Attention: Mr. Mark Beach

Re: Northwest Lybrook Unit
Commercial Determination
Gallup/Mancos Formation
Northwest Lybrook Unit Well No. 143H, N/2 Sec. 36-24N-8W
Rio Arriba County, New Mexico

Dear Mr. Beach:

We are in receipt of your letter of April 16, 2015 and a copy of the Bureau of Land Management's letter of May 8, 2015 regarding the referenced commercial determination for the Northwest Lybrook Unit Well No. 143H.

We concur with the Bureau of Land Management's determination that the Northwest Lybrook Unit Well No. 143H is a commercial well in the Gallup/Mancos formation and should be included in the Mancos participating area.

Please submit an application for the Initial Mancos participating area to this office for approval.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,


AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

BY:

AD/pm

cc: Reader File,
NMOCD Attention: Mr. Daniel Sanchez
TRD-Attention: Ms. Billie Luther
RMD-Attn: Mr. Danny Martinez
BLM Farmington Attn: Mr. William Tambekou

WPX Energy Production, LLC
One Williams Center, MD 44
Tulsa, Oklahoma 74101-3102

1213921
C115201



April 16, 2015

Bureau of Land Management (4 copies)
Assistant Field Manager, Minerals
Mr. David J. Mankiewicz
6251 College Blvd., Suite A
Farmington, New Mexico 87402

State of New Mexico (2 copies)
Commissioner of Public Lands
Attn: Mr. Pete Martinez
310 Old Santa Fe Trail
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

State of New Mexico (2 copies)
Oil Conservation Division
Attn: Engineering Bureau
1200 South St. Francis Drive
P.O. Box 2308
Santa Fe, New Mexico 87504-2308

RECEIVED OCD
2015 APR 22 A 10:36

Re: Northwest Lybrook Unit, NMNM 133482X
Rio Arriba and San Juan Counties, New Mexico
NOTICE OF PAYING (COMMERCIAL) WELL DETERMINATION
Unitized (Mancos) Formations

Dear Mr. Mankiewicz, Mr. Martinez and Engineering Bureau:

Pursuant to the provisions of the Unit Agreement for the Development and Operation of the Northwest Lybrook Unit, WPX Energy Production, LLC, as Unit Operator, has determined the initial test well (Chaco 2408-36P #143H; API: 30-045-35474) is capable of producing unitized substances in paying quantities from the unitized formations. Data and analysis is attached for your consideration.

WPX Energy Production, LLC is seeking approval of the paying (commercial) well determination. Approval by the Bureau of Land Management, authorized officer and New Mexico Commissioner of Public Lands, for the determination considering this well capable of producing in paying quantities (to-wit: quantities sufficient to repay the costs of drilling, completing, and producing operations, with a reasonable profit) will satisfy the Northwest Lybrook Unit Agreement requirement for validation.

Upon receipt of Bureau of Land Management approval and concurring response from the Commissioner of Public Lands, a formal Participating Area Schedule will be prepared and submitted. This submission will be for a fully expanded Unit Participating Area (not just for the commercial well).

Copies of this letter are being sent to the unit working interest owner on the attached sheet. If you have any questions or need any additional information, please contact the undersigned at (539) 573-4684.

Respectfully yours,

Mark Beach
Mark Beach
Division Order Team Lead

BLM Assistant Field Manager, Minerals
NM Commissioner of Public Lands
April 16, 2015

APPROVED _____ DATE _____
Authorized Officer, Minerals
Bureau of Land Management
Subject to like approval by the
Commissioner of Public Lands

APPROVED _____ DATE _____
Commissioner of Public Lands
Subject to like approval by the
Authorized Officer, Minerals for the
Bureau of Land Management

The foregoing is the approval for the paying (commercial) well determination submission dated April 16, 2015, for the initial well in the unitized formations.

Copies to Northwest Lybrook Unit WI Owner:

SFF Production LLC

303 W. Wall Street, Suite 2300

Midland, TX 78701

April 8, 2015

The CHACO 2408-36P #143H LYBROOK GALLUP Formation Well (commercial)

is located 782 feet from the South Line and 244 feet from the East Line, Section 36 Township 24 North, Range 8 West, N.M.P.M., San Juan County, New Mexico. This well was spud on September 21, 2013 and completed in the Lybrook Gallup formation on November 4, 2013. The Gallup formation was completed between the following depths: 6,153' to 10,392' MD. This well has a 2.375" tubing string. This well was shut in with a SICP of 420 psig. On November 27, 2013, the well was tested and after flowing for 24 hours through a 1" choke on the 2.375" tubing, the well gauged 446 Bbl Oil and 266 Bbl Water.

Based on the historic and projected production, the lease operating expenses, and the oil, gas, and ngl price, this well is expected to have a Before Tax Rate of Return (BTAXROR) of 9.97% and is therefore determined commercial.

Attached to this document are the following:

- ARIES economic model output including oil, gas, and ngl price assumptions
- Historic production plot with forecast
- Well-bore schematic
- State of NM Form C-104
- BLM Form 1004-0137 (Well Completion Report)

Evaluating Engineer



Marcia Brueggjenjohann
Manager, Reservoir Engineering
WPX ENERGY Inc., San Juan Basin Unit

NW LYBROOK UT #143H | 1PDP | GALLUP | N5EIO1XURM | 62367400
Filtered by Scenario: SJB-OP-PostAudit

Titles

@PROPID: @M.PROPID RSV CAT: @M.RESERVE_CATEGORY	BASE
WELL-NAME: @M.WELL_NAME	BASE
FIELD: @M.FIELD	BASE
CNTY: @M.BHL_COUNTY ST: @M.STATE	BASE
RESERVOIR: @M.RESERVOIR	BASE
OPERATOR: @M.OPERATOR	BASE

Miscellaneous

BTU @M.BTU	BASE
WELLS:10	BASE
SHRINK @M.SHRINK_PLANT	BASE
LOSS:NO	

Production

START 12/2013	SJ_OP_POST
OIL 692.169 X B/D 5 EXP B/1.4000 92.599	SJ_OP_POST
" X 5.00000 B/D X YRS EXP 5	SJ_OP_POST
START 12/2013	SJ_OP_POST
GAS 400 X M/D 30 YRS EXP 3	SJ_OP_POST
NGL/GAS 144 B/MM TO LIFE LIN TIME	SJ_OP_POST

Prices

SIDFILE SJB_15ACT_COMMERCIAL	SJ_OP_POST
------------------------------	------------

Expenses

STX/OIL 8.3468 X % TO LIFE PC 0	SJ_OP_POST
STX/GAS 9.1468 X % TO LIFE PC 0	SJ_OP_POST
OPC/T 13561.10 13561.1 \$/M 2015.2 AD PC 0	SJ_OP_POST
" 6000 6000 \$/M TO LIFE PC 0	SJ_OP_POST
GTC/GAS @M.GATHERING_FEE X \$/M TO LIFE PC 0	SJ_OP_POST
FLU/REV @M.FLU_SHRINK X FRAC TO LIFE PC 0	SJ_OP_POST
STX/NGL 9.1468 X % TO LIFE PC 0	SJ_OP_POST
GPC/REV .14 X FRAC TO LIFE PC 0	SJ_OP_POST
OPC/OIL 0 X \$/B 2015.2 AD PC 0	SJ_OP_POST
" 4.7 X \$/B TO LIFE PC 0	SJ_OP_POST

Ownership

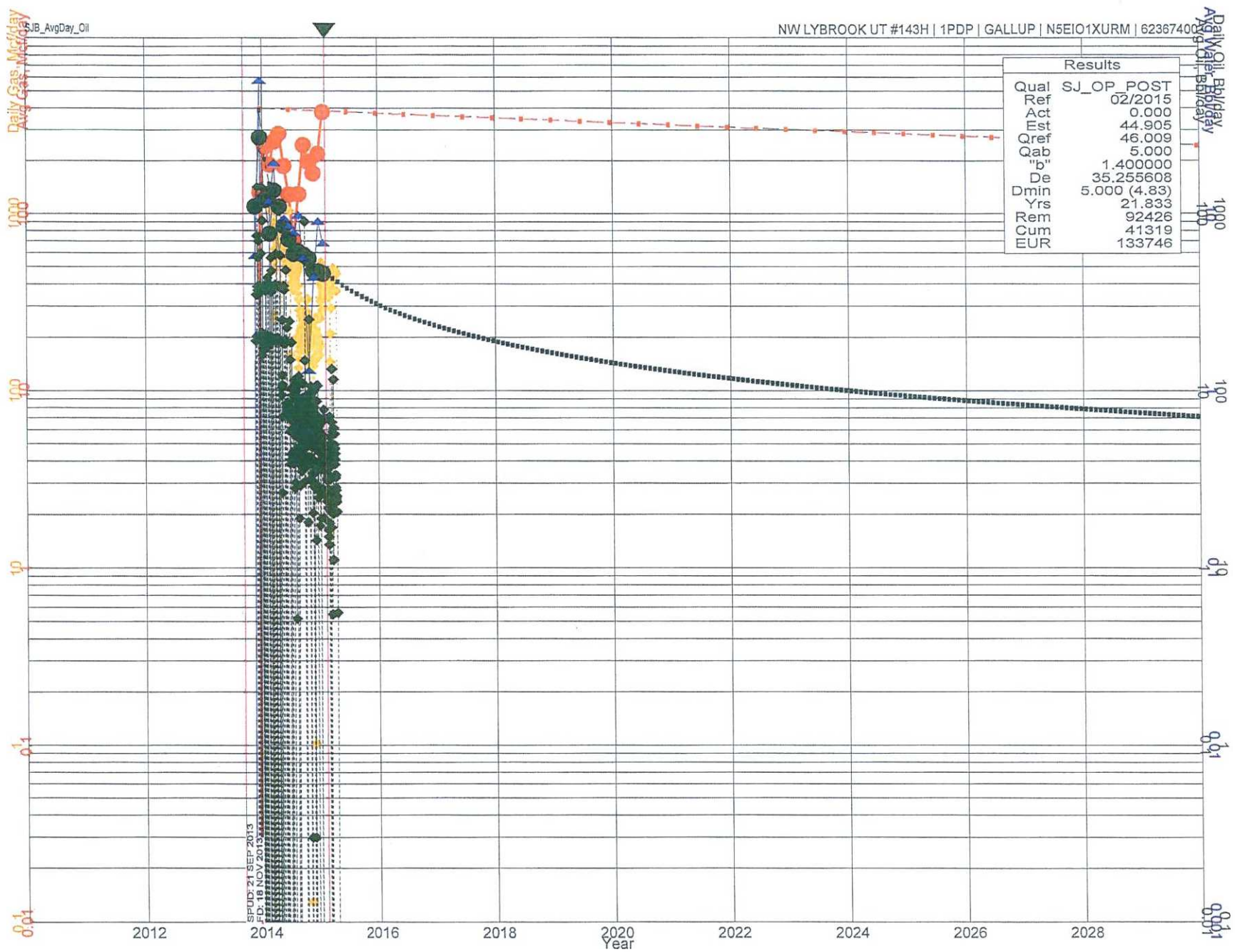
NET @M.WI @M.NRI @M.NRI FRAC	BASE
------------------------------	------

