

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: 3/5/14

Well information;

Operator WPX, Well Name and Number Chaco 2306-19E 205H

API# 30-043-21204, Section 19, Township 23 NS, Range 6 EW

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
- ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- ☐ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- ☐ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ☐ 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

Charles Herrin
NMOCD Approved by Signature

3-28-2014
Date ca

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 05 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. NMSF-078360
6. If Indian, Allottee or Tribe Name
7. If Unit or CA Agreement, Name and No.
8. Lease Name and Well No. Chaco 2306-19E #205H
9. API Well No. 30-043-21204
10. Field and Pool, or Exploratory Lybrook Gallup
11. Sec., T., R., M., or Blk. and Survey or Area Section 19, T23N, R6W
12. County or Parish Sandoval County
13. State NM
17. Spacing Unit dedicated to this well 160.86 160 acres
20. BLM/BIA Bond No. on file UTB000178 RCVD MAR 25 '14
23. Estimated duration 1 month OIL CONS. DIV.
24. Attachments DIST. 3

1a. Type of Work: ☒ DRILL ☐ REENTER
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone
2. Name of Operator WPX Energy Production, LLC
3a. Address P.O. Box 640 Aztec, NM 87410
3b. Phone No. (include area code) (505) 333-1808
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1757' FNL & 303' FWL, sec 19, T23N, R6W At proposed prod. zone 1187' FNL & 230' FWL, sec 19, T23N, R6W
14. Distance in miles and direction from nearest town or post office* approximately 4 miles southeast of Lybrook, New Mexico
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 303'
16. No. of Acres in lease 2565.24
17. Spacing Unit dedicated to this well 160.86 160 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 40'
19. Proposed Depth 10,711' MD / 5,467' TVD
20. BLM/BIA Bond No. on file UTB000178
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6965' GR
22. Approximate date work will start* May 1, 2014
23. Estimated duration 1 month
24. Attachments DIST. 3

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- 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 3/5/14
Title Regulatory Specialist		
Approved by (Signature) Joe Hewitt	Name (Printed/Typed) JOE HEWITT	Date 3-21-14
Title Acting	Office KFO	

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 under jurisdiction of the BLM. The road and location are on lease.

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

This well shares this location with the Chaco #188H and 189H. No new construction is required..

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

NMOCDA

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

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

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 5th day of March, 2014.

Name Larry Higgins

Position Title Regulatory Specialist

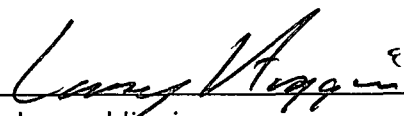
Address P.O. Box 640, Aztec, NM 87410

Telephone (505) 333-1808

Field representative (if not above signatory) _____

E-mail larry.higgins@wpxenergy.com

Date: 03/05/14



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

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

AMENDED REPORT
RECEIVED

MAR 05 2014

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-043-21204		*Pool Code 42289	*Pool Name LYBROOK GALL	Farmington Field Office Bureau of Land Management
*Property Code 46021	*Property Name CHACO 2306-19E			*Well Number 205H
*GRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC			*Elevation 6965'

10 Surface Location

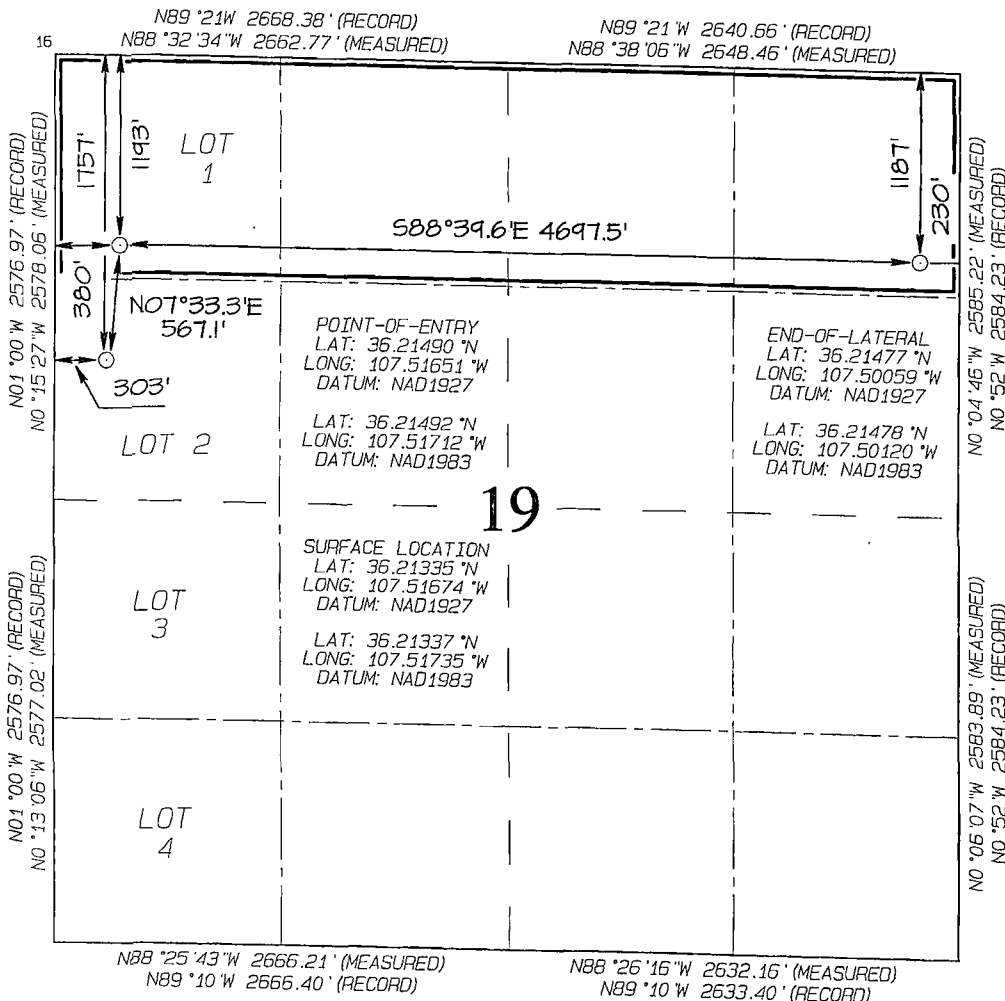
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	19	23N	6W	2	1757	NORTH	303	WEST	SANDOVAL

