

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
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 3160-3 APD form.

Operator Signature Date: 11/03/2016

Well information;

Operator WPK, Well Name and Number W Lybrook Unit 750H

API# 30-CHS-35804, Section 13, Township 23 (N/S), Range 9 E/W

Conditions of Approval: (See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- 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
- Submit Gas Capture Plan form prior to spudding or initiating recompletion operations
- 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.

Chad Linn
NMOCD Approved by Signature

2-14-2017
Date

10400067283

lessee WPX
on site 4/27/14

NOS: _____
APDP: _____
MP: _____
SMA: Nav BIA
BOND: _____
CA/PA: _____

Bill - CD

Form 3160-3
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. NOG13101841	
6. If Indian, Allottee or Tribe Name EASTERN NAVAJO	
7. If Unit or CA Agreement, Name and No. WEST LYBROOK UNIT / NMMN135216;	
8. Lease Name and Well No. W LYBROOK UT 750H	
9. API Well No. <u>30-045-35804</u>	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory LYBROOK MANCOS W / LYBROOK MA
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area SEC 13 / T23N / R9W / NMP
2. Name of Operator WPX ENERGY LLC	12. County or Parish SAN JUAN
3a. Address 720 S Main Aztec NM 87410	13. State NM
3b. Phone No. (include area code) (505)333-1822	14. Distance in miles and direction from nearest town or post office* 37.8 miles
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <u>F</u> SENW / 1942 FNL / 2457 FWL / LAT 36.228873 / LONG -107.740934 At proposed prod. zone <u>F</u> NESE / 2524 FSL / 330 FEL / LAT 36.228873 / LONG -107.740934	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 20 feet
16. No. of acres in lease 160	17. Spacing Unit dedicated to this well 480.15
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1942 feet	19. Proposed Depth 4752 feet / 15156 feet
20. BLM/BIA Bond No. on file IND: B001576	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6700 feet
22. Approximate date work will start* 12/01/2016	23. Estimated duration 30 days

OIL CONS. DIV DIST. 3
JAN 31 2017

AP

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature (Electronic Submission)	Name (Printed/Typed) Lacey Granillo / Ph: (505)333-1816	Date 11/03/2016
Title Permitting Tech III		
Approved by (Signature) 	Name (Printed/Typed) AFM	Date 1/27/17
Title	Office FARMINGTON	

Application approval 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.
Conditions of approval, if any, are attached.

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.

(Continued on page 2)

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

*(Instructions on page 2)

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH APPLICABLE "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

NMOCD AV

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

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

AMENDED REPORT
OIL CONS. DIV DIST. 3

FEB 06 2017

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-35804		*Pool Code 98157		*Pool Name LYBROOK MANCOS W	
*Property Code 315250		*Property Name W LYBROOK UNIT			*Well Number 750H
*GRID No. 120782		*Operator Name WPX ENERGY PRODUCTION, LLC			*Elevation 6700'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	13	23N	9W		1942	NORTH	2457	WEST	SAN JUAN

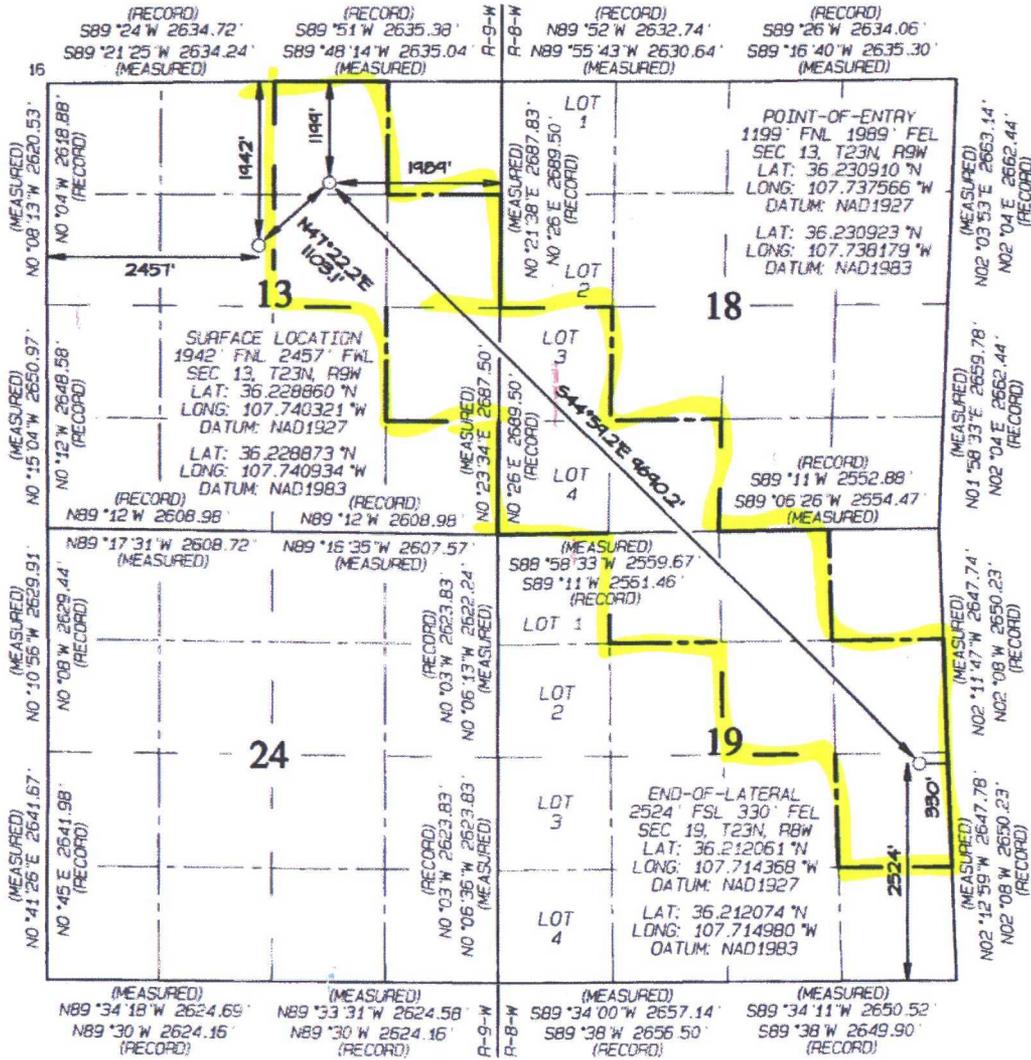
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	19	23N	8W		2524	SOUTH	330	EAST	SAN JUAN