Investments

DRILL 968.71 968.71 M\$G 10/2013 AD PC 0	SJ_OP_POST
COMPL 2159.65 2159.65 M\$G 11/2013 AD PC 0	SJ_OP_POST

Overlays

LOAD MP.OIL OIL 11/2013 03/2015 #	SJ_OP_POST
LOAD MP.GAS GAS 12/2013 03/2015 #	SJ_OP_POST



@PROPID: RSV CAT: 1PDP
 WELL NAME: NW LYBROOK UT #143H
 FIELD: LYBROOK GALLUP
 CNTY: SAN JUAN ST: NM
 RESERVOIR: GALLUP
 OPERATOR: WPX

Date: 04/08/2015
 Time: 12:52:00
 DBS: SJB
 Settings: SETDATA_EL
 Scenario: SJB-OP-PostAudit

COMBINED INPUT DATA							INITIAL CALCULATED DATA			
KEYWORD & Ref. Code	Beginning, Ending Rates		Schedule Limit		Method & Value		Ultimate @ End Pt.	Init. Deff	Init. Rate	Final Rate
400 START	12/2013									
401 OIL	692.17	X B/D	5.00	EXP	B/1.4000	92.60	117.874 10/2027	92.5990	21053.	242.
402 "	X	5.00 B/D	X	YRS	EXP	5.00	138.940 11/2036	5.0000	242.	152.
403 START	12/2013									
404 GAS	400.00	X M/D	30.00	YRS	EXP	3.00	2871.151 11/2043	2.9999	12167.	4879.
405 NGL/GAS	144.00	144.00 B/MM	TO	LIFE	LIN	TIME	11/2036			
500 PRI/GAS	12/2013	3.3 2.19 2.11 2.81 #/M					3/2014			
501 "	X	4.16 4.09 3.89 4.17 #/M					7/2014			
502 "	X	3.87 3.67 4.5 4.38 #/M					11/2014			
503 "	X	5.62 2.83 2.88 2.61 #/M					3/2015			
504 "	X	2.44 2.46 2.51 2.61 #/M					7/2015			
505 "	X	2.63 2.62 2.63 2.77 #/M					11/2015			
506 "	X	2.92 3.09 3.08 2.98 #/M					3/2016			
507 "	X	2.81 2.8 2.83 2.91 #/M					7/2016			
508 "	X	2.92 2.9 2.91 3.05 #/M					11/2016			
509 "	X	3.24 #/M					12/2016			
510 "	X	2.96 3.26 3.43 3.51 #/Y					12/2020			
511 "	X	3.62 3.74 3.88 4.01 #/Y					12/2024			
512 "	X	4.11 4.2 4.32 4.32 #/Y					12/2028			
513 "	4.32	X \$/M	TO	LIFE	PC	0.00	9/2032		4.320	4.320
514 PRI/OIL	11/2013	101.71 101.87 95.35 95.35 #/M					2/2014			
515 "	X	95.35 94.62 94.62 94.62 #/M					6/2014			
516 "	X	96.01 96.01 96.01 96.01 #/M					10/2014			
517 "	X	96.01 96.01 94.99 94.99 #/M					2/2015			
518 "	X	94.99 94.99 94.99 94.99 #/M					6/2015			
519 "	X	94.75 94.75 94.75 94.75 #/M					10/2015			
520 "	X	94.75 94.75 62.04 62.04 #/M					2/2016			
521 "	X	62.04 62.04 62.04 62.04 #/M					6/2016			
522 "	X	62.04 62.04 62.04 62.04 #/M					10/2016			
523 "	X	62.04 62.04 #/M					12/2016			
524 "	X	62.04 62.04 62.04 62.04 #/Y					12/2020			
525 "	X	62.04 62.04 62.04 62.04 #/Y					12/2024			
526 "	X	62.04 62.04 62.04 62.04 #/Y					12/2028			
527 "	62.04	X \$/B	TO	LIFE	PC	0.00	9/2032		62.040	62.040
528 PRI/NGL	12/2013	31.37 37.47 36.35 26.33 #/M					3/2014			
529 "	X	24.25 23.73 23.88 29.87 #/M					7/2014			
530 "	X	26.78 29.26 25.66 23.02 #/M					11/2014			
531 "	X	14.94 11.19 13.02 13.02 #/M					3/2015			
532 "	X	13.02 13.02 13.02 13.02 #/Y					3/2019			
533 "	X	13.02 13.02 13.02 13.02 #/Y					3/2023			
534 "	X	13.02 13.02 13.02 13.02 #/Y					3/2027			
535 "	13.02	X \$/B	TO	LIFE	PC	0.00	9/2032		13.020	13.020
600 STX/OIL	8.35	X %	TO	LIFE	PC	0.00	9/2032		0.083	0.083
601 STX/GAS	9.15	X %	TO	LIFE	PC	0.00	9/2032		0.091	0.091
602 OPC/T	13561.10	13561.10 \$/M	2015.20	AD	PC	0.00	11/2013		13561.100	13561.100
603 "	6000.00	6000.00 \$/M	TO	LIFE	PC	0.00	11/2036		6000.000	0.091
604 GTC/GAS	0.96	X \$/M	TO	LIFE	PC	0.00	9/2032		0.960	0.960
605 FLU/REV	0.07	X FRAC	TO	LIFE	PC	0.00	9/2032		0.065	0.065
606 STX/NGL	9.15	X %	TO	LIFE	PC	0.00	9/2032		0.091	0.091
607 GPC/REV	0.14	X FRAC	TO	LIFE	PC	0.00	9/2032		0.140	0.140
608 OPC/OIL	0.00	X \$/B	2015.20	AD	PC	0.00	2/2015			
609 "	4.70	X \$/B	TO	LIFE	PC	0.00	9/2032		4.700	4.700
705 LSE/WI	1.0000	D FRAC	TO	LIFE	FLAT	0.00	11/2036		1.000	1.000
720 NET/OIL	0.8150	D FRAC	TO	LIFE	FLAT	0.00	11/2036		0.815	0.815
740 NET/GAS	0.8150	D FRAC	TO	LIFE	FLAT	0.00	11/2036		0.815	0.815
OVERLAYS	Beginning, Ending Rates		Schedule Limit		Method & Value		Ultimate @ End Pt.	Init. Deff	Init. Rate	Final Rate
900 OIL	11/2013	3289.951 8407.993 3696.371 2156.473 #					17.551 2/2014			
901 "	X	4203.672 3290.737 2642.367 2142.136 1832.93 #					31.663 7/2014			
902 "	X	1889.336 1755.143 1722.782 1417.211 1454.169 #					39.901 12/2014			
903 "	X	1418.143 871.231 #					42.191 2/2015			