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
A	19	23N	6W		1187	NORTH	230	EAST	SANDOVAL

12 Dedicated Acres 150.86 Acres N/2 N/2 - Section 19	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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



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: *Larry Higgins* Date: 3/5/14

Printed Name: Larry Higgins

E-mail Address: larry.higgins@wpxenergy.com

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: FEBRUARY 28, 2014

Date of Survey: JULY 10, 2012

Signature and Seal of Professional Surveyor



JASON C. EDWARDS

Certificate Number 15269

WPX ENERGY**Operations Plan**

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

DATE: 2/27/2014 **FIELD:** Lybrook (Gallup)

WELL NAME: Chaco 2306-19E #205H **SURFACE:** BLM

SH Location: SWNW Sec 19-23N-06W **ELEVATION:** 6965' GR

BH Location: NENE Sec 19-23N-06W **MINERALS:** BLM
Sandoval, NM

MEASURED DEPTH: 10,711' **LEASE #:** NMSF 078360

I. GEOLOGY: Surface formation – San Jose

A. FORMATION TOPS: (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1,339	1,331	Point Lookout	4,269	4,204
Kirtland	1,646	1,632	Mancos	4,469	4,400
Pictured Cliffs	1,943	1,923	Kickoff Point	4,845	4,769
Lewis	2,030	2,009	Target Top	5,663	5,441
Chacra	2,369	2,341	Landing Point	6,014	5,530
Cliff House	3,463	3,414	Target Base	6,014	5,530
Menefee	3,485	3,435			
			TD	10,711	5,467

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 3/4" Directional Vertical hole, and the curve portion of the wellbore. A 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 +/- 4,845' (MD) / 4,769' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 6,014' (MD) / 5,530' (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 +/- 10,711' (MD) / 5,467' (TVD). Will run 4-1/2 in. Production Liner from +/- 5,864 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:

<u>CASING TYPE</u>	<u>OH SIZE (IN)</u>	<u>DEPTH (MD) (FT)</u>	<u>CASING SIZE (IN)</u>	<u>WEIGHT(LB)</u>	<u>GRADE</u>
Surface	12.25"	400'+	9.625"	36#	J-55
Intermediate	8.75"	6,014'	7"	23#	K-55
Prod. Liner	6.125"	5,864' - 10,711'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 5,864'	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., and 2,000ft. Additionally run 1 turbolizing centralizer on every other joint from 100' below the top of the Kirtland to 100' above the top of the Ojo Alamo, as referenced in Formation Tops in Section I-A.
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 the 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). TOC at Surface.
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 (310 sx /536.3 cu ft / 95.5 bbls). Mix Foamed Cement w/ +/- 75,000 SCF Nitrogen. Est. TOC +/- 5,564 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. Increase pressure to 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 (~5,800' 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 6,014 ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 5,864 ft. (MD) +/- 78 degree angle. TOC: +/- 5,564 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.

