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 3160-5 form.

Operator Signature Date: Original APD 12/16/2015 Sundry Extension Date 12/11/2017

			frmWellFilt	erSu	ıb								
API WELL#	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-31355- 00-00	NE CHACO COM	910H	WPX ENERGY PRODUCTION, LLC	0	N	Rio Arriba	F	L	8	23	N	6	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,
O 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 recompletions 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.

Comply with current regulations at time of spud Prior to production operator needs to be in compliance with RULE 19.15.5.9

NMOCD Approved by Signature

Johnic Brew

<u>12/29/17</u>

Date

Form 3160-5 (June 2015)

Approved by

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.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018

5. Lease Serial No.
NMSF078359

6. If Indian, Allottee or Tribe Name

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. 7. If Unit of CA/Agreement, Name and/or No. NMNM132829 SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. ⊠Oil Well Gas Well Other NE CHACO COM #910H 9. API Well No. 2. Name of Operator **WPX Energy Production, LLC** 30-039-31355 10. Field and Pool or Exploratory Area 3a. Address 3b. Phone No. (include area code) Chaco Unit NE HZ oil 505-333-1816 PO Box 640 Aztec, NM 87410 11. Country or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SHL: 1398' FSL & 252' SEC 8 23N 6W Rio Arriba, NM BHL: 330' FSL & 662' FEL SEC 16 23N 6W 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Production (Start/Resume) ☐ Water ShutOff □ Acidize Deepen Notice of Intent ☐ Hydraulic Fracturing Reclamation ☐ Alter Casing ☐ Well Integrity Other APD Extension ■ New Construction ☐ Casing Repair Recomplete ☐ Subsequent Report ☐ Temporarily Abandon ☐ Change Plans ☐ Plug and Abandon Final Abandonment Notice Convert to Injection ■ Water Disposal ☐Plug Back 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 perfonned 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 detennined that the site is ready for final inspection.) WPX requests a 2-year extension on the above mentioned well. The original extension expires on 1/13/18. 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Lacey Granillo Title: Permit Tech III Farmington Field Office Bureau of Land Management Signature Date: 12/11/17 THE SPACE FOR FEDERAL OR STATE OFICE USE

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.



Title

Office