904 GAS	12/2013 4114 7493 5370 8017 8611 5841 3854 2206 #	45.506	7/2014
905 "	X 4013.74 7402.47 6179.41 5134.08 6814.65 11849.42 #	86.900	1/2015
906 "	X 9575.95 #	96.476	2/2015

INVESTMENTS	Tangible	Intang Units	Invest. Point	Method & Value	Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800. DRILL	968.71	968.71 M\$G	10/2013 AD	PC 0.00	1937.420	10/2013	0	1937.4	1937.4
801 COMPL	2159.65	2159.65 M\$G	11/2013 AD	PC 0.00	4319.300	11/2013	0	4319.3	4319.3

MISCELLANEOUS DATA PARAMETERS

201 BTU	1.01	
202 WELLS	1.00	0.00
203 SHRINK	0.65	
204 LOSS	NO	

RUN SETTINGS

Base Date	: 01/2013	Time Frames	: 60*1,14*12		
P.W. Date	: 10/2013	Primary PW%	: 10.0	Discount Freq.	: MID
Report Date	: 10/2013				
Qualifiers	Prod = SJ_OP_POST	Price = SJ_OP_POST	Cost = SJ_OP_POST	Owner = BASE	
	Title = BASE	Misc = BASE	Invest = SJ_OP_POST	Overlay = SJ_OP_POST	

BACKUP PARAMETERS USED

NET/NGL	NET/GAS
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@PROPID: RSV CAT: 1PDP
 WELL NAME: NW LYBROOK UT #143H
 FIELD: LYBROOK GALLUP
 CNTY: SAN JUAN ST: NM
 RESERVOIR: GALLUP
 OPERATOR: WPK

DATE : 04/08/2015
 TIME : 12:52:00
 DBS : SJB
 SETTINGS : SETDATA_EL
 SCENARIO : SJB-OP-PostAudit

RESERVES AND ECONOMICS

EFFECTIVE DATE: 10/2013

--END-- MO-YEAR	GROSS PRODUCTION				NET PRODUCTION				PRICES		NO. OF WELLS	OPERATIONS, M\$		
	OIL,	MBBL	GAS,	MMCF	OIL,	MBBL	GAS,	MMCF	OIL \$/B	GAS \$/M		OIL REVENUE	GAS REVENUE	TOTAL REVENUE
10-2013	0.000		0.000		0.000		0.000		0.00	0.000	0.0	0.000	0.000	0.000
11-2013	3.290		0.000		0.000		0.000		0.00	0.000	1.0	0.000	0.000	0.000
12-2013	8.408		4.114		6.853		2.179		101.87	3.333	1.0	698.066	7.264	750.065
01-2014	3.696		7.493		3.013		3.969		95.35	2.212	1.0	287.246	8.780	349.325
02-2014	2.156		5.370		1.758		2.845		95.35	2.131	1.0	167.580	6.062	225.218
03-2014	4.204		8.017		3.426		4.247		95.35	2.838	1.0	326.668	12.053	375.985
04-2014	3.291		6.611		2.682		4.562		94.62	4.202	1.0	253.766	19.166	307.165
05-2014	2.642		5.841		2.154		3.094		94.62	4.131	1.0	203.767	12.782	249.963
06-2014	2.142		3.854		1.746		2.042		94.62	3.929	1.0	165.191	8.021	206.753
07-2014	1.833		2.206		1.494		1.169		96.01	4.212	1.0	143.423	4.922	190.192
08-2014	1.889		4.014		1.540		2.126		96.01	3.909	1.0	147.837	8.311	193.570
09-2014	1.755		7.402		1.430		3.921		96.01	3.707	1.0	137.337	14.536	192.657
10-2014	1.723		6.179		1.404		3.274		96.01	4.545	1.0	134.805	14.878	185.359
11-2014	1.417		5.134		1.155		2.720		96.01	4.424	1.0	110.894	12.032	154.850
12-2014	1.454		6.815		1.185		3.610		96.01	5.676	1.0	113.786	20.491	154.944
01-2015	1.418		11.849		1.156		6.277		94.99	2.858	1.0	109.788	17.942	143.170
02-2015	0.871		9.576		0.710		5.073		94.99	2.909	1.0	67.448	14.756	100.123
03-2015	1.304		11.697		1.062		6.197		94.99	2.636	1.0	100.921	16.335	135.129
04-2015	1.248		11.668		1.017		6.181		94.99	2.464	1.0	96.596	15.232	129.657
05-2015	1.197		11.638		0.976		6.165		94.99	2.485	1.0	92.691	15.318	125.792
S TOT	45.939		131.479		34.759		69.651		96.60	3.286	1.0	3357.810	228.883	4169.917
AFTER	78.936		1878.365		64.333		995.064		65.06	3.774	1.0	4185.789	3755.094	10811.075
TOTAL	124.876		2009.844		99.092		1064.715		76.13	3.742	1.0	7543.599	3983.977	14980.992

