State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition

to the actions approved by BLM on the following <u>3160-3</u> APD form.

Operator Signature Date: 12-28-15		
Well information; Operator $(\mu) \mathcal{P} \times$, Well Name and Number (μ)	Lubrook	Unit # 745H
API# 30.045-35750, Section 7, Township 2	3_NS, Range_	08 E/W

Conditions of Approval:

(See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Q Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, NSP, DHC
- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

NMOCD Approved by Signature

2-28-2016 Date VA

1220 South St. Francis Drive - Santa Fe, New Mexico 87505 Phone (505) 476-3460 - Fax (505) 476-3462 - www.emnrd.state.nm.us/ocd

	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	RECE		198	
Form 3160-3	-	NECE	IVED	FORM APP OMB No. 10	ROVED 04-0136
UNITED STAT	TES	DEC 21	2015	Expires Januar	y 31, 2004
DEPARTMENT OF TH	E INTERIOR	DEL 2	2013	5. Lease Serial No.	
BUREAU OF LAND MA	NAGEMENT			N0-G-1401-1865	
APPLICATION FOR PERMIT TO	DRILL OR REEN	TERmington F	Field Offic	e	Tribe Name
	JTER	ureau of Land	Manager	7. If Unit or CA Agreem	ent, Name and No.
		_		WEST LYBROOK UN 8. Lease Name and Well	<u>NIT – NMNM135216X</u> No.
1b. Type of Well: I Oli Well Gas Well Other	Single 2	Zone [] Multip	ole Zone	W LYBROOK UNIT #	745H
2. Name of Operator				9. API Well No.	
WPX Energy Production, LLC	2h Phone No (inc)	lude avec code)	_	30-045	-35150
DO De (10 A de DE 07410	(505) 222 1000			10. Field and Pool, of Exp	noratory
P.O. Box 640 Aztec, NM 87410	(SUS) 333-1800	8		11 Sec. T. R. M. or Bl	s w k and Survey or Area
At surface 1333' FSL & 2250' FEL SEC 7 23N 8W	any state requirements.	/		SHL: SEC 7 23N 8W	
At proposed prod. zone 479' FSL & 330' FEL SEC 17 23N 8'	W			BHL: SEC 17 23N 8	W
 Distance in miles and direction from nearest town or post office 	*			12. County or Parish	13. State
Approximately 38 miles southeast of Bloomfield, NM			- 12 A	San Juan County	NM
15. Distance from proposed*	16. No. of Acres	in lease	17. Spacing	Unit dedicated to this well	1
location to nearest			110' ACRE	19	
(Also to nearest drig. unit line, if any) 1333	160 acres		440 ACRI	OIL	CONS DIV DIS
 Distance from proposed location* 	19. Proposed Dep	oth	20. BLM/B	IA Bond No. on file	CONTO-DIC DIC
applied for, on this lease, ft.	140051110	40.501 77 70	D001 55		FFB 2 2 2016
20° 21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate	date work will st	B00157 art*	23. Estimated duration	
6778' GR	April 1, 2016			1 month	
	24 Attachme	ente			
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Official Surveyor). 	4. tem Lands, the 5. ce).	Bond to cover the Item 20 above). Operator certifica Such other site sp authorized office	e operations ition. pecific infor r.	unless covered by an exis	sting bond on file (see
25. Signature	Name (Print	ted/Typed)		Da	ate (28/15
Title Permit Technician III	Marie E. Ja	aramillo		12	120/15
Approved by (Signature)	Name (Print	ted/Typed)		Da	2/19/16
Title AEID	Office	IR	21		
Application approval does not warrant or certify that the applicant h	de legal or equitable titl	e to those rights in	the subject l	ease which would entitle th	e applicant to conduct
perations of approval, if any, are attached.	sus legal of equilable the	e to those rights in	the subject i	case which would childe in	e applicant to conduct
Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, ma States any false. fictitious or fraudulent statements or representations	ke it a crime for any pers	son knowingly and	l willfully to	make to any department or	agency of the United
(Instructions on reverse)		,			
VPX Energy Production, LLC, proposes to develop the Lybrook M se plans.	ancos W formation at the	e above described l	location in a	ccordance with the attached	drilling and surface
he well pad surface is under jurisdiction of the BLM and FIMO an	d is on lease on IA lands	and will be twinned	ed with the V	V LYBROOK UT #705H/7	06H/746H.
this location has been archaeologically surveyed by La Plata Arche	ology. Copies of their rep	port have been sub	mitted direct	ly to the BLM, FIMO, BIA	& NNHPD.
new 357.9' on lease access road will be built on IA lands.					
A new 3795.8' on lease pipeline will be built on BLM and IA lands.		BLM	A'S APPI	ROVAL OR ACCEP	TANCE OF THE
					and the second s

