

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: 4/10/14

Well information:

Operator WPX, Well Name and Number Chaco 2408-25M 289H

API# 30-045-35529, Section 25, Township 24 NS, Range 8 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
- ☐ 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

NMOCD Approved by Signature

4-17-2014

Date AV

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 26 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

Field Office
Bureau of Land Management

5. Lease Serial No. NMNM 33003
6. If Indian, Allottee or Tribe Name none
7. If Unit or CA Agreement, Name and No. CA needed
8. Lease Name and Well No. Chaco 2408-25M #289H
9. API Well No. 30-045-35529
10. Field and Pool, or Exploratory Lybrook Gallup
11. Sec., T., R., M., or Blk. and Survey or Area BHL- Sec. 30, T24N, R8W SHL - Sec. 25, T24N, R8W
12. County or Parish San Juan & Rio Arriba
13. State NM
14. Distance in miles and direction from nearest town or post office* approximately 6 miles northwest of Lybrook, New Mexico
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 255
16. No. of Acres in lease 80 81.50
17. Spacing Unit dedicated to this well 200.74 acres RCVD APR 11 '14
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 40
19. Proposed Depth 12,068' MD / 5,456' TVD
20. BLM/BIA Bond No. on file UTB000178 OIL CONS. DIV.
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6846' GR
22. Approximate date work will start* May 15, 2014
23. Estimated duration 1 month DIST. 3

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 Heather Riley	Name (Printed/Typed) Heather Riley	Date 03/26/2014
Title Regulatory Team Lead		
Approved by (Signature) D. Montiel	Name (Printed/Typed) D. Montiel	Date 4/10/14
Title AFN	Office FEO	

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 n 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 well pad with the Chaco 2408-25M #237H and the Chaco 2408-25M #131H. No additional access road is needed.
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"

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

NMOCDAV

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 26th day of March, 2014.

Name Heather Riley

Position Title Regulatory Team Lead

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

Telephone (505) 333-1808

Field representative (if not above signatory) _____

E-mail heather.riley@wpxenergy.com

Date: 03/26/14



Heather Riley
Regulatory Team Lead
WPX Energy Production, LLC

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 26th day of March, 2014.

Name Larry Higgins

Position Title Regulatory Specialist

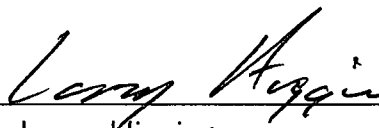
Address P.O. Box 640, Aztec, NM 87410

Telephone (505) 333-1808

Field representative (if not above signatory) _____

E-mail larry.higgins@wpxenergy.com

Date: 03/26/14



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 26 2014

WELL LOCATION AND ACREAGE DEDICATION PLAT

Field Office
Bureau of Land Management

*API Number 30-045-35529	*Pool Code 42289	*Pool Name LYBROOK GALLUP
*Property Code 40446	*Property Name CHACO 2408-25M	*Well Number 289H
*GRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC	*Elevation 6846'

10 Surface Location

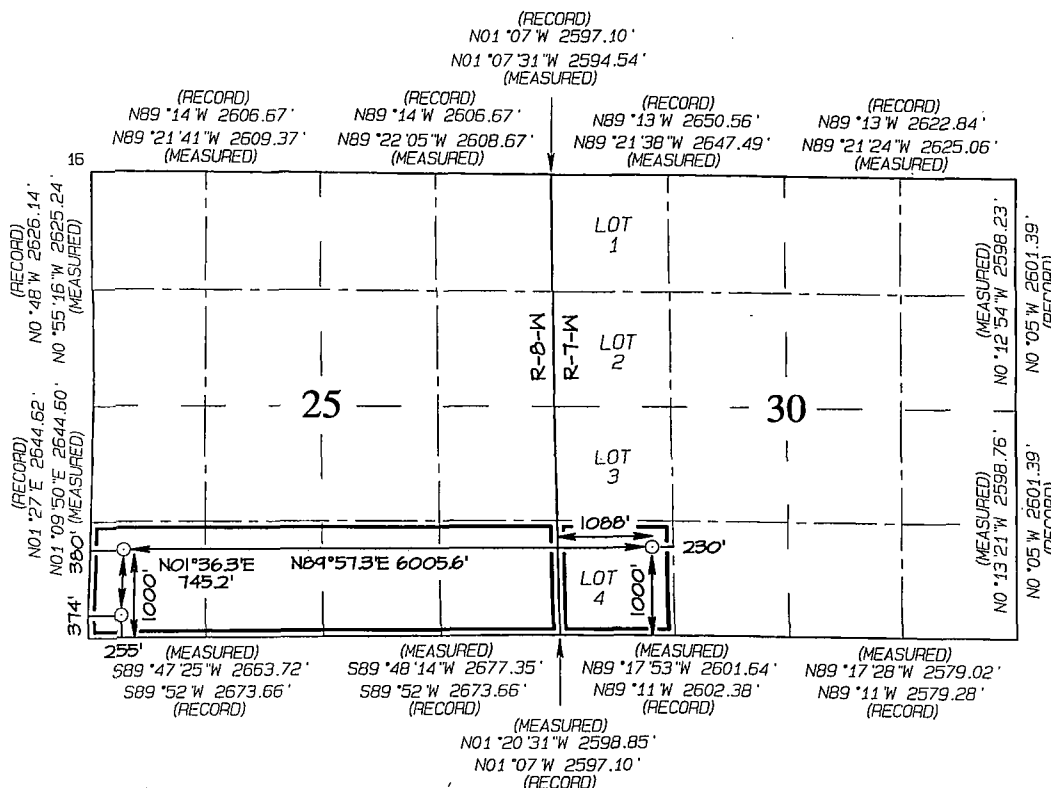
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	24N	8W		255	SOUTH	374	WEST	SAN JUAN