¹² Dedicated Acres 480.15 NW/4 NE/4, S/2 NE/4 NE/4 SE/4 - Section 13, T23N, R9W NW/4 SW/4, S/2 SW/4 - Section 18 NE/4 NW/4, NW/4 NE/4, S/2 NE/4 NE/4 SE/4 - Section 19, T23N, R8W

¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No.
R-14051 - 12,807.24 Acres

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

10-31-16
Signature Lacey Granillo Date
Printed Name lacey.granillo@wpxenergy.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Revised: OCTOBER 24, 2016
Survey Date: OCTOBER 23, 2015

Signature and Seal of Professional Surveyor



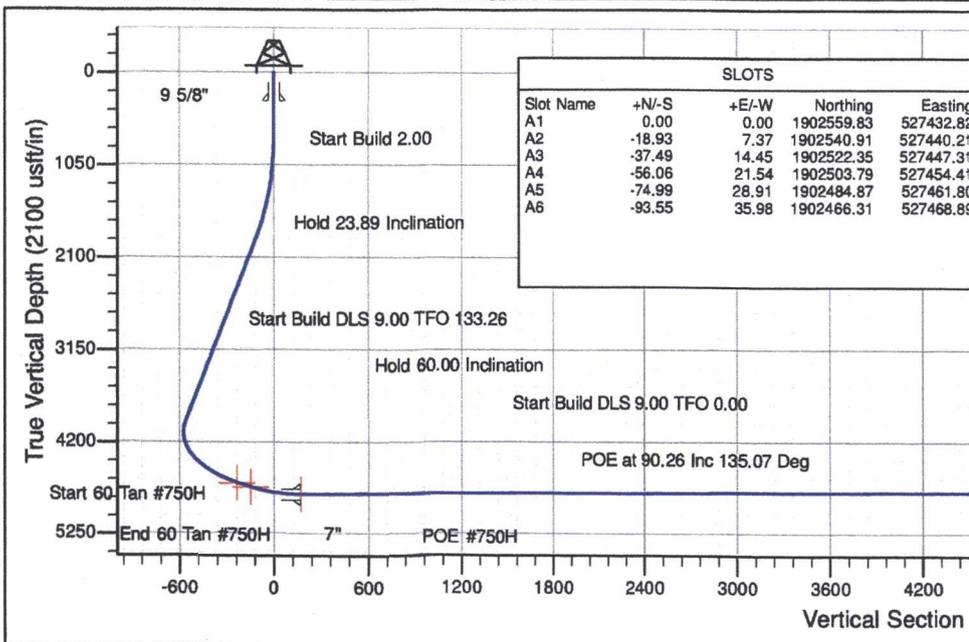
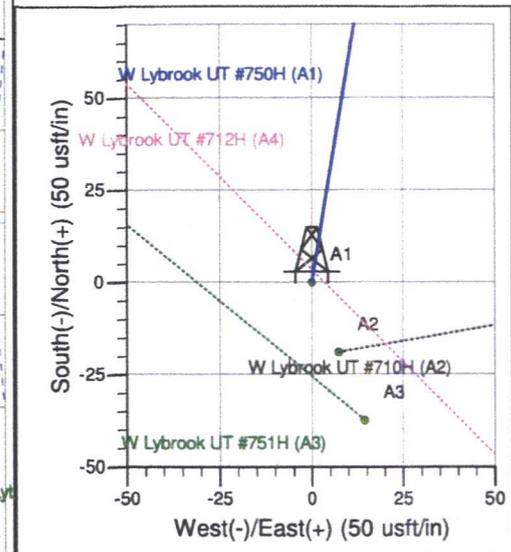
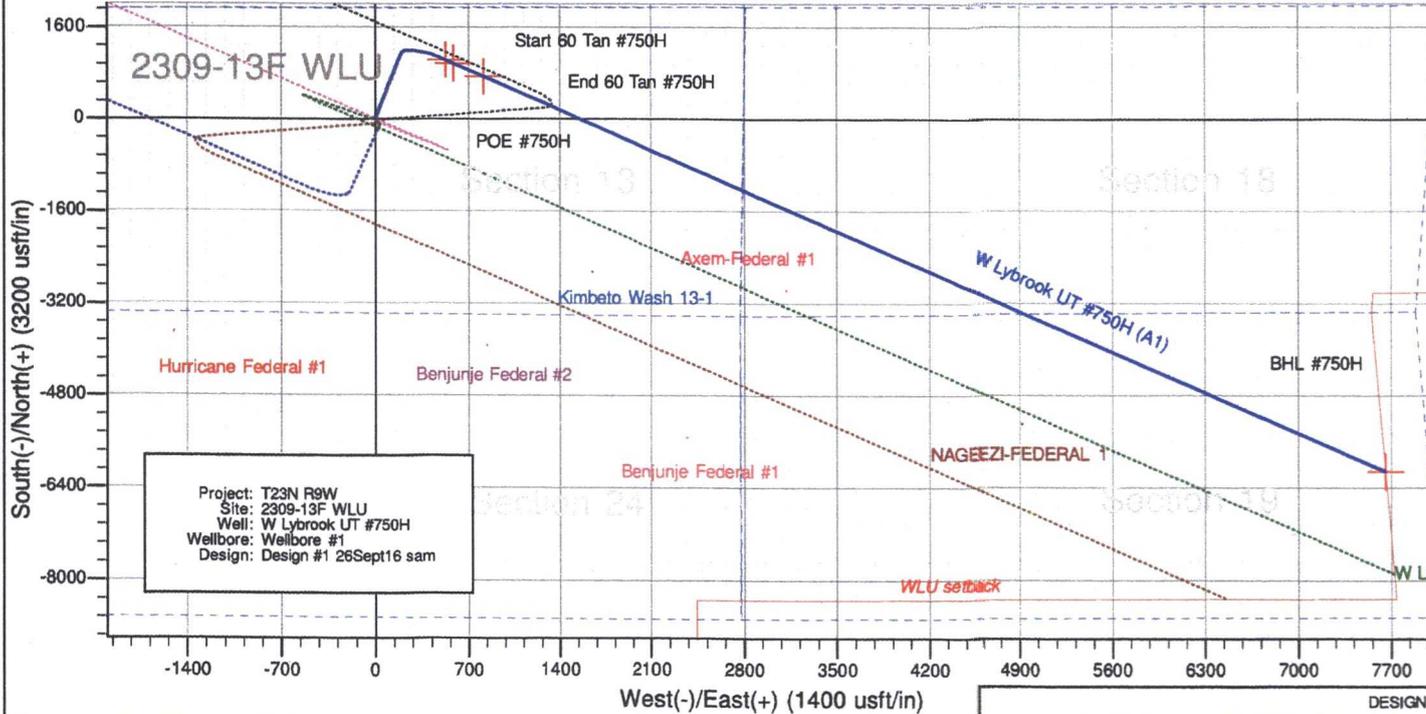
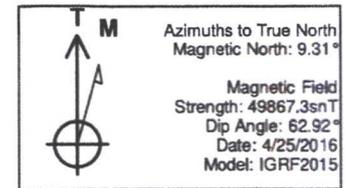
JASON C. EDWARDS
Certificate Number 15269



well name: W Lybrook UT #750H
 Surface Location: 2309-13F WLU
 NAD 1927 (NADCON CONUS), US State Plane 1927 (Exact solution) New Mexico West 3003
 Ground Elevation: 6700.00

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	1902559.83	527432.82	36.228860	-107.740321	A1

GL @ 6700.00usft (Original Well Elev)



DESIGN TARGET DETAILS									
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape	
Start 60 Tan #750H	4660.72	1034.88	524.46	1903595.21	527956.29	36.231703	-107.738543	Point	
End 60 Tan #750H	4710.72	973.57	585.62	1903533.96	528017.51	36.231535	-107.738335	Point	- plan hits target center
POE #750H	4796.00	746.17	812.47	1903306.78	528244.57	36.230910	-107.737566	Point	- plan hits target center
BHL #750H	4752.00	-6114.06	7656.18	1896453.12	535094.86	36.212061	-107.714368	Point	- plan hits target center