Facilities will be remotely located at the 23-8-18D Remote Facilities Pad.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 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

District I 1625 N. French Drive, Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First Street, Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Drive, Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive

Santa Fe. NM 87505

Form C-102 Revised August 1, 2011

Submit one copy to Appropriate District Office

AMENDED REPORT





WPX Energy

Operations Plan

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

Date:	December 28, 2015	Field:	Lybrook Mancos W
Well Name:	W Lybrook Unit #745H	Surface:	IA
SH Location:	SWSE Sec 7-23N-08W	Elevation:	6778' GR
BH Location:	SESE Sec 17-23N-08W	Minerals:	IA

Measured Depth: 14,884.52'

I. GEOLOGY: SURFACE FORMATION - NACIMIENTO

A. FOR	RMATION TOP	<u>s (</u> KB)			
NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	788	788	POINT LOOKOUT	3,872	3,775
KIRTLAND	998	996	MANCOS	4,066	3,962
PICTURED CLIFFS	1,384	1,372	GALLUP	4,427	4,311
LEWIS	1,499	1,483	KICKOFF POINT	4,403.86	4,288.30
CHACRA	1,767	1,742	TOP TARGET	5,365	5,038
CLIFF HOUSE	2,880	2,817	LANDING POINT	5,603.24	5,079.00
MENEFEE	2,931	2,866	BASE TARGET	5,603.24	5,079.00
	Bear and		TD	14,884.52	4,958.00

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

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

D. <u>NATURAL GAUGES</u>: 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. <u>BOP TESTING:</u> 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)	CSG SIZE	WEIGHT	GRADE	CONN
SURFACE	12.25"	320.00'	9.625"	36 LBS	J-55 or equiv	STC
INTERMEDIATE	8.75"	5,603.24'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5453.24' - 14,884.52'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf 5453.24'	4.5"	11.6 LBS	P-110 or equiv	LTC

B. FLOAT EQUIPMENT:

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

2. <u>INTERMEDIATE CASING</u>: 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. A DV tool will be placed 100' above 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. <u>PRODUCTION LINER</u>: 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.

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 cuft) Chemwash. Lead Cement: 109 bbls, 309 sks, (610 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 89 bbls, 386 sks, (502 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 221 bbl Drilling mud or water. Total Cement: 198 bbls, 695 sks, (1111 cuft) STAGE 2: Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 37 bbls, 108 sks, (211 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 16 bbls, 78 sks, (90 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 66 bbl Drilling mud or water. Total Cement: 54 bbls, 186 sks, (301 cuft)

3. PROD. 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 1.36 cuft/sk 13.3 ppg (924 sx /1257 cuft /224 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/- 140 bbl Fr Water. Total Cement (924 sx /1257bbls).

I. COMPLETION

A. CBL

Run CCL for perforating

A. 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.

B. 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.

C. RUNNING TUBING

1. <u>Production Tubing:</u> 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:

Proposed Operations:

A 4-1/2" 11.6# P-110 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# J-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).

