WPX Energy Production, LLC

LEASE NAME:		CHACO 2307-07N #409H			NUMBER:		409H		FIELD:		Chaco Slope		
SURFACE LOCATION:		SW/4 of Section 7-23N-7W			COUNTY:		San Juan & Rio Arriba		STATE:		New Mexico		
FORMATION:		Mancos			TOTAL DEPTH:				SHTS:		10		
Limb and Legal #s													
011		Broker Fees											
012		Legal & Title											
DRL & Comp													
8500 & 8600													
TUBULAR GOODS			FEET	SIZE	WT.	GRADE	CONN	QTY			DRILL	COMP	TOTAL
8839		SURFACE CASING									7,956		7,956
8739		PRODUCTION LINER									115,800		115,800
8810		INT CASING									114,000		114,000
	8902	TUBING & ACCESSORIES										18,900	18,900
OTHER EQUIPMENT													
8855		PROD LINER HANGER & SLEEVE									57,000		57,000
8918		WELLHEAD EQUIPMENT									15,000		15,000
	8726	ARTIFICIAL LIFT										25,000	25000
	8728	CATHODIC PROTECTION EQUIP										25,000	25,000
	8768	ELECTRONIC FLOW (T/M)										95,461	95,461
	8780	FLARE STACKS										38,875	38,875
	8815	LEASE POWER/ELECTRIFICATION										155,600	155,600
	8824	LOCATION INFRASTRUCTU (Pumping Unit, rods and pump)										159,924	159,924
	8826	LOW PRESSURE SEPARATOR										52,478	52,478
	8893	PRODUCTION STORAGE TANKS										71,614	71,614
	8895	TELEMETRY										370,000	
018	416	Miscellaneous Materials: Pipe, Valves & Fittings											
TOTAL TANGIBLE COSTS											309,956	1,012,454	1,322,372
DRILLING AND COMPLETION COSTS													
8500	8600												
8233		FUEL & LUBRICANTS: RIGS, COMPRESOR, ETC.									47,500		47,500
8740		RIG MOBIL/DEMOBILIZATION									83,333		83,333
8785		RIG DAYWORK 10 DAYS @ $31,000 + DAYS NORM @ $31,000									298,750		298,750
8468		RENTAL EQUIP DOWNHOLE (DRILLING)									15,000		15,000
8469		RENTAL TOOLS & EQUIPMENT									10,000		10,000
8993		MISC MAT RENTALS									1,000		1,000
	8712	LUBRICANT AND FUEL EXPENSES										11,500	11,500
	8731	A/R/GAS EQUIP & SVS										38,500	38,500
	8732	BITS										5,000	5,000
	8733	CASED HOLE LOGGING SERVICES										9,800	9,800
	8734	CASING CREWS										8,500	8,500
	8735	COMPLETION RIG SERVICES										70,600	70,600
	8740	RIG MOBIL/DEMOBILIZATN										7,500	7,500
	8742	TRUCKING & HAULING (COMPLETION)										32,200	32,200
	8843	FLOWBACK SERVICE										159,400	159,400
	8856	RENTAL - TUBING, DRILL PIPE, COLLAR										30,000	30,000
	8869	RENTAL EQUIP SURFACE (COMPLETION)										10,000	10,000
CEMENTING													
8400		SURFACE CEMENTING (MATERIALS)									2,000		2,000
8781		CENTRALIZERS & FLOAT EQUIP									20,000		20,000
8811		INTERMEDIATE CEMENTING - MATERIAL									16,000		16,000
8991		SURFACE CEMENTING (SERVICE)									1,150		1,150
8949		INTERMEDIATE CEMENTING - SERVICES									20,900		20,900
8401		PRODUCTION CASING CEMENTING - MAT									16,500		16,500
8857		PRODUCTION LINER CEMENTING SERVICES									30,900		30,900
	8401	NEC-PRODUCTION CASING CEMENTING											
	8781	CENTRALIZERS & FLOAT EQUIP											
SPECIAL SERVICES													
8870		COMMUNICATIONS / TELEPHONE(PASON, WELLEZ)									3,000		3,000
8738		BHA & TUBULAR INSPECTION									12,000		12,000
8784		CASING CREWS									34,000		34,000
8742		TRUCKING & HAULING (DRILLING)									25,000		25,000
8743		WELLHEAD SERVICES (DRILLING)									12,000		12,000
8757		DIRECTIONAL EQUIPMENT									138,000		138,000
8774		LABOR (DRILLING) - ROUSTABOUTS, CONTRACT									10,000		10,000
8783		FLUID & CUTTING DISPOSAL									50,000		50,000
8813		LAY DOWN MACHINE											
8829		LIVING FACILITIES & SANITATION									5,000		5,000
8885		EOC SLIDS CNTL EQUIP & INSTALL									33,000		33,000
8911		WATER HAULING (DRILLING)									15,000		15,000
8585		DRILL FLUIDS SERVICES									10,200		10,200
8825		HOUSING COST									12,825		12,825
8913		WELDING SERVICES									2,000		2,000
	8738	BHA & TUBULAR INSPECTION										7,950	7,950
	8743	WELLHEAD SERVICES (COMPLETION)										7,600	7,600
FORMATION													
	8709	HOT OIL UNIT/TANK HEATING										17,600	17,600
	8706	STIMULATION SERVICES										900,000	900,000
	8719	BIOCIDE										13,500	13,500
	8736	PERFORATING SERVICES										75,700	75,700
	8786	FRAC STACK & FREE SAVER										5,000	5,000
	8787	FRAC WATER SERVICE/COMPLETION										47,200	47,200
	8646	PACKERS & PLUGS										45,900	45,900
	8870	Tanks RENTAL (COMPLETION)										28,900	28,900
	8911	WATER HAULING & DISPOSAL										21,800	21,800
MATERIALS													
8216		MISC MATERIALS & SUPPLIES (DRILLING)									5,000		5,000
8732		BITS									30,000		30,000
8758		DRILL FLUIDS & CHEMICALS									60,000		60,000
8910		WATER & WATER HAULING									5,000		5,000
	8312	TANK BATTERY INSTALL AND CONSTRUCTION										215,000	215,000
	8711	TRANSPORTATION & FREIGHT										7,700	7,700
	8829	LIVING FACILITIES & SANITATION										7,700	7,700
	8831	MISC LABOR										3,800	3,800
ACCESS, LOCATION & CLEANUP													
8780		ACCESS & LOCATION - Service - Roads, pad, Drlf Sight Clean Up									25,000		25,000
8772		ENVIRONMENTAL MITIGATION									8,000		8,000
8791		PERMITS, SURVEY & MAPPING - Inclusive of Licenses									15,000		15,000
8877		ROW & SURFACE DAMAGES									30,000		30,000
	8471	CONTRACT ENGINEERING & DRAFTING										1,500	1,500
	8917	WELLSITE SUPERVISION										7,500	7,500
SUPERVISION / PROFESSIONAL SERVICES													
8753		EOC-CONTRACT GEOLOGY									30,000		30,000
8917		WELL SITE SUPERVISION									19,575		19,575
	8471	CONTRACT ENGINEERING & DRAFTING										39,500	39,500
	8917	WELLSITE SUPERVISION										38,700	38,700
WELLSITE SUPERVISION													
	8930	PIPELINE - LOCATIONS LABOR										58,500	58,500
	8931	PIPELINE - LOCATIONS MATERIALS										95,400	95,400
TOTAL INTANGIBLE COSTS											1,251,330	2,047,758	3,299,088
TOTAL COST											1,561,287	3,060,204	4,621,460