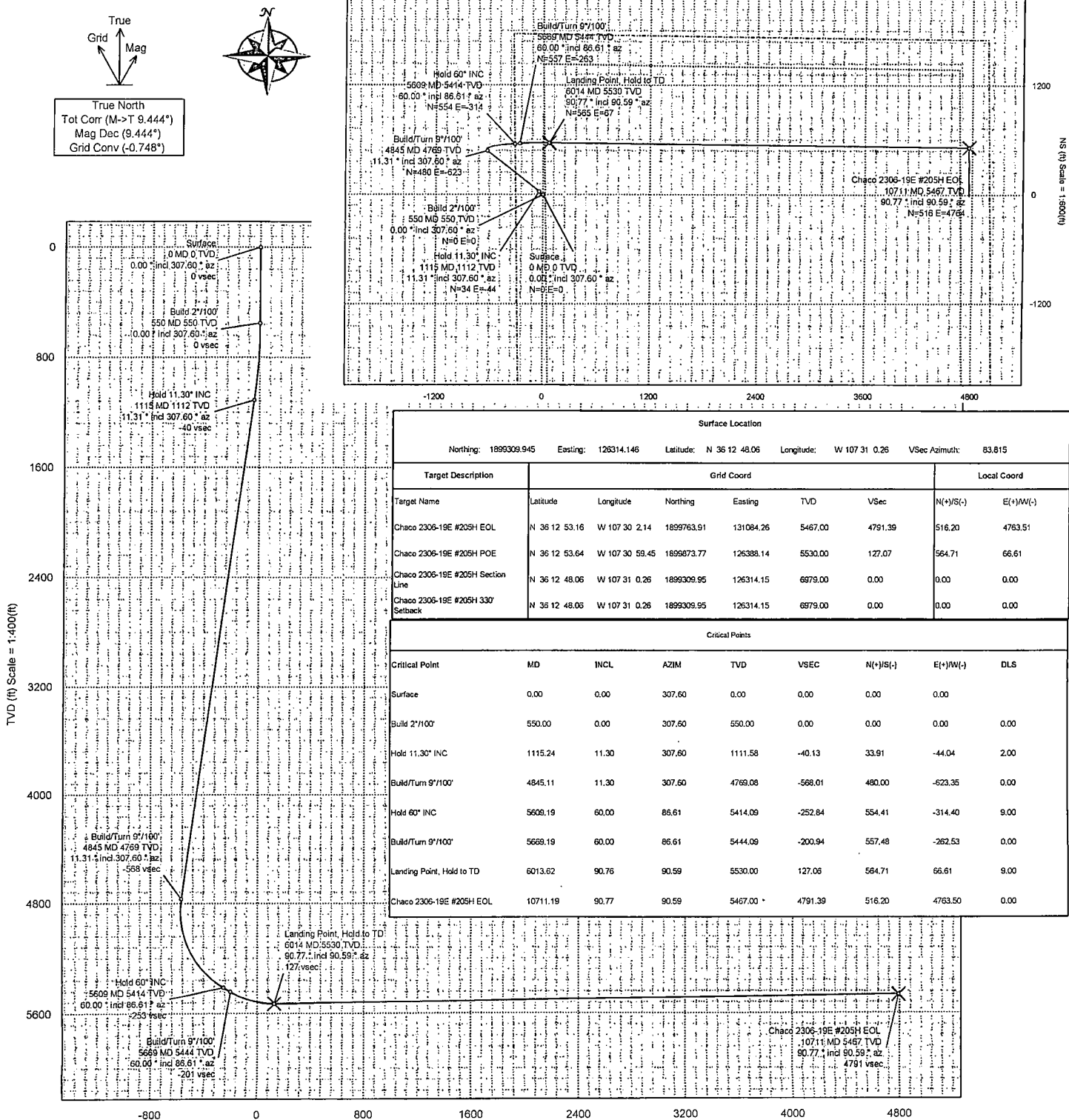
The Drilling Rig will be rigged down at this point and Completion operations will begin. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.

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

Borehole:	Well:	Field:	Structure:
Original Hole	Chaco 2306-19E #205H	NM Sandoval County NAD27	Sec 19-23N-6W

Gravity & Magnetic Parameters	Surface Location	Miscellaneous
Model: BGGM 2013 Dip: 62.998° Date: 26-Feb-2014	NAD27 New Mexico State Plane, Central Zone, US Feet	Slot: Chaco 2306-19E #205H TVD Ref: RKB(6979ft above MSL)
MagDec: 9.444° FS: 50130.074nT Gravity FS: 998.492mgm (9.80665 Based)	Lat: N 36 12 48.06 Northing: 1899309.945ft Grid Conv: -0.7485° Lon: W 107 31 0.26 Easting: 126314.146ftU Scale Fact: 1.0000598	Plan: Chaco 2306-19E #205H R0 mdv 26Feb14

Proposal





Chaco 2306-19E #205H R0 mdv 26Feb14 Proposal Geodetic Report



(Def Plan)