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
M	30	24N	7W	4	1000	SOUTH	1088	WEST	RIO ARriba

12 Dedicated Acres 200.74 Acres	S/2 S/2 - Section 25 SW/4 SW/4 - Section 30	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



SURFACE LOCATION
1000' FSL 374' FWL
SECTION 25, T24N, R8W
LAT: 36.27872°N
LONG: 107.64048°W
DATUM: NAD1927

POINT-OF-ENTRY
1000' FSL 380' FWL
SECTION 25, T24N, R8W
LAT: 36.28077°N
LONG: 107.64040°W
DATUM: NAD1927

END-OF-LATERAL
1000' FSL 1088' FWL
SECTION 30, T24N, R7W
LAT: 36.28075°N
LONG: 107.62003°W
DATUM: NAD1927

LAT: 36.27873°N
LONG: 107.64109°W
DATUM: NAD1983

LAT: 36.28078°N
LONG: 107.64101°W
DATUM: NAD1983

LAT: 36.28076°N
LONG: 107.62064°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: *Larry Higgins* 3/26/14
Date
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: FEBRUARY 17, 2014
Survey Date: AUGUST 30, 2013
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: 2/28/2014 **FIELD:** Lybrook (Gallup)

WELL NAME: Chaco 2408-25M #289H **SURFACE:** BLM

SH Location: SWSW Sec 25-24N-08W **ELEVATION:** 6846' GR
San Juan, NM

BH Location: SWSW Sec 30-24N-07W **MINERALS:** BLM
Rio Arriba, NM

MEASURED DEPTH: 12,068' **LEASE #:** NMNM 12233
NMNM 33003

I. GEOLOGY: Surface formation – Nacimiento**A. FORMATION TOPS:** (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1,227	1,221	Point Lookout	4,277	4,191
Kirtland	1,360	1,350	Mancos	4,505	4,413
Pictured Cliffs	1,903	1,879	Kickoff Point	4,887	4,785
Lewis	1,989	1,963	Target Top	5,640	5,423
Chacra	2,322	2,287	Landing Point	6,063	5,548
Cliff House	3,446	3,382	Target Base	6,063	5,548
Menefee	3,504	3,438			
			TD	12,068	5,456

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 +/- 4,887' (MD) / 4,785' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 6,063' (MD) / 5,548' (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 +/- 12,068' (MD) / 5,456' (TVD). Will run 4-1/2 in. Production Liner from +/- 5,913 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'+	9.625"	36#	J-55
Intermediate	8.75"	6,063'	7"	23#	K-55
Prod. Liner	6.125"	5,913' - 12,068'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 5,913'	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 +/- 5,613 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 (~5,900' 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 6,063 ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 5,913 ft. (MD) +/- 78 degree angle. TOC: +/- 5,613 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.