ANNOTATIONS									
TVD	MD	Inc	Azi	+N/-S	+E/-W	VSec	Departure	Annotation	
750.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	Start Build 2.00	
1910.11	1944.41	23.89	9.51	242.03	40.55	-119.34	245.41	Hold 23.89 Inclination	
3965.68	4192.56	23.89	9.51	1139.91	191.00	-562.07	1155.81	Start Build DLS 9.00 TFO 133.26	
4660.72	5029.58	60.00	135.07	1034.88	524.46	-235.96	1580.72	Hold 60.00 Inclination	
4710.72	5129.58	60.00	135.07	973.57	585.62	-149.91	1667.33	Start Build DLS 9.00 TFO 0.00	
4775.50	5300.89	75.42	135.07	861.68	697.23	7.12	1825.36	Start DLS 9.00 TFO 0.00	
4796.00	5465.80	90.26	135.07	746.17	812.47	169.25	1988.52	POE at 90.26 Inc 135.07 Deg	
4752.00	15156.06	90.26	135.07	-6114.06	7656.18	9797.90	11678.68	TD at 15156.06	

SLOTS				
Slot Name	+N/-S	+E/-W	Northing	Easting
A1	0.00	0.00	1902559.83	527432.82
A2	-18.93	7.37	1902540.91	527440.21
A3	-37.49	14.45	1902522.35	527447.31
A4	-56.06	21.54	1902503.79	527454.41
A5	-74.99	28.91	1902484.87	527461.80
A6	-93.55	35.98	1902466.31	527468.89

WPX
Planning Report

Database:	COMPASS	Local Co-ordinate Reference:	Well W Lybrook UT #750H (A1) - Slot A1
Company:	WPX Energy	TVD Reference:	GL @ 6700.00usft (Original Well Elev)
Project:	T23N R9W	MD Reference:	GL @ 6700.00usft (Original Well Elev)
Site:	2309-13F WLU	North Reference:	True
Well:	W Lybrook UT #750H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 26Sept16 sam		

Design Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(bearing)	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape									
Start 60 Tan #750H - plan hits target center - Point	0.00	0.00	4,660.72	1,034.88	524.46	1,903,595.22	527,956.29	36.231703	-107.738543
End 60 Tan #750H - plan hits target center - Point	0.00	0.00	4,710.72	973.57	585.62	1,903,533.96	528,017.51	36.231535	-107.738336
BHL #750H - plan hits target center - Point	0.00	0.00	4,752.00	-6,114.06	7,656.18	1,896,453.12	535,094.86	36.212061	-107.714368
POE #750H - plan hits target center - Point	0.00	0.00	4,796.00	746.17	812.47	1,903,306.78	528,244.57	36.230910	-107.737567

Casing Points					
Measured Depth	Vertical Depth		Name	Casing Diameter	Hole Diameter
(usft)	(usft)			(in)	(in)
320.00	320.00	9 5/8"		9.625	12.250
5,466.00	4,796.00	7"		7.000	8.750

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates		Comment	
(usft)	(usft)	+N/-S	+E/-W		
		(usft)	(usft)		
750.00	750.00	0.00	0.00	Start Build 2.00	
1,944.41	1,910.11	242.03	40.55	Hold 23.89 Inclination	
4,192.56	3,965.68	1,139.91	191.00	Start Build DLS 9.00 TFO 133.26	
5,029.58	4,660.72	1,034.88	524.46	Hold 60.00 Inclination	
5,129.58	4,710.72	973.57	585.62	Start Build DLS 9.00 TFO 0.00	
5,300.89	4,775.50	861.68	697.23	Start DLS 9.00 TFO 0.00	
5,465.80	4,796.00	746.17	812.47	POE at 90.26 Inc 135.07 Deg	
15,156.06	4,752.00	-6,114.06	7,656.18	TD at 15156.06	

WPX Energy

T23N R9W

2309-13F WLU

W Lybrook UT #750H - Slot A1

Wellbore #1

Plan: Design #1 26Sept16 sam

Standard Planning Report

26 September, 2016

WPX Planning Report

Database:	COMPASS	Local Co-ordinate Reference:	Well W Lybrook UT #750H (A1) - Slot A1
Company:	WPX Energy	TVD Reference:	GL @ 6700.00usft (Original Well Elev)
Project:	T23N R9W	MD Reference:	GL @ 6700.00usft (Original Well Elev)
Site:	2309-13F WLU	North Reference:	True
Well:	W Lybrook UT #750H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 26Sept16 sam		

Project T23N R9W	
Map System: US State Plane 1927 (Exact solution)	System Datum: Mean Sea Level
Geo Datum: NAD 1927 (NADCON CONUS)	
Map Zone: New Mexico West 3003	

