

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG 15 2014

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. **RCVD AUG 28 '14**
NMSF-078360

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
OIL CONS. DIV.

8. Well Name and No.
Chaco 2306-19M #190H

9. API Well No. **DIST. 3**
30-043-21189

10. Field and Pool or Exploratory Area
Lybrook Gallup

11. Country or Parish, State
Sandoval County, NM

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
WPX Energy Production, LLC

3a. Address
PO Box 640 Aztec, NM 87410

3b. Phone No. (include area code)
505-333-1806

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 1205' FSL & 243' FWL SEC 19 23N 6W
BHL: 1581' FSL & 226' FWL SEC 24 23N 7W

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>2nd Emergency Flare</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

WPX Energy requests authorization to flare this well due to high nitrogen content. On or about 7/21/14 the well will be shut in so that frac activity can take place at the Chaco 2306-20L #206H and the Chaco 2306-20L #207H. Immediately following the frac activity, the well was shut in. High nitrogen content is still anticipated due to continuing frac activity on the Chaco 2306-19E 189H. WPX is requesting an additional no-flare exception until 9/14/14.

The Chaco 2306-19M #190H has an average 790 MCF/D and we should see pipeline quality gas by 9/14/14.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

| | |
|---|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Mark Heil | Title Regulatory Specialist |
| Signature | Date 8/15/14 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-----------------------------|-----------------------|
| Approved by Troy Salvors | Title Petroleum Eng. | Date 8/21/2014 |
| Conditions of approval, if any, are attached. Approval of this notice 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. | Office FFO | |

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.

NMOCDA



2030 Afton Place
 Farmington, NM 87401
 (505) 325-6622

Analysis No: WP140275
 Cust No: 85500-11240

Well/Lease Information

Customer Name: WPX ENERGY PRODUCTION, LLC
 Well Name: CHACO 2306-19M #190H
 County/State:
 Location:
 Field:
 Formation:
 Cust. Str. No.: 62311007

Source: SPOT
 Pressure: 174 PSIG
 Sample Temp: 80 DEG. F
 Well Flowing:
 Date Sampled: 07/29/2014
 Sampled By: RAMSEY H.
 Foreman/Engr.: CODY BOYD

Remarks:

Analysis

| Component:: | Mole%: | **GPM: | *BTU: | *SP Gravity: |
|-------------|---------|---------|---------|--------------|
| Nitrogen | 11.156 | 1.2320 | 0.00 | 0.1079 |
| CO2 | 0.345 | 0.0590 | 0.00 | 0.0052 |
| Methane | 64.360 | 10.9490 | 650.04 | 0.3565 |
| Ethane | 12.453 | 3.3420 | 220.38 | 0.1293 |
| Propane | 7.563 | 2.0910 | 190.29 | 0.1151 |
| Iso-Butane | 0.868 | 0.2850 | 28.23 | 0.0174 |
| N-Butane | 1.890 | 0.5980 | 61.66 | 0.0379 |
| I-Pentane | 0.417 | 0.1530 | 16.68 | 0.0104 |
| N-Pentane | 0.367 | 0.1330 | 14.71 | 0.0091 |
| Hexane Plus | 0.581 | 0.2600 | 30.62 | 0.0192 |
| Total | 100.000 | 19.1020 | 1212.61 | 0.8082 |

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

**@ 14.730 PSIA & 60 DEG. F.

COMPRESSIBILITY FACTOR (1/Z): 1.0037
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z): 1219.9
 BTU/CU.FT (WET) CORRECTED FOR (1/Z): 1198.7
 REAL SPECIFIC GRAVITY: 0.8109

GPM, BTU, and SPG calculations as shown above are based on current GPA factors.

DRY BTU @ 14.650: 1213.3
 DRY BTU @ 14.696: 1217.1
 DRY BTU @ 14.730: 1219.9
 DRY BTU @ 15.025: 1244.3

CYLINDER #: C.C. #1
 CYLINDER PRESSURE: 174 PSIG
 DATE RUN: 7/30/14 12:51 PM
 ANALYSIS RUN BY: LOGAN CHENEY



WPX ENERGY PRODUCTION, LLC
WELL ANALYSIS COMPARISON

Lease: CHACO 2306-19M #190H
Stn. No.: 62311007
Mtr. No.:

SPOT

07/30/2014
85500-11240

| | | |
|------------|------------|------------|
| Smpl Date: | 07/29/2014 | 06/25/2014 |
| Test Date: | 07/30/2014 | 06/27/2014 |
| Run No: | WP140275 | WP140247 |
| Nitrogen: | 11.156 | 15.572 |
| CO2: | 0.345 | 0.299 |
| Methane: | 64.360 | 49.559 |
| Ethane: | 12.453 | 12.980 |
| Propane: | 7.563 | 11.712 |
| I-Butane: | 0.868 | 1.797 |
| N-Butane: | 1.890 | 4.373 |
| I-Pentane: | 0.417 | 1.125 |
| N-Pentane: | 0.367 | 1.006 |
| Hexane+: | 0.581 | 1.577 |
| BTU: | 1219.9 | 1405.3 |
| GPM: | 19.1020 | 20.4150 |
| SPG: | 0.8109 | 0.9767 |



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402
www.blm.gov/nm



In Reply Refer To:

Conditions of Approval:

Chaco 2306-19M #190H
Unit M, Section 19-23N-6W
Lease No. NMSF078360

- Flaring is authorized pursuant to NTL 4A Part III A and IV B. As such, no royalty obligation will be incurred during the clean-up period. The vented volumes must be reported on your Oil and Gas Operations Reports (OGORs) during the venting period.
- Flaring will be authorized until September 14, 2014. If additional time is required, please contact this office accordingly.
- Please take appropriate and necessary safety precautions at this well site during the venting period.