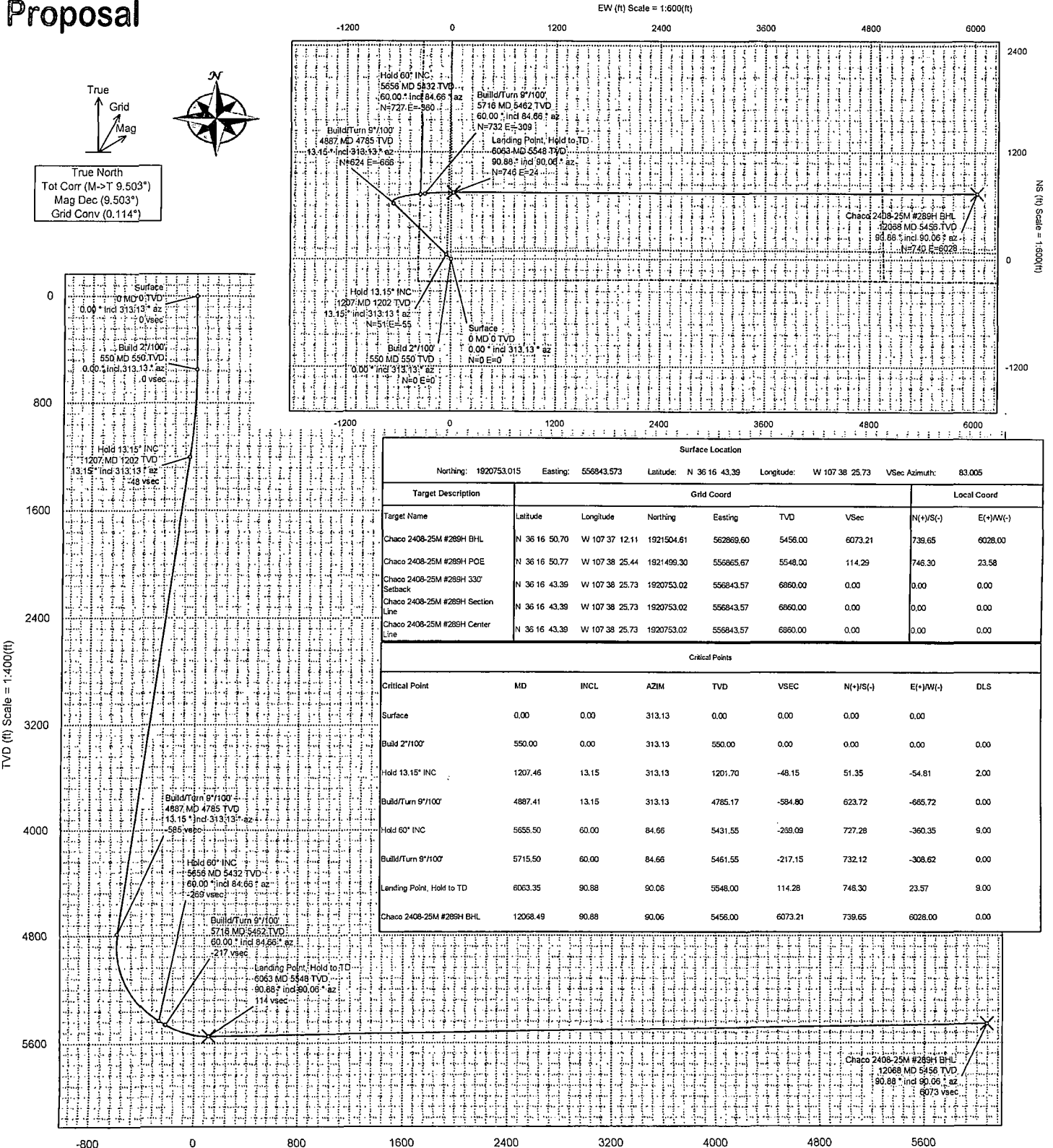
The Drilling Rig will be rigged down at this point and Completion operations will begin. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.

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

Borehole:	Well:	Field:	Structure:
Original Hole	Chaco 2408-25M #289H	NM San Juan County NAD27	Sec 25-24N-8W

Gravity & Magnetic Parameters		Surface Location	NAD27 New Mexico State Plane, Western Zone, US Feet	Miscellaneous
Model: BGGM 2013 Dip: 63.032°	Date: 27-Feb-2014	Lat: N 36 16 43.39	Northings: 1920753.015ft	Slot: Chaco 2408-25M #289H
MagDec: 9.503°	FS: 50151.774nT Gravity FS: 988.514mgm (9.80665 Based)	Lon: W 107 38 25.73	Easting: 556843.573ftU	TVD Ref: RKB(6860ft above MSL)
			Grid Conv: 0.1141°	Plan: Chaco 2408-25M #289H R0 mdy 27Feb14
			Scale Fact: 0.99992036	

Proposal





Chaco 2408-25M #289H R0 mdv 27Feb14 Proposal Geodetic Report

(Def Plan)

Report Date: February 27, 2014 - 10:46 AM
Client: WPX Energy
Field: NM San Juan County NAD27
Structure / Slot: WPX Sec 25-24N-8W (Chaco 2408-25M #289H) / Chaco 2408-25M #289H
Well: Chaco 2408-25M #289H
Borehole: Original Hole
UWI / API#: Unknown / Unknown
Survey Name: Chaco 2408-25M #289H R0 mdv 27Feb14
Survey Date: February 27, 2014
Tort / AHD / DDI / ERD Ratio: 113.589 * / 7656.356 ft / 6.277 / 1.380
Coordinate Reference System: NAD27 New Mexico State Plane, Western Zone, US Feet
Location Lat / Long: N 36° 16' 43.39200", W 107° 38' 25.72800"
Location Grid N/E Y/X: N 1920753.015 fUS, E 556843.573 fUS
CRS Grid Convergence Angle: 0.1141 *
Grid Scale Factor: 0.99992036
Version / Patch: 2.7.1043.0