--END-- MO-YEAR	OPERATIONS, M\$				CAPITAL COSTS, M\$				10.0%			
	SEV + ADV TAXES	NET OPER EXPENSES	INTEREST+ PRINCIPAL	OPERATION CASH FLOW	TANGIBLE INV.	INTANG. INV.	TOTAL BORROW INV	TOTAL EQUITY INV	CASH BTAX,	FLOW M\$	CUM BTAX,	DISC M\$
10-2013	0.000	0.000	0.000	0.000	968.710	968.710	0.000	1937.420	-1937.420		-1937.420	
11-2013	0.000	0.000	0.000	0.000	2159.650	2159.650	0.000	4319.300	-4319.300		-6222.549	
12-2013	63.022	24.392	0.000	662.651	0.000	0.000	0.000	0.000	662.651		-5572.927	
01-2014	29.654	28.093	0.000	291.578	0.000	0.000	0.000	0.000	291.578		-5289.342	
02-2014	19.260	26.255	0.000	179.703	0.000	0.000	0.000	0.000	179.703		-5115.949	
03-2014	31.777	25.926	0.000	318.282	0.000	0.000	0.000	0.000	318.282		-4811.271	
04-2014	26.066	26.343	0.000	254.756	0.000	0.000	0.000	0.000	254.756		-4569.333	
05-2014	21.233	23.965	0.000	204.764	0.000	0.000	0.000	0.000	204.764		-4376.411	
06-2014	17.590	22.367	0.000	166.796	0.000	0.000	0.000	0.000	166.796		-4220.503	
07-2014	16.249	22.519	0.000	151.424	0.000	0.000	0.000	0.000	151.424		-4080.084	
08-2014	16.523	23.157	0.000	153.891	0.000	0.000	0.000	0.000	153.891		-3938.507	
09-2014	16.523	26.345	0.000	149.788	0.000	0.000	0.000	0.000	149.788		-3801.794	
10-2014	15.876	24.732	0.000	144.751	0.000	0.000	0.000	0.000	144.751		-3670.724	
11-2014	13.277	23.208	0.000	118.365	0.000	0.000	0.000	0.000	118.365		-3564.394	
12-2014	13.262	22.998	0.000	118.684	0.000	0.000	0.000	0.000	118.684		-3458.621	
01-2015	12.217	25.038	0.000	105.915	0.000	0.000	0.000	0.000	105.915		-3364.975	
02-2015	8.618	23.791	0.000	67.713	0.000	0.000	0.000	0.000	67.713		-3305.579	
03-2015	11.553	23.799	0.000	99.778	0.000	0.000	0.000	0.000	99.778		-3218.749	
04-2015	11.087	23.422	0.000	95.148	0.000	0.000	0.000	0.000	95.148		-3136.603	
05-2015	10.764	23.166	0.000	91.862	0.000	0.000	0.000	0.000	91.862		-3057.922	
S TOT	354.552	439.518	0.000	3375.848	3128.360	3128.360	0.000	6256.720	-2880.871		-3057.922	
AFTER	955.381	3583.626	0.000	6272.068	0.000	0.000	0.000	0.000	6272.068		-7.599	
TOTAL	1309.933	4023.144	0.000	9647.916	3128.360	3128.360	0.000	6256.720	3391.197		-7.599	

@PROPID: RSV CAT: 1PDP
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 SCENARIO : SJB-OP-PostAudit

