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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOV 05 2014

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

Farmington Field Office
Bureau of Land Management
5- Lease Serial No. NMSF078360

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.

| | | |
|--|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator WPX Energy Production, LLC | | 7. If Unit of CA/Agreement, Name and/or No. 132829 |
| 3a. Address PO Box 640 Aztec, NM 87410 | 3b. Phone No. (include area code) 505-333-1806 | 8. Well Name and No. NE CHACO COM #238H |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL: 1543' FSL & 121' FWL SEC 13 23N 7W BHL: 2447' FNL & 285' FWL SEC 14 23N 7W | | 9. API Well No. 30-039-31213 |
| | | 10. Field and Pool or Exploratory Area Chaco Unit NE HZ (Oil) (330') |
| | | 11. Country or Parish, State Rio Arriba, NM |

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 EMERGENCY <u>FLARE EXTENSION (2nd)</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 an expected spike in nitrogen content above acceptable Beeline Systems pipeline standards due to nearby frac activity on the NE CHACO COM #173H well. As a result, WPX Energy is anticipating that the NE CHACO COM #238H may experience crossflow. If a crossflow event on the well results in nitrogen content above Beeline Systems pipeline standards, flaring may begin as soon as 11/12/14 given approval. The well would flare for up to 30 days. Pipeline quality gas should be obtained within 30 days. A gas sample will be collected upon the confirmation of crossflow and sent to a third party for a gas analysis. The results of the gas analysis will be submitted upon receipt.

The well flows at a rate of 400 MCF/D.

OIL CONS. DIV DIST. 3

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | |
|---|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Mark Heil | NOV 13 2014 |
| Signature | Title Regulatory Specialist |
| | Date 11/5/14 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|------------|---------------|
| Approved by | Title AEM | Date 11/12/14 |
| 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.

NMOCD
to



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:

NE CHACO COM #238H
Section 13-23N-7W
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 December 13, 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.