Report Date: February 27, 2014 - 09:01 AM
Client: WPX Energy
Field: NM Sandoval County NAD27
Structure / Slot: WPX Sec 19-23N-6W (Chaco 2306-19E #205H) / Chaco 2306-19E #205H
Well: Chaco 2306-19E #205H
Borehole: Original Hole
UWI / API#: Unknown / Unknown
Survey Name: Chaco 2306-19E #205H R0 mdv 26Feb14
Survey Date: February 26, 2014
Tort / AHD / DDI / ERD Ratio: 111.078 * / 6209.427 ft / 6.126 / 1.123
Coordinate Reference System: NAD27 New Mexico State Plane, Central Zone, US Feet
Location Lat / Long: N 36° 12' 48.06000", W 107° 31' 0.28400"
Location Grid N/E Y/X: N 1899309.945 fUS, E 126314.146 fUS
CRS Grid Convergence Angle: -0.7485 *
Grid Scale Factor: 1.0000598
Version / Patch: 2.7.1043.0

Survey / DLS Computation: Minimum Curvature / Lubinski
Vertical Section Azimuth: 83.815 * (True North)
Vertical Section Origin: 0.000 ft, 0.000 ft
TVD Reference Datum: RKB
TVD Reference Elevation: 6979.000 ft above MSL
Seabed / Ground Elevation: 6965.000 ft above MSL
Magnetic Declination: 9.444 *
Total Gravity Field Strength: 998.4918mgn (9.80665 Based)
Gravity Model: GARM
Total Magnetic Field Strength: 50130.074 nT
Magnetic Dip Angle: 62.998 *
Declination Date: February 26, 2014
Magnetic Declination Model: BGGM 2013
North Reference: True North
Grid Convergence Used: 0.0000 *
Total Corr Mag North->True North: 9.4439 *
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	307.60	0.00	0.00	0.00	0.00	N/A	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
	100.00	0.00	307.60	100.00	0.00	0.00	0.00	0.00	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
	200.00	0.00	307.60	200.00	0.00	0.00	0.00	0.00	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
	300.00	0.00	307.60	300.00	0.00	0.00	0.00	0.00	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
	400.00	0.00	307.60	400.00	0.00	0.00	0.00	0.00	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
	500.00	0.00	307.60	500.00	0.00	0.00	0.00	0.00	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
Build 2"/100'	550.00	0.00	307.60	550.00	0.00	0.00	0.00	0.00	1899309.95	126314.15	N 36 12 48.06	W 107 31 0.26
	600.00	1.00	307.60	600.00	-0.32	0.27	-0.35	2.00	1899310.22	126313.80	N 36 12 48.06	W 107 31 0.27
	700.00	3.00	307.60	699.93	-2.83	2.40	-3.11	2.00	1899312.38	126311.07	N 36 12 48.08	W 107 31 0.30
	800.00	5.00	307.60	799.68	-7.87	6.85	-8.64	2.00	1899316.71	126305.60	N 36 12 48.13	W 107 31 0.37
	900.00	7.00	307.60	899.13	-15.42	13.03	-16.92	2.00	1899323.19	126297.40	N 36 12 48.19	W 107 31 0.47
	1000.00	9.00	307.60	998.15	-25.46	21.52	-27.95	2.00	1899331.83	126286.48	N 36 12 48.27	W 107 31 0.61
	1100.00	11.00	307.60	1096.63	-38.00	32.11	-41.70	2.00	1899342.60	126272.86	N 36 12 48.38	W 107 31 0.77
Hold 11.30" INC	1115.24	11.30	307.60	1111.58	-40.13	33.91	-44.04	2.00	1899344.43	126270.55	N 36 12 48.40	W 107 31 0.80
	1200.00	11.30	307.60	1194.70	-52.12	44.05	-57.20	0.00	1899354.74	126257.52	N 36 12 48.50	W 107 31 0.96