WORKING INTEREST	WI%	WI $ COST
WPX Energy Production, LLC	66.666675%	$3,080,297
B&R Royalty, LTD	33.333325%	$1,540,196
	100.000000%	

Estimated costs only - Each participating Owner to pay proportionate share of Actual Well Costs

PARTNER APPROVAL

COMPANY:

DATE:

BY:

TITLE:

DATE: 6/1/2015

PREPARED BY:

APPROVED BY: Ken McQueen

BEFORE THE OIL CONVERSATION DIVISION
Santa Fe, New Mexico
Exhibit No. 8
Submitted by: WPX ENERGY PRODUCTION
Hearing Date: November 12, 2015

WPX Energy Production, LLC

LEASE NAME:	CHACO 2307-07N #409H	NUMBER:	409H	FIELD:	Chaco Slope
SURFACE LOCATION:	SW/4 of Section 7-23N-7W	COUNTY:	San Juan & Rio Arriba	STATE:	New Mexico
FORMATION:	Mancos	TOTAL DEPTH:		DAYS:	16

DRL	CMP	DESCRIPTION	DRILL	COMP	TOTAL
LAND AND LEGAL S/R					
011		Broker Fees			
013		Legal & Title			
DRL	CMP				
8300	8600				
TUBULAR GOODS		FEET / SIZE / WT / GRADE / CONN / $/FT	DRILL	COMP	TOTAL
8829		SURFACE CASING	7,558		7,558
8799		PRODUCTION LINER	115,500		115,500
8810		INT CASING	114,000		114,000
	8902	TUBING & ACCESSORIES		18,900	18,900
OTHER EQUIPMENT					
8855		PROD LINER HANGER & SLEEVE	57,000		57,000
8918		WELLHEAD EQUIPMENT	15,000		15,000
	8716	ARTIFICIAL LIFT		25,000	#REF!
	8776	CATHODIC PROTECTION EQUIP		25,000	25,000
	8788	ELECTRONIC FLOW (ETM)		95,461	25,000
	8780	FLARE STACKS		38,875	95,461
	8815	LEASE POWER/ELECTRIFICATION		155,600	38,875
	8824	LOCATION INFRASTRUCTU (Pumping Unit, rods and pump)		159,526	155,600
	8826	LOW PRESSURE SEPARATOR		52,478	159,526
	8893	PRODUCTION STORAGE TANKS		71,614	52,478
	8895	TELEMETRY		370,000	71,614
018	418	Miscellaneous Materials: Pipe, Valves & Fittings			
TOTAL TANGIBLE COSTS			308,058	1,013,454	1,321,512
DRILLING AND COMPLETION COSTS					
8300	8400				
8712		FUEL & LUBRICANTS, RIGS, COMPRESSOR, ETC.	67,900		67,900
8740		RIG MOBIL/DEMOBILIZATION	83,333		83,333
8760		RIG DAYWORK 10 DAYS @ $31000 4 DAYS MIRU @ $31000	398,250		398,250
8868		RENTAL EQUIP DOWNHOLE (DRILLING)	15,000		15,000
8869		RENTAL TOOLS & EQUIPMENT	10,000		10,000
8993		ICC-MAT RENTALS	1,000		1,000
	8237	LUBRICANT AND FUEL EXPENSES		11,500	11,500
	8731	AIR/GAS EQUIP & SVS		38,500	38,500
	8732	BITS		5,000	5,000
	8733	CASED HOLE LOGGING SERVICES		9,800	9,800
	8734	CASING CREWS		6,500	6,500
	8735	COMPLETION RIG SERVICES		70,600	70,600
	8740	RIG MOBIL/DEMOBILZATN		7,500	7,500
	8742	TRUCKING & HAULING (COMPLETION)		32,200	32,200
	8843	FLOWBACK SERVICE		159,400	159,400
	8866	RENTAL - TUBING, DRILL PIPE, COLLAR		30,000	30,000
	8869	RENTAL EQUIP SURFACE (COMPLETIONS)		10,000	10,000
CEMENTING					
8400		SURFACE CEMENTING (MATERIALS)	2,000		2,000
8781		CENTRALIZERS & FLOAT EQUIP	20,000		20,000
8853		INTERMEDIATE CEMENTING - MATERIAL	16,000		16,000
8891		SURFACE CEMENTING (SERVICE)	1,150		1,150
8949		INTERMEDIATE CEMENTING - SERVICES	20,500		20,500
8401		PRODUCTION CASING CEMENTING - MAT	16,500		16,500
8857		PRODUCTION LINER CEMENTING SERVICES	10,500		10,500
	8401	ICC-PRODUCTION CASING CEMENTING			
	8781	CENTRALIZERS & FLOAT EQUIP			
SPECIAL SERVICES					
8870		COMMUNICATIONS / TELEPHONE(PASON, WELLEZ,)	3,000		3,000
8718		BHA & TUBULAR INSPECTION	12,000		12,000
8734		CASING CREWS	34,000		34,000
8742		TRUCKING & HAULING (DRILLING)	25,000		25,000
8743		WELLHEAD SERVICES (DRILLING)	12,000		12,000
8757		DIRECTIONAL EQUIPMENT	138,000		138,000
8774		LABOR (DRILLING) - ROUSTABOUTS, CONTRACT	10,000		10,000
8783		FLUID & CUTTING DISPOSAL	50,000		50,000
8813		LAY DOWN MACHINE			
8823		LIVING FACILITIES & SANITATION	5,000		5,000
8885		IDC SLIDS CNTL EQUIP & INSTALL	33,000		33,000
8911		WATER HAULING (DRILLING)	15,000		15,000
8989		DRILL FLUIDS SERVICES	10,200		10,200
8803		HOUSING COST	12,825		12,825
8913		WELDING SERVICES	7,000		7,000
	8718	BHA & TUBULAR INSPECTION		7,950	7,950
	8743	WELLHEAD SERVICES (COMPLETION)		7,600	7,600
FORMATION					
	8703	HOT OIL UNIT/TANK HEATNG		17,600	17,600
	8708	STIMULATION SERVICES		900,000	900,000
	8719	BIOCIDE		11,900	11,500
	8738	PERFORATING SERVICES		75,700	75,700
	8786	FRAC STACK & TREE SAVER		5,000	5,000
	8787	FRAC WATER SERVICE/COMPLETION		47,200	47,200
	8846	PACKERS & PLUGS		45,900	45,900
	8870	TANK RENTAL (COMPLETION)		28,900	28,900
	8911	WATER HAULING & DISPOSAL		21,300	21,300
MATERIALS					
8216		MISC MATERIALS & SUPPLIES (DRILLING)	5,000		5,000
8732		BITS	30,000		30,000
8758		DRILL FLUIDS & CHEMICALS	60,000		60,000
8910		WATER & WATER HAULING	5,000		5,000
	8312	TANK BATTERY INSTALL AND CONSTRUCTION		235,000	235,000
	8711	TRANSPORTATION & FREIGHT		7,700	7,700
	8823	LIVING FACILITIES & SANITATION		7,200	7,200
	8831	MISC LABOR		3,600	3,600
ACCESS, LOCATION & CLEANUP					
8730		ACCESS & LOCATION - Service - Roads, pad, Dirt Sight Clean Up	25,000		25,000
8772		ENVIRONMENTAL MITIGATION	8,000		8,000
8791		PERMITS, SURVEY & MAPPING - Includes all Licenses	15,000		15,000
8877		ROW & SURFACE DAMAGES	30,000		30,000
	8471	CONTRACT ENGINEERING & DRAFTING		1,500	1,500
	8917	WELLSITE SUPERVISION		7,500	7,500
SUPERVISION / PROFESSIONAL SERVICES					
8758		IDC-CONTRACT GEOLOGY	30,000		30,000
8917		WELL SITE SUPERVISION	19,575		19,575
	8471	CONTRACT ENGINEERING & DRAFTING		39,500	39,500
	8917	WELLSITE SUPERVISION		38,200	38,200
WELL SITE SUPERVISION					
	8950	PIPELINE - LOCATIONS LABOR		58,500	58,500
	8951	PIPELINE - LOCATIONS MATERIALS		95,400	95,400
TOTAL INTANGIBLE COSTS			[illegible]	2,047,758	3,299,083
TOTAL COST			4,560,391	3,068,204	4,629,385

WORKING INTERESTS	WI%	NET COST	
WPX Energy Production, LLC	66.66667%	$3,089,597	Estimated costs only - Each participating
A&A Royalty, LTD	33.33333%	$1,540,158	Owner to pay proportionate share of
			Actual Well Costs
	100.00000%		PARTNERS APPROVAL
			COMPANY:
DATE:	8/1/2015		DATE:
PREPARED BY:			BY:
APPROVED BY:	Ken McQueen		TITLE: