

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

State of New Mexico  
Energy Minerals and Natural Resources  
Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
Revised June 6, 2013

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.  
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

12194  
Pit, Below-Grade Tank, or  
Proposed Alternative Method Permit or Closure Plan Application

- Type of action:  Below grade tank registration  
 Permit of a pit or proposed alternative method  
 Closure of a pit, below-grade tank, or proposed alternative method  
 Modification to an existing permit/or registration  
 Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

39-31200  
39-31190 **Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request**

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.  
Operator: WPX Energy Production, LLC OGRID #: 120782  
Address: PO Box 640/721 S Main Aztec, NM 87410  
Facility or well name: Chaco 2306-06L #178H & Chaco 2306-06L #179H  
API Number: 30-039-31200 & 30-039-31190 OCD Permit Number: 11769  
U/L or Qtr/Qtr L Section 6 Township 23N Range 6W County: Rio Arriba  
Center of Proposed Design: Latitude 36.251644N Longitude -107.517147W NAD:  1927  1983  
Surface Owner:  Federal  State  Private  Tribal Trust or Indian Allotment

2.  
 **Pit:** Subsection F, G or J of 19.15.17.11 NMAC  
Temporary:  Drilling  Completion  Workover  
 Permanent  Emergency  Cavitation  P&A  Multi-Well Fluid Management Low Chloride Drilling Fluid  yes  no  
 Lined  Unlined Liner type: Thickness 20 mil  LLDPE  HDPE  PVC  Other \_\_\_\_\_  
 String-Reinforced  
Liner Seams:  Welded  Factory  Other \_\_\_\_\_ Volume: 16.029 bbl Dimensions: L 30' x W 200' x D 15'

3.  
 **Below-grade tank:** Subsection I of 19.15.17.11 NMAC  
Volume: \_\_\_\_\_ bbl Type of fluid: \_\_\_\_\_  
Tank Construction material: \_\_\_\_\_  
 Secondary containment with leak detection  Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off  
 Visible sidewalls and liner  Visible sidewalls only  Other \_\_\_\_\_  
Liner type: Thickness \_\_\_\_\_ mil  HDPE  PVC  Other \_\_\_\_\_  
RCVD SEP 5 '14  
OIL CONS. DIV.  
DIST. 3

4.  
 **Alternative Method:**  
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.  
**Fencing:** Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)  
 Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)  
 Four foot height, four strands of barbed wire evenly spaced between one and four feet  
 Alternate. Please specify As per BLM specifications

6. **Netting:** Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)  
 Screen  Netting  Other \_\_\_\_\_  
 Monthly inspections (If netting or screening is not physically feasible)

7. **Signs:** Subsection C of 19.15.17.11 NMAC  
 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  
 Signed in compliance with 19.15.16.8 NMAC

8. **Variations and Exceptions:**  
 Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.  
*Please check a box if one or more of the following is requested, if not leave blank:*  
 Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.  
 Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9. **Siting Criteria (regarding permitting):** 19.15.17.10 NMAC  
*Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.*

**General siting**

<p><b><u>Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.</u></b>          - <input checked="" type="checkbox"/> NM Office of the State Engineer - iWATERS database search; <input type="checkbox"/> USGS; <input type="checkbox"/> Data obtained from nearby wells</p> <p><b><u>Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.</u></b>          NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p> <p>Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. <b>(Does not apply to below grade tanks)</b>          - Written confirmation or verification from the municipality; Written approval obtained from the municipality</p> <p>Within the area overlying a subsurface mine. <b>(Does not apply to below grade tanks)</b>          - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p> <p>Within an unstable area. <b>(Does not apply to below grade tanks)</b>          - Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</p> <p>Within a 100-year floodplain. <b>(Does not apply to below grade tanks)</b>          - FEMA map</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <input type="checkbox"/> NA</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <input type="checkbox"/> NA</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**Below Grade Tanks**

<p>Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).          - Topographic map; Visual inspection (certification) of the proposed site</p> <p>Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;          - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------

**Temporary Pit using Low Chloride Drilling Fluid** (maximum chloride content 15,000 mg/liter)

<p>Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)          - Topographic map; Visual inspection (certification) of the proposed site</p> <p>Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.          - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> <p>Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application.          NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Within 100 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

Yes  No

**Temporary Pit Non-low chloride drilling fluid**

Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

Yes  No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

Yes  No

Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Yes  No

Within 300 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

Yes  No

**Permanent Pit or Multi-Well Fluid Management Pit**

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

Yes  No

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

Yes  No

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Yes  No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

Yes  No

10.

**Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist:** Subsection B of 19.15.17.9 NMAC

**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Previously Approved Design (attach copy of design) API Number: 30-039-31190 or Permit Number: 11358

11.

**Multi-Well Fluid Management Pit Checklist:** Subsection B of 19.15.17.9 NMAC

**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- A List of wells with approved application for permit to drill associated with the pit.
- Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
- Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

Previously Approved Design (attach copy of design) API Number: \_\_\_\_\_ or Permit Number: \_\_\_\_\_

12.

**Permanent Pits Permit Application Checklist:** Subsection B of 19.15.17.9 NMAC

**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Climatological Factors Assessment
- Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- Quality Control/Quality Assurance Construction and Installation Plan
- Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- Nuisance or Hazardous Odors, including H<sub>2</sub>S, Prevention Plan
- Emergency Response Plan
- Oil Field Waste Stream Characterization
- Monitoring and Inspection Plan
- Erosion Control Plan
- Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13.

**Proposed Closure:** 19.15.17.13 NMAC

**Instructions:** Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type:  Drilling  Completion  Workover  Emergency  Cavitation  P&A  Permanent Pit  Below-grade Tank  Multi-well Fluid Management Pit

Alternative

Proposed Closure Method:  Waste Excavation and Removal  
 Waste Removal (Closed-loop systems only)  
 On-site Closure Method (Only for temporary pits and closed-loop systems)  
 In-place Burial  On-site Trench Burial  
 Alternative Closure Method

14.

**Waste Excavation and Removal Closure Plan Checklist:** (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15.

**Siting Criteria (regarding on-site closure methods only):** 19.15.17.10 NMAC

**Instructions:** Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

- |                                                                                                                                                                                                                                                                                             |                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Ground water is less than 25 feet below the bottom of the buried waste.<br>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells                                                                                                               | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><input type="checkbox"/> NA |
| Ground water is between 25-50 feet below the bottom of the buried waste<br>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells                                                                                                               | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><input type="checkbox"/> NA |
| Ground water is more than 100 feet below the bottom of the buried waste.<br>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells                                                                                                              | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><input type="checkbox"/> NA |
| Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).<br>- Topographic map; Visual inspection (certification) of the proposed site                        | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.<br>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image                                                            | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                |
| Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application.<br>- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                |
| Written confirmation or verification from the municipality; Written approval obtained from the municipality                                                                                                                                                                                 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                |
| Within 300 feet of a wetland.<br>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site                                                                                                                                   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                |

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

16.  
**On-Site Closure Plan Checklist:** (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC
- Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC
- Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC
- Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17.  
**Operator Application Certification:**  
 I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

e-mail address: \_\_\_\_\_ Telephone: \_\_\_\_\_

18.  
**OCD Approval:**  Permit Application (including closure plan)  Closure Plan (only)  OCD Conditions (see attachment)

OCD Representative Signature: Jennifer D. Kelly Approval Date: 10/27/2014

Title: Compliance Officer OCD Permit Number: \_\_\_\_\_

19.  
**Closure Report (required within 60 days of closure completion):** 19.15.17.13 NMAC  
*Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.*

Closure Completion Date: 1/31/2014

20.  
**Closure Method:**  
 Waste Excavation and Removal  On-Site Closure Method  Alternative Closure Method  Waste Removal (Closed-loop systems only)  
 If different from approved plan, please explain.

