

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
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

<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-045-29584</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator WPX ENERGY</p>		<p>6. State Oil & Gas Lease No. NMSF078894</p>
<p>3. Address of Operator PO BOX 640 AZTEC NM 87410</p>		<p>7. Lease Name or Unit Agreement Name Rosa Unit</p>
<p>4. Well Location Unit Letter I : 1460' feet from the South line and 840' feet from the East line Section 32 Township 31N Range 6W NMPM San Juan County</p>		<p>8. Well Number 029M</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6369'</p>		<p>9. OGRID Number 120782</p>
		<p>10. Pool name or Wildcat Blanco Mesa Verde / Basin Dakota</p>

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input checked="" type="checkbox"/> Commingle		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- i. Pre-approved Pool Division Order R-13122.
- ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
- iii. Perforated intervals: **Blanco MV 5106'- 5867', Basin Dakota 7832'- 7947'.**
- iv. Fixed percentage allocation based upon production data of 30% Blanco MV and 70% Basin Dakota. This is based on the historic production of all wells that have MV/DK production. See attached recommendation for details. This allocation may be adjusted at a later date based on a spinner survey after production has stabilized.
- v. Commingling will not reduce the value of reserves.
- vi. Interest owners in the spacing unit have not been notified of the intent to downhole commingle per order R-12991.
- vii. The BLM has been notified on sundry notice form 3160-5.

OIL CONS. DIV DIST. 3

DHC #3940 AZ

JUL 24 2015

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Marie E. Jaramillo* TITLE PERMIT TECH III DATE 7/23/15

Type or print name Marie E. Jaramillo E-mail address: marie.jaramillo@wpenergy.com PHONE: 505-333-1808

For State Use Only

APPROVED BY: *[Signature]* TITLE DEPUTY OIL & GAS INSPECTOR DISTRICT #3 DATE 7/28/15

Conditions of Approval (if any):

AV

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COMMINGLE MV/DK

ROSA 29M
RIO ARRIBA, NEW MEXICO
JULY 2015

WELLBORE STATUS:

PBTD 7,949' MD

2-1/16", 3.25#/FT, J-55 IJ To 5,817' --- MESA VERDE COMPLETION

MV ESTIMATED; SIBHP = 240± PSIG

2-1/16", 3.4#/FT, J-55 To 7,910' --- DAKOTA COMPLETION

DK ESTIMATED; SIBHP = 110± PSIG

OBJECTIVE: Pull dual completion, cleanout sand/scale, and complete as commingle.

- 1) MIRU, kill, ND tree, & NU BOP's.
- 2) POOH with both strings of tubing.
- 3) Mill out packer.
- 4) Clean out fill to PBTD @ 7,949' MD.
- 5) Mill up composite bridge plug and cleanout to PBTD.
- 6) RIH with 2-3/8" 4.7# J-55 completion tubing w/EOT @ 7,910'.
- 7) ND BOP's.
- 8) NU new production tree.
- 9) Release rig.
- 10) Return to production.

PRIOR TO PRIMARY JOB

- 1) Acquire 8,000 ft 2-3/8" 4.7 #/ft J-55 tubing for completion string.
- 2) Acquire tubing head.
- 3) Acquire new production wellhead for commingled production.
- 4) Test rig anchors.
- 5) Verify location is OK for rig operations.
- 6) Ensure JSA and lockout procedures are in place for the flowline and other energized piping or equipment.

SAFETY NOTICE

PERSONNEL SAFETY IS THE NUMBER ONE JOB.
NO EXCEPTIONS!!!

PROCEDURE:

Note: A safety meeting shall be held each morning before work and subsequent "tailgate" safety meetings are to be held during the day when operation objectives shift in nature and intent (i.e. beginning/ending fishing operations, squeeze jobs, rigging down, etc.)

1. Spot equipment, MIRU.
2. Blow down gas on well to production tank to kill. Ensure tank hatch is open. If necessary pump produced water and 2% KCL down tubing and backside to kill well.

Note: Steps 2 & 3 are to be performed each day before work begins and as necessary throughout the workday (with expected departure(s) when tubing is out of the hole).

3. ND tree and NU BOP's (blind & pipe rams).
4. Function test BOP's for operation and have shop test report for pressure on location.

Note: Step 5 is to be performed each time BOP stack is nipped up.

5. POOH with short string and lay down.
6. POOH with long string production tubing and lay down.
7. RIH and mill out packer (Baker model D) at 5,920'.
8. Clean out to PBTD @ 7,949'.

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ATTENTION

Only use pipe dope on the pins. **Do not dope the couplings.** If pipe dope gets on the exterior of the couplings or the pipe it should be wiped clean from the pipe or coupling. Do not use excess pipe dope and only dope the threads on the pins.

Note: Rabbit all tubing RIH.

9. RIH with 2-3/8" 4.7# J-55 completion tubing w/EOT @ 7,910'.
10. Install tubing head hanger and land.
11. N/D BOP's and N/U wellhead.
12. R/D, move off location.
13. Return well to production.

Production Allocation Method: Historic production data from both zones on this well was gathered and analyzed. Monthly production data from the well (May 2010 through June 2015) was considered because the data shows no significant time span during which both wells appeared to produce optimally. Throughout the life of the well the Mesa Verde contributed approximately 30% of the total production of the well, while the Dakota accounted for the remaining 70% during the same time span.