Survey / DLS Computation: Minimum Curvature / Lubinski
Vertical Section Azimuth: 83.005 * (True North)
Vertical Section Origin: 0.000 ft, 0.000 ft
TVD Reference Datum: RKB
TVD Reference Elevation: 6860.000 ft above MSL
Seabed / Ground Elevation: 6846.000 ft above MSL
Magnetic Declination: 9.503 *
Total Gravity Field Strength: 998.5141mgn (9.80665 Based)
Gravity Model: GARM
Total Magnetic Field Strength: 50151.774 nT
Magnetic Dip Angle: 63.032 *
Declination Date: February 27, 2014
Magnetic Declination Model: BGGM 2013
North Reference: True North
Grid Convergence Used: 0.0000 *
Total Corr Mag North->True North: 9.5025 *
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	313.13	0.00	0.00	0.00	0.00	N/A	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
Build 2°/100'	100.00	0.00	313.13	100.00	0.00	0.00	0.00	0.00	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
	200.00	0.00	313.13	200.00	0.00	0.00	0.00	0.00	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
	300.00	0.00	313.13	300.00	0.00	0.00	0.00	0.00	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
	400.00	0.00	313.13	400.00	0.00	0.00	0.00	0.00	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
	500.00	0.00	313.13	500.00	0.00	0.00	0.00	0.00	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
	550.00	0.00	313.13	550.00	0.00	0.00	0.00	0.00	1920753.02	556843.57	N 36 16 43.39	W 107 38 25.73	
	600.00	1.00	313.13	600.00	-0.28	0.30	-0.32	2.00	1920753.31	556843.25	N 36 16 43.39	W 107 38 25.73	
	700.00	3.00	313.13	699.93	-2.52	2.68	-2.87	2.00	1920755.69	556840.70	N 36 16 43.42	W 107 38 25.76	
	800.00	5.00	313.13	799.68	-6.99	7.45	-7.96	2.00	1920760.45	556835.60	N 36 16 43.47	W 107 38 25.83	
	900.00	7.00	313.13	899.13	-13.69	14.60	-15.58	2.00	1920767.58	556827.96	N 36 16 43.54	W 107 38 25.92	
	1000.00	9.00	313.13	998.15	-22.61	24.11	-25.74	2.00	1920777.08	556817.79	N 36 16 43.63	W 107 38 26.04	
	1100.00	11.00	313.13	1096.63	-33.74	35.99	-38.41	2.00	1920788.92	556805.09	N 36 16 43.75	W 107 38 26.20	
Hold 13.15° INC	1200.00	13.00	313.13	1194.44	-47.07	50.20	-53.58	2.00	1920803.11	556789.90	N 36 16 43.89	W 107 38 26.38	
	1207.46	13.15	313.13	1201.70	-48.15	51.35	-54.81	2.00	1920804.26	556788.66	N 36 16 43.90	W 107 38 26.40	
	1300.00	13.15	313.13	1291.82	-61.65	65.75	-70.18	0.00	1920818.62	556773.27	N 36 16 44.04	W 107 38 26.59	
	1400.00	13.15	313.13	1389.20	-76.23	81.30	-86.78	0.00	1920834.14	556756.64	N 36 16 44.20	W 107 38 26.79	
	1500.00	13.15	313.13	1486.57	-90.81	96.86	-103.38	0.00	1920849.66	556740.01	N 36 16 44.35	W 107 38 26.99	
	1600.00	13.15	313.13	1583.95	-105.40	112.41	-119.98	0.00	1920865.18	556723.38	N 36 16 44.50	W 107 38 27.19	
	1700.00	13.15	313.13	1681.33	-119.98	127.96	-136.58	0.00	1920880.70	556706.75	N 36 16 44.66	W 107 38 27.40	
	1800.00	13.15	313.13	1778.71	-134.56	143.52	-153.18	0.00	1920896.21	556690.12	N 36 16 44.81	W 107 38 27.60	
	1900.00	13.15	313.13	1876.09	-149.14	159.07	-169.78	0.00	1920911.73	556673.49	N 36 16 44.97	W 107 38 27.80	
	2000.00	13.15	313.13	1973.46	-163.73	174.62	-186.38	0.00	1920927.25	556656.86	N 36 16 45.12	W 107 38 28.00	
	2100.00	13.15	313.13	2070.84	-178.31	190.18	-202.98	0.00	1920942.77	556640.23	N 36 16 45.27	W 107 38 28.21	
	2200.00	13.15	313.13	2168.22	-192.89	205.73	-219.58	0.00	1920958.29	556623.60	N 36 16 45.43	W 107 38 28.41	
	2300.00	13.15	313.13	2265.60	-207.48	221.28	-236.19	0.00	1920973.81	556606.97	N 36 16 45.58	W 107 38 28.61	
	2400.00	13.15	313.13	2362.98	-222.06	236.84	-252.79	0.00	1920989.33	556590.34	N 36 16 45.73	W 107 38 28.82	
	2500.00	13.15	313.13	2460.35	-236.64	252.39	-269.39	0.00	1921004.85	556573.71	N 36 16 45.89	W 107 38 29.02	
	2600.00	13.15	313.13	2557.73	-251.23	267.95	-285.99	0.00	1921020.37	556557.08	N 36 16 46.04	W 107 38 29.22	
	2700.00	13.15	313.13	2655.11	-265.81	283.50	-302.59	0.00	1921035.89	556540.45	N 36 16 46.20	W 107 38 29.42	
	2800.00	13.15	313.13	2752.49	-280.39	299.05	-319.19	0.00	1921051.41	556523.81	N 36 16 46.35	W 107 38 29.63	
	2900.00	13.15	313.13	2849.87	-294.98	314.61	-335.79	0.00	1921066.93	556507.18	N 36 16 46.50	W 107 38 29.83	
	3000.00	13.15	313.13	2947.25	-309.56	330.16	-352.39	0.00	1921082.45	556490.55	N 36 16 46.66	W 107 38 30.03	