	1300.00	11.30	307.60	1292.76	-66.28	56.01	-72.73	0.00	1899366.90	126242.14	N 36 12 48.61	W 107 31 1.15
	1400.00	11.30	307.60	1390.81	-80.43	67.97	-88.27	0.00	1899379.08	126226.77	N 36 12 48.73	W 107 31 1.34
	1500.00	11.30	307.60	1488.87	-94.58	79.93	-103.80	0.00	1899391.23	126211.39	N 36 12 48.85	W 107 31 1.53
	1600.00	11.30	307.60	1586.93	-108.74	91.89	-119.33	0.00	1899403.39	126196.02	N 36 12 48.97	W 107 31 1.72
	1700.00	11.30	307.60	1684.99	-122.89	103.85	-134.86	0.00	1899415.55	126180.64	N 36 12 49.09	W 107 31 1.91
	1800.00	11.30	307.60	1783.05	-137.04	115.81	-150.39	0.00	1899427.71	126165.27	N 36 12 49.21	W 107 31 2.10
	1900.00	11.30	307.60	1881.11	-151.19	127.77	-165.93	0.00	1899439.88	126149.89	N 36 12 49.32	W 107 31 2.29
	2000.00	11.30	307.60	1979.17	-165.35	139.73	-181.46	0.00	1899452.04	126134.52	N 36 12 49.44	W 107 31 2.48
	2100.00	11.30	307.60	2077.23	-179.50	151.69	-196.99	0.00	1899464.20	126119.14	N 36 12 49.56	W 107 31 2.67
	2200.00	11.30	307.60	2175.29	-193.65	163.65	-212.52	0.00	1899476.36	126103.77	N 36 12 49.68	W 107 31 2.86
	2300.00	11.30	307.60	2273.35	-207.81	175.61	-228.05	0.00	1899488.53	126088.39	N 36 12 49.80	W 107 31 3.05
	2400.00	11.30	307.60	2371.41	-221.96	187.57	-243.58	0.00	1899500.69	126073.02	N 36 12 49.91	W 107 31 3.24
	2500.00	11.30	307.60	2469.47	-236.11	199.53	-259.12	0.00	1899512.85	126057.64	N 36 12 50.03	W 107 31 3.43
	2600.00	11.30	307.60	2567.53	-250.26	211.49	-274.65	0.00	1899525.01	126042.27	N 36 12 50.15	W 107 31 3.62
	2700.00	11.30	307.60	2665.59	-264.42	223.45	-290.18	0.00	1899537.18	126026.89	N 36 12 50.27	W 107 31 3.80
	2800.00	11.30	307.60	2763.65	-278.57	235.41	-305.71	0.00	1899549.34	126011.52	N 36 12 50.39	W 107 31 3.99
	2900.00	11.30	307.60	2861.71	-292.72	247.37	-321.24	0.00	1899561.50	125996.14	N 36 12 50.51	W 107 31 4.18
	3000.00	11.30	307.60	2959.77	-306.87	259.33	-336.77	0.00	1899573.66	125980.77	N 36 12 50.62	W 107 31 4.37
	3100.00	11.30	307.60	3057.83	-321.03	271.29	-352.31	0.00	1899585.83	125965.39	N 36 12 50.74	W 107 31 4.56
	3200.00	11.30	307.60	3155.89	-335.18	283.25	-367.84	0.00	1899597.99	125950.02	N 36 12 50.86	W 107 31 4.75
	3300.00	11.30	307.60	3253.95	-349.33	295.21	-383.37	0.00	1899610.15	125934.64	N 36 12 50.98	W 107 31 4.94
	3400.00	11.30	307.60	3352.01	-363.49	307.17	-398.90	0.00	1899622.31	125919.27	N 36 12 51.10	W 107 31 5.13
	3500.00	11.30	307.60	3450.07	-377.64	319.13	-414.43	0.00	1899634.48	125903.89	N 36 12 51.22	W 107 31 5.32
	3600.00	11.30	307.60	3548.13	-391.79	331.09	-429.96	0.00	1899646.64	125888.52	N 36 12 51.33	W 107 31 5.51
	3700.00	11.30	307.60	3646.19	-405.94	343.05	-445.50	0.00	1899658.80	125873.14	N 36 12 51.45	W 107 31 5.70
	3800.00	11.30	307.60	3744.25	-420.10	355.01	-461.03	0.00	1899670.96	125857.77	N 36 12 51.57	W 107 31 5.89
	3900.00	11.30	307.60	3842.31	-434.25	366.97	-476.56	0.00	1899683.13	125842.39	N 36 12 51.69	W 107 31 6.08
	4000.00	11.30	307.60	3940.37	-448.40	378.93	-492.09	0.00	1899695.29	125827.02	N 36 12 51.81	W 107 31 6.27