Site 2309-13F WLU		
Site Position:	Northing: 1,902,559.83 usft	Latitude: 36.228860
From: Map	Easting: 527,432.82 usft	Longitude: -107.740321
Position Uncertainty: 0.00 usft	Slot Radius: 13.200 in	Grid Convergence: 0.05 °

Well W Lybrook UT #750H - Slot A1			
Well Position +N/-S	0.00 usft	Northing: 1,902,559.83 usft	Latitude: 36.228860
+E/-W	0.00 usft	Easting: 527,432.82 usft	Longitude: -107.740321
Position Uncertainty	0.00 usft	Wellhead Elevation: 0.00 usft	Ground Level: 6,700.00 usft

Wellbore Wellbore #1					
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF2015	4/25/2016	(°) 9.31	(°) 62.92	(nT) 49,867

Design Design #1 26Sept16 sam				
Audit Notes:				
Version:	Phase: PLAN	Tie On Depth: 0.00		
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(usft)	(usft)	(usft)	(bearing)
	0.00	0.00	0.00	128.61

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
750.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,944.41	23.89	9.51	1,910.11	242.03	40.55	2.00	2.00	0.00	9.51	
4,192.56	23.89	9.51	3,965.68	1,139.91	191.00	0.00	0.00	0.00	0.00	
5,029.58	60.00	135.07	4,660.72	1,034.88	524.46	9.00	4.31	15.00	133.26	Start 60 Tan #750H
5,129.58	60.00	135.07	4,710.72	973.57	585.62	0.00	0.00	0.00	0.00	End 60 Tan #750H
5,300.89	75.42	135.07	4,775.50	861.68	697.23	9.00	9.00	0.00	0.00	
5,465.80	90.26	135.07	4,796.00	746.17	812.47	9.00	9.00	0.00	0.00	POE #750H
15,156.06	90.26	135.07	4,752.00	-6,114.06	7,656.18	0.00	0.00	0.00	0.00	BHL #750H

WPX
Planning Report

Database:	COMPASS	Local Co-ordinate Reference:	Well W Lybrook UT #750H (A1) - Slot A1
Company:	WPX Energy	TVD Reference:	GL @ 6700.00usft (Original Well Elev)
Project:	T23N R9W	MD Reference:	GL @ 6700.00usft (Original Well Elev)
Site:	2309-13F WLU	North Reference:	True
Well:	W Lybrook UT #750H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 26Sept16 sam		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
320.00	0.00	0.00	320.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8"										
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
750.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00										
1,000.00	5.00	9.51	999.68	10.75	1.80	-5.30	2.00	2.00	0.00	0.00
1,500.00	15.00	9.51	1,491.46	96.27	16.13	-47.47	2.00	2.00	0.00	0.00
1,944.41	23.89	9.51	1,910.11	242.03	40.55	-119.34	2.00	2.00	0.00	0.00
Hold 23.89 Inclination										
2,000.00	23.89	9.51	1,960.93	264.23	44.27	-130.29	0.00	0.00	0.00	0.00
2,500.00	23.89	9.51	2,418.10	463.93	77.74	-228.75	0.00	0.00	0.00	0.00
3,000.00	23.89	9.51	2,875.27	663.62	111.20	-327.22	0.00	0.00	0.00	0.00
3,500.00	23.89	9.51	3,332.44	863.31	144.66	-425.69	0.00	0.00	0.00	0.00
4,000.00	23.89	9.51	3,789.61	1,063.01	178.12	-524.15	0.00	0.00	0.00	0.00
4,192.56	23.89	9.51	3,965.68	1,139.91	191.00	-562.07	0.00	0.00	0.00	0.00
Start Build DLS 9.00 TFO 133.26										
4,500.00	20.18	88.19	4,256.18	1,204.23	255.54	-551.78	9.00	-1.21	25.59	0.00
5,000.00	57.50	134.00	4,645.38	1,052.62	506.44	-261.12	9.00	7.47	9.16	0.00
5,029.58	60.00	135.07	4,660.72	1,034.88	524.46	-235.96	9.00	8.45	3.63	0.00
Hold 60.00 Inclination										
5,129.58	60.00	135.07	4,710.72	973.57	585.62	-149.91	0.00	0.00	0.00	0.00
Start Build DLS 9.00 TFO 0.00										
5,300.89	75.42	135.07	4,775.50	861.68	697.23	7.12	9.00	9.00	0.00	0.00
Start DLS 9.00 TFO 0.00										
5,465.80	90.26	135.07	4,796.00	746.17	812.47	169.25	9.00	9.00	0.00	0.00
POE at 90.26 Inc 135.07 Deg										
5,466.00	90.26	135.07	4,796.00	746.03	812.61	169.44	0.00	0.00	0.00	0.00
7"										
5,500.00	90.26	135.07	4,795.84	721.96	836.62	203.23	0.00	0.00	0.00	0.00
6,000.00	90.26	135.07	4,793.57	367.98	1,189.74	700.05	0.00	0.00	0.00	0.00
6,500.00	90.26	135.07	4,791.30	14.01	1,542.87	1,196.87	0.00	0.00	0.00	0.00
7,000.00	90.26	135.07	4,789.03	-339.97	1,895.99	1,693.69	0.00	0.00	0.00	0.00
7,500.00	90.26	135.07	4,786.76	-693.94	2,249.11	2,190.51	0.00	0.00	0.00	0.00
8,000.00	90.26	135.07	4,784.49	-1,047.92	2,602.24	2,687.33	0.00	0.00	0.00	0.00
8,500.00	90.26	135.07	4,782.22	-1,401.90	2,955.36	3,184.16	0.00	0.00	0.00	0.00
9,000.00	90.26	135.07	4,779.95	-1,755.87	3,308.48	3,680.98	0.00	0.00	0.00	0.00
9,500.00	90.26	135.07	4,777.68	-2,109.85	3,661.61	4,177.80	0.00	0.00	0.00	0.00
10,000.00	90.26	135.07	4,775.41	-2,463.82	4,014.73	4,674.62	0.00	0.00	0.00	0.00
10,500.00	90.26	135.07	4,773.14	-2,817.80	4,367.85	5,171.44	0.00	0.00	0.00	0.00
11,000.00	90.26	135.07	4,770.87	-3,171.77	4,720.98	5,668.26	0.00	0.00	0.00	0.00
11,500.00	90.26	135.07	4,768.60	-3,525.75	5,074.10	6,165.08	0.00	0.00	0.00	0.00
12,000.00	90.26	135.07	4,766.33	-3,879.73	5,427.22	6,661.90	0.00	0.00	0.00	0.00
12,500.00	90.26	135.07	4,764.06	-4,233.70	5,780.35	7,158.73	0.00	0.00	0.00	0.00
13,000.00	90.26	135.07	4,761.79	-4,587.68	6,133.47	7,655.55	0.00	0.00	0.00	0.00
13,500.00	90.26	135.07	4,759.52	-4,941.65	6,486.59	8,152.37	0.00	0.00	0.00	0.00
14,000.00	90.26	135.07	4,757.25	-5,295.63	6,839.72	8,649.19	0.00	0.00	0.00	0.00
14,500.00	90.26	135.07	4,754.98	-5,649.60	7,192.84	9,146.01	0.00	0.00	0.00	0.00
15,000.00	90.26	135.07	4,752.71	-6,003.58	7,545.96	9,642.83	0.00	0.00	0.00	0.00
15,156.06	90.26	135.07	4,752.00	-6,114.06	7,656.18	9,797.90	0.00	0.00	0.00	0.00
TD at 15156.06										



