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Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEC 08 2015

Farmington Field Office
Bureau of Land Management

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.*

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NMNM118129
	6. If Indian, Allottee or Tribe Name
	7. If Unit of CA/Agreement, Name and/or No. NMNM118129
	8. Well Name and No. MC 8 COM #409H
2. Name of Operator WPX Energy Production, LLC	9. API Well No. 30-039-31337
3a. Address PO Box 640 Aztec, NM 87410 3b. Phone No. *(include area code)* 505-333-1816	10. Field and Pool or Exploratory Area BASIN MC/LYRBOOK GL
4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* SHL: 971' FSL & 2186' FWL SEC 7 23N 7W RIO ARRIBA BHL: 2338' FSL & 270' FWL SEC 12 23N 8W SAN JUAN	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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other CHANGE OF OPS-CEMENT
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ 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 request to change the cement plan to a two stage conventional cement job w/ a DV tool.

Attached: OPS Plan

OIL CONS. DIV DIST. 3

DEC 14 2015

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct.
Name *(Printed/Typed)* Lacey Granillo — Title Permit Tech III

Signature — Date 12/8/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Abdelgadir Elmadani — Title PE — Date 12-10-15

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 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.

(Instructions on page 2)

NMOCD RV

WPXENERGY

WPX ENERGY

Operations Plan

(Note: This procedure will be adjusted on site based upon actual conditions)

DATE: 12/8/15 **FIELD:** BASIN MANCOS / LYBROOK GALLUP

WELL NAME: MC 8 COM #409H **SURFACE:** BLM

SH Location: SESW 7 23N-07W Rio Arriba CO., NM **ELEVATION:** 7307'

BH Location: NWSW 12 23N-08W San Juan CO., NM **MINERALS:** FED

MEASURED DEPTH:

I. GEOLOGY:

Surface formation – San Jose / Nacimiento

A. **FORMATION TOPS:** (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1449	1439	Point Lookout	4563	4491
Kirtland	1763	1747	Mancos	4761	4686
Picture Cliffs	2146	2122	Gallup	**5126**	5043
Lewis	2257	2231	**Kickoff Point**	**5127**	5044
Chacra	2564	2532	Top Target	5983	5728
Cliff House	3670	3616	**Landing Point**	**6284**	5793
Menefee	3717	3662	Base Target	6284	5793
			TD	13420	5682

B. **MUD LOGGING PROGRAM:** Mudlogger on location from surface csg to TD.

C. **LOGGING PROGRAM:** LWD GR from surface casing to TD.

D. **NATURAL GAUGES:** Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.

II. DRILLING

A. **MUD PROGRAM:** LSND mud (WBM) will be used to drill the 12-1/4" Surface hole, the 8 ¾" Directional Vertical hole, and the curve portion of the wellbore. A LSND (WBM) or (OBM) will be used to drill the lateral portion of well. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses.

B. **BOP TESTING:** While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The anticipated reservoir is expected to be less than 1300 psi, so the BOPE will be tested to **250 psi (Low) for 5 minutes** and **1500 psi (High) for 10 minutes**. Pressure test surface casing to **600 psi for 30 minutes** and intermediate casing to **1500 psi for 30 minutes.** Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. The drum brakes will be inspected and tested each tour. **All tests and inspections will be recorded in the tour book as to time and results.**

III. MATERIALS

A. CASING PROGRAM:

CASING TYPE	OH SIZE (IN)	DEPTH (MD) (FT)	CASING SIZE (IN)	WEIGHT(LB)	GRADE	Collar
Surface	12.25"	320'	9.625"	36#	J-55 or Equiv.	STC
Intermediate	8.75"	6,284	7"	23#	K-55 or Equiv	LTC
Prod. Liner	6.125"	6134' - 13,420'	4-1/2"	11.6#	N-80 or Equiv	LTC
Tie-Back String	N/A	Surf. - 6134'	4-1/2"	11.6#	N-80 or Equiv	LTC

B. FLOAT EQUIPMENT:

1. SURFACE CASING: 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.

2. INTERMEDIATE CASING: 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) centralizer at 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. Place DV tool @ the top of the Chacra formation. If cement is circulated back to surface on the first stage, a cancelation device will be dropped to shift the dv tool closed and the 2nd stage cement job will be aborted at that time.