	4100.00	11.30	307.60	4038.43	-462.56	390.89	-507.62	0.00	1899707.45	125811.64	N 36 12 51.93	W 107 31 6.46
	4200.00	11.30	307.60	4136.49	-476.71	402.85	-523.15	0.00	1899719.61	125796.27	N 36 12 52.04	W 107 31 6.65
	4300.00	11.30	307.60	4234.55	-490.86	414.81	-538.69	0.00	1899731.78	125780.89	N 36 12 52.16	W 107 31 6.84
	4400.00	11.30	307.60	4332.61	-505.01	426.77	-554.22	0.00	1899743.94	125765.52	N 36 12 52.28	W 107 31 7.03
	4500.00	11.30	307.60	4430.67	-519.17	438.73	-569.75	0.00	1899756.10	125750.14	N 36 12 52.40	W 107 31 7.22
	4600.00	11.30	307.60	4528.73	-533.32	450.69	-585.28	0.00	1899768.26	125734.77	N 36 12 52.52	W 107 31 7.41
	4700.00	11.30	307.60	4626.79	-547.47	462.65	-600.81	0.00	1899780.43	125719.39	N 36 12 52.64	W 107 31 7.60
	4800.00	11.30	307.60	4724.85	-561.62	474.61	-616.34	0.00	1899792.59	125704.02	N 36 12 52.75	W 107 31 7.79
Build/Turn 9"/100'	4845.11	11.30	307.60	4769.08	-568.01	480.00	-623.35	0.00	1899798.08	125697.08	N 36 12 52.81	W 107 31 7.87
	4900.00	7.97	329.84	4823.21	-573.44	486.58	-629.53	9.00	1899804.73	125690.99	N 36 12 52.87	W 107 31 7.95
	5000.00	8.44	38.45	4922.39	-571.28	498.50	-628.65	9.00	1899816.65	125682.03	N 36 12 52.99	W 107 31 7.94
	5100.00	15.50	64.88	5020.23	-553.63	510.10	-612.15	9.00	1899828.03	125708.67	N 36 12 53.10	W 107 31 7.73
	5200.00	23.88	74.83	5114.32	-520.93	521.10	-580.45	9.00	1899839.61	125740.52	N 36 12 53.21	W 107 31 7.35
	5300.00	32.59	79.74	5202.35	-473.88	531.21	-534.32	9.00	1899848.12	125786.78	N 36 12 53.31	W 107 31 6.78
	5400.00	41.40	82.75	5282.15	-413.93	540.20	-474.89	9.00	1899856.33	125846.32	N 36 12 53.40	W 107 31 6.06
	5500.00	50.28	84.86	5351.74	-342.27	547.83	-403.64	9.00	1899863.04	125917.67	N 36 12 53.48	W 107 31 5.19
	5600.00	59.18	86.48	5409.43	-260.76	553.93	-322.31	9.00	1899868.07	125999.08	N 36 12 53.54	W 107 31 4.20
	5609.19	60.00	86.61	5414.09	-252.84	554.41	-314.40	9.00	1899868.45	126007.00	N 36 12 53.54	W 107 31 4.10
Hold 60" INC												
Build/Turn 9"/100'	5669.19	60.00	86.61	5444.09	-200.94	557.48	-262.53	0.00	1899870.84	126058.91	N 36 12 53.57	W 107 31 3.47
	5700.00	62.75	87.03	5458.84	-173.94	558.98	-235.53	9.00	1899871.99	126085.93	N 36 12 53.59	W 107 31 3.14
	5800.00	71.68	88.27	5497.54	-82.05	562.73	-143.51	9.00	1899874.53	126177.99	N 36 12 53.62	W 107 31 2.02
	5900.00	80.61	89.39	5521.47	14.57	564.69	-46.54	9.00	1899875.23	126274.99	N 36 12 53.64	W 107 31 0.83
	6000.00	89.55	90.45	5530.04	113.54	564.83	52.99	9.00	1899874.07	126374.51	N 36 12 53.65	W 107 30 59.62
Landing Point, Hold to TD	6013.62	90.77	90.59	5530.00	127.06	564.71	66.61	9.00	1899873.77	126388.13	N 36 12 53.64	W 107 30 59.45
	6100.00	90.77	90.59	5528.85	212.83	563.82	152.98	0.00	1899871.75	126474.49	N 36 12 53.64	W 107 30 58.40
	6200.00	90.77	90.59	5527.51	312.12	562.79	252.96	0.00	1899869.41	126574.46	N 36 12 53.63	W 107 30 57.18
	6300.00	90.77	90.59	5526.17	411.42	561.76	352.95	0.00	189986798			