	3100.00	13.15	313.13	3044.62	-324.14	345.71	-368.99	0.00	1921097.96	556473.92	N 36 16 46.81	W 107 38 30.23	
	3200.00	13.15	313.13	3142.00	-338.72	361.27	-385.59	0.00	1921113.48	556457.29	N 36 16 46.96	W 107 38 30.44	
	3300.00	13.15	313.13	3239.38	-353.31	376.82	-402.19	0.00	1921129.00	556440.66	N 36 16 47.12	W 107 38 30.64	
	3400.00	13.15	313.13	3336.76	-367.89	392.37	-418.80	0.00	1921144.52	556424.03	N 36 16 47.27	W 107 38 30.84	
	3500.00	13.15	313.13	3434.14	-382.47	407.93	-435.40	0.00	1921160.04	556407.40	N 36 16 47.43	W 107 38 31.05	
	3600.00	13.15	313.13	3531.51	-397.06	423.48	-452.00	0.00	1921175.56	556390.77	N 36 16 47.58	W 107 38 31.25	
	3700.00	13.15	313.13	3628.89	-411.64	439.03	-468.60	0.00	1921191.08	556374.14	N 36 16 47.73	W 107 38 31.45	
	3800.00	13.15	313.13	3726.27	-426.22	454.59	-485.20	0.00	1921206.60	556357.51	N 36 16 47.89	W 107 38 31.65	
	3900.00	13.15	313.13	3823.65	-440.81	470.14	-501.80	0.00	1921222.12	556340.88	N 36 16 48.04	W 107 38 31.86	
	4000.00	13.15	313.13	3921.03	-455.39	485.70	-518.40	0.00	1921237.64	556324.25	N 36 16 48.19	W 107 38 32.06	
	4100.00	13.15	313.13	4018.40	-469.97	501.25	-535.00	0.00	1921253.16	556307.62	N 36 16 48.35	W 107 38 32.26	
	4200.00	13.15	313.13	4115.78	-484.56	516.80	-551.60	0.00	1921268.68	556290.99	N 36 16 48.50	W 107 38 32.46	
	4300.00	13.15	313.13	4213.16	-499.14	532.36	-568.20	0.00	1921284.20	556274.36	N 36 16 48.66	W 107 38 32.67	
	4400.00	13.15	313.13	4310.54	-513.72	547.91	-584.81	0.00	1921299.72	556257.73	N 36 16 48.81	W 107 38 32.87	
	4500.00	13.15	313.13	4407.92	-528.31	563.46	-601.41	0.00	1921315.23	556241.10	N 36 16 48.96	W 107 38 33.07	
	4600.00	13.15	313.13	4505.29	-542.89	579.02	-618.01	0.00	1921330.75	556224.46	N 36 16 49.12	W 107 38 33.28	
4700.00	13.15	313.13	4602.67	-557.47	594.57	-634.61	0.00	1921346.27	556207.83	N 36 16 49.27	W 107 38 33.48		
4800.00	13.15	313.13	4700.05	-572.05	610.12	-651.21	0.00	1921361.79	556191.20	N 36 16 49.43	W 107 38 33.68		
Build/Turn 9°/100'	4887.41	13.15	313.13	4785.17	-584.80	623.72	-665.72	0.00	1921375.36	556176.67	N 36 16 49.56	W 107 38 33.86	
	4900.00	12.36	316.81	4797.45	-586.52	625.68	-667.69	9.00	1921377.31	556174.70	N 36 16 49.58	W 107 38 33.88	
	5000.00	9.10	3.65	4895.86	-581.38	641.41	-674.52	9.00	1921393.03	556167.83	N 36 16 49.73	W 107 38 33.97	
	5100.00	13.17	46.88	4994.12	-580.69	657.12	-665.68	9.00	1921408.76	556176.64	N 36 16 49.89	W 107 38 33.86	
	5200.00	20.61	64.81	5089.80	-554.71	672.44	-641.38	9.00	1921424.12	556200.90	N 36 16 50.04	W 107 38 33.56	
	5300.00	28.93	73.14	5180.55	-514.08	686.97	-602.23	9.00	1921438.73	556240.03	N 36 16 50.19	W 107 38 33.08	
	5400.00	37.54	77.95	5264.12	-459.79	700.37	-549.17	9.00	1921452.24	556293.05	N 36 16 50.32	W 107 38 32.44	
	5500.00	46.28	81.16	5338.48	-393.18	712.31	-483.53	9.00	1921464.30	556358.66	N 36 16 50.44	W 107 38 31.63	
	5600.00	55.09	83.55	5401.77	-315.90	722.49	-406.92	9.00	1921474.63	556435.25	N 36 16 50.54	W 107 38 30.70	
	5655.50	60.00	84.66	5431.55	-269.09	727.28	-360.35	9.00	1921479.52	556481.80	N 36 16 50.58	W 107 38 30.13	
	5700.00	60.00	84.66	5453.80	-230.57	730.87	-321.98	0.00	1921483.18	556520.16	N 36 16 50.62	W 107 38 29.66	
	Build/Turn 9°/100'	5715.50	60.00	84.66	5461.55	-217.15	732.12	-308.62	0.00	1921484.46	556533.52	N 36 16 50.63	W 107 38 29.50
		5800.00	67.49	86.15	5498.90	-141.50	738.16	-233.13	9.00	1921490.65	556608.99	N 36 16 50.69	W 107 38 28.58
5900.00		76.36	87.71	5529.90	-46.76	743.21	-138.30	9.00	1921495.89	556703.80	N 36 16 50.74	W 107 38 27.42	
6000.00		85.25	89.17	5545.86	51.41	745.87	-39.72	9.00	1921498.75	556802.37	N 36 16 50.77	W 107 38 26.21	
6063.35		90.88	90.06	5548.00	114.28	746.30	23.57	9.00	1921499.30	556865.65	N 36 16 50.77	W 107 38 25.44	
Landing Point, Hold to TD	6100.00	90.88	90.06	5547.44	150.65	746.26	60.21	0.00	1921499.33	556902.29	N 36 16 50.77	W 107 38 24.99	
	6200.00	90.88	90.06	5545.90	249.88	746.15	160.20	0.00	1921499.42	557002.27	N 36 16 50.77	W 107 38 23.77	
	6300.00	90.88	90.06	5544.37	349.11	746.03	260.19	0.00	1921499.51	557102.25	N 36 16 50.77	W 107 38 22.55	
	6400.00	90.88	90.06	5542.83	448.34	745.92	360.17	0.00	1921499.59	557202.23	N 36 16 50.77	W 107 38 28	