WPX Energy

Operations Plan

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

<u>Date:</u>	November 3, 2016	<u>Field:</u>	Lybrook Mancos W
<u>Well Name:</u>	W Lybrook Unit # 750H	<u>Surface:</u>	
<u>SH Location:</u>	SENW Sec 13 23N-09W	<u>Elevation:</u>	6700' GR
<u>BH Location:</u>	NESE Sec 19 23N-08W	<u>Minerals:</u>	

Measured Depth: 15,156.06'

I. GEOLOGY

Surface formation - NACIMIENTO

A. FORMATION TOPS: (GR)

NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	476.00	476.00	POINT LOOKOUT	3,730.00	3,543.00
KIRTLAND	638.00	638.00	MANCOS	3,922.00	3,718.00
PICTURED CLIFFS	1,208.00	1,206.00	GALLUP	4,291.00	4,057.00
LEWIS	1,293.00	1,290.00	KICKOFF POINT	4,192.56	3,965.68
CHACRA	1,516.00	1,507.00	TOP TARGET	5,225.00	4,752.00
CLIFF HOUSE	2,714.00	2,614.00	LANDING POINT	5,465.80	4,796.00
MENEFEE	2,733.00	2,631.00	BASE TARGET	5,465.80	4,796.00
			TD	15,156.06	4,752.00

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 3/4" 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 BOPE will be tested to 2,000 psi (High) for 10 minutes and the annular tested to 1,500 psi for 10 minutes. Pressure test surface casing to 1,500 psi for 30 minutes and intermediate casing to 1,500 psi for 30 minutes. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. 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"	5,465.80'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5315.8' - 15,156.06'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf. - 5315.8'	4.5"	11.6 LBS	P-110 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. If losses are encountered during the drilling of the intermediate section a DV tool will be utilized and a 2 stage cement job may be planned to ensure cement circ back to surface. The 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, if no cement is seen at surface on the 1st stage the stage tool will be opened and a 2nd stage cement job will be pumped.

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.