WPX Energy

T23N R8W W Lybrook 2308-07O W Lybrook 2308-07O #745H

Wellbore #1

Plan: Design #1 2Dec15 sam

Standard Planning Report

04 December, 2015

WPX

Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	COM WPX T23N W Ly W Ly Wellt Desig	IPASS Energy I R8W brook 2308-07 brook 2308-07 pore #1 gn #1 2Dec15	7O 7O #745H sam		Local Co TVD Refe MD Refe North Re Survey C	e-ordinate Refe erence: rence: ference: falculation Met	erence: thod:	Well W Lybrook KB @ 6803.001 KB @ 6803.001 True Minimum Curve	: 2308-070 #745 Isft (Aztec 1000) Isft (Aztec 1000)	H
Project	T23N	R8W			ing the day					
Map System: Geo Datum: Map Zone:	US Sta NAD 19 New Me	te Plane 1927 927 (NADCON exico West 300	(Exact solutio CONUS) 03	on)	System Da	atum:	М	ean Sea Level		
Site	W Lyb	rook 2308-070	0							
Site Position: From: Position Uncertair	Ma nty:	ар 0.	Nor Eas 00 usft Slo	rthing: sting: t Radius:	1,90 53	5,858.53 usft 3,270.52 usft 13.200 in	Latitude: Longitude: Grid Converg	gence:		36.237905 -107.720515 0.07 °
Well	W Lybr	rook 2308-070) #745H							
Well Position Position Uncertair	+N/-S +E/-W	-10 -16 0	0.92 usft 3.51 usft 0.00 usft	Northing: Easting: Wellhead Eleva	ation:	1,905,847.59 533,254.02 0.00	Second state 2 usft Lor 2 usft Group	itude: ngitude: ound Level:		36.237875 -107.720571 6,778.00 usft
Wellbore	Wellb	ore #1	Servere							
Magnetics	M	odel Name	Sam	ple Date	Declina (°)	ation	Dip A (Angle ?)	Field Str (nT)	ength
		IGRF201	D	11/1/2015		9.28		62.94		50,018
Design	Design	n #1 2Dec15 s	am			En marca de				
Audit Notes: Version:			Pha	ase:	PLAN	Tie	e On Depth:		0.00	
Vertical Section:			Depth From ((usft) 0.00	(TVD)	+N/-S (usft) 0.00	+E (u 0	E/-W Isft) .00	Dir (be 13	ection aring) 80.84	
Plan Sections										
Measured Depth In (usft)	clination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00 525.00 1,276.45	0.00 0.00 15.03	0.00 0.00 355.59	0.00 525.00 1,267.86	0 0.00 0 0.00 3 97.70	0.00 0.00 -7.54	0.00 0.00 2.00	0.00 0.00 2.00	0.00 0.00 0.00	0.00 0.00 355.59	

4,400.00	10.00	000.00	4,200.00	000.20	-00.02	0.00	0.00	0.00	0.00
5,201.61	60.00	135.00	4,963.76	743.22	203.10	9.00	5.64	17.48	143.62 Start 60 Tan #745H
5,261.61	60.00	135.00	4,993.76	706.48	239.84	0.00	0.00	0.00	0.00 End 60 Tan #745H
5,429.41	75.10	135.01	5,057.65	597.13	349.18	9.00	9.00	0.01	0.07
5,603.24	90.75	134.96	5,079.00	475.55	470.80	9.00	9.00	-0.03	-0.19 POE #745H
14,884,52	90.75	134.96	4,958.00	-6,082.49	7,037,36	0.00	0.00	0.00	0.00 BHL #745H