From May 2010 to June 2015:

Total Production from well = 329,868 Mcf

Total Production from MV = 100,123 Mcf

Total Production from DK = 229,745 Mcf

MV allocation = MV production / Total production = 100,123 Mcf / 329,868 Mcf = 30%

DK allocation = DK production / Total production = 229,745 Mcf / 329,868 Mcf = 70%

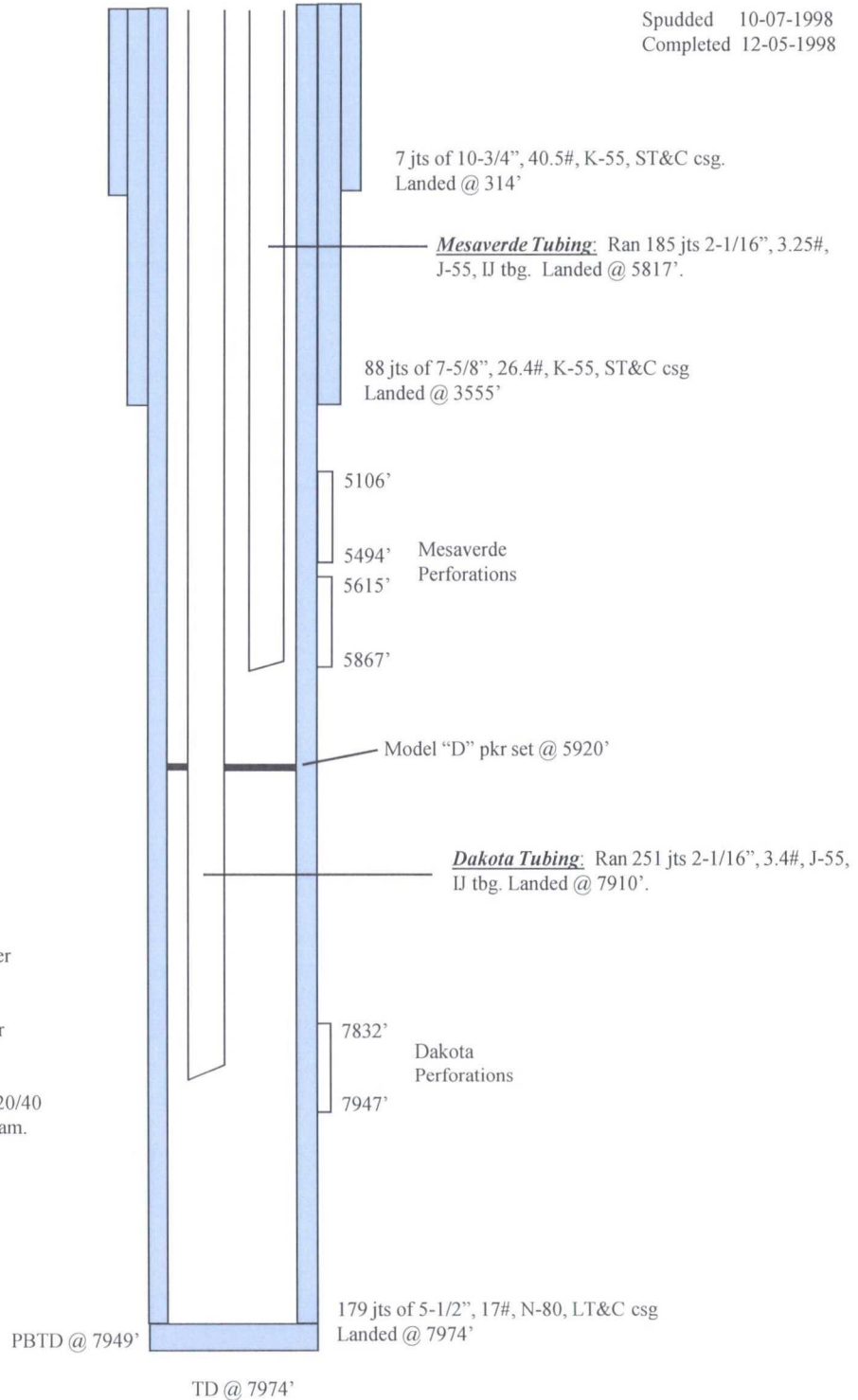
ROSA UNIT #29M BLANCO MV AND BASIN DK

Location: 1460' FSL, 840' FEL
NE/4 SE/4 Section 32I, T32N, R6W
San Juan Co., NM

Spudded 10-07-1998
Completed 12-05-1998

Elevation: 6369' GR
KB = 12'

<i>Tops</i>	<i>Depth</i>
Ojo Alamo	2284'
Fruitland	2884'
Pictured Cliffs	3114'
Lewis	3404'
Cliff House	5340'
Menefee	5380'
Point Lookout	5605'
Mancos	6010'
Greenhorn	7656'
Dakota	7809'



STIMULATION

CliffHouse/Menefee 5106' - 5494' (39 holes)
76,000# of 20/40 sand in 1876 BBI's slick water

Point Lookout 5615' - 5867' (44 holes)
85,000# of 20/40 sand in 2072 BBIs slick water

Dakota 7832' - 7947' (20 holes)
64,000# of 20/40 Ottawa sand and 10,000# of 20/40
super DC with cross linked gel in 50 quality foam.

HOLE SIZE	CASING	CEMENT	CMT TOP
14-3/4"	10-3/4"	300 s x	SURFACE
9-7/8"	7-5/8"	830 s x	SURFACE
6-3/4"	5-1/2"	450 s x	2666' (CBL)