21.  
**Closure Report Attachment Checklist:** *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

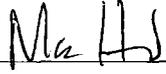
- Proof of Closure Notice (surface owner and division)
- Proof of Deed Notice (required for on-site closure for private land only)
- Plot Plan (for on-site closures and temporary pits)
- Confirmation Sampling Analytical Results (if applicable)
- Waste Material Sampling Analytical Results (required for on-site closure)
- Disposal Facility Name and Permit Number
- Soil Backfilling and Cover Installation
- Re-vegetation Application Rates and Seeding Technique
- Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude 36.251644 Longitude -107.517147 NAD:  1927  1983

**Operator Closure Certification:**

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Mark Heil Title: Regulatory Specialist

Signature:  Date: 9/4/2014

e-mail address: Mark.Heil@wpenergy.com Telephone: 505-333-1806

**WPX Energy Production, LLC**  
**San Juan Basin: New Mexico Assets**  
Temporary Pit In-place Closure Report  
Drilling/Completion and Workover  
(Groundwater >100 feet bgs)

**Well:** Chaco 2306-06L #178H & Chaco 2306-06L #179H  
**API No:** 30-039-31200 & 30-039-31190  
**Location:** L-S06-T23N-R06W, NMPM

In accordance with Rule 19.15.17.13 NMAC, the following plan describes the general in-place closure requirements of temporary pits on WPX Energy Production, LLC (WPX) locations in the San Juan Basin of New Mexico. This is WPX's standard procedure for all temporary pits to be utilized for the drilling, completion and/or workovers of oil and gas wells operated by WPX. For those temporary pits which do not conform to this standard closure plan, a separate well/pit specific closure plan will be developed and utilized.

All closure activities will include proper documentation and will be submitted to OCD within 60 days of the pit closure on a Closure Report using Division Form C-144. The Report will include the following:

- Details on Capping and Covering, where applicable
- Plot Plan (Pit Diagram)
- Inspection reports
- Sampling Results
- Division Form C-105: WELL COMPLETION OR RECOMPLETION REPORT AND LOG
- Copy of Deed Notice filed with the County Clerk (format to meet County requirements)  
A deed notice is not required on state, federal or tribal land according to NMOCD FAQ dated October 30, 2008 and posted on the NMOCD website.

General Plan Requirements:

1. All free standing liquids will be removed from the pit at the start of the closure process. Liquids will be removed in a manner that the appropriate District Office approves including; recycled, reused, reclaimed, evaporated, and/or disposed of in a Division-approved facility. Once all free liquids are removed, the sludge will be stabilized by one of the following methods depending on equipment availability: blending with clean stockpiled soils or dewatering using a Bowl Decanter Centrifuges then blending with clean stockpiles soils.

Free liquids were not present at the reserve pit following the completion rigoff. Therefore, no liquids were hauled.

2. The preferred method of closure for all temporary pits will be on-site closure by in-place burial, provided all the criteria in 19.15.17.13.B are met.

On-site burial plan for this location was approved by the Aztec District Office on (8/19/2013)

3. The surface owner shall be notified of WPX's proposed closure plan using a means that provides proof of notice (i.e. certified mail/return receipt requested)

WPX notified the SMA of its intent to use a temporary pit and onsite burial in the Surface Use Plan in the well APD. The SMA was notified by email see attached. No return receipt required per BLM:FFO/NMOCD MOU dated 5/4/2009.

4. Within six months of the "rig-off" status occurring WPX will ensure that the temporary pit is covered, recontoured and reseeded in progress.

Drill rig-off (8/13/2014). Completion Rig-off (3/3/2014) Pit covered (2/9/2014). Pit area along with unused portions of well pad to be interim reclaimed in accordance with Surface Management Agency requirements in APD-COAs and per BLM:FFO/NMOCD MOU dated 5/4/2009.

5. Notice of Closure will be given to the Aztec District office between 72 hours and one week of the scheduled closure via email or phone. The notification of closure will include the following:

- a. Operators Name (WPX)
- b. Well Name and API Number
- c. Location (USTR)

The Aztec District Office of NMOCD was notified by email using a format acceptable to the District. Copies of the notification from Abode Contractors on (1/31/2014) is attached.

6. The pit liner shall be removed above "mud level" after stabilization. Removal of the liner will consist of manually or mechanically cutting the liner at the mud level and removing all remaining liner. Care will be taken to remove "all" of the liner (I.e. anchored material). All excessive liner will be disposed of at a licensed disposal facility (probably San Juan Regional Landfill operated by Waste Management under NMED Permit SWM-052426).

The liner to the temporary pit was removed above the "mud level" once stabilized. Removal of the liner consisted of manually cutting the liner and removing all remaining liner material above the "mud level" including the anchor

material. All excessive liner was disposed of at the San Juan Regional Landfill operated by Waste Management under NMED Permit SWM-052426.

7. Solidification of the remaining pit contents shall be achieved by mixing non-waste containing, earthen material. The solidification process will be accomplished use a combination of natural drying and mechanical mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed safe and stable. The mixing ratio shall not exceed 3 parts non-waste to 1 part pit contents.

There were no liquids to be removed at the pit. The pit contents were mixed with non-waste containing, earthen material in order to achieve appropriate solidification and a consistency that was deemed safe and stable. The solidification process was accomplished using a combination of natural drying, and mechanically mixing using a dozer and trackhoe. The mixing ration was approximately 2.5-3 parts native soil to 1 part pit contents. Solidification was completed (2/7/2014).

8. A five-point composite sample will be taken of the pit using sampling tools and all samples tested per 19.15.17.13(B)(1)(b) NMAC. In the event that the criteria are not met (See Table 1), all contents will be handled per 19.15.17.13(B)(1)(a) (i.e. dig and haul to a Division-approved facility). Approval to haul will be requested of the Aztec District office prior to initiation.

A five-point composite sampling was taken of the pit area using sampling tools and the sample was tested per 19.15.17.13(B)(1)(b) NMAC. Results are shown in Table 1 and lab reports are attached.