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 ° ' ")
	6800.00	90.77	90.59	5519.49	907.88	556.61	852.88	0.00	1899855.39	127174.27	N 36 12 53.56	W 107 30 49.86
	6900.00	90.77	90.59	5518.15	1007.17	555.58	952.86	0.00	1899853.06	127274.24	N 36 12 53.55	W 107 30 48.64
	7000.00	90.77	90.59	5516.82	1106.47	554.54	1052.85	0.00	1899850.72	127374.21	N 36 12 53.54	W 107 30 47.42
	7100.00	90.77	90.59	5515.48	1205.76	553.51	1152.84	0.00	1899848.38	127474.18	N 36 12 53.53	W 107 30 46.20
	7200.00	90.77	90.59	5514.14	1305.05	552.48	1252.82	0.00	1899846.05	127574.15	N 36 12 53.52	W 107 30 44.98
	7300.00	90.77	90.59	5512.80	1404.34	551.45	1352.81	0.00	1899843.71	127674.12	N 36 12 53.51	W 107 30 43.76
	7400.00	90.77	90.59	5511.46	1503.64	550.42	1452.79	0.00	1899841.37	127774.09	N 36 12 53.50	W 107 30 42.54
	7500.00	90.77	90.59	5510.13	1602.93	549.39	1552.78	0.00	1899839.03	127874.06	N 36 12 53.49	W 107 30 41.32
	7600.00	90.77	90.59	5508.79	1702.22	548.36	1652.76	0.00	1899836.70	127974.03	N 36 12 53.48	W 107 30 40.10
	7700.00	90.77	90.59	5507.45	1801.52	547.33	1752.75	0.00	1899834.36	128074.00	N 36 12 53.47	W 107 30 38.88
	7800.00	90.77	90.59	5506.11	1900.81	546.29	1852.74	0.00	1899832.02	128173.97	N 36 12 53.46	W 107 30 37.66
	7900.00	90.77	90.59	5504.77	2000.10	545.26	1952.72	0.00	1899829.68	128273.94	N 36 12 53.45	W 107 30 36.44
	8000.00	90.77	90.59	5503.43	2099.39	544.23	2052.71	0.00	1899827.34	128373.91	N 36 12 53.44	W 107 30 35.22
	8100.00	90.77	90.59	5502.09	2198.69	543.20	2152.69	0.00	1899825.01	128473.88	N 36 12 53.43	W 107 30 34.00
	8200.00	90.77	90.59	5500.75	2297.98	542.17	2252.68	0.00	1899822.67	128573.85	N 36 12 53.42	W 107 30 32.78
	8300.00	90.77	90.59	5499.41	2397.27	541.13	2352.66	0.00	1899820.33	128673.81	N 36 12 53.41	W 107 30 31.55
	8400.00	90.77	90.59	5498.06	2496.56	540.10	2452.65	0.00	1899817.99	128773.78	N 36 12 53.40	W 107 30 30.33
	8500.00	90.77	90.59	5496.72	2595.86	539.07	2552.64	0.00	1899815.65	128873.75	N 36 12 53.39	W 107 30 29.11
	8600.00	90.77	90.59	5495.38	2695.15	538.04	2652.62	0.00	1899813.31	128973.72	N 36 12 53.38	W 107 30 27.89
	8700.00	90.77	90.59	5494.04	2794.44	537.00	2752.61	0.00	1899810.97	129073.69	N 36 12 53.37	W 107 30 26.67
	8800.00	90.77	90.59	5492.70	2893.73	535.97	2852.59	0.00	1899808.64	129173.66	N 36 12 53.36	W 107 30 25.45
	8900.00	90.77	90.59	5491.36	2993.03	534.94	2952.58	0.00	1899806.30	129273.63	N 36 12 53.35	W 107 30 24.23
	9000.00	90.77	90.59	5490.01	3092.32	533.90	3052.56	0.00	1899803.96	129373.60	N 36 12 53.34	W 107 30 23.01
	9100.00	90.77	90.59	5488.67	3191.61	532.87	3152.55	0.00	1899801.62	129473.57	N 36 12 53.33	W 107 30 21.79
	9200.00	90.77	90.59	5487.33	3290.90	531.84	3252.54	0.00	1899799.28	129573.54	N 36 12 53.32	W 107 30 20.57
	9300.00	90.77	90.59	5485.98	3390.19	530.80	3352.52	0.00	1899796.94	129673.51	N 36 12 53.31	W 107 30 19.35
	9400.00	90.77	90.59	5484.64	3489.49	529.77	3452.51	0.00	1899794.60	129773.48	N 36 12 53.30	W 107 30 18.13
	9500.00	90.77	90.59	5483.30	3588.78	528.74	3552.49	0.00	1899792.26	129873.45	N 36 12 53.29	W 107 30 16.91
	9600.00	90.77	90.59	5481.95	3688.07	527.70	3652.48	0.00	1899789.92	129973.42	N 36 12 53.28	W 107 30 15.69
	9700.00	90.77	90.59	5480.61	3787.36	526.67	3752.46	0.00	1899787.58	130073.39	N 36 12 53.27	W 107 30 14.47
	9800.00	90.77	90.59	5479.26	3886.66	525.63	3852.45	0.00	1899785.24	130173.36	N 36 12 53.26	W 107 30 13.25
	9900.00	90.77	90.59	5477.92	3985.95	524.60	3952.43	0.00	1899782.90	130273.33	N 36 12 53.25	W 107 30 12.03
	10000.00	90.77	90.59	5476.57	4085.24	523.56	4052.42	0.00	1899780.56	130373.29	N 36 12 53.23	W 107 30 10.81
	10100.00	90.77	90.59	5475.23	4184.53	522.53	4152.41	0.00	1899778.22	130473.26	N 36 12 53.22	W 107 30 9.59
	10200.00	90.77	90.59	5473.88	4283.82	521.49	4252.39	0.00	1899775.87	130573.23	N 36 12 53.21	W 107 30 8.37
	10300.00	90.77	90.59	5472.54	4383.12	520.46	4352.38	0.00	1899773.53	130673.20	N 36 12 53.20	W 107 30 7.15
	10400.00	90.77	90.59	5471.19	4482.41	519.43	4452.36	0.00	1899771.19	130773.17	N 36 12 53.19	W 107 30 5.93
	10500.00	90.77	90.59	5469.84	4581.70	518.39	4552.35	0.00	1899768.85	130873.14	N 36 12 53.18	W 107 30 4.71
	10600.00	90.77	90.59	5468.50	4680.99	517.35	4652.33	0.00	1899766.51	130973.11	N 36 12 53.17	W 107 30 3.49
	10700.00	90.77	90.59	5467.15	4780.28	516.32	4752.32	0.00	1899764.17	131073.08	N 36 12 53.16	W 107 30 2.27