WPX

Planning Report

Database: Company: Project: Site: Well: Well: Wellbore:	COMPASS WPX Energy T23N R8W W Lybrook 2308-070 W Lybrook 2308-070 #745H Wellbore #1	Local Co-ordinate Reference: TVD Reference; MD Reference: North Reference: Survey Calculation Method:	Well W Lybrook 2308-07O #745H KB @ 6803.00usft (Aztec 1000) KB @ 6803.00usft (Aztec 1000) True Minimum Curvature
Design:	Design #1 2Dec15 sam		

Planned Survey

Depth (usft)	Inclination (°)	Azimuth (bearing)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
345.00	0.00	0.00	345.00	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8"	A STATISTICS	The second state	The Lawrence	The second second				and the second second	and the state of the
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
525.00	0.00	0.00	525.00	0.00	0.00	0.00	0.00	0.00	0.00
525.00	0.00	0.00	525.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.	.00				Sector Sector				
1,000.00	9.50	355.59	997.83	39.17	-3.02	-27.90	2.00	2.00	0.00
1.276.45	15.03	355.59	1.267.86	97.70	-7.54	-69.59	2.00	2.00	0.00
Hold 1E 02 In	alimation				Contract of the second	Picture Contractor		A CONTRACTOR OF A	
1 500 00	15.02	255 50	4 499 77	165 60	12.00	110 70	0.00	0.00	0.00
1,500.00	15.03	355.59	1,483.77	155.50	-12.00	-110.76	0.00	0.00	0.00
2,000.00	15.03	355.59	1,966.66	284.77	-21.97	-202.83	0.00	0.00	0.00
2,500.00	15.03	355.59	2,449.56	414.03	-31.94	-294.91	0.00	0.00	0.00
3,000.00	15.03	355.59	2,932.46	543.30	-41.92	-386.99	0.00	0.00	0.00
3,500.00	15.03	355.59	3,415,36	672.57	-51.89	-479.06	0.00	0.00	0.00
4 000 00	15.03	355 59	3,898,25	801 84	-61.86	-571 14	0.00	0.00	0.00
4 403 86	15.03	355 59	4 288 30	906 25	-69 92	-645 51	0.00	0.00	0.00
Plant Dutted D	10.00	000.00	4,200,00	000.20	-00.02	-040.01	0.00	0.00	0.00
Start Build Di	LS 9.00 IFO 14	3.62	1000.01	005 70	07.44	050.40	0.00	F 70	
4,500.00	9.53	28.22	4,382.31	925.73	-67.11	-656.12	9.00	-5.72	33.94
5,000.00	42.22	130.27	4,837.65	849.63	88.72	-488.46	9.00	6.54	20.41
5,201.61	60.00	135.00	4,963.76	743.22	203.10	-332.34	9.00	8.82	2.34
Hold 60 00 In	clination	A state of the			STREET, STREET		and the second	ACC STREET	and the second second
5 261 61	60.00	135.00	4 993 76	706.48	239 84	-280 52	0.00	0.00	0.00
Diat Duild D	00.00	100.00	4,000.10	100.40	200.04	-200.02	0.00	0.00	0.00
Start Build DI	LS 9.00 1FO 0.0	105.01	F AFT AF	507 10		100.00		0.00	
5,429.41	75.10	135.01	5,057.65	597.13	349.18	-126.29	9.00	9.00	0.01
Start DLS 9.0	0 TFO -0.19				- A States	304 J	The R Labor	and the second sec	
5,500.00	81.45	134.99	5,071.99	548.28	398.02	-57.39	9.00	9.00	-0.03
5,603.00	90.73	134.96	5,079.00	475.72	470.64	44.99	9.00	9.00	-0.03

	00.75	101.00	5 070 00	175.55	170.00	45.00	0.00	0.00	0.00
5,603.24	90.75	134.96	5,079.00	4/5.55	470.80	45.23	9.00	9.00	-0.03
POE at 90.75	Inc 134.96 Deg	and the state of the	1.00			and the second second	The second		Market J. AL
6,000.00	90.75	134.96	5,073.83	195.20	751.52	440.93	0.00	0.00	0.00
6,500.00	90.75	134.96	5,067.31	-158.09	1,105.27	939.59	0.00	0.00	0.00
7,000.00	90.75	134.96	5,060.79	-511.38	1,459.02	1,438.25	0.00	0.00	0.00
7,500.00	90.75	134.96	5,054.27	-864.68	1,812.77	1,936.91	0.00	0.00	0.00
8 000 00	90.75	134.96	5 047 75	-1 217 97	2 166 53	2 435 57	0.00	0.00	0.00
8 500.00	00.75	124.06	5 041 24	-1 571 97	2,100.00	2 034 24	0.00	0.00	0.00
0,000.00	00.75	124.00	5 024 72	1 024 60	2,020.20	2,004.24	0.00	0.00	0.00
9,000.00	90.75	134.90	5,034.72	-1,924.00	2,074.03	3,432.90	0.00	0.00	0.00
9,500.00	90.75	134.90	5,028.20	-2,211.00	3,221.10	3,931.56	0.00	0.00	0.00
10,000.00	90.75	134.96	5,021.68	-2,631.15	3,581.54	4,430.22	0.00	0.00	0.00
10,500.00	90.75	134.96	5,015.16	-2,984.44	3,935.29	4,928.88	0.00	0.00	0.00
11,000.00	90.75	134.96	5,008.64	-3,337.74	4,289.04	5,427.55	0.00	0.00	0.00
11,500.00	90.75	134.96	5,002.12	-3,691.03	4,642.79	5,926.21	0.00	0.00	0.00
12.000.00	90,75	134.96	4,995,61	-4.044.32	4,996,55	6,424,87	0.00	0.00	0.00
12,500.00	90.75	134.96	4,989.09	-4,397.62	5,350.30	6,923.53	0.00	0.00	0.00
			.,						5.00
13,000.00	90.75	134.96	4,982.57	-4,750.91	5,704.05	7,422.19	0.00	0.00	0.00
13,500.00	90.75	134.96	4,976.05	-5,104.21	6,057.80	7,920.86	0.00	0.00	0.00
14,000.00	90.75	134.96	4,969.53	-5,457.50	6,411.56	8,419.52	0.00	0.00	0.00
14 500 00	90.75	134.96	4,963.01	-5,810.79	6,765.31	8,918.18	0.00	0.00	0.00
11,000.00			and the second second						

WPX

Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	COMPASS WPX Energy T23N R8W W Lybrook 23 W Lybrook 23 Wellbore #1 Design #1 2D	908-070 908-070 #74 9ec15 sam	5H		Local Co-or TVD Refere MD Referer North Refer Survey Cale	rdinate Reference: ince: rence: culation Method:	Well W Lybr KB @ 6803 KB @ 6803 True Minimum C	rook 2308-070 #745H .00usft (Aztec 1000) .00usft (Aztec 1000) urvature	
Design Targets			Dan told	Par Anterior			Constant and		antistante atte
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (bearing	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
BHL #745H - plan hits target co - Point	0.00 enter	0.00	4,958.00	-6,082.49	7,037.36	1,899,773.29	540,298.45	36.221163	-107.696713
Start 60 Tan #745H - plan hits target ca - Point	0.00 enter	0.00	4,963.76	743.22	203.10	1,906,591.05	533,456.26	36.239917	-107.719883
End 60 Tan #745H - plan misses targe - Point	0.00 et center by 0.19	0.00 Jusft at 5261	4,993.76 .61usft MD (706.35 4993.76 TVD,	239.71 706.48 N, 239	1,906,554.22 9.84 E)	533,492.91	36.239816	-107.719758
POE #745H - plan hits target co - Point	0.00 enter	0.00	5,079.00	475.55	470.80	1,906,323.69	533,724.27	36.239182	-107.718975
Casing Points					UPB RE	- Constanting			
Me	easured Depth (usft)	Vertical Depth (usft)			Name		Casir Diame (in)	ng Hole ter Diameter (in)	
	345.00 5,603.00	345.00 5,079.00	9 5/8" 7"					9.625 12.250 7.000 8.750	

