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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 20 2015

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

Farmington Field Office
Bureau of Land Management

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. SF-078773	6. If Indian, Allottee or Tribe Name
2. Name of Operator WPX Energy Production Company, LLC		7. If Unit of CA/Agreement, Name and/or No. Rosa Unit	8. Well Name and No. Rosa Unit #77C
3a. Address PO Box 640 Aztec, NM 87410	3b. Phone No. (include area code) 505-333-1816	9. API Well No. 30-039-29982	10. Field and Pool or Exploratory Area Blanco MV / Basin DK
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 540' FEL, sec 33, T31N, R 5W		11. Country or Parish, State Rio Arriba, NM	

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

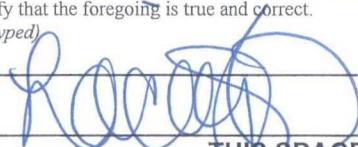
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 COMMINGLE
	<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.)

WPX Energy Production, LLC plans to commingle the subject well with pre-approved Pool Division Order R-13122. Blanco Mesa Verde (72319) and Basin Dakota (71599) as per attached procedure. Production allocations based on historical data will be as follows: MV – 68% DK – 32%. Commingle authorization has been filed with the NMOCD. (copy attached)

OIL CONS. DIV DIST. 3

AUG 26 2015

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/Typed) Lacey Granillo	Title Permitting Tech III
Signature 	Date 8/20/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title Geol	Date 8-21-15
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 FDO	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD 



Production Allocation Recommendation Rosa Unit #77C (MV/DK)

WELL NAME: Rosa Unit #77C
LOCATION: Sec. 33, T31N, R05W
API NO.: 30-039-29982

FIELD: Rosa Unit
COUNTY: Rio Arriba, NM
DATE: 8/10/2015

Current Status: WPX has drilled a vertical Mesaverde/Dakota well and is currently awaiting completions. WPX recommends commingling the well after the proposed completion work is finished.

Commingle Procedure:

1. Acidize & fracture stimulate the DK and MV formations.
2. Flow back and clean up each formation.
3. TIH w/ work string, drill out plugs and clean out to PBTD.
4. Complete with single string 2-3/8" tubing, landed below DK perms.
5. Turn well over to production as a commingle.

Allocation Method: WPX has assembled historic production data from MV and DK wells that have been drilled after Jan 2005. WPX used this production data to come up with an initial allocation for this commingle. WPX recommends that a spinner survey be performed after production has stabilized, so that allocation percentages can be corrected if need be.

After 18 months of production:

Total Production from well = 197,725 Mcf
Total Production from DK = 63,942 Mcf
Total Production from MV = 133,783 Mcf

DK allocation = $\text{DK prod} / \text{Total prod} = 63,942 \text{ Mcf} / 197,725 \text{ Mcf} = 32\%$
DK perforated intervals= 7990' – 8202'

MV allocation = $\text{MV prod} / \text{Total prod} = 133,783 \text{ Mcf} / 197,725 \text{ Mcf} = 68\%$
MV perforated intervals= 5510' – 5944'

Submit 3 Copies
To Appropriate
District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

DISTRICT II
811 South First, Artesia NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-039-29982
5. Indicate Type of Lease STATE <input type="checkbox"/> FED <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. SF-078773
7. Lease Name or Unit Agreement Name: Rosa Unit
8. Well No. Rosa Unit 077C
9. Pool name or Wildcat BLANCO MV//BASIN DK

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)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator WPX Energy Production LLC	
3. Address of Operator P.O. Box 640, Aztec, NM 87410	
4. Well Location (Surface) Unit letter ___ : 660' feet from the <u>SOUTH</u> line & 540' feet from the <u>EAST</u> line Sec 33 -31N-5W RIO ARRIBA, NM	
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	

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

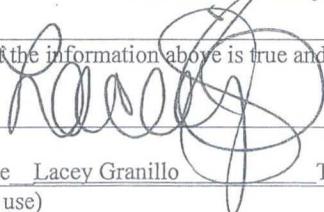
NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

- | | | | |
|---|------------------|----------------------------|----------------------|
| PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK | ALTERING CASING |
| TEMPORARILY ABANDON | CHANGE PLANS | COMMENCE DRILLING OPNS. | PLUG AND ABANDONMENT |
| PULL OR ALTER CASING | | CASING TEST AND CEMENT JOB | |
| <input checked="" type="checkbox"/> OTHER: <u>COMMINGLING AUTHORIZATION</u> | | OTHER: _____ | |

- 1) Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). Data below to satisfy NM OCD Rule 303.C.3 (b) (i)-(vii)
- i. Pre-approved Pool Division Order R-13122
 - ii. Pools to be commingled: Blanco MV 72319, Basin Dakota 71599.
 - iii. Perforated intervals: **Blanco MV 5510'-5944', Basin Dakota 7990'-8202'**.
 - iv. Fixed percentage allocation based upon production data of 68% Blanco MV and 32% 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.

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

SIGNATURE  TITLE: Permit Tech III DATE: 8/20/15

Type or print name Lacey Granillo Telephone No: (505) 333-1816

(This space for State use)

APPROVED

BY _____ TITLE _____ DATE _____

Conditions of approval, if any: