State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, 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 1/26/2016** Sundry Extension Date 3/6/2018

WELL INFORMATION:

API WELL#	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng W/E
30-045-35755- 00-00	KIMBETO WASH UNIT		WPX ENERGY PRODUCTION, LLC	0	N	San Juan	F	P	17	23	N	9 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
- O 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.

Date

Ketheric Parks

NMOCD Approved by Signature

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

RECEIVED

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. NMNM 004958

SUNDRY NOTICES AND REPORTS ON WELLS nington Field Officer Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter and Management abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 NMNM 135255A 1. Type of Well 8. Well Name and No. Oil Well Gas Well Other Kimbeto Wash Unit 770H 9 API Well No. 2. Name of Operator WPX Energy Production, LLC 30-045-35755 10. Field and Pool or Exploratory Area 3a. Address 3b. Phone No. (include area code) 505-333-1816 **Basin Mancos** Aztec, NM 87410 PO Box 640 11. Country or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) San Juan, NM SHL: 409' FSL & 1115' FEL Sec 17 T23N R9W Unit: P SHL: 330' FNL & 1265' FEL Sec 18 T23N R9W Unit: A 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen ☐ Production (Start/Resume) ☐ Water ShutOff Notice of Intent ☐ Hydraulic Fracturing Reclamation ☐ Alter Casing ☐ Well Integrity **△Other** APD EXTENSION ■ New Construction Casing Repair Recomplete ☐ Subsequent Report Change Plans □ Temporarily Abandon ☐ Plug and Abandon Final Abandonment Notice ☐ Water Disposal ☐Convert to Injection ☐Plug Back 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed worybk 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.) MAR 1 2 2018 WPX requests a 2-year extension on the above mentioned well. The original permit expires 4/27/18/ 1 [] 4. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Lacey Granillo Title: Permit Tech Signature Date: 3/6/18 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.



Office FFO

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