State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, 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 3160-3 APD form.

Operator Signature Date: 1/22/14
Well information;
Operator WPX, Well Name and Number Chaco 2306-20L 206H

API# 30-043-21190, Section 20, Township 23 (N)/S, Range 6 E(W)

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

- ✓ Notify Aztec OCD 24hrs prior to casing & cement.
- ✓ Hold C-104 for directional survey & "As Drilled" Plat
- ✓ Hold C-104 for (NSL) NSP, DHC
- o Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- o 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
- o Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- o 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

Charlie Perrin
NMOCD Approved by Signature

3-28-2014
Date ca

1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

Form 3160-3
(September 2001)

RECEIVED
JAN 22 2014
Farmington Field Office
Bureau of Land Management

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMSF-078360

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.
Chaco 2306-20L #206H

2. Name of Operator
WPX Energy Production, LLC

9. API Well No.
30043211 90

3a. Address
P.O. Box 640 Aztec, NM 87410

3b. Phone No. *(include area code)*
(505) 333-1808

10. Field and Pool, or Exploratory
Lybrook Gallup

4. Location of Well *(Report location clearly and in accordance with any State requirements. *)*
At surface L 2133' FSL & 158' FWL, sec 20, T23N, R6W
At proposed prod. zone E 2374' FNL & 230' FWL, sec 19, T23N, R6W
BHL SHL

11. Sec., T., R., M., or Blk. and Survey or Area
Section 19, T23N R6W
Section 20, T23N, R6W

14. Distance in miles and direction from nearest town or post office*
approximately 4 miles southeast of Lybrook, New Mexico

12. County or Parish
Sandoval County

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 158'

16. No. of Acres in lease
2565.24

17. Spacing Unit dedicated to this well
160 acres

RCVD MAR 25 '14
OIL CONS. DIV.
DIST. 3

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
40'

19. Proposed Depth
10,779' MD / 5,502' TVD

20. BLM/BIA Bond No. on file
UTB000178

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
7038' GR

22. Approximate date work will start*
April 1, 2014

23. Estimated duration
1 month

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature: Larry Higgins | Name *(Printed/Typed)*: Larry Higgins | Date: 1/22/14

Title: Regulatory Specialist

Approved by *(Signature)*: Joe Hewitt | Name *(Printed/Typed)*: Joe Hewitt | Date: 3-21-14

Title: Acting | Office: FFO

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**(Instructions on reverse)*

WPX Energy Production, LLC, proposes to develop the Lybrook Gallup formation at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is off lease under jurisdiction of the BLM. The road is on lease.

This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM.

314 feet of new access road is needed.

A 580' pipeline will be associated with this well

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

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

NMOCD

APD Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 22nd day of January, 2014.

Name Larry Higgins

Position Title Regulatory Specialist

Address P.O. Box 640, Aztec, NM 87410

Telephone (505) 333-1808

Field representative (if not above signatory) _____

E-mail larry.higgins@wpxenergy.com

Date: 01/22/14

Larry Higgins
Regulatory Spec.
WPX Energy Production, LLC

District I
1625 N. French Drive, Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First Street, Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Drive, Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

☐ AMENDED REPORT

RECEIVED

JAN 22 2014

Farmington Field Office
Bureau of Land Management

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-043-21190	42289	LYBROOK GALLUP

[4] Property Code	[5] Property Name	[6] Well Number
313123	CHACO 2306-20L	206H

[7] OGRID No.	[8] Operator Name	[9] Elevation
120782	WPX ENERGY PRODUCTION, LLC	7038'

[10] Surface Location

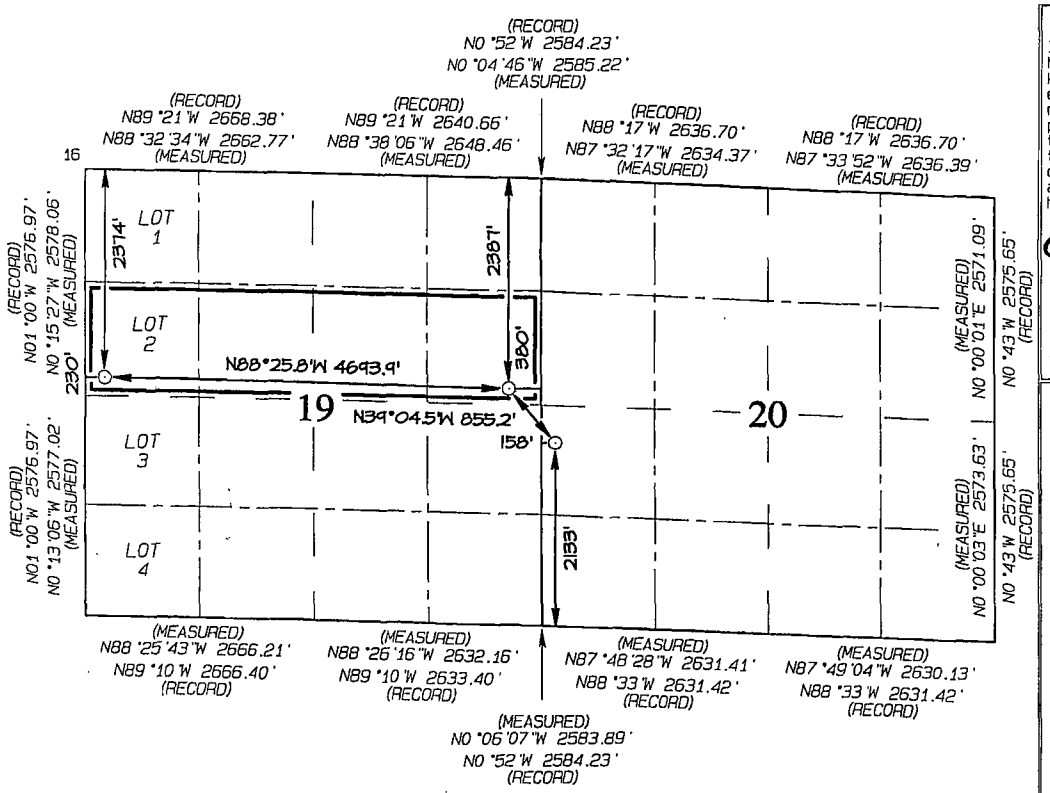
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	20	23N	6W		2133	SOUTH	158	WEST	SANDOVAL

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	19	23N	6W	2	2374	NORTH	230	WEST	SANDOVAL

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
160.90 Acres S/2 N/2 - Section 19			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