Table 1: Closure Criteria for Temporary Pits in Non-sensitive Areas with Groundwater >100 bgs.

Components	Testing Methods	Limits (mg/Kg)	Pit. (mg/Kg)
Benzene	EPA SW-846 Method 8021B or 8260B	0.2	ND
BTEX	EPA SW-846 Method 8021B or 8260B	50	ND
TPH	EPA SW-846 Method 418.1	2,500	24.0
GRO/DRO	EPA SW-846 Method 8015M (GRO/DRO)	500	ND/ND
Chlorides	EPA SW-846 Method 300.1	500	48.1

9. Upon completion of solidification and testing, the pit area will be backfilled with non-waste earthen material compacted to native conditions to enable effective revegetation for successful evapotranspiration. A minimum of four feet of cover including replacement of one foot of suitable material to establish vegetation, or the background thickness of topsoil, whichever is greater.

Upon completion of solidification and testing, the pit area was backfilled with non-waste earthen material compacted to native conditions. A minimum of four feet of cover to the extent practical was achieved and the cover included just over a foot of topsoil suitable to establish vegetation.

10. Following cover, the well pad will be prepared for an additional drilling rig to drill Chaco 2206-02P #227H. After all activity on the pad is complete, the site will be recontoured to meet the Surface Management Agency or surface owner requirements. Re-contouring will attempt to match fit, shape, line form, and texture of the surrounding geography. Re-shaping will include drainage control, prevent ponding, and minimize erosion. Natural drainages will be unimpeded and stormwater Best Management Practices (BMPs) will be used to aid in soil stabilization and protection surface water quality.

Following cover, WPX reestablished drainage and contours to approximately match previous topography meeting the Conditions of Approval in the APD and the direction offered by a BLM/USFS inspector. Cover was completed on (2/4/2014) and re-contouring was completed on (2/5/2014).

11. Notification will be sent to the Aztec District office when the reclaimed area is seeded.

WPX will comply with Surface Management Agency reseeding requirements in the COAs of the APD for the referenced well, per BLM:FFO/NMOCD MOU dated 5/4/09.

12. WPX shall seed the disturbed areas the first growing season after the pit is covered. Seeding will be accomplished via drilling on the contour whenever practical, or by other Division-approved methods. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintained that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs. *Note: WPX assumes the seeding stipulations including mix and seeding methods specified by the Surface Management Agency (BLM, BOR, USFS, Tribal, etc.) or Land owner as part of a surface use agreement or APD are Division-approved methods unless notified by the Division of their unacceptability.*

WPX will comply with Surface Management Agency reseeding requirements in the COAs of the APD for the referenced well, per BLM:FFO/NMOCD MOU dated 5/4/09.

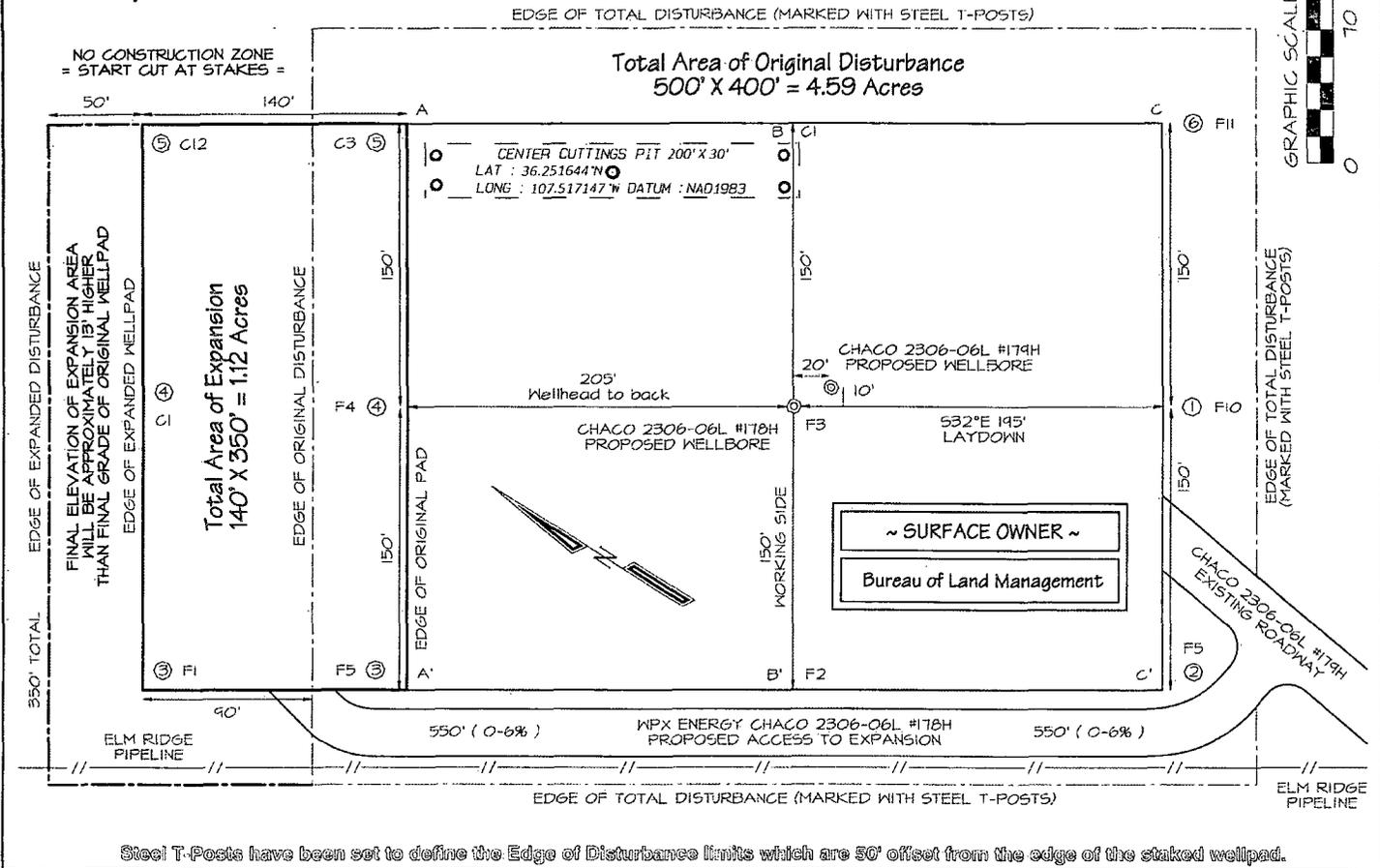
13. The temporary pit will be located with a steel marker, no less than four inches in diameter, cemented in a hole three feet deep in the center of the on-site burial upon the abandonment of all wells on the pad. The marker will be flush with the ground to allow access of the active well pad and for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the on site burial of the temporary pit. The plate will be easily removable and a four-foot tall

riser will be threaded into the top of the collar marker and welded around the base with the operations information at the time of all wells on the pad abandoned. The information will include Operator Name, Lease Name, Well Name, and number, USTR, and an indicator that the marker is an onsite pit burial location.