AFTER TAX ECONOMICS

EFFECTIVE DATE: 10/2013

END	TAXABLE	DEPRECIATION	DEPLETION	INTANG. EXPENSED	INTEREST PAID & CAP	TAXABLE INCOME	TAX CREDIT	TAXES PAYABLE	CASH FLOW ATAX	10.0% CUM. DISC ATAX
MO-YEAR	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
10-2013	0.000	0.000	0.000	968.710	0.000	-968.710	0.000	-377.797	-1559.623	-1561.120
11-2013	0.000	82.419	0.000	2159.650	0.000	-2242.069	0.000	-874.407	-3444.893	-4982.199
12-2013	662.651	210.635	0.000	0.000	0.000	452.015	0.000	176.286	486.365	-4505.396
01-2014	291.578	92.601	0.000	0.000	0.000	198.978	0.000	77.601	213.977	-4297.285
02-2014	179.703	54.024	0.000	0.000	0.000	125.679	0.000	49.015	130.688	-4171.186
03-2014	318.282	105.310	0.000	0.000	0.000	212.972	0.000	83.059	235.223	-3946.017
04-2014	254.756	82.439	0.000	0.000	0.000	172.317	0.000	67.204	187.553	-3767.902
05-2014	204.764	66.196	0.000	0.000	0.000	138.568	0.000	54.042	150.723	-3625.895
06-2014	166.796	53.664	0.000	0.000	0.000	113.131	0.000	44.121	122.675	-3511.229
07-2014	151.424	45.918	0.000	0.000	0.000	105.506	0.000	41.147	110.277	-3408.967
08-2014	153.891	47.331	0.000	0.000	0.000	106.559	0.000	41.558	112.333	-3305.622
09-2014	149.788	43.970	0.000	0.000	0.000	105.819	0.000	41.269	108.519	-3206.576
10-2014	144.751	43.159	0.000	0.000	0.000	101.592	0.000	39.621	105.130	-3111.383
11-2014	118.365	35.504	0.000	0.000	0.000	82.861	0.000	32.316	86.049	-3034.083
12-2014	118.684	36.430	0.000	0.000	0.000	82.254	0.000	32.079	86.605	-2956.899
01-2015	105.915	35.527	0.000	0.000	0.000	70.388	0.000	27.451	78.463	-2887.524
02-2015	67.713	21.826	0.000	0.000	0.000	45.887	0.000	17.896	49.817	-2843.826
03-2015	99.778	32.658	0.000	0.000	0.000	67.120	0.000	26.177	73.601	-2779.776
04-2015	95.148	31.258	0.000	0.000	0.000	63.889	0.000	24.917	70.231	-2719.143
05-2015	91.862	29.994	0.000	0.000	0.000	61.867	0.000	24.128	67.734	-2661.127
S TOT	3375.848	1150.862	0.000	3128.360	0.000	-903.374	0.000	-352.316	-2528.556	-2661.127
AFTER	6272.068	1977.498	0.000	0.000	0.000	4294.571	0.000	1674.883	4597.187	-401.898
TOTAL	9647.916	3128.360	0.000	3128.360	0.000	3391.197	0.000	1322.567	2068.630	-401.898

BTAX RATE OF RETURN (PCT)	9.97	ATAX RATE OF RETURN (PCT)	7.81
BTAX PAYOUT YEARS	7.29	ATAX PAY OUT YEARS	8.70
BTAX PAYOUT YEARS (DISC)	19.00	ATAX PAY OUT YEARS (DISC)	19.00
BTAX NET INCOME/INVEST	1.54	ATAX NET INCOME/INVEST	1.33
BTAX NET INCOME/INVEST (DISC)	1.00	ATAX NET INCOME/INVEST (DISC)	0.94
PRODUCTION START DATE	12/2013	PROJECT LIFE (YEARS)	19.00
		DISCOUNT - RATE (PCT)	10.00
INITIAL OIL PRICE (\$/B)	101.870	INITIAL GAS PRICE (\$/M)	3.333
MAXIMUM OIL PRICE (\$/B)	62.040	MAXIMUM GAS PRICE (\$/M)	4.363
GROSS OIL WELLS	1	GROSS GAS WELLS	0
CUMULATIVE OIL (MMBL)	-3.290	CUMULATIVE GAS (MMF)	0.000
REMAINING OIL (MMBL)	124.876	REMAINING GAS (MMCF)	2009.844
ULTIMATE OIL (MMBL)	121.586	ULTIMATE GAS (MMCF)	2009.844
INITIAL WI (PCT)	100.000	FINAL WI (PCT)	100.000
INITIAL NET OIL (PCT)	208.286	FINAL NET OIL (PCT)	81.500
INITIAL NET GAS (PCT)	81.500	FINAL NET GAS (PCT)	81.500

PRESENT WORTH PROFILE AND RATE-OF-RETURN VS. BONUS TABLE			
P.W. FACTOR	B.F.I.T. WORTH	A.F.I.T. WORTH	A.F.I.T. BONUS
%	M\$	M\$	M\$
0.00	3391.2	2068.6	3391.2
5.00	1251.5	516.5	747.1
10.00	-7.6	-401.9	-542.4
15.00	-810.9	-991.0	-1280.9
20.00	-1360.2	-1396.0	-1751.9
25.00	-1758.2	-1690.6	-2076.8
30.00	-2060.3	-1915.1	-2314.4
35.00	-2298.4	-2092.5	-2496.3
40.00	-2491.6	-2236.9	-2640.5
50.00	-2789.5	-2459.3	-2856.1
60.00	-3008.1	-2624.3	-3010.8
70.00	-3178.5	-2752.6	-3128.2
80.00	-3315.5	-2855.9	-3220.7
90.00	-3428.4	-2941.2	-3295.8
100.00	-3523.4	-3013.0	-3358.0

8 '1510
CONFIDENTIAL
010:5003 710
01:0330 0058

CHACO 2408-36P #143H
LYBROOK GALLUP Horizontal
(page 1)