Plan Annotations

N	leasured	Vertical	Local Coon	dinates		
	Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
1.1.1	525.00	525.00	0.00	0.00	Start Build 2.00	
	1,276.45	1,267.86	97.70	-7.54	Hold 15.03 Inclination	
	4,403.86	4,288.30	906.25	-69.92	Start Build DLS 9.00 TFO 143.62	
	5,201.61	4,963.76	743.22	203.10	Hold 60.00 Inclination	
	5,261.61	4,993.76	706.48	239.84	Start Build DLS 9.00 TFO 0.07	
	5,429.41	5,057.65	597.13	349.18	Start DLS 9.00 TFO -0.19	
	5,603.24	5,079.00	475.55	470.80	POE at 90.75 Inc 134.96 Deg	
	14,884,52	4,958,00	-6.082.49	7,037,36	TD at 14859.52	



7.0 Methods for Handling Waste

- A. Cuttings
 - Drilling operations will utilize a closed-loop system. Drilling of the horizontal laterals will be accomplished with water-based mud. All cuttings will be placed in roll-off bins and hauled to a commercial disposal facility or land farm. WPX will follow Onshore Oil and Gas Order No. 1 regarding the placement, operation, and removal of closed-loop systems. No blow pit will be used.
 - 2. Closed-loop tanks will be adequately sized for containment of all fluids.
- B. Drilling Fluids
 - Drilling fluids will be stored onsite in above-ground storage tanks. Upon termination of drilling operations, the drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical. All residual fluids will be hauled to a commercial disposal facility.
- C. Spills
 - 1. Any spills of non-freshwater fluids will be immediately cleaned up and removed to an approved disposal site.
- D. Sewage
 - 1. Portable toilets will be provided and maintained during construction, as needed (see Figures 4a and 4b in Appendix B for the location of toilets).
- E. Garbage and other water material
 - 1. All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.
- F. Hazardous Waste
 - 1. No chemicals subject to reporting under Superfund Amendments and Reauthorization Act Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
 - 2. No extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
 - All fluids (i.e., scrubber cleaners) used during washing of production equipment will be properly disposed of to avoid ground contamination or hazard to livestock or wildlife.
- G. Produced Water:
 - 1. WPX Energy will dispose of produced water from this well at one of the following facilities:
 - a. Lybrook Yard WDW #1, API #30-039-27533, NMOCD permit #SWD-907, operated by Elm Ridge Resources, located in NE ¼, Section 14, Township 23 North, Range 7 West
 - b. Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW ¼, Section 8, Township 24 North, Range 3 West
 - c. Basin Disposal, permit #NM-01-005, located in the NW ¼, Section 3, Township 29 North, Range 11 West
 - d. Sunco SWD #001, API #30-045-28653, NMOCD permit SWD-457, operated by Key Energy, located in NW ¼, Section 2, Township 29 North, Range 12 West

West Lybrook Unit #705H, #706H, #745H, & #746H West Lybrook Unit #707H, #708H, #709H, #747H, #748H, & #749H Remote Facilities Pad 23-8-18D November 2015 - 8 -

Directions from the Intersection of US Hwy 550 & US Hwy 64

in Bloomfield, NM to WPX Energy Production, LLC Remote Facilities Pad 23-8-18D

451' FNL & 896' FWL, Section 18, T23N, R8W, N.M.P.M., San Juan County, NM

Latitude: 36.232985°N Longitude: 107.728379°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 37.8 miles to Mile Marker 113.4;

Go Right (South-westerly) on County Road #7890 for 0.8 miles to new access on left-hand side of existing roadway which continues for 110.8' to staked WPX Remote Facilities Pad 23-8-18D location.