The temporary pit was located with a steel marker meeting the above listed specifications. The marker has the following information welded for future reference WPX ENERGY Chaco 2306-06L #178H & Chaco 2306-06L #179H S06L-T23N-R06W, "In-Place Burial" (photo attached). Steel marker set (7/23/2014).

WPX ENERGY PRODUCTION, LLC CHACO 2306-06L #178H & 2306-06L #179H  
 1691' FSL & 572' FWL, SECTION 6, T23N, R6W, NMPM  
 RIO ARriba COUNTY, NEW MEXICO ELEVATION: 6933'  
 LAT: 36.25114°N LONG: 107.51724°W DATUM: NAD1983

o = Sample Location



Steel T-Posts have been set to define the Edge of Disturbance limits which are 50' offset from the edge of the staked wellpad.



Analytical Report

Report Summary

Client: WPX Energy, Inc.
Chain Of Custody Number: 16699
Samples Received: 3/5/2014 8:40:00AM
Job Number: 04108-0006
Work Order: P403014 Project Name/Location:
Chaco 2306 GL #178H/#179H

Entire Report Reviewed By: [Signature] Date: 3/12/14
Tim Cain, Laboratory Manager

Supplement to analytical report generated on: 3/12/14 2:18 pm

The results in this report apply to the samples submitted to Envirotech's Analytical Laboratory and were analyzed in accordance with the chain of custody document supplied by you, the client, and as such are for your exclusive use only. The results in this report are based on the sample as received unless otherwise noted. Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc. If you have any questions regarding this analytical report, please don't hesitate to contact Envirotech's Laboratory Staff.

5796 US Highway 64, Farmington, NM 87401
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (505) 632-0615 Fx (505) 632-1865
Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178E/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

**Analytical Report for Samples**

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Cuttings Pit	P403014-01A	Soil	02/28/14	03/05/14	Glass Jar, 4 oz.

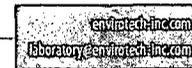
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401

Ph (505) 632-0615 Fx (505) 632-1865

Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178H/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

**Cuttings Pit  
P403014-01 (Solid)**

Analyte	Result	Reporting			Batch	Prepared	Analyzed	Method	Notes
		Limit	Units	Dilution					
<b>Volatile Organics by EPA 8021</b>									
Benzene	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
Toluene	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
Ethylbenzene	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
p,m-Xylene	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
o-Xylene	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
Total Xylenes	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
Total BTEX	ND	0.05	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8021B	
Surrogate: Bromochlorobenzene		102 %		80-120	1411003	03/10/14	03/11/14	EPA 8021B	
Surrogate: 1,3-Dichlorobenzene		4950 %		80-120	1411003	03/10/14	03/11/14	EPA 8021B	
<b>Nonhalogenated Organics by 8015</b>									
Gasoline Range Organics (C6-C10)	ND	5.00	mg/kg	1	1411003	03/10/14	03/11/14	EPA 8015D	
Diesel Range Organics (C10-C28)	ND	29.9	mg/kg	1	1411002	03/10/14	03/11/14	EPA 8015D	
<b>Total Petroleum Hydrocarbons by 418.1</b>									
Total Petroleum Hydrocarbons	24.0	20.0	mg/kg	1	1411012	03/12/14	03/12/14	EPA 418.1	
<b>Cation/Anion Analysis</b>									
Chloride	48.1	9.93	mg/kg	1	1411001	03/10/14	03/10/14	EPA 300.0	

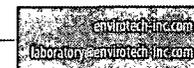
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401

Ph (505) 632-0615 Fx (505) 632-1865

Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178H/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

Volatle Organics by EPA 8021 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	-----------------	-------	-------------	---------------	------	-------------	-----	-----------	-------

Batch 1411003 - Purge and Trap EPA 5030A

Blank (1411003-BLK1)		Prepared: 10-Mar-14 Analyzed: 11-Mar-14								
Benzene	ND	0.05	mg/kg							
Toluene	ND	0.05	"							
Ethylbenzene	ND	0.05	"							
p,m-Xylene	ND	0.05	"							
o-Xylene	ND	0.05	"							
Total Xylenes	ND	0.05	"							
Total BTEX	ND	0.05	"							
Surrogate: 1,3-Dichlorobenzene	53.2		ug/L	1.00		NR	80-120			
Surrogate: Bromochlorobenzene	54.0		"	50.0		108	80-120			

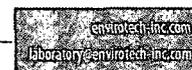
Duplicate (1411003-DUP1)		Source: P403011-01 Prepared: 10-Mar-14 Analyzed: 11-Mar-14								
Benzene	ND	0.05	mg/kg		ND					30
Toluene	ND	0.05	"		ND					30
Ethylbenzene	ND	0.05	"		ND					30
p,m-Xylene	ND	0.05	"		ND					30
o-Xylene	ND	0.05	"		ND					30
Surrogate: 1,3-Dichlorobenzene	52.0		ug/L	1.00		NR	80-120			
Surrogate: Bromochlorobenzene	54.6		"	50.0		109	80-120			

Matrix Spike (1411003-MS1)		Source: P403011-01 Prepared: 10-Mar-14 Analyzed: 11-Mar-14								
Benzene	51.7		ug/L	50.0	ND	103	39-150			
Toluene	51.2		"	50.0	ND	102	46-148			
Ethylbenzene	51.2		"	50.0	ND	102	32-160			
p,m-Xylene	103		"	100	ND	103	46-148			
o-Xylene	51.9		"	50.0	ND	104	46-148			
Surrogate: 1,3-Dichlorobenzene	52.1		"	1.00		NR	80-120			
Surrogate: Bromochlorobenzene	54.6		"	50.0		109	80-120			

Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401  
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (505) 632-0615 Fx (505) 632-1865  
Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178H/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

**Nonhalogenated Organics by 8015 - Quality Control**  
**Envirotech Analytical Laboratory**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch 1411002 - DRO Extraction EPA 3550C</b>										
<b>Blank (1411002-BLK1)</b> Prepared: 10-Mar-14 Analyzed: 11-Mar-14										
Diesel Range Organics (C10-C28)	ND	29.9	mg/kg							
<b>Duplicate (1411002-DUP1)</b> Source: P403011-01 Prepared: 10-Mar-14 Analyzed: 11-Mar-14										
Diesel Range Organics (C10-C28)	ND	29.9	mg/kg		ND				30	
<b>Matrix Spike (1411002-MS1)</b> Source: P403011-01 Prepared: 10-Mar-14 Analyzed: 11-Mar-14										
Diesel Range Organics (C10-C28)	192		mg/L	250	ND	76.7	75-125			

Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401  
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (505) 632-0615 Fx (505) 632-1865  
Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178H/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

**Nonhalogenated Organics by 8015 - Quality Control**  
**Envirotech Analytical Laboratory**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch 1411003 - Purge and Trap EPA 5030A</b>										
<b>Blank (1411003-BLK1)</b> Prepared: 10-Mar-14 Analyzed: 11-Mar-14										
Gasoline Range Organics (C6-C10)	ND	5.00	mg/kg							
<b>Duplicate (1411003-DUP1)</b> Source: P403011-01 Prepared: 10-Mar-14 Analyzed: 11-Mar-14										
Gasoline Range Organics (C6-C10)	ND	4.98	mg/kg		ND				30	
<b>Matrix Spike (1411003-MS1)</b> Source: P403011-01 Prepared: 10-Mar-14 Analyzed: 11-Mar-14										
Gasoline Range Organics (C6-C10)	0.49		mg/L	0.450	ND	108	75-125			

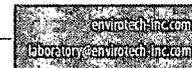
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401

Ph (505) 632-0615 Fx (505) 632-1865

Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178H/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

**Total Petroleum Hydrocarbons by 418.1 - Quality Control**  
**Envirotech Analytical Laboratory**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch 1411012 - 418 Freon Extraction</b>										
<b>Blank (1411012-BLK1)</b> Prepared & Analyzed: 12-Mar-14										
Total Petroleum Hydrocarbons	ND	20.0	mg/kg							
<b>Duplicate (1411012-DUP1)</b> Source: P403014-01 Prepared & Analyzed: 12-Mar-14										
Total Petroleum Hydrocarbons	28.0	20.0	mg/kg		24.0			155	30	
<b>Matrix Spike (1411012-MS1)</b> Source: P403014-01 Prepared & Analyzed: 12-Mar-14										
Total Petroleum Hydrocarbons	1840	20.0	mg/kg	2000	24.0	91.0	80-120			

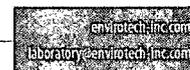
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401

Ph (505) 632-0615 Fx (505) 632-1865

Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (970) 259-0615 Fr (800) 362-1879





WEX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #178B/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

**Cation/Anion Analysis - Quality Control**  
**Envirotech Analytical Laboratory**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC Limits	RPD	RPD Limit	Notes
<b>Batch 1411001 - Anion Extraction EPA 300.0</b>									
<b>Blank (1411001-BLK1)</b>					<b>Prepared &amp; Analyzed: 10-Mar-14</b>				
Chloride	ND	9.99	mg/kg						
<b>LCS (1411001-BS1)</b>					<b>Prepared &amp; Analyzed: 10-Mar-14</b>				
Chloride	478	9.97	mg/kg	499		95.9 90-110			
<b>Matrix Spike (1411001-MS1)</b>					<b>Source: P403011-01 Prepared &amp; Analyzed: 10-Mar-14</b>				
Chloride	507	9.93	mg/kg	497	ND	102 80-120			
<b>Matrix Spike Dup (1411001-MSD1)</b>					<b>Source: P403011-01 Prepared &amp; Analyzed: 10-Mar-14</b>				
Chloride	499	9.96	mg/kg	498	ND	100 80-120	1.58	20	

Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401  
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (505) 632-0615 Fx (505) 632-1865  
Ph (970) 259-0615 Fr (800) 362-1879





WPX Energy, Inc. PO Box 21218 Tulsa OK, 74121-1358	Project Name: Chaco 2306 GL #17SH/#179H Project Number: 04108-0006 Project Manager: Buddy Shaw	Reported: 12-Mar-14 14:43
----------------------------------------------------------	------------------------------------------------------------------------------------------------------	------------------------------

Notes and Definitions

DET	Analyte DETECTED
ND	Analyte NOT DETECTED, at or above the reporting limit
NR	Not Reported
dry	Sample results reported on a dry weight basis
RPD	Relative Percent Difference

Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.

5796 US Highway 64, Farmington, NM 87401  
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301

Ph (505) 632-0615 Fx (505) 632-1865  
Ph (970) 259-0615 Fx (800) 362-1879



# CHAIN OF CUSTODY RECORD

15699

Client: <b>WPX Energy</b>		Project Name / Location: <b>Chaco 2306 GL #1774/2377</b>		ANALYSIS / PARAMETERS												
Email results to: <b>bulley.shaw@wpxenergy.com</b>		Sampler Name: <b>Steen Shelby</b>		TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	FCI	TCLP with HIP	CO Table 910-1	TPH (418.1)	CHLORIDE	Sample Cool	Sample Intact	
Client Phone No.: <b>505 333-1878</b>		Client No.: <b>04108-0006</b>														
Sample No. / Identification	Sample Date	Sample Time	Lab No.	No. / Volume of Containers	Preservative											
					HNO <sub>3</sub>	HCl										
<b>Cuttings pit</b>	<b>7/27/14</b>	<b>1:40 pm</b>	<b>P403014-01</b>	<b>1 gal</b>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Relinquished by: (Signature) <b>Steen Shelby</b>				Date <b>7/31/14</b>	Time <b>8:40 am</b>	Received by: (Signature) <b>Maria...</b>				Date <b>7/31/14</b>	Time <b>8:40</b>					
Relinquished by: (Signature)				Date	Time	Received by: (Signature)				Date	Time					
Sample Matrix Soil <input checked="" type="checkbox"/> Solid <input type="checkbox"/> Sludge <input type="checkbox"/> Aqueous <input type="checkbox"/> Other <input type="checkbox"/>																
<input type="checkbox"/> Sample(s) dropped off after hours to secure drop off area.																
										14.2						
5795 US Highway 64 • Farmington, NM 87401 • 505-632-0615 • Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301 • laboratory@envirotech-inc.com																

NOTE: The Chaco 2206-02P #227H pit is missing inspection records for the following periods of time:

2/10/2014 through 3/1/2014

		TEMPORARY PIT INSPECTION REPORT						
Well Name	CHACO 2306-06L #178H	Field Name	Lybrook	API #	30-039-31200	Report #	1	
Location		County	Sandoval	State	NM	Rpt Date	12/26/2013	
Date	Report Type	Liner Intact Y/N	Fenced Y/N	Slopes Intact Y/N	Adequate Freeboard Y/N	Oil Free Y/N	Flare Pit Liquid Free Y/N	Comment
12/26/13	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
12/27/13	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
12/28/13	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
12/29/13	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
12/30/13	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
12/31/13	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/1/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/2/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/3/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/4/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/5/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/6/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/7/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/8/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/9/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/10/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/11/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/12/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/13/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.
1/14/14	Daily	Y	Y	Y	Y	Y	Y	TEMP PIT / NO LEAKS, NO SPILLS.