3. PRODUCTION LINER: Run 4-1/2" Liner with cement nose guide Float Shoe + 2jts. of 4-1/2" casing + Landing Collar + 4-1/2" pup joint + 1 RSI (Sliding Sleeve) positioned inside the 330ft Hard line. Centralizer program will be determined by Wellbore condition and when Lateral is evaluated by Geoscientists and Reservoir Engineers. Set seals on Liner Hanger. Test TOL to 1500 psi for 15 minutes.

4. TIE-BACK CASING: None

C. CEMENTING:

(Note: Volumes may be adjusted onsite due to actual conditions)

1. SURFACE: 5 bbl Fresh Water Spacer, 100 sx (160 cu.ft.) of 14.5 ppg Type I-II (Neat G) + 20% Fly Ash cement w/ 7.41 gal/sack mix water ratio @ 1.61 cu ft/sx yield. Calculated @ volume + 50% excess. WOC 12 hours. Test csg to 600psi. Total Volume: (160 cu-ft/100 sx/ Bbls).TOC at Surface.

2. INTERMEDIATE:
Stage 1: **Spacer #1:**20 bbl (112.cu-ft) Water Spacer. **Lead Cement:** 135 bbl, 385 sks (758 cu.ft.) of 12.3 ppg 1.97 ft^3/sk 10.35 gal/sk. **Tail Cement:** 84 bbl, 361 sks (469 cu ft) 13.5 ppg 1.3 ft^3/sk, 5.81 gal/sk. **Displacement**: 247 bbl mud.

Stage 2: **Spacer #1:**20 bbl (112.cu-ft) Water Spacer. **Lead Cement:** 66 bbl, 191 sks (372 cu.ft.) of 12.3 ppg 1.95 ft^3/sk 10.35 gal/sk. **Tail Cement:** 16 bbl, 78 sks (90 cu ft) 15.8 ppg 1.15 ft^3/sk, 5.81 gal/sk. **Displacement**: 176 bbl mud.

3. PRODUCTION LINER: **Spacer #1:**10 bbl (56.cu-ft) Water Spacer. **Spacer #2:** 40 bbl 9.5 ppg (224.6 cu-ft) Tuned Spacer III. **Spacer #3:** 10 bbl Water Spacer. **Lead Cement:** Extencem ™ System. Yield 1.29 cu ft/sk, 13.5 ppg, (580 sx / 789 cu ft. / 140 bbls). **Tail Spacer:** 20 BBL of MMCR. **Displacement**: Displace w/ +/- 179 bbl Fr Water. Total Cement (789 cu ft / 140 bbls).

IV. COMPLETION

A. CBL

1. Run CCL for perforating.

B. PRESSURE TEST

1. Pressure test 4-1/2" casing to 4500 psi max, hold at 1500 psi for 30 minutes. Increase pressure to Open RSI sleeves.

C. STIMULATION

1. Stimulate with approximately 2,805,000# 20/40 mesh sand and 340,000# 16/30 mesh sand in 619,113 gallons water with 42,696 mscf N2 for 17 stages.
2. Isolate stages with flow through frac plug.
3. Drill out frac plugs and flowback lateral.

D. RUNNING TUBING

1. *Production Tubing:* Run 2-7/8", 6.5#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing near Top of Liner.

- Although this horizontal well will be drilled past the applicable setbacks, an unorthodox location application is not required because the completed interval in this well, as defined by 19.15.16.7 B(1) NMAC,will be entirely within the applicable setbacks . This approach complies with all applicable rules, including 19.15.16.14 A(3) NMAC, 19.15.16.14 B(2) NMAC, 19.15.16.15 B(2)NMAC, and 19.15.16.15. B(4) NMAC.

NOTE:

Installation of RSI sleeves at Toe of Lateral.

Proposed Operations:

A 4-1/2" 11.6# N-80 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# K-55 Intermediate casing with a Liner Hanger and pack-off assembly then cemented to top of liner hanger.

After cementing and TOL clean up operations are complete, the TOL will be tested to 1500 psi (per BLM).

A 4-1/2" 11.6# N-80 tie-back string with seal assembly will be run and stung into the PBR of the liner hanger, tested to 1500 PSI and hung off at the surface. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.