END-OF-LATERAL
2374' FNL 230' FWL
SECTION 19, T23N, R6W
LAT: 36.21166 °N
LONG: 107.51695 °W
DATUM: NAD1927

LAT: 36.21168 °N
LONG: 107.51756 °W
DATUM: NAD1983

POINT-OF-ENTRY
2387' FNL 380' FEL
SECTION 19, T23N, R6W
LAT: 36.21148 °N
LONG: 107.50104 °W
DATUM: NAD1927

LAT: 36.21149 °N
LONG: 107.50165 °W
DATUM: NAD1983

SURFACE LOCATION
2133' FSL 158' FWL
SECTION 20, T23N, R6W
LAT: 36.20967 °N
LONG: 107.49919 °W
DATUM: NAD1927

LAT: 36.20968 °N
LONG: 107.49979 °W
DATUM: NAD1983

[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature 1/22/14 Date

Larry Higgins
Printed Name

larry.higgins@wpxenergy.com
E-mail Address

[18] SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Revised: JANUARY 17, 2014
Date of Survey: AUGUST 21, 2013

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
15269
REGISTERED PROFESSIONAL SURVEYOR

JASON C. EDWARDS
Certificate Number 15269

WPXENERGY

WPX ENERGY

Operations Plan

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

DATE:	1/8/2013	**FIELD:**	Lybrook (Gallup)
WELL NAME:	**Chaco 2306-20L #206H**	**SURFACE:**	BLM
SH Location:	NWSW Sec 20-23N-6W	**ELEVATION:**	7,038' GR
BH Location:	SWNW Sec 19-23N-6W Sandoval Co, NM	**MINERALS:**	BLM
MEASURED DEPTH:	**10,779'**	**LEASE #:**	NMSF-078360

I. **GEOLOGY:** Surface formation – San Jose

A. **FORMATION TOPS:** (KB)

Name		MD	TVD		Name		MD	TVD
Ojo Alamo		1,426	1,418		Point Lookout		4,351	4,296
Kirtland		1,708	1,695		Mancos		4,539	4,483
Pictured Cliffs		2,017	1,999		**Kickoff Point**		**5,008**	**4,952**
Lewis		2,117	2,098		Target Top		5,746	5,538
Chacra		2,450	2,425		**Landing Point**		**6,084**	**5,618**
Cliff House		3,547	3,505		Target Base		6,084	5,618
Menefee		3,568	3,526					
					TD		10,779	5,502

B. **MUD LOGGING PROGRAM:** Mudlogger on location from surface csg to TD.

C. **LOGGING PROGRAM:** LWD GR from surface casing to TD. LWD GR / E- Sonic will be run in Lateral.

D. **NATURAL GAUGES:** Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. **DRILLING**

A. **MUD PROGRAM:** LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 ¾" Directional Vertical hole, the curve portion of the wellbore. LSND (WBM) or (OBM) will be used to drill the lateral portion of well. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses.

B. **BOP TESTING:** While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The anticipated reservoir is expected to be less than 1300 psi, so the BOPE will be tested to **250 psi (Low) for 5 minutes** and **1500 psi (High) for 10 minutes**. Pressure test surface casing to **600 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. The drum brakes will be inspected and tested each tour. **All tests and inspections will be recorded in the tour book as to time and results.**

NOTE: Vertical portion of the well (8-3/4 in.) will be directionally drilled as per attached Directional Plan to +/- 5,008' (MD) / 4,952' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. 2t +/- 6,084' (MD) / 5,618' (TVD). 7 in. csg will be set at this point. A 6-1/8" Lateral will be drilled as per the attached Directional Plan to +/- 10,779' (MD) / 5,502' (TVD). Will run 4-1/2 in. Production Liner from +/- 5,934 ft. to TD and cemented. Liner will be tied back to surface w / 4-1/2" Casing for stimulation / testing, then removed from the well.

III. MATERIALS

A. CASING PROGRAM:

CASING TYPE	OH SIZE (IN)	DEPTH (MD) (FT)	CASING SIZE (IN)	WEIGHT(LB)	GRADE
Surface	12.25"	400'+	9 5/8	36#	J-55
Intermediate	8.75"	6,084'	7	23#	K-55
Prod. Liner	6.125"	5,934' - 10,779'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 5,934'	4-1/2"	11.6#	N-80

B. FLOAT EQUIPMENT:

1. SURFACE CASING: 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.

2. INTERMEDIATE CASING: 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) centralizer at 2,700 ft., 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft.

3. PRODUCTION LINER: Run 4-1/2" Liner with cement nose guide Float Shoe + 2jts. of 4-1/2" casing + Landing Collar + 4-1/2" pup joint + (2) RSI (Sliding Sleeves) positioned inside 330ft Hard line. Centralizer program will be determined by Wellbore condition and when Lateral is evaluated by Geoscientists and Reservoir Engineers. Set seals on Liner Hanger. Test TOL to 1500 psi for 15 minutes.

4. TIE-BACK CASING: None

C. CEMENTING:

(Note: Volumes may be adjusted onsite due to actual conditions)

1. SURFACE: 10 bbl Fr Water Spacer + 190 sx (222.3 cu.ft.) of "Premium Cement" + 2% Calcium Chloride Cement + 0.125# pps of Poly-E-Flake, 15.8 #/gal (1.17 cu ft./sk, Vol 39.58 Bbls.). The 100% excess should circulate cement to the surface. WOC 12 hours. Test csg to 600psi. Total Volume: (222.3 cu-ft/190 sx/39.6 Bbls).

2. INTERMEDIATE: 20 bbl (112 cu-ft) Mud Flush III spacer + Lead: 850 sx Foamed 50/50 Poz Cement. 13.0 ppg + 0.1% Halad 766 + 0.2% Versaset + 1.5% Chem-Foamer 760 (Yield :1.43 cu-ft/ sk. / Vol: 1216 cu-ft / 216.5 Bbls.) + TAIL: 100 sx 13.5 #/gal. + 0.2% Versaset + 0.15% HALAD-766 (Yield: 1.28 cu-ft / sk / Vol: 128 cu-ft / 22.8 Bbls.). + Fresh Water Displacement (1,362 cu-ft / +/- 242 Bbls) + 100 sx Top-Out Cement Premium: Yield: (1.17 cu-ft/ sk / (Vol: 117 cu-ft / 20.8 Bbls). Test Casing to 1500 PSI for 30 minutes. Total Cement Volume: (1050 sx / 1461 cu-ft / 260 bbls). Mix with +/- 84,000 SCF Nitrogen. TOC at surface.

3. PRODUCTION LINER: **STAGE 1**:10 bbl (56.cu-ft) Fr Water Spacer. **STAGE 2**:40 bbl 9.5 ppg (224.6 cu-ft) Tuned Spacer III + 0.5 gal/bbl Musol + 38.75 ppb Barite + 0.5 gal/bbl SEM-7. **STAGE 3**: 10 bbl Fr Water Spacer. **STAGE 4: Lead Cement:** 50 / 50 Poz Premium + 0.2% Versaset + 0.2% Halad -766, Yield 1.43 cu ft/sk, 13.0 ppg, (10 sx / 14.3 cu ft. / 2.5 bbls). **STAGE 5:** 200 sx. Foamed Lead Cement: 50 / 50 Poz Standard + 0.2% Versaset + 0.2% HALAD-766 + 1.5% Chem-Foamer 760. Yield 1.97 cu-ft/sk. 13.0 ppg (200 sx / 394 cu-ft. / 70.2 bbls.). **STAGE 6**: Tail Cement : 100 sx. 50/50 Poz Standard + 0.2% Versaset + 0.05% HALAD-766 + .05% SA-1015, Weight: 13.5 ppg (100 sx / Yield 1.28 cu ft/sk. / 128 cu ft. / 22.8 bbls) **STAGE 7**: Displace w/ +/- 137 bbl Fr Water. Total Cement (563.3 cu ft / 95.5 bbls). Mix Foamed Cement w/ +/- 75,000 SCF Nitrogen. Est. TOC +/- 5,634 ft.

IV. COMPLETION

A. CBL

1. Run CCL for perforating.

B. PRESSURE TEST

1. Pressure test 4-1/2" casing to 4500 psi max, hold at 1500 psi for 30 minutes. Open RSI sleeves.

C. 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.

D. RUNNING TUBING

1. *Production Tubing:* Run 2-7/8", 6.5#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing near Top of Liner point of curve (~5,930' MD).

- 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:

Installation of RSI sleeves at Toe of Lateral.

Proposed Operations:

A 4-1/2" 11.6# N-80 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# K-55 Intermediate casing (set at 6,087 ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 5,934 ft. (MD) +/- 78 degree angle. TOC: +/- 5,634 ft. (MD).

After cementing and TOL clean up operations are complete, the TOL will be tested to 1500 psi (per BLM).

A 4-1/2" 11.6# N-80 tie-back string with seal assembly will be run and stung into the PBR of the liner hanger, tested to 1500 PSI and hung off at the surface.

The Drilling Rig will be rigged down at this point and Completion operations will begin. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.

Note: Changes to formation tops, casing landing points, well TD and Directional Plan

WPX Energy

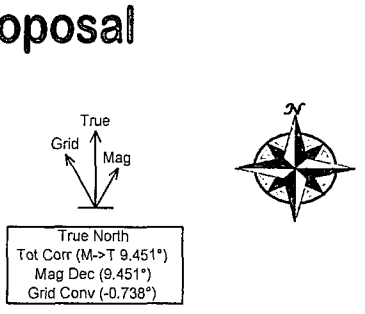
Rev 0

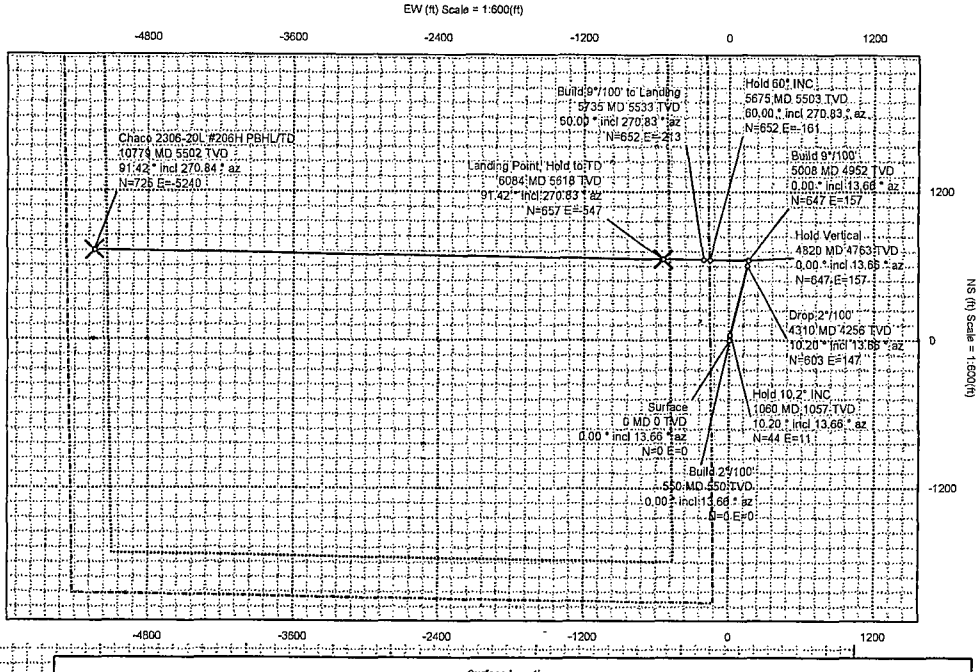
PATHFINDER
A Schlumberger Company

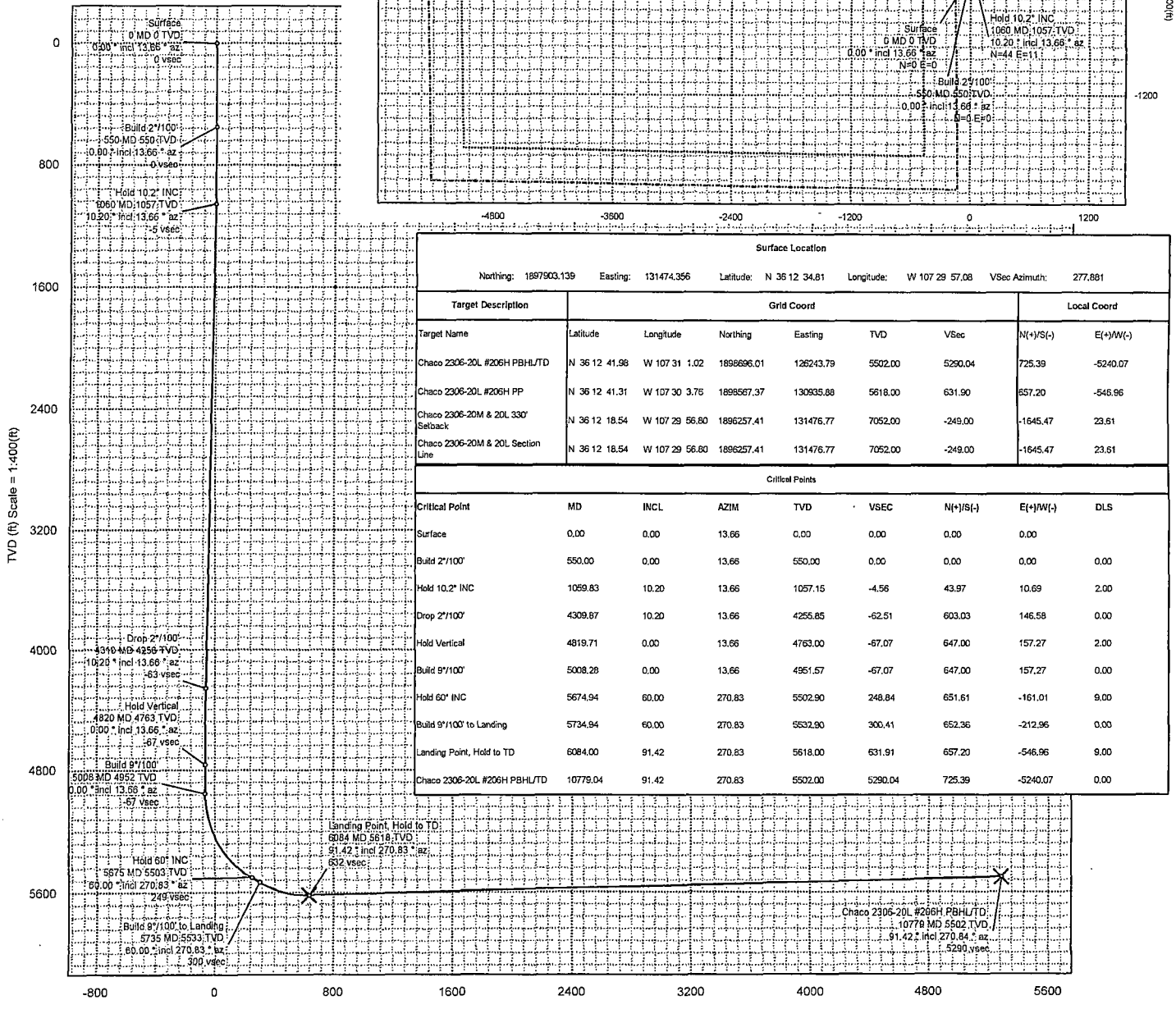
Borehole:	Well:	Field:	Structure:
Original Hole	Chaco 2306-20L #206H	NM Sandoval County NAD27	Sec 20-23N-6W

Gravity & Magnetic Parameters				Surface Location	NAD27 New Mexico State Plane, Central Zone, US Feet				Miscellaneous			
Model:	BGGM 2013	Dip: 63.001°	Date: 08-Jan-2014	Lat:	N 36 12 34.81	Northing:	1897903.139ftUS	Grid Conv: -0.738°	Slot:	Chaco 2306-20L #206H	TVD Ref:	RKB(7052ft above MSL)
MagDec:	9.451°	FS: 50145.597nT	Gravity FS: 998.484mgn (9.80665 Based)	Lon:	W 107 29 57.08	Easting:	131474.356ftUS	Scale Fact: 1.00005541	Plan:	Chaco 2306-20L #206H R0 mdv 08Jan14		

Proposal







Vertical Section (ft) Azim = 277.881° Scale = 1:400(ft) Origin = 0N/-S, 0E/-W

Surface Location

Northing: 1897903.139 Easting: 131474.356 Latitude: N 36 12 34.81 Longitude: W 107 29 57.08 VSec Azimuth: 277.881

Target Description	Grid Coord						Local Coord	
Target Name	Latitude	Longitude	Northing	Easting	TVD	VSec	N(+)/S(-)	E(+)/W(-)
Chaco 2306-20L #206H PBHL/TD	N 36 12 41.98	W 107 31 1.02	1898696.01	126243.79	5502.00	5290.04	725.39	-5240.07
Chaco 2306-20L #206H PP	N 36 12 41.31	W 107 30 3.76	1898587.37	130935.88	5618.00	631.90	657.20	-546.96
Chaco 2306-20M & 20L 330' Setback	N 36 12 18.54	W 107 29 56.80	1896257.41	131476.77	7052.00	-249.00	-1645.47	23.61
Chaco 2306-20M & 20L Section Line	N 36 12 18.54	W 107 29 56.80	1896257.41	131476.77	7052.00	-249.00	-1645.47	23.61

Critical Points

Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
Surface	0.00	0.00	13.66	0.00	0.00	0.00	0.00	
Build 2°/100'	550.00	0.00	13.66	550.00	0.00	0.00	0.00	0.00
Hold 10.2° INC	1059.83	10.20	13.66	1057.15	-4.56	43.97	10.69	2.00
Drop 2°/100'	4309.67	10.20	13.66	4255.85	-62.51	603.03	146.58	0.00
Hold Vertical	4819.71	0.00	13.66	4763.00	-67.07	647.00	157.27	2.00
Build 9°/100'	5008.28	0.00	13.66	4951.57	-67.07	647.00	157.27	0.00
Hold 60° INC	5674.94	60.00	270.83	5502.90	248.84	651.61	-161.01	9.00
Build 9°/100' to Landing	5734.94	60.00	270.83	5532.90	300.41	652.36	-212.96	0.00
Landing Point, Hold to TD	6084.00	91.42	270.83	5618.00	631.91	657.20	-546.96	9.00
Chaco 2306-20L #206H PBHL/TD	10779.04	91.42	270.83	5502.00	5290.04	725.39	-5240.07	0.00

WPXENERGY

PATHFINDER
A Schlumberger Company

Chaco 2306-20L #206H R0 mdv 08Jan14 Proposal Geodetic Report

(Def Plan)

Report Date:	January 08, 2014 - 12:15 PM	**Survey / DLS Computation:**	Minimum Curvature / Lubinski
Client:	WPX Energy	**Vertical Section Azimuth:**	277.881 ° (True North)
Field:	NM Sandoval County NAD27	**Vertical Section Origin:**	0.000 ft, 0.000 ft
Structure / Slot:	WPX Sec 20-23N-6W (Chaco 2306-20L #206H) / Chaco 2306-20L #206H	**TVD Reference Datum:**	RKB
Well:	Chaco 2306-20L #206H	**TVD Reference Elevation:**	7052.000 ft above MSL
Borehole:	Original Hole	**Seabed / Ground Elevation:**	7038.000 ft above MSL
UWI / API#:	Unknown / Unknown	**Magnetic Declination:**	9.451 °
Survey Name:	Chaco 2306-20L #206H R0 mdv 08Jan14	**Total Gravity Field Strength:**	998.4843mgn (9.80665 Based)
Survey Date:	January 08, 2014	**Gravity Model:**	GARM
Tort / AHD / DDI / ERD Ratio:	111.813 ° / 6063.747 ft / 6.114 / 1.079	**Total Magnetic Field Strength:**	50145.597 nT
Coordinate Reference System:	NAD27 New Mexico State Plane, Central Zone, US Feet	**Magnetic Dip Angle:**	63.001 °
Location Lat / Long:	N 36° 12' 34.81200", W 107° 29' 57.08400"	**Declination Date:**	January 08, 2014
Location Grid N/E Y/X:	N 1897903.139 ftUS, E 131474.356 ftUS	**Magnetic Declination Model:**	BGGM 2013
CRS Grid Convergence Angle:	-0.7380 °	**North Reference:**	True North
Grid Scale Factor:	1.00005541	**Grid Convergence Used:**	0.0000 °
Version / Patch:	2.7.1043.0	**Total Corr Mag North->True North:**	9.4508 °
		Local Coord Referenced To:	Well Head

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
Surface	0.00	0.00	13.66	0.00	0.00	0.00	0.00	N/A	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
	100.00	0.00	13.66	100.00	0.00	0.00	0.00	0.00	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
	200.00	0.00	13.66	200.00	0.00	0.00	0.00	0.00	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
	300.00	0.00	13.66	300.00	0.00	0.00	0.00	0.00	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
	400.00	0.00	13.66	400.00	0.00	0.00	0.00	0.00	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
	500.00	0.00	13.66	500.00	0.00	0.00	0.00	0.00	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
Build 2°/100'	550.00	0.00	13.66	550.00	0.00	0.00	0.00	0.00	1897903.14	131474.36	N 36 12 34.81	W 107 29 57.08
	600.00	1.00	13.66	600.00	-0.04	0.42	0.10	2.00	1897903.56	131474.46	N 36 12 34.82	W 107 29 57.08
	700.00	3.00	13.66	699.93	-0.40	3.82	0.93	2.00	1897906.94	131475.33	N 36 12 34.85	W 107 29 57.07
	800.00	5.00	13.66	799.68	-1.10	10.59	2.57	2.00	1897913.70	131477.07	N 36 12 34.92	W 107 29 57.05
	900.00	7.00	13.66	899.13	-2.15	20.75	5.04	2.00	1897923.82	131479.67	N 36 12 35.02	W 107 29 57.02
	1000.00	9.00	13.66	998.15	-3.55	34.27	8.33	2.00	1897937.30	131483.13	N 36 12 35.15	W 107 29 56.98
Hold 10.2° INC	1059.83	10.20	13.66	1057.15	-4.56	43.97	10.69	2.00	1897946.97	131485.61	N 36 12 35.25	W 107 29 56.95
	1100.00	10.20	13.66	1096.68	-5.27	50.88	12.37	0.00	1897953.85	131487.38	N 36 12 35.32	W 107 29 56.93
	1200.00	10.20	13.66	1195.10	-7.06	68.08	16.55	0.00	1897971.00	131491.78	N 36 12 35.49	W 107 29 56.88
	1300.00	10.20	13.66	1293.52	-8.84	85.28	20.73	0.00	1897988.15	131496.18	N 36 12 35.66	W 107 29 56.83
	1400.00	10.20	13.66	1391.94	-10.62	102.48	24.91	0.00	1898005.30	131500.59	N 36 12 35.83	W 107 29 56.78
	1500.00	10.20	13.66	1490.36	-12.41	119.68	29.09	0.00	1898022.44	131504.99	N 36 12 36.00	W 107 29 56.73
	1600.00	10.20	13.66	1588.78	-14.19	136.89	33.27	0.00	1898039.59	131509.39	N 36 12 36.17	W 107 29 56.68
	1700.00	10.20	13.66	1687.20	-15.97	154.09	37.45	0.00	1898056.74	131513.79	N 36 12 36.34	W 107 29 56.63
	1800.00	10.20	13.66	1785.62	-17.76	171.29	41.64	0.00	1898073.89	131518.20	N 36 12 36.51	W 107 29 56.58
	1900.00	10.20	13.66	1884.04	-19.54	188.49	45.82	0.00	1898091.03	131522.60	N 36 12 36.68	W 107 29 56.52
	2000.00	10.20	13.66	1982.46	-21.32	205.69	50.00	0.00	1898108.18	131527.00	N 36 12 36.85	W 107 29 56.47
	2100.00	10.20	13.66	2080.88	-23.10	222.89	54.18	0.00	1898125.33	131531.41	N 36 12 37.02	W 107 29 56.42
	2200.00	10.20	13.66	2179.31	-24.89	240.10	58.36	0.00	1898142.48	131535.81	N 36 12 37.19	W 107 29 56.37
	2300.00	10.20	13.66	2277.73	-26.67	257.30	62.54	0.00	1898159.62	131540.21	N 36 12 37.36	W 107 29 56.32
	2400.00	10.20	13.66	2376.15	-28.45	274.50	66.72	0.00	1898176.77	131544.61	N 36 12 37.53	W 107 29 56.27
	2500.00	10.20	13.66	2474.57	-30.24	291.70	70.91	0.00	1898193.92	131549.02	N 36 12 37.70	W 107 29 56.22
	2600.00	10.20	13.66	2572.99	-32.02	308.90	75.09	0.00	1898211.07	131553.42	N 36 12 37.87	W 107 29 56.17
	2700.00	10.20	13.66	2671.41	-33.80	326.11	79.27	0.00	1898228.21	131557.82	N 36 12 38.04	W 107 29 56.12
	2800.00	10.20	13.66	2769.83	-35.59	343.31	83.45	0.00	1898245.36	131562.23	N 36 12 38.21	W 107 29 56.07
	2900.00	10.20	13.66	2868.25	-37.37	360.51	87.63	0.00	1898262.51	131566.63	N 36 12 38.38	W 107 29 56.01
	3000.00	10.20	13.66	2966.67	-39.15	377.71	91.81	0.00	1898279.66	131571.03	N 36 12 38.55	W 107 29 55.96
	3100.00	10.20	13.66	3065.09	-40.93	394.91	95.99	0.00	1898296.80	131575.43	N 36 12 38.72	W 107 29 55.91
	3200.00	10.20	13.66	3163.51	-42.72	412.11	100.18	0.00	1898313.95	131579.84	N 36 12 38.89	W 107 29 55.86
	3300.00	10.20	13.66	3261.93	-44.50	429.32	104.36	0.00	1898331.10	131584.24	N 36 12 39.06	W 107 29 55.81
	3400.00	10.20	13.66	3360.35	-46.28	446.52	108.54	0.00	1898348.25	131588.64	N 36 12 39.23	W 107 29 55.76
	3500.00	10.20	13.66	3458.77	-48.07	463.72	112.72	0.00	1898365.39	131593.05	N 36 12 39.40	W 107 29 55.71
	3600.00	10.20	13.66	3557.19	-49.85	480.92	116.90	0.00	1898382.54	131597.45	N 36 12 39.57	W 107 29 55.66
	3700.00	10.20	13.66	3655.61	-51.63	498.12	121.08	0.00	1898399.69	131601.85	N 36 12 39.74	W 107 29 55.61
	3800.00	10.20	13.66	3754.03	-53.42	515.33	125.26	0.00	1898416.84	131606.25	N 36 12 39.91	W 107 29 55.56
	3900.00	10.20	13.66	3852.46	-55.20	532.53	129.44	0.00	1898433.98	131610.66	N 36 12 40.08	W 107 29 55.50
	4000.00	10.20	13.66	3950.88	-56.98	549.73	133.63	0.00	1898451.13	131615.06	N 36 12 40.25	W 107 29 55.45
	4100.00	10.20	13.66	4049.30	-58.77	566.93	137.81	0.00	1898468.28	131619.46	N 36 12 40.42	W 107 29 55.40
	4200.00	10.20	13.66	4147.72	-60.55	584.13	141.99	0.00	1898485.43	131623.87	N 36 12 40.59	W 107 29 55.35
	4300.00	10.20	13.66	4246.14	-62.33	601.34	146.17	0.00	1898502.57	131628.27	N 36 12 40.76	W 107 29 55.30
Drop 2°/100'	4309.87	10.20	13.66	4255.85	-62.51	603.03	146.58	0.00	1898504.27	131628.70	N 36 12 40.78	W 107 29 55.30
	4400.00	8.39	13.66	4344.79	-63.97	617.18	150.02	2.00	1898518.37	131632.32	N 36 12 40.92	W 107 29 55.25
	4500.00	6.39	13.66	4443.96	-65.27	629.68	153.06	2.00	1898530.83	131635.52	N 36 12 41.04	W 107 29 55.22
	4600.00	4.39	13.66	4543.51	-66.22	638.82	155.28	2.00	1898539.94	131637.86	N 36 12 41.13	W 107 29 55.19
	4700.00	2.39	13.66	4643.33	-66.81	644.57	156.68	2.00	1898545.67	131639.33	N 36 12 41.19	W 107 29 55.17
	4800.00	0.39	13.66	4743.29	-67.06	646.93	157.25	2.00	1898548.03	131639.94	N 36 12 41.21	W 107 29 55.17
Hold Vertical	4819.71	0.00	13.66	4763.00	-67.07	647.00	157.27	2.00	1898548.09	131639.96	N 36 12 41.21	W 107 29 55.16
	4900.00	0.00	13.66	4843.29	-67.07	647.00	157.27	0.00	1898548.09	131639.96	N 36 12 41.21	W 107 29 55.16
	5000.00	0.00	13.66	4943.29	-67.07	647.00	157.27	0.00	1898548.09	131639.96	N 36 12 41.21	W 107 29 55.16
Build 9°/100'	5008.28	0.00	13.66	4951.57	-67.07	647.00	157.27	0.00	1898548.09	131639.96	N 36 12 41.21	W 107 29 55.16
	5100.00	8.26	270.83	5042.98	-60.52	647.10	150.67	9.00	1898548.27	131633.36	N 36 12 41.21	W 107 29 55.25
	5200.00	17.26	270.83	5140.41	-38.63	647.42	128.62	9.00	1898548.88	131611.31	N 36 12 41.21	W 107 29 55.51
	5300.00	26.26	270.83	5233.19	-1.88	647.95	91.60	9.00	1898549.89	131574.30	N 36 12 41.22	W 107 29 55.97
	5400.00	35.26	270.83	5319.04	48.81	648.69	40.52	9.00	1898551.29	131523.23	N 36 12 41.23	W 107 29 56.59
	5500.00	44.26	270.83	5395.84	112.22	649.62	-23.36	9.00	1898553.04	131459.37	N 36 12 41.24	W 107 29 57.37
	5600.00	53.26	270.83	5461.70	186.76	650.70	-98.46	9.00	1898555.09	131384.28	N 36 12 41.25	W 107 29 58.29
Hold 60° INC	5674.94	60.00	270.83	5502.90	248.84	651.61	-161.01	9.00	1898556.80	131321.75	N 36 12 41.26	W 107 29 59.05
	5700.00	60.00	270.83	5515.43	270.37	651.93	-182.71	0.00	1898557.40	131300.05	N 36 12 41.26	W 107 29 59.31
Build 9°/100' to Landing	5734.94	60.00	270.83	5532.90	300.41	652.36	-212.96	0.00	1898558.23	131269.80	N 36 12 41.26	W 107 29 59.68
	5800.00	65.86	270.83	5562.49	357.87	653.20	-270.86	9.00	1898559.81	131211.92	N 36 12 41.27	W 107 30 0.39
	5900.00	74.86	270.83	5596.08	451.24	654.57	-364.93	9.00	1898562.39	131117.86	N 36 12 41.28	W 107 30 1.54
	6000.00	83.86	270.83	5614.53	548.68	655.99	-463.10	9.00	1898565.07	131019.72	N 36 12 41.30	W 107 30 2.73
Landing Point, Hold to TD	6084.00	91.42	270.83	5618.00	631.91	657.20	-546.96	9.00	1898567.37	130935.88	N 36 12 41.31	W 107 30 3.76
	6100.00	91.42	270.83	5617.60	647.79	657.43	-562.95	0.00	1898567.81	130919.89	N 36 12 41.31	W 107 30 3.95
	6200.00	91.42	270.83	5615.13	747.00	658.88	-662.91	0.00	1898570.54	130819.95	N 36 12 41.33	W 107 30 5.17
	6300.00	91.42	270.83	5612.66	846.21	660.33	-762.87	0.00	1898573.28	130720.01	N 36 12 41.34	W 107 30 6.39
	6400.00	91.42	270.83	5610.19	945.43	661.78	-862.83	0.00	1898576.01	130620.08	N 36 12 41.36	W 107 30 7.61
	6500.00	91.42	270.83	5607.72	1044.64	663.23	-962.79	0.00	1898578.75	130520.14	N 36 12 41.37	W 107 30 8.83
	6600.00	91.42	270.83	5605.25	1143.85	664.68	-1062.75	0.00	1898581.49	130420.20	N 36 12 41.38	W 107 30 10.05

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
	6700.00	91.42	270.83	5602.78	1243.07	666.13	-1162.71	0.00	1898584.22	130320.26	N 36 12 41.40	W 107 30 11.27
	6800.00	91.42	270.83	5600.31	1342.28	667.58	-1262.67	0.00	1898586.96	130220.33	N 36 12 41.41	W 107 30 12.49
	6900.00	91.42	270.83	5597.84	1441.49	669.03	-1362.63	0.00	1898589.70	130120.39	N 36 12 41.43	W 107 30 13.71
	7000.00	91.42	270.83	5595.37	1540.71	670.47	-1462.58	0.00	1898592.43	130020.45	N 36 12 41.44	W 107 30 14.93
	7100.00	91.42	270.83	5592.90	1639.92	671.92	-1562.54	0.00	1898595.17	129920.51	N 36 12 41.46	W 107 30 16.15
	7200.00	91.42	270.83	5590.43	1739.13	673.37	-1662.50	0.00	1898597.91	129820.58	N 36 12 41.47	W 107 30 17.37
	7300.00	91.42	270.83	5587.96	1838.35	674.82	-1762.46	0.00	1898600.65	129720.64	N 36 12 41.48	W 107 30 18.59
	7400.00	91.42	270.83	5585.49	1937.56	676.28	-1862.42	0.00	1898603.39	129620.70	N 36 12 41.50	W 107 30 19.81
	7500.00	91.42	270.83	5583.02	2036.78	677.73	-1962.38	0.00	1898606.12	129520.76	N 36 12 41.51	W 107 30 21.03
	7600.00	91.42	270.83	5580.55	2135.99	679.18	-2062.34	0.00	1898608.86	129420.83	N 36 12 41.53	W 107 30 22.25
	7700.00	91.42	270.83	5578.08	2235.20	680.63	-2162.30	0.00	1898611.60	129320.89	N 36 12 41.54	W 107 30 23.47
	7800.00	91.42	270.83	5575.61	2334.42	682.08	-2262.26	0.00	1898614.34	129220.95	N 36 12 41.56	W 107 30 24.69
	7900.00	91.42	270.83	5573.14	2433.63	683.53	-2362.22	0.00	1898617.08	129121.02	N 36 12 41.57	W 107 30 25.91
	8000.00	91.42	270.83	5570.67	2532.84	684.98	-2462.17	0.00	1898619.82	129021.08	N 36 12 41.58	W 107 30 27.13
	8100.00	91.42	270.83	5568.20	2632.06	686.43	-2562.13	0.00	1898622.56	128921.14	N 36 12 41.60	W 107 30 28.35
	8200.00	91.42	270.83	5565.73	2731.27	687.89	-2662.09	0.00	1898625.30	128821.20	N 36 12 41.61	W 107 30 29.57
	8300.00	91.42	270.83	5563.26	2830.49	689.34	-2762.05	0.00	1898628.03	128721.27	N 36 12 41.63	W 107 30 30.79
	8400.00	91.42	270.83	5560.79	2929.70	690.79	-2862.01	0.00	1898630.77	128621.33	N 36 12 41.64	W 107 30 32.01
	8500.00	91.42	270.83	5558.32	3028.91	692.24	-2961.97	0.00	1898633.51	128521.39	N 36 12 41.66	W 107 30 33.23
	8600.00	91.42	270.83	5555.85	3128.13	693.69	-3061.93	0.00	1898636.25	128421.45	N 36 12 41.67	W 107 30 34.45
	8700.00	91.42	270.83	5553.38	3227.34	695.15	-3161.89	0.00	1898639.00	128321.52	N 36 12 41.68	W 107 30 35.67
	8800.00	91.42	270.83	5550.91	3326.55	696.60	-3261.85	0.00	1898641.74	128221.58	N 36 12 41.70	W 107 30 36.89
	8900.00	91.42	270.83	5548.44	3425.77	698.05	-3361.80	0.00	1898644.48	128121.64	N 36 12 41.71	W 107 30 38.11
	9000.00	91.42	270.83	5545.97	3524.98	699.51	-3461.76	0.00	1898647.22	128021.71	N 36 12 41.73	W 107 30 39.33
	9100.00	91.42	270.83	5543.50	3624.20	700.96	-3561.72	0.00	1898649.96	127921.77	N 36 12 41.74	W 107 30 40.54
	9200.00	91.42	270.83	5541.02	3723.41	702.41	-3661.68	0.00	1898652.70	127821.83	N 36 12 41.76	W 107 30 41.76
	9300.00	91.42	270.83	5538.55	3822.62	703.87	-3761.64	0.00	1898655.44	127721.89	N 36 12 41.77	W 107 30 42.98
	9400.00	91.42	270.83	5536.08	3921.84	705.32	-3861.60	0.00	1898658.18	127621.96	N 36 12 41.78	W 107 30 44.20
	9500.00	91.42	270.83	5533.61	4021.05	706.78	-3961.56	0.00	1898660.92	127522.02	N 36 12 41.80	W 107 30 45.42
	9600.00	91.42	270.83	5531.14	4120.27	708.23	-4061.52	0.00	1898663.67	127422.08	N 36 12 41.81	W 107 30 46.64
	9700.00	91.42	270.83	5528.67	4219.48	709.68	-4161.48	0.00	1898666.41	127322.14	N 36 12 41.83	W 107 30 47.86
	9800.00	91.42	270.83	5526.20	4318.70	711.14	-4261.43	0.00	1898669.15	127222.21	N 36 12 41.84	W 107 30 49.08
	9900.00	91.42	270.83	5523.73	4417.91	712.59	-4361.39	0.00	1898671.89	127122.27	N 36 12 41.86	W 107 30 50.30
	10000.00	91.42	270.83	5521.25	4517.12	714.05	-4461.35	0.00	1898674.64	127022.33	N 36 12 41.87	W 107 30 51.52
	10100.00	91.42	270.83	5518.78	4616.34	715.50	-4561.31	0.00	1898677.38	126922.40	N 36 12 41.88	W 107 30 52.74
	10200.00	91.42	270.83	5516.31	4715.55	716.96	-4661.27	0.00	1898680.12	126822.46	N 36 12 41.90	W 107 30 53.96
	10300.00	91.42	270.83	5513.84	4814.77	718.42	-4761.23	0.00	1898682.86	126722.52	N 36 12 41.91	W 107 30 55.18
	10400.00	91.42	270.83	5511.37	4913.98	719.87	-4861.19	0.00	1898685.61	126622.58	N 36 12 41.93	W 107 30 56.40
	10500.00	91.42	270.83	5508.90	5013.19	721.33	-4961.15	0.00	1898688.35	126522.65	N 36 12 41.94	W 107 30 57.62
	10600.00	91.42	270.83	5506.43	5112.41	722.78	-5061.11	0.00	1898691.10	126422.71	N 36 12 41.96	W 107 30 58.84
	10700.00	91.42	270.83	5503.95	5211.62	724.24	-5161.06	0.00	1898693.84	126322.77	N 36 12 41.97	W 107 31 0.06
Chaco 2306-20L #206H PBHL/TD	10779.04	91.42	270.83	5502.00	5290.04	725.39	-5240.07	0.00	1898696.01	126243.79	N 36 12 41.98	W 107 31 1.02

Survey Type: Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma

Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Survey Tool Type	Borehole / Survey
	1	0.000	14.000	1/100.000	30.000	30.000	SLB_MWD-STD-Depth Only	Original Hole / Chaco 2306-20L #206H R0 mdv 08Jan14
	1	14.000	10779.036	1/100.000	30.000	30.000	SLB_MWD-STD	Original Hole / Chaco 2306-20L #206H R0 mdv 08Jan14

1. INTRODUCTION

WPX Energy Production, LLC (WPX) is providing this Surface Use Plan of Operations (SUPO)/Plan of Development (POD) to the Bureau of Land Management – Farmington Field Office (BLM-FFO) as part of their Chaco 2306-20L Nos. 206H and 207H (206H/207H) Applications for Permit to Drill (APDs) and Right-of-Way (ROW) Grant Applications. This SUPO/POD is provided per Onshore Oil and Gas Order No. 1, 43 Code of Federal Regulations (CFR) 2804.12, 43 CFR 2884.11, BLM Manual Section 2804 (Applying for Federal Land Policy and Management Act [FLPMA] Grants), and BLM FLPMA ROW Manual Section 2884 (Applying for a Mineral Leasing Act Grant or a Temporary Use Permit).

The proposed 206H/207H oil and natural gas wells will each be permitted by an approved APD. The associated access road and approximately 435 feet of the pipeline ties, which will be located on-lease, will also be permitted by the APDs. The associated well pad, which will be located partially off-lease, will be permitted under a ROW Grant. The remainder of the pipeline ties (approximately 145 feet), which will be located off-lease, will be permitted under a ROW Grant.

A pre-disturbance onsite meeting for the proposed wells, well pad, and access road was held on October 31, 2013. A pre-disturbance onsite meeting for the proposed pipeline ties was held on November 21, 2013. The BLM, WPX, and an environmental consultant (Nelson Consulting, Inc.) attended the meetings.

In addition to the best management practices (BMPs) provided below and in the Surface Reclamation Plan (Reclamation Plan; Appendix A), the general Conditions of Approval/stipulations will be followed, if any are attached to the approved APDs and ROW Grants.

2. PROJECT LOCATION AND DESCRIPTION

2.1. Project Location

The proposed project area is located in Sandoval County, New Mexico. The proposed project area is located approximately 44 miles south-southeast of the town of Bloomfield, New Mexico. To access the proposed project area, head south from the U.S. Highway 550-U.S. Highway 64 intersection for approximately 51 miles, and then turn right onto an unnamed, existing road for approximately 2 miles before reaching the start of the 314-foot-long proposed access road and 580-foot-long proposed pipeline corridor. The access route from U.S. Highway 550 is depicted on Figure B.1 (Appendix B) and on the construction plats provided in the APD and ROW Grant permit packages.

The legal location of the proposed project area is described in the below table (New Mexico Principal Meridian [NMPM]).

Table 1. Legal Land Description for the Proposed Project

Township, Range	Section	Quarter-Quarter	Project Feature
Township 23 North, Range 6 West	19	northeastern ¼ of southeastern ¼	well pad, construction zone, access road, & pipeline corridor
		southeastern ¼ of southeastern ¼	staging area
	20	northwestern ¼ of southwestern ¼	well pad, construction zone, & pipeline corridor
		southwestern ¼ of southwestern ¼	staging area

The latitude and longitude of the proposed 206H and 207H bottom holes and surface holes (wellheads) are provided in Table 2, below.

8.1. Well Pad and Access Road

Topsoil associated with the proposed well pad and access road will be stockpiled within the well pad construction zone, as depicted in Figure B.3 (Appendix B).

The proposed access road and well pad will be leveled with a D-8 bulldozer to provide space and a level surface for vehicles and equipment. Excavated materials from the cuts will be used on the fill portions of the location to level the proposed well pad. Approximately 15 feet of cut and 6 feet of fill will be needed to create a level well pad. No additional materials will be required for construction of the proposed well pad.

8.2. Pipeline Ties

Trenching activities will be conducted using a trencher or backhoe. The pipeline trenches will be 4 to 5 feet in depth. The trenches will be 16 inches in width if a trencher is used or 24 inches in width if a backhoe is used. Soft plugs will be placed within the trenches every quarter mile. When stringing pipe, one joint of pipe will be set back every quarter mile. Backfilling operations will be performed within a reasonable amount of time to ensure that the trenches are not left open for more than 24 hours. If a trench is left open overnight, it will be fenced with a temporary fence or a night watchman will be utilized.

After a pipe has been welded and coated, a side-boom tractor will be used to place the pipe into the trench. Prior to construction commencement, WPX will notify the BLM-FFO of additional types of construction equipment to be used.

The soils excavated from the trenches will be returned to the trenches, atop the pipe, and compacted to prevent subsidence. The trenches will be compacted after approximately 2 feet of fill is placed within the trenches and after the ground surface has been leveled.

Prior to the proposed pipelines being placed in service, the pipes will be pressure tested.

Pipeline markers will be installed along the proposed pipeline corridor within the line of sight, without voiding safety issues.

8.3. Staging Area

Within the staging area, vegetation (if present) will be mown. Topsoil will not be removed.

9. METHODS FOR HANDLING WASTE DISPOSAL

✓ Drilling operations will utilize a closed-loop system. Drilling of the horizontal lateral may be done with water-based mud. All water-based mud cuttings will be hauled to a commercial disposal facility or land farm.

The drilling operations 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.

WPX will follow New Mexico Oil Conservation Division "Pit Rule" guidelines and Onshore Order Nos. 1 and 7 regarding the placement, operation, and closure of any reserve pits or closed-loop systems. No blow pit will be used.

As stated in the Reclamation Plan (Appendix A), if drilling has not been initiated on the proposed well pad within 120 days of the well pad being constructed, WPX will submit a site-stabilization plan to the BLM-FFO.

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

3000 PSI BOP Schematic