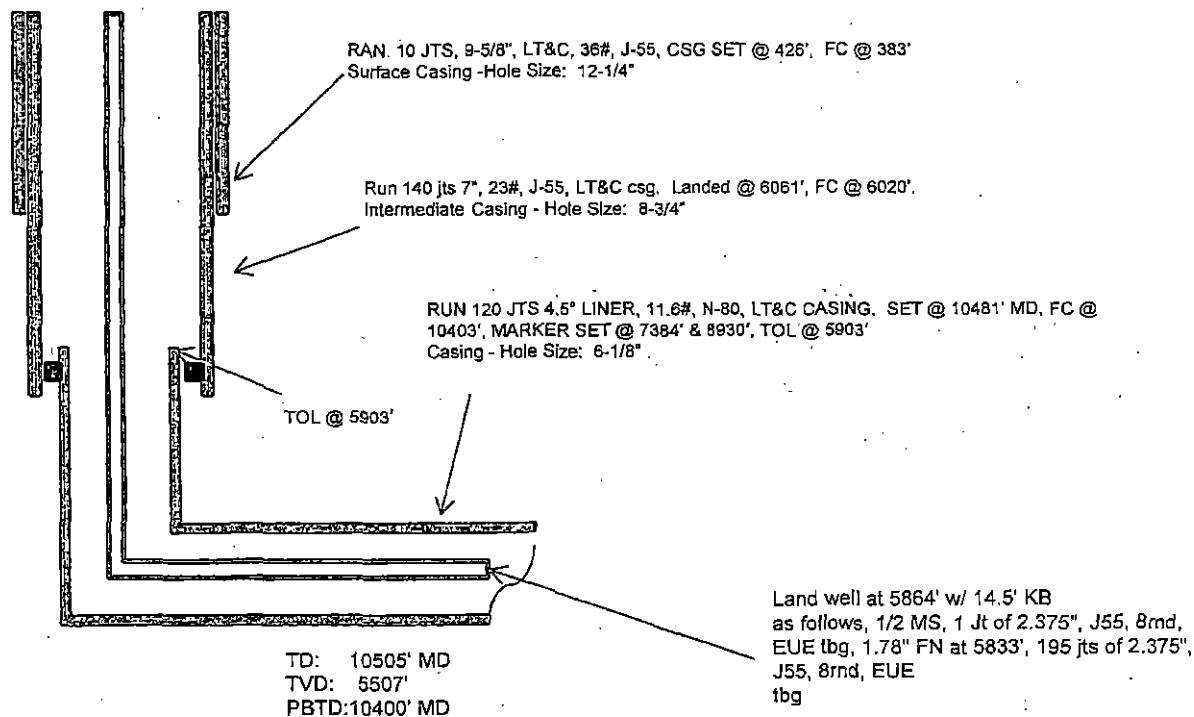
Spud: 9/21/13
Completed: 11/24/13

Surface Location: 782' FSL & 244' FEL
SE/4 SE/4 Section 36 (P), T24N, R8W

BHL: 2254' FSL & 230' FWL
NW/4 SW/4 Section 36 (L), T24N, R8W

San Juan, NM
Elevation: 6922' GR
API: 30-045-35474

Tops	MD	TVD
Ojo Alamo	1205'	1201'
Kirtland	1359'	1352'
Pictured Cliffs	1923'	1897'
Lewis	2090'	2056'
Chacra	2368'	2321'
Cliff House	3520'	3420'
Menefee	3566'	3463'
Point Lookout	4371'	4231'
Mancos	4643'	4490'
Gallup	5020'	4850'



HOLE SIZE	CASING	CEMENT	VOLUME	CMT TOP
12-1/4"	9-5/8"	230 sx	269 cu.ft.	Surface
8-3/4"	7"	780 sx	946 cu.ft.	Surface
6-1/8"	4-1/2"	355 sx	503 cu.ft.	5903' TOL

Lg 11/6/13

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit one copy to appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address ¹ Operator name and Address WPX Energy Production, LLC. P.O. Box 640 Aztec, NM 87410		² OGRID Number 120782
		³ Reason for Filing Code/ Effective Date TEST ALLOWABLE
⁴ API Number 30-045-35474	⁵ Pool Name Lybrook Gallup	⁶ Pool Code 42289
⁷ Property Code 39936	⁸ Property Name CHACO 2408-36P	⁹ Well Number #143H

II. ¹⁰ Surface Location

UL or lot no. P	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
	36	24N	8W		782'	SOUTH	244'	EAST	SAN JUAN

¹¹ Bottom Hole Location

UL or lot no. L	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	36	24N	8W		2254'	SOUTH	230'	WEST	SAN JUAN

¹² Lse Code	¹³ Producing Method Code	¹⁴ Gas Connection Date ~11/8/13	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
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III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
248440	WESTERN REFINING COMPANY, L.P.	O
194503	BEE LINE GAS SYSTEMS	G

IV. Well Completion Data

²¹ Spud Date 9/21/13	²² Ready Date ~11/8/13	²³ TD 10505' MD 5507' TVD	²⁴ PBD 10403' MD 5510' TVD	²⁵ Perforations ~6153'-10392' MD ~5577'-5512' TVD	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
12-1/4"	9-5/8", 36#, J-55	426' MD	230sx - surface		
8-3/4"	7", 23#, J-55	6061' MD	780 sx- surface		
6-1/8"	4-1/2", 11.6#, N-80	10481' MD	355 sx- TOL 5903'		
RCVD NOV 5 2013 OIL CONS. DIV.					