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

C. CEMENT:

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:

Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 102 bbls, 291 sks, (573 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 59 bbls, 254 sks, (331 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 215 bbl Drilling mud or water. Total Cement: 161 bbls, 545 sks, (904 cuft)

3. Prod Liner:

Spacer #1: 10 bbl (56 cu-ft) Water Spacer. Spacer #2: 40 bbl 9.5 ppg (224.6 cu-ft) Toned Spacer III. Spacer #3: 10 bbl Water Spacer. Lead Cement: Extencem™ System. Yield 1.36 cuft/sk 13.3 ppg (964 sx /1311 cuft /234 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/-208bbl Fr Water. Total Cement (964 sx /1311bbls).

D. COMPLETION:

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. 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.

If this horizontal well is 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.

NOTES:

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).

(Lat/Long) is recorded and full drill log report is completed and filed with WPX. The bed will not be energized for a minimum of 45 days.

After the completion phases and pipeline installation, portions of the project area not needed for operation will be reclaimed. When the wells are plugged, final reclamation will occur within the remainder of the project area. Reclamation is described in detail in the Surface Use Reclamation Plan (Appendix A).

7. METHODS FOR HANDLING WASTE

✓ A. Cuttings

- 1 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

- 1 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 3, 4, 6 and 7 in Appendix B for the location of toilets per wellpad).

E. Garbage and other waste material

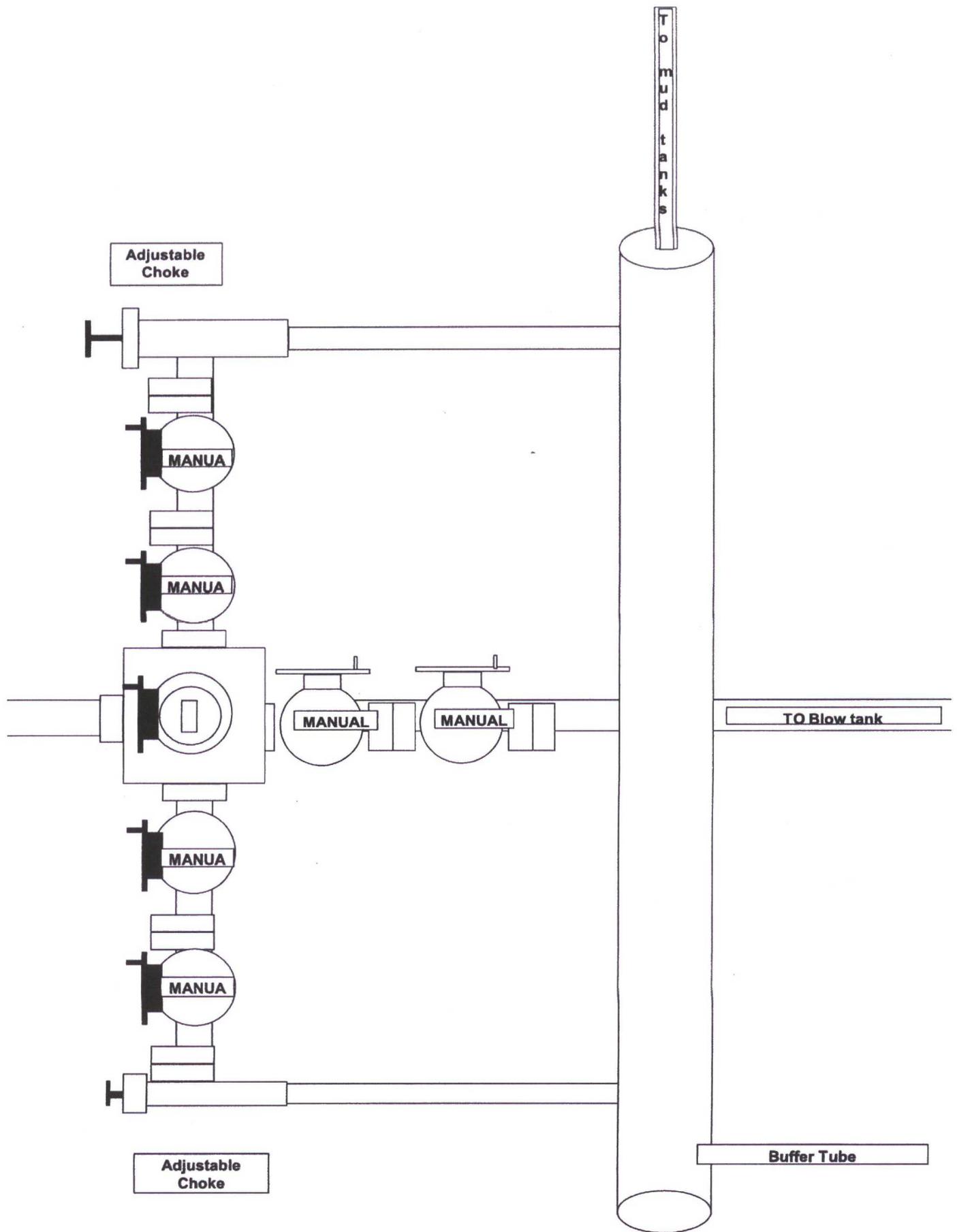
- 1 All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.

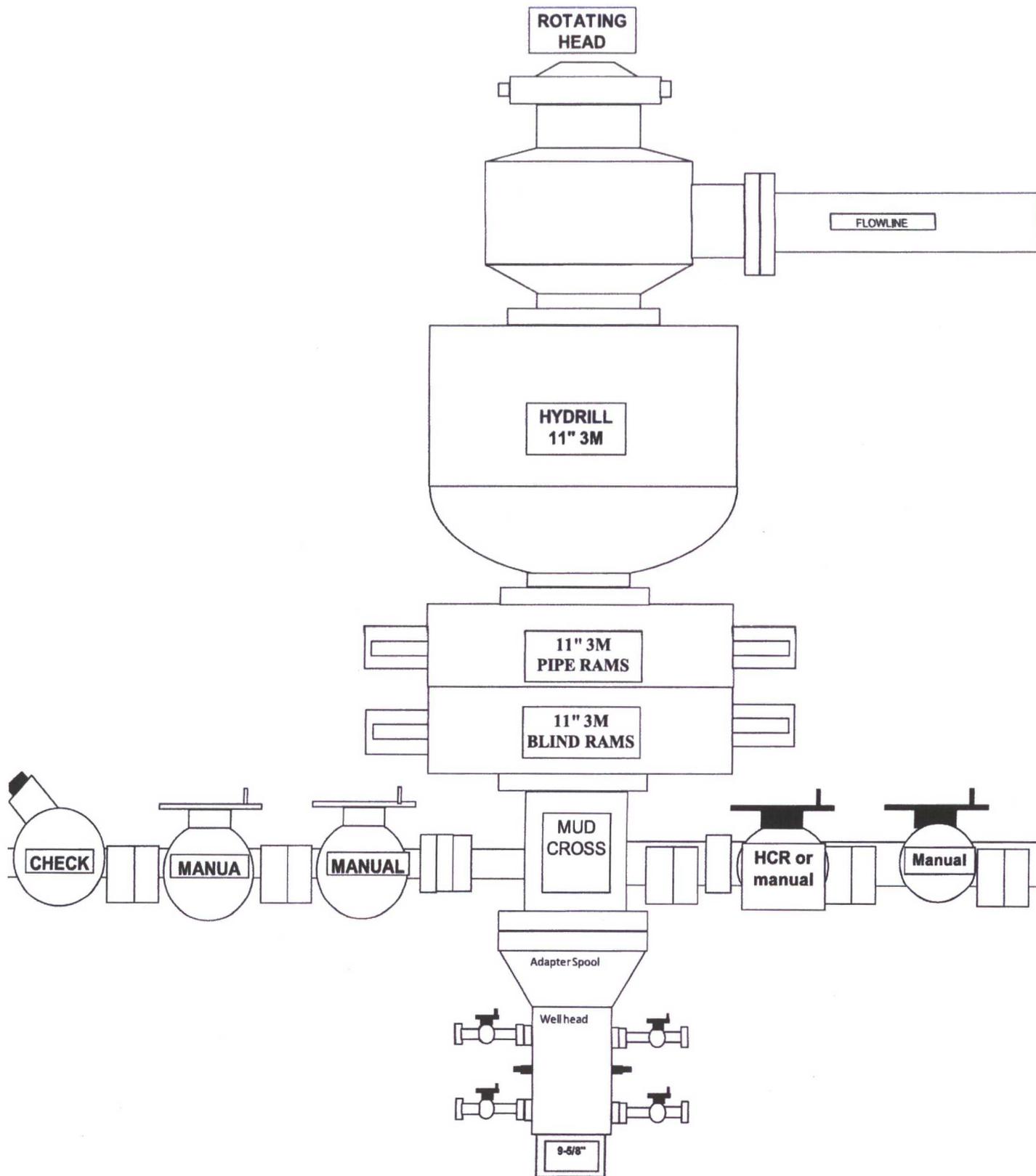
F. Hazardous Waste

- 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.
- 3 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:
 - 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
 - Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW ¼, Section 8, Township 24 North, Range 3 West
 - Basin Disposal, permit #NM-01-005, located in the NW ¼, Section 3, Township 29 North, Range 11 West
 - 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
- 2 Water will be hauled by truck. Some produced water may also be used in drilling and completion operations as an alternative disposal method.





Directions from the Intersection of US Hwy 550 & US Hwy 64
in Bloomfield, NM to WPX Energy Production, LLC W Lybrook Unit #750H
1942' FNL & 2457' FWL, Section 13, T23N, R9W, N.M.P.M., San Juan County, NM

Latitude: 36.228873°N Longitude: 107.740934°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 fork in roadway:

Go Left (Southerly) remaining on County Road #7890 for 1.3 miles to begin access on right-hand side of roadway:

Go Right (North-westerly) continuing for 5799.2' to staked WPX W Lybrook Unit #750H location.