2001-2009 WellEz Information Management, LLC. All rights reserved ver. 11/709jc

WPX Energy Production  
 San Juan Basin Operations  
 720 So. Main / PO Box 640  
 Aztec, NM 87410  
 505-333-1806 / 505-333-1805 fax

**Temporary Pit Inspection**

**FACILITY INFORMATION**

<b>Facility Name:</b> CHACO 2306-06L #179H	<b>API #:</b> 30-039-31190
--------------------------------------------	----------------------------

<b>Pit Type:</b> <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Cavitation	<b>Inspection:</b> <input type="checkbox"/> Daily (Rig) <input checked="" type="checkbox"/> Weekly (Tech)
-------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------

Pit Liner intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	Date / Time Reported:
Pit Properly Fenced	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required (if site fully fenced) If No, Report to EH&S immediately	
Pit Slopes intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	
Adequate freeboard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Free oil or sheen present on pit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Report to EH&S immediately	
Flare Pit free of liquids	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Date liquids pulled (Liquids must be pulled within 30 days of rig off date)	<input type="checkbox"/> Drill Rig <input type="checkbox"/> Completion Rig Date Liquids Pulled:	
<b>Comments:</b> Liquid in pit, possible rain water. No rig on location yet.		
Inspector Signature: <i>Cody Boyd</i>		
Printed Name: Cody Boyd		
Title: Technician Rosa South		
Date: 12/2/2013	Phone: (505)386-8672	

Record Retention: Submit with Closure

WPX\_NM\_Temp\_Pit\_Inspection\_Form(V2).doc  
 Rev: April 24, 2012

WPX Energy Production  
 San Juan Basin Operations  
 720 So. Main / PO Box 640  
 Aztec, NM 87410  
 505-333-1806 / 505-333-1805 fax

**Temporary Pit Inspection**

**FACILITY INFORMATION**

<b>Facility Name:</b> CHACO 2306-06L #179H	<b>API #:</b> 30-039-31190
--------------------------------------------	----------------------------

<b>Pit Type:</b> <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Cavitation	<b>Inspection:</b> <input type="checkbox"/> Daily (Rig) <input checked="" type="checkbox"/> Weekly (Tech)
-------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------

Pit Liner intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	Date / Time Reported:
Pit Properly Fenced	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required (if site fully fenced) If No, Report to EH&S immediately	
Pit Slopes intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	
Adequate freeboard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Free oil or sheen present on pit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Report to EH&S immediately	
Flare Pit free of liquids	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Date liquids pulled (Liquids must be pulled within 30 days of rig off date)	<input type="checkbox"/> Drill Rig <input type="checkbox"/> Completion Rig Date Liquids Pulled:	
Comments: Liquid in pit, possible rain water and melted snow.		
Inspector Signature: <i>Cody Boyd</i>		
Printed Name: Cody Boyd		
Title: Technician Rosa South		
Date: 12/27/2013 Phone: (505)386-8672		

Record Retention: Submit with Closure

WPX\_NM\_Temp\_Pit\_Inspection\_Form(V2).doc  
 Rev: April 24, 2012

WPX Energy Production  
 San Juan Basin Operations  
 720 So. Main / PO Box 640  
 Aztec, NM 87410  
 505-333-1806 / 505-333-1805 fax

**Temporary Pit Inspection**

**FACILITY INFORMATION**

Facility Name: CHACO 2306-06L #179H	API #: 30-039-31190
-------------------------------------	---------------------

Pit Type: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Cavitation	Inspection: <input type="checkbox"/> Daily (Rig) <input checked="" type="checkbox"/> Weekly (Tech)
------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------

Pit Liner intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	Date / Time Reported:
Pit Properly Fenced	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required (if site fully fenced) If No, Report to EH&S immediately	
Pit Slopes intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	
Adequate freeboard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Free oil or sheen present on pit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Report to EH&S immediately	
Flare Pit free of liquids	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Date liquids pulled (Liquids must be pulled within 30 days of rig off date)	<input type="checkbox"/> Drill Rig <input type="checkbox"/> Completion Rig Date Liquids Pulled:	
Comments: Liquid in pit, possible rain water and melted snow. Drilling rig on location for the 178H.		
Inspector Signature: <i>Cody Boyd</i>		
Printed Name: Cody Boyd		
Title: Technician Rosa South		
Date: 1/9/2014 Phone: (505)386-8672		

Record Retention: Submit with Closure

WPX\_NM\_Temp\_Pit\_Inspection\_Form(V2).doc  
 Rev: April 24, 2012

WPX Energy Production  
 San Juan Basin Operations  
 720 So. Main / PO Box 640  
 Aztec, NM 87410  
 505-333-1806 / 505-333-1805 fax

**Temporary Pit Inspection**

**FACILITY INFORMATION**

Facility Name: CHACO 2306-06L #179H	API #:30-039-31190
-------------------------------------	--------------------

Pit Type: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Cavitation	Inspection: <input type="checkbox"/> Daily (Rig) <input checked="" type="checkbox"/> Weekly (Tech)
------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------

Pit Liner intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	Date / Time Reported:
Pit Properly Fenced	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required (if site fully fenced)	If No, Report to EH&S immediately
Pit Slopes intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If No, Report to EH&S immediately
Adequate freeboard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable	If No, Report to EH&S immediately
Free oil or sheen present on pit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Report to EH&S immediately
Flare Pit free of liquids	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable	If No, Report to EH&S immediately
Date liquids pulled	<input type="checkbox"/> Drill Rig <input type="checkbox"/> Completion Rig	
(Liquids must be pulled within 30 days of rig off date)	Date Liquids Pulled:	
Comments: No liquid in pit.		
Inspector Signature: <i>Cody Boyd</i>		
Printed Name: Cody Boyd		
Title: Technician Rosa South		
Date: 1/18/2014	Phone: (505)386-8672	

Record Retention: Submit with Closure

WPX\_NM\_Temp\_Pit\_Inspection\_Form(V2).doc  
 Rev: April 24, 2012

WPX Energy Production  
 San Juan Basin Operations  
 720 So. Main / PO Box 640  
 Aztec, NM 87410  
 505-333-1806 / 505-333-1805 fax

**Temporary Pit Inspection**

**FACILITY INFORMATION**

Facility Name: CHACO 2306-061 #179H	API #: 30-039-31190
-------------------------------------	---------------------

Pit Type: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Cavitation	Inspection: <input type="checkbox"/> Daily (Rig) <input checked="" type="checkbox"/> Weekly (Tech)
------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------

Pit Liner intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	Date / Time Reported:
Pit Properly Fenced	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required (if site fully fenced) If No, Report to EH&S immediately	
Pit Slopes intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	
Adequate freeboard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Free oil or sheen present on pit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Report to EH&S immediately	
Flare Pit free of liquids	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Date liquids pulled (Liquids must be pulled within 30 days of rig off date)	<input type="checkbox"/> Drill Rig <input type="checkbox"/> Completion Rig	Date Liquids Pulled:
Comments: Water in pit.		
Inspector Signature: <i>Cody Boyd</i>		
Printed Name: Cody Boyd		
Title: Technician Rosa South		
Date: 1/25/2014	Phone: (505)386-8672	