V. Well Test Data

DIST. 3

³¹ Date New Oil	³² Gas Delivery Date	³³ Test Date	³⁴ Test Length	³⁵ Tbg. Pressure	³⁶ Csg. Pressure
³⁷ Choke Size	³⁸ Oil	³⁹ Water	⁴⁰ Gas		⁴¹ Test Method

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Larry Higgins*

Printed name:
LARRY HIGGINS

Title:
PERMIT SUPERVISOR

E-mail Address:
Larry.higgins@wpenergy.com

Date: 11/4/13

Phone:
505-333-1808

OIL CONSERVATION DIVISION

Approved by:

Charlie Lee 11-6-13

Title: SUPERVISOR DISTRICT # 3

Approval Date: NOV 06 2013

AV

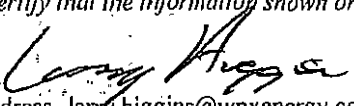
CONFIDENTIAL

CONFIDENTIAL

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brños Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised August 1, 2011 1. WELL API NO. 30-045-35474 2. Type of Lease ☒ STATE ☐ FEE ☐ FED/INDIAN 3. State Oil & Gas Lease No.								
WELL COMPLETION OR RECOMPLETION REPORT AND LOG										
4. Reason for filing: ☒ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) ☐ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name Chaco 2408-3P 6. Well Number: #143H RCVD DEC 3 '13								
7. Type of Completion: ☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER		OIL CONS. DIV.								
8. Name of Operator WPX Energy Production, LLC		9. OGRID 120782 DIST. 3								
10. Address of Operator 721 SOUTH MAIN AZTEC, NM 87410		11. Pool name or Wildcat LYBROOK GALLUP								
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	P	36	24N	8W		782'	SOUTH	244'	EAST	SAN JUAN
BH:	L	36	24N	8W		2254'	SOUTH	230'	WEST	SAN JUAN
13. Date Spudded 9/21/13	14. Date T.D. Reached 10/5/13		15. Date Rig Released 10/8/13			16. Date Completed (Ready to Produce) 11/18/13		17. Elevations (DF and RKB, RT, GR, etc.) 6922'		
18. Total Measured Depth of Well 10505' MD 5507' TVD			19. Plug Back Measured Depth 10400' MD 5510' TVD			20. Was Directional Survey Made? YES		21. Type Electric and Other Logs Run NA		
22. Producing Interval(s), of this completion - Top, Bottom, Name LYBROOK GALLUP: 6153'-10392' MD										
23. CASING RECORD (Report all strings set in well)										
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED
9-5/8"		36#, J-55		426' MD		12-1/4"		230 sx - surface		
7"		23#, J-55		6061' MD		8-3/4"		780 sx - surface		
24. LINER RECORD						25. TUBING RECORD- File at later date				
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET			
4-1/2"	5903'	10481'	355		2-3/8"	5864'				
26. Perforation record (interval, size, and number) LYBROOK GALLUP: 6153'-10392' MD Mancos 15 th - 24, 0.40" holes Mancos 14 th - 24, 0.40" holes Mancos 13 th - 24, 0.40" holes Mancos 12 th - 24, 0.40" holes Mancos 11 th - 24, 0.40" holes Mancos 10 th - 24, 0.40" holes Mancos 9 th - 24, 0.40" holes Mancos 8 th - 18, 0.40" holes Mancos 7 th - 24, 0.40" holes Mancos 6 th - 24, 0.40" holes Mancos 5 th - 24, 0.40" holes Mancos 4 th - 24, 0.40" holes Mancos 3 rd - 24, 0.40" holes Mancos 2 nd - 24, 0.40" holes Mancos 1 st - 48, 0.42" holes						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED. 6153'-6351' 260,800#, 20/40 PSA Sand 6426'-6647' 262,600#, 20/40 PSA Sand 6719'-6943' 261,400#, 20/40 PSA Sand 7009'-7223' 266,300#, 20/40 PSA Sand 7302'-7517' 211,100#, 20/40 PSA Sand 7583'-7795' 215,100#, 20/40 PSA Sand 7877'-8085' 215,200#, 20/40 PSA Sand 8180'-8356' 215,300#, 20/40 PSA Sand 8428'-8625' 212,800#, 20/40 PSA Sand 8698'-8933' 214,800#, 20/40 PSA Sand 8998'-9209' 214,600#, 20/40 PSA Sand 9272'-9499' 215,200#, 20/40 PSA Sand 9586'-9813' 215,900#, 20/40 PSA Sand 9891'-10129' 214,500 # 20/40 PSA Sand 10198'-10392' 215,500 # 20/40 PSA Sand				

28.

PRODUCTION

Date First Production 11/18/13		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>)			Well Status (<i>Prod. or Shut-in</i>)		
		Flowing			Producing		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
11/27/13	24 hrs	1"		446		266	
Flow Tubing Press. n/a	Casing Pressure 420	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (<i>Corr.</i>)	
29. Disposition of Gas (<i>Sold, used for fuel, vented, etc.</i>)						30. Test Witnessed By	
Vented - Not of pipeline quality. Will be put to sales as soon as possible.							
31. List Attachments WBD							
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.							
33. If an on-site burial was used at the well, report the exact location of the on-site burial:							
				Latitude	Longitude	NAD 1927 1983	
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief							
Signature 		Printed Name Larry Higgins		Title Permit Suprv		Date 12/03/13	
E-mail Address- larry.higgins@wpenergy.com (505)333-1808							