Chaco 2306-19E 10711.19 90.77 90.59 5467.00 4791.39 516.20 4763.50 0.00 1899763.91 131084.26 N 36 12 53.16 W 107 30 2.14
#205H EOL

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 2306-19E #205H R0 mdv 26Feb14
	1	14.000	10711.187	1/100.000	30.000	30.000	SLB_MWD-STD	Original Hole / Chaco 2306-19E #205H R0 mdv 26Feb14

1. INTRODUCTION

WPX Energy Production, LLC (WPX), is providing this Surface Use Plan of Operations (SUPO) to the Bureau of Land Management – Farmington Field Office (BLM-FFO) as part of their Chaco 2306-19E Nos. 188H, 189H, and 205H (188H, 189H, 205H) Applications for Permit to Drill (APDs). This SUPO is provided per Onshore Oil and Gas Order No. 1.

The 188H (previously named the Lybrook 23-6-19 No. 101H) SUPO was submitted to the BLM-FFO in November 2012. The 188H Application for Permit to Drill (APD) has been approved (API No. 30-043-21136). In October 2013, a revised SUPO was submitted to the BLM-FFO due to the twinning of the 189H well with the 188H well. The 189H APD has been approved (API No. 30-043-21188). The 188H/189H well pad and access road have been constructed.

The 205H well is now being added to the 188H/189H well pad. In addition, a well-connect pipeline (188H/189H pipeline) is being added to the project. Therefore, this second revised SUPO is being submitted for the 188H/189H/205H project.

The 188H, 189H, and 205H wells have been/will be permitted under the approved APDs. The associated well pad, access road, and well-tie pipeline corridor, which are located on-lease, have been/will be permitted under the approved APDs. The use of one staging area, which is located on a previously disturbed, reclaimed well pad, will be authorized by an agreement with another oil and gas operator (if a BLM-FFO Final Abandonment Notice [FAN] has not been issued for the reclaimed well pad) or under the approved APDs (if a FAN has been issued for the reclaimed well pad).

The 188H, 189H, and 205H wells will drill to BLM-managed minerals. All surface features associated with the project will be on surface managed by the BLM-FFO.

A pre-disturbance meeting for the 188H project was held with the BLM-FFO, WPX, and an environmental consultant (Nelson Consulting, Inc. [NCI]) on November 1, 2012. An onsite meeting for the 189H project was held on July 31, 2013; the same parties attended. The BLM-FFO determined that an onsite for the 205H project was not required.

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 will be followed, if any are attached to the approved APDs.

2. PROJECT LOCATION AND DESCRIPTION

2.1. Project Location

The 188H/189H/205H well pad is located approximately 42 miles south-southeast of the town of Bloomfield, New Mexico. To access the location, head south on U.S. Highway 550 for approximately 51 miles, then turn right to follow unnamed dirt roads for approximately 1 mile until reaching the start of the 188H/189H/205H access road. 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 packages.

The project area and staging area are located within the southwestern quarter of the northwestern quarter of Section 19, Township 23 North, Range 6 (New Mexico Principal Meridian [NMPM]). The latitude/longitude and footages of the bottom holes and surface holes (wellheads) are provided in the below table.

7. WATER SUPPLY

The wells will be horizontally drilled, and completion will include well stimulation (hydraulic fracturing). Water for drilling and completion operations will be purchased from San Juan Basin Water Haulers Association. San Juan Basin Water Haulers Association will obtain water from the following two permitted water wells:

- Turtle Mountain: SJ-960-S-3
- Blanco Trading Post: WR711

The water hauler(s) will access the project area via the roads described in Sections 2 (Project Location and Description) and 3 (New or Reconstructed Access Roads).

8. CONSTRUCTION

Excavated materials from the cuts were used on the fill portions of the location to level the well pad. Approximately 4 feet of cut and 3 feet of fill were needed to create a level well pad. No additional materials were required for construction of the well pad.

Construction plats are provided in the APD packages.

Working areas have been/will be confined to the project areas described in Section 2 (Project Location and Description).

Maintenance activities will cease when soil or road surfaces become saturated to the extent that construction equipment is unable to stay within the project area and/or when activities cause irreparable harm to roads, soils, or streams.

9. METHODS FOR HANDLING WASTE DISPOSAL

- ✓ Drilling operations will utilize a closed-loop system. Drilling of the horizontal lateral will be accomplished with water-based mud. All cuttings will be hauled to a commercial disposal facility or land farm. WPX will follow New Mexico Oil Conservation Division "Pit Rule" guidelines and Onshore Order No. 1 regarding the placement, operation, and removal of 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 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. Portable toilets will be provided and maintained during construction, as needed (see Figures B.3 and B.4, Appendix B, for the location of toilets and trash receptacles).

10. ANCILLARY FACILITIES

One previously disturbed staging area (a reclaimed well pad) is being/will be used; the staging area is described in Section 2.2 (Project Description). During staging, WPX will stay within the boundaries of the previously disturbed well pad area. During interim reclamation, WPX will repair any damage to and reseed the staging area.