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	90.88	90.06	5538.69	845.26	745.48	780.13	0.00	1921499.94	557602.15	N 36 16 50.76	W 107 38 16.44
	6900.00	90.88	90.06	5535.16	944.49	745.37	880.11	0.00	1921500.03	557702.13	N 36 16 50.76	W 107 38 15.22
	7000.00	90.88	90.06	5533.62	1043.72	745.25	960.10	0.00	1921500.12	557802.11	N 36 16 50.76	W 107 38 14.00
	7100.00	90.88	90.06	5532.09	1142.95	745.14	1060.09	0.00	1921500.21	557902.09	N 36 16 50.76	W 107 38 12.78
	7200.00	90.88	90.06	5530.55	1242.18	745.03	1160.08	0.00	1921500.29	558002.07	N 36 16 50.76	W 107 38 11.56
	7300.00	90.88	90.06	5529.02	1341.41	744.92	1260.07	0.00	1921500.38	558102.05	N 36 16 50.76	W 107 38 10.34
	7400.00	90.88	90.06	5527.48	1440.64	744.81	1360.06	0.00	1921500.47	558202.03	N 36 16 50.76	W 107 38 9.12
	7500.00	90.88	90.06	5525.95	1539.87	744.70	1460.04	0.00	1921500.56	558302.01	N 36 16 50.76	W 107 38 7.90
	7600.00	90.88	90.06	5524.42	1639.10	744.59	1560.03	0.00	1921500.65	558401.99	N 36 16 50.75	W 107 38 6.68
	7700.00	90.88	90.06	5522.88	1738.33	744.48	1660.02	0.00	1921500.73	558501.97	N 36 16 50.75	W 107 38 5.45
	7800.00	90.88	90.06	5521.35	1837.56	744.36	1760.01	0.00	1921500.82	558601.95	N 36 16 50.75	W 107 38 4.23
	7900.00	90.88	90.06	5519.82	1936.79	744.25	1860.00	0.00	1921500.91	558701.93	N 36 16 50.75	W 107 38 3.01
	8000.00	90.88	90.06	5518.28	2036.02	744.14	1959.98	0.00	1921501.00	558801.91	N 36 16 50.75	W 107 38 1.79
	8100.00	90.88	90.06	5516.75	2135.25	744.03	2059.97	0.00	1921501.09	558901.89	N 36 16 50.75	W 107 38 0.57
	8200.00	90.88	90.06	5515.22	2234.48	743.92	2159.96	0.00	1921501.17	559001.87	N 36 16 50.75	W 107 37 59.35
	8300.00	90.88	90.06	5513.68	2333.71	743.81	2259.95	0.00	1921501.26	559101.85	N 36 16 50.75	W 107 37 58.13
	8400.00	90.88	90.06	5512.15	2432.94	743.70	2359.94	0.00	1921501.35	559201.83	N 36 16 50.75	W 107 37 56.91
	8500.00	90.88	90.06	5510.62	2532.17	743.59	2459.93	0.00	1921501.44	559301.81	N 36 16 50.74	W 107 37 55.68
	8600.00	90.88	90.06	5509.08	2631.41	743.48	2559.91	0.00	1921501.53	559401.79	N 36 16 50.74	W 107 37 54.46
	8700.00	90.88	90.06	5507.55	2730.64	743.37	2659.90	0.00	1921501.62	559501.77	N 36 16 50.74	W 107 37 53.24
	8800.00	90.88	90.06	5506.02	2829.87	743.25	2759.89	0.00	1921501.70	559601.75	N 36 16 50.74	W 107 37 52.02
	8900.00	90.88	90.06	5504.49	2929.10	743.14	2859.88	0.00	1921501.79	559701.73	N 36 16 50.74	W 107 37 50.80
	9000.00	90.88	90.06	5502.95	3028.33	743.03	2959.87	0.00	1921501.88	559801.71	N 36 16 50.74	W 107 37 49.58
	9100.00	90.88	90.06	5501.42	3127.56	742.92	3059.85	0.00	1921501.97	559901.69	N 36 16 50.74	W 107 37 48.36
	9200.00	90.88	90.06	5499.89	3226.79	742.81	3159.84	0.00	1921502.06	560001.67	N 36 16 50.74	W 107 37 47.14
	9300.00	90.88	90.06	5498.36	3326.02	742.70	3259.83	0.00	1921502.15	560101.65	N 36 16 50.73	W 107 37 45.92
	9400.00	90.88	90.06	5496.83	3425.25	742.59	3359.82	0.00	1921502.23	560201.63	N 36 16 50.73	W 107 37 44.69
	9500.00	90.88	90.06	5495.29	3524.48	742.48	3459.81	0.00	1921502.32	560301.61	N 36 16 50.73	W 107 37 43.47
	9600.00	90.88	90.06	5493.76	3623.71	742.37	3559.80	0.00	1921502.41	560401.59	N 36 16 50.73	W 107 37 42.25
	9700.00	90.88	90.06	5492.23	3722.94	742.26	3659.78	0.00	1921502.50	560501.57	N 36 16 50.73	W 107 37 41.03
	9800.00	90.88	90.06	5490.70	3822.17	742.15	3759.77	0.00	1921502.59	560601.55	N 36 16 50.73	W 107 37 39.81
	9900.00	90.88	90.06	5489.17	3921.40	742.04	3859.76	0.00	1921502.68	560701.53	N 36 16 50.73	W 107 37 38.59
	10000.00	90.88	90.06	5487.64	4020.63	741.93	3959.75	0.00	1921502.77	560801.51	N 36 16 50.73	W 107 37 37.37
	10100.00	90.88	90.06	5486.11	4119.86	741.82	4059.74	0.00	1921502.86	560901.49	N 36 16 50.72	W 107 37 36.15
	10200.00	90.88	90.06	5484.58	4219.09	741.71	4159.73	0.00	1921502.94	561001.47	N 36 16 50.72	W 107 37 34.93
	10300.00	90.88	90.06	5483.05	4318.32	741.60	4259.71	0.00	1921503.03	561101.45	N 36 16 50.72	W 107 37 33.70
	10400.00	90.88	90.06	5481.52	4417.55	741.49	4359.70	0.00	1921503.12	561201.43	N 36 16 50.72	W 107 37 32.48
	10500.00	90.88	90.06	5479.99	4516.78	741.38	4459.69	0.00	1921503.21	561301.41	N 36 16 50.72	W 107 37 31.26
	10600.00	90.88	90.06	5478.46	4616.01	741.27	4559.68	0.00	1921503.30	561401.39	N 36 16 50.72	W 107 37 30.04
	10700.00	90.88	90.06	5476.93	4715.24	741.16	4659.67	0.00	1921503.39	561501.37	N 36 16 50.72	W 107 37 28.82
	10800.00	90.88	90.06	5475.40	4814.48	741.05	4759.65	0.00	1921503.48	561601.35	N 36 16 50.72	W 107 37 27.60
	10900.00	90.88	90.06	5473.87	4913.71	740.94	4859.64	0.00	1921503.57	561701.33	N 36 16 50.71	W 107 37 26.38
	11000.00	90.88	90.06	5472.34	5012.94	740.83	4959.63	0.00	1921503.66	561801.31	N 36 16 50.71	W 107 37 25.16
	11100.00	90.88	90.06	5470.81	5112.17	740.72	5059.62	0.00	1921503.75	561901.29	N 36 16 50.71	W 107 37 23.93
	11200.00	90.88	90.06	5469.28	5211.40	740.61	5159.61	0.00	1921503.83	562001.27	N 36 16 50.71	W 107 37 22.71
	11300.00	90.88	90.06	5467.75	5310.63	740.50	5259.60	0.00	1921503.92	562101.25	N 36 16 50.71	W 107 37 21.49
	11400.00	90.88	90.06	5466.22	5409.86	740.39	5359.58	0.00	1921504.01	562201.23	N 36 16 50.71	W 107 37 20.27
	11500.00	90.88	90.06	5464.69	5509.09	740.28	5459.57	0.00	1921504.10	562301.21	N 36 16 50.71	W 107 37 19.05
	11600.00	90.88	90.06	5463.16	5608.32	740.17	5559.56	0.00	1921504.19	562401.19	N 36 16 50.71	W 107 37 17.83
	11700.00	90.88	90.06	5461.63	5707.55	740.06	5659.55	0.00	1921504.28	562501.18	N 36 16 50.70	W 107 37 16.61
	11800.00	90.88	90.06	5460.10	5806.78	739.95	5759.54	0.00	1921504.37	562601.16	N 36 16 50.70	W 107 37 15.39
	11900.00	90.88	90.06	5458.58	5906.01	739.84	5859.53	0.00	1921504.46	562701.14	N 36 16 50.70	W 107 37 14.17
	12000.00	90.88	90.06	5457.05	6005.24	739.73	5959.51	0.00	1921504.55	562801.12	N 36 16 50.70	W 107 37 12.94
Chaco 2408-25M #289H BHL	12068.49	90.88	90.06	5456.00	6073.21	739.65	6028.00	0.00	1921504.61	562869.60	N 36 16 50.70	W 107 37 12.11

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 2408-25M #289H R0 mdv 27Feb14
	1	14.000	12068.495	1/100.000	30.000	30.000	SLB_MWD-STD	Original Hole / Chaco 2408-25M #289H R0 mdv 27Feb14

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 2408-25M Nos. 131H, 237H, and 289H (131H, 237H, 289H) Applications for Permit to Drill (APDs) and Right-of-Way (ROW) Grants. 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 237H SUPO/POD was submitted to the BLM-FFO in November 2013. In January 2014, a revised SUPO/POD was submitted to the BLM-FFO due to the twinning of the 131H well with the 237H well. These wells have not been drilled, and the associated project features have not been constructed. The 289H well is now being added. Therefore, this second revised SUPO/POD is being submitted for the project.

The 131H, 237H, and 289H wells will be permitted via approved APDs. The project will also include one well pad (located partially off lease) and one access road (located off lease). These project features will be permitted under BLM-FFO Right-of-Way (ROW) Grants. A well pad associated with an inactive Elm Ridge Exploration Company, LLC (Elm Ridge), well will be used as a temporary use area (TUA); because a Final Abandonment Notice (FAN) has not been issued for this well pad, the use of it as a TUA will be authorized by an agreement between WPX and Elm Ridge.

The 131H and 237H wells will drill to Navajo Allotted minerals; the 289H well will drill to BLM- managed minerals. All surface features associated with the 131H/237H project will be on surface managed by the BLM-FFO.

A pre-disturbance onsite meeting was held for the 237H project on September 5, 2013. The BLM, WPX, and an environmental consultant (Nelson Consulting, Inc.) attended the meeting. Because no new surface disturbance is associated with the addition of the 131H or 289H wellheads, subsequent onsite meetings were not required by the BLM-FFO.

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 or ROW Grants.

2. PROJECT LOCATION AND DESCRIPTION

2.1. Project Location

The project area is located in San Juan County, New Mexico. The project area is located approximately 35 miles south-southeast of the town of Bloomfield, New Mexico. To access the project area from the town of Bloomfield, head south on U.S. Highway 550 from the U.S. Highway 550-U.S. Highway 64 intersection for approximately 43 miles, turn left onto County Road 7998 for approximately 1 mile, and turn left onto an unnamed road for approximately 0.6 mile to the start of the 131H/237H/289H 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 and ROW Grant permit packages.

The legal location of the project area is described in the table below.

6. LOCATION OF PRODUCTION FACILITIES

After the drilling and completion phases of the wells, production facilities will be located within a 300-by-100-foot facility area at the eastern end of the well pad (see Figure B.5, Appendix B).

All production equipment will comply with Visual Resource Management requirements. Within 90 days of installation, above-ground structures not subject to safety requirements will be painted Juniper Green to blend with vegetation and reduce visual resource impacts.

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 will be used on the fill portions of the location to level the well pad. Approximately 9 feet of cut and 5 feet of fill will be needed to create a level well pad. No additional materials will be required for construction of the well pad.

Construction plats are provided in the APDs and ROW Grant permit packages.

Working areas 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.

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).