Record Retention: Submit with Closure

WPX\_NM\_Temp\_Pit\_Inspection\_Form(V2).doc  
 Rev: April 24, 2012

WPX Energy Production  
 San Juan Basin Operations  
 720 So. Main / PO Box 640  
 Aztec, NM 87410  
 505-333-1806 / 505-333-1805 fax

**Temporary Pit Inspection**

**FACILITY INFORMATION**

Facility Name: CHACO 2306-06L #179H	API #:30-039-31190
-------------------------------------	--------------------

Pit Type: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover <input type="checkbox"/> Cavitation	Inspection: <input type="checkbox"/> Daily (Rig) <input checked="" type="checkbox"/> Weekly (Tech)
------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------

Pit Liner intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	Date / Time Reported:
Pit Properly Fenced	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required (if site fully fenced) If No, Report to EH&S immediately	
Pit Slopes intact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, Report to EH&S immediately	
Adequate freeboard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable If No, Report to EH&S immediately	
Free oil or sheen present on pit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Report to EH&S immediately	
Flare Pit free of liquids	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable if No, Report to EH&S immediately	
Date liquids pulled	<input type="checkbox"/> Drill Rig <input type="checkbox"/> Completion Rig	
(Liquids must be pulled within 30 days of rig off date)	Date Liquids Pulled:	
Comments: Water in pit.		
Inspector Signature: <i>Cody Boyd</i>		
Printed Name: Cody Boyd		
Title: Technician Chaco Slope		
Date: 2/3/2014	Phone: (505)386-8672	

Record Retention: Submit with Closure

WPX\_NM\_Temp\_Pit\_Inspection\_Form(V2).doc  
 Rev: April 24, 2012



**From:** Johnny [johnny@adobecontractorsinc.com]  
**Sent:** Friday, January 31, 2014 7:13 AM  
**To:** Brandon Powell  
**Cc:** Granillo, Lacey; Fields, Vanessa; Shaw, Buddy; Heil, Mark; Riley, Heather  
**Subject:** Pit closure for WPX Energy Chaco 2306-6L #179H, 178H and 239H

Brandon,  
We will be closing these pits by Tuesday of next week. Please let me know if you have any questions.

Thank you,

Johnny R. Stinson  
General Manager  
Adobe Contractors Inc.  
Office: 505-632-1486  
Fax: 505-632-9807  
Mobile: 505-320-6076  
[johnny@adobecontractorsinc.com](mailto:johnny@adobecontractorsinc.com)

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

State of New Mexico  
Energy, Minerals and Natural Resources  
  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-105  
Revised August 1, 2011  
1. WELL API NO.  
30-043-21148  
2. Type of Lease  
 STATE  FEE  FED/INDIAN  
3. State Oil & Gas Lease No.  
NMSF078362

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

4. Reason for filing:  
 **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)  
 **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name  
Chaco 2306-06L  
6. Well Number: #178H & #179H

7. Type of Completion:  
 NEW WELL  WORKOVER  DEEPENING  PLUGBACK  DIFFERENT RESERVOIR  OTHER

8. Name of Operator  
WPX Energy Production, LLC

9. OGRID  
120782

10. Address of Operator  
PO Box 640 / 721 South Main Aztec, NM 87410

11. Pool name or Wildcat  
Lybrook/Gallup

12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:										
BH:										

13. Date Spudded  
14. Date T.D. Reached  
15. Date Rig Released  
10/16/2013  
16. Date Completed (Ready to Produce)  
17. Elevations (DF and RKB, RT, GR, etc.)

18. Total Measured Depth of Well  
19. Plug Back Measured Depth  
20. Was Directional Survey Made?  
21. Type Electric and Other Logs Run

22. Producing Interval(s), of this completion - Top, Bottom, Name

**23. CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET

26. Perforation record (interval, size, and number)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

**28. PRODUCTION**

Date First Production		Production Method ( <i>Flowing, gas lift, pumping - Size and type pump</i> )				Well Status ( <i>Prod. or Shut-in</i> )	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - ( <i>Corr.</i> )	

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*)  
30. Test Witnessed By

31. List Attachments

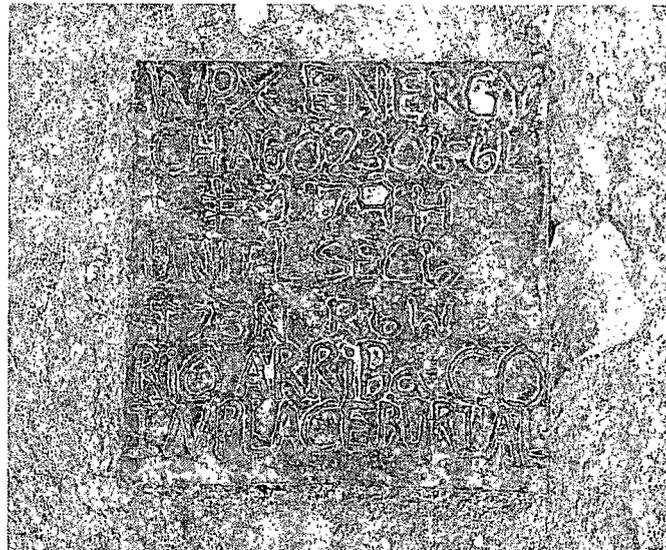
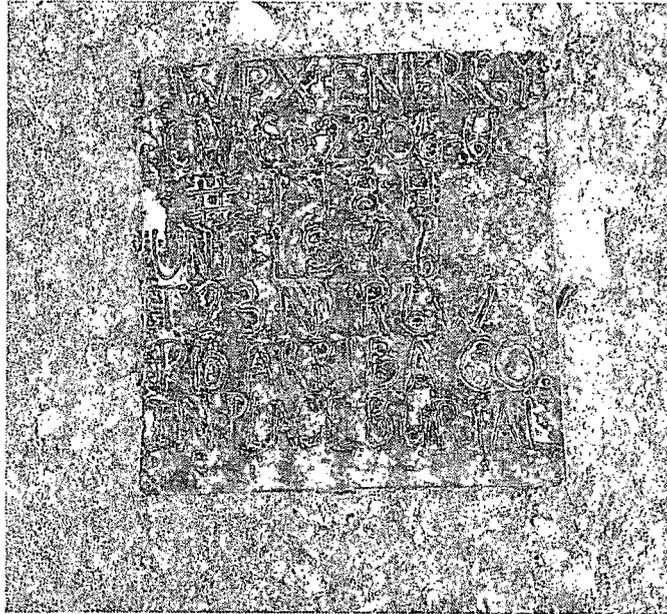
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

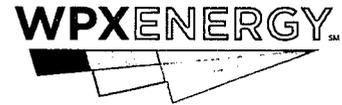
33. If an on-site burial was used at the well, report the exact location of the on-site burial:  
Latitude 36.251644 Longitude -107.517147 NAD 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief  
Signature   
Printed Name: Mark Heil Title: Regulatory Specialist Date: 9/4/2014  
E-mail Address: mark.heil@wpxenergy.com



Note: Both steel pit markers occur above the Chaco 2306-06L 178H & 179H pit location.





Permit # 12074

Mr. Jonathan Kelly,

The Chaco 2306-06L #178H and the Chaco 2306-06L #179H temporary pit closure package did not contain the surface owner notification. The notification is stapled to this letter as a sundry accepted by Bureau of Land Management on November 6<sup>th</sup>, 2013. The notification to the surface owner did not meet NMOCD's time requirement of 72 hours. Page 7 of 34 has been modified to reflect this and is also stapled to this page.

Thank you,

A handwritten signature in black ink that reads "Mark Heil".

Mark Heil  
Regulatory Specialist

OIL CONS. DIV DIST. 3

OCT 23 2014

**WPX Energy Production, LLC**  
**San Juan Basin: New Mexico Assets**  
Temporary Pit In-place Closure Report  
Drilling/Completion and Workover  
(Groundwater >100 feet bgs)

**Well:** Chaco 2306-06L #178H & Chaco 2306-06L #179H  
**API No:** 30-039-31200 & 30-039-31190  
**Location:** L-S06-T23N-R06W, NMPM

In accordance with Rule 19.15.17.13 NMAC, the following plan describes the general in-place closure requirements of temporary pits on WPX Energy Production, LLC (WPX) locations in the San Juan Basin of New Mexico. This is WPX's standard procedure for all temporary pits to be utilized for the drilling, completion and/or workovers of oil and gas wells operated by WPX. For those temporary pits which do not conform to this standard closure plan, a separate well/pit specific closure plan will be developed and utilized.

All closure activities will include proper documentation and will be submitted to OCD within 60 days of the pit closure on a Closure Report using Division Form C-144. The Report will include the following:

- Details on Capping and Covering, where applicable
- Plot Plan (Pit Diagram)
- Inspection reports
- Sampling Results
- Division Form C-105: *WELL COMPLETION OR RECOMPLETION REPORT AND LOG*
- Copy of Deed Notice filed with the County Clerk (format to meet County requirements)  
A deed notice is not required on state, federal or tribal land according to NMOCD FAQ dated October 30, 2008 and posted on the NMOCD website.

General Plan Requirements:

1. All free standing liquids will be removed from the pit at the start of the closure process. Liquids will be removed in a manner that the appropriate District Office approves including; recycled, reused, reclaimed, evaporated, and/or disposed of in a Division-approved facility. Once all free liquids are removed, the sludge will be stabilized by one of the following methods depending on equipment availability: blending with clean stockpiled soils or dewatering using a Bowl Decanter Centrifuge then blending with clean stockpiles soils.  
Free liquids were not present at the reserve pit following the completion rigoff. Therefore, no liquids were hauled.
2. The preferred method of closure for all temporary pits will be on-site closure by in-place burial, provided all the criteria in 19.15.17.13.B are met.  
On-site burial plan for this location was approved by the Aztec District Office on (8/19/2013)
3. The surface owner shall be notified of WPX's proposed closure plan using a means that provides proof of notice (i.e. certified mail/return receipt requested)  
WPX notified the SMA of its intent to use a temporary pit and onsite burial in the Surface Use Plan in the well APD. The SMA was notified by email, see attached. However, the closure was not completed within the 72 hrs that the letter was sent as required by NMOCD. WPX Energy will attempt to plan this process more thoroughly and ensure that the surface owner notification is sent to the surface owner on time, as required by NMOCD. No return receipt required per BLM:FFO/NMOCD MOU dated 5/4/09.
4. Within six months of the "rig-off" status occurring WPX will ensure that the temporary pit is covered, recontoured and reseeded in progress.  
Drill rig-off (1/13/2014). Completion Rig-off (3/3/2014) Pit covered (2/9/2014). Pit area along with unused portions of well pad to be interim reclaimed in accordance with Surface Management Agency requirements in APD-COAs and per BLM:FFO/NMOCD MOU dated 5/4/2009.
5. Notice of Closure will be given to the Aztec District office between 72 hours and one week of the scheduled closure via email or phone. The notification of closure will include the following:
  - a. Operators Name (WPX)
  - b. Well Name and API Number
  - c. Location (USTR)The Aztec District Office of NMOCD was notified by email using a format acceptable to the District. Copies of the notification from Abode Contractors on (1/31/2014) is attached.
6. The pit liner shall be removed above "mud level" after stabilization. Removal of the liner will consist of manually or mechanically cutting the liner at the mud level and removing all remaining liner. Care will be taken to remove "all" of the liner (i.e. anchored material). All excessive liner will be disposed of at a licensed disposal facility (probably San Juan Regional Landfill operated by Waste Management under NMED Permit SWM-052426).  
The liner to the temporary pit was removed above the "mud level" once stabilized. Removal of the liner consisted of manually cutting the liner and removing all remaining liner material above the "mud level" including the anchor material. All excessive liner was disposed of at the San Juan Regional Landfill operated by Waste Management under NMED Permit SWM-052426.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

NOV 05 2013

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.*

SUBMIT IN TRIPLICATE - Other instructions on page 2.

5. Lease Serial No.  
NMSF 078362

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
CHACO 2306-06L #178H

9. API Well No.  
30-039-31200

10. Field and Pool or Exploratory Area  
LYBROOK GALLUP

11. Country or Parish, State  
Rio Arriba, 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)  
505-333-1822

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SHL: 1691' FSL & 572' FWL SEC 6 23N 6W  
BHL: 1482' FSL & 280' FWL SEC 1 23N 7W

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 Temp Pit Notification
	<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 recomplete 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 recompletion 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.)

This correspondence is to notify the BLM that WPX Energy Production, LLC. is planning to use a temporary pit associated with the drilling and completion/reentry/other of the reference well and following discontinued use of the pit will close by onsite burial. The planned closure is consistent with the Surface Use Plan submitted with WPX APD.

This notice is to comply with the NMOCD Pit Rule 19.15.17 NMAC requirement to notify surface owners of the operator's intended closure method. If site conditions do not allow WPX to close in-place, we will provide your office with prior notice should the BLM have any concerns.

Please contact us if there are any questions or additional information is required

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) HEATHER RILEY		<b>ACCEPTED FOR RECORD</b>	
Signature <i>Heather Riley</i>		Title Regulatory Specialist Sr.	Date NOV - 6 2013
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>			
Approved by	Title	Date	
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	<b>RECEIVED</b>	

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.

OPERATOR

WPX