

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, 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: 6-18-14

Well information:

Operator WDX, Well Name and Number Chaco 2307-13T #204H

API# 30039-31245 Section 13, Township 23N, Range 7E 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
- ☒ 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.

Charles Lerner

NMOCD Approved by Signature

6-27-2014

Date

RECEIVED

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 18 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMSF-078360 NMSF078359

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

Chaco 2307-131 #204H

9. API Well No.

30-039-31245

10. Field and Pool, or Exploratory

Lybrook Gallup

11. Sec., T., R., M., or Blk. and Survey or Area

SHL: Section 13, T23N, R7W

BHL: Section 17, T23N, R6W

12. County or Parish

Rio Arriba County

13. State

NM

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

WPX Energy Production, LLC

3a. Address

P.O. Box 640 Aztec, NM 87410

3b. Phone No. (include area code)

(505) 333-1822

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 1740' FSL & 274' FEL, sec 13, T23N, R7W

At proposed prod. zone 861' FSL & 330' FWL, sec 17, T23N, R6W

14. Distance in miles and direction from nearest town or post office*

approximately 4 miles southeast of Lybrook, New Mexico

15. Distance from proposed*

location to nearest

property or lease line, ft.

(Also to nearest drig. unit line, if any) 274'

16. No. of Acres in lease

2565.24 2461.69

17. Spacing Unit dedicated to this well

240.75 acres

OIL CONS. DIV DIST. 3

18. Distance from proposed location*

to nearest well, drilling, completed,

applied for, on this lease, ft.

22'

19. Proposed Depth

11,287' MD / 5,455' TVD

20. BLM/BIA Bond No. on file

UTB000178

JUN 27 2014

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6926' GR

22. Approximate date work will start*

July 15, 2014

23. Estimated duration

1 month

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Heather Riley

Name (Printed/Typed)

Heather Riley

Date

6/18/2014

Title

Regulatory Team Lead

Approved by (Signature)

[Signature]

Name (Printed/Typed)

Office

FFO

Date

6/26/14

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.

*(Instructions on reverse)

WPX Energy Production, LLC, proposes to develop the Lybrook Gallup formation at the above described location in accordance with the attached drilling and surface use plans.

The well pad surface is under jurisdiction of the BLM and is co-located with the Chaco 2307-131 #187H and the Chaco 2307-131 #203H.

This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the BLM.

No new access road is needed.

There will be 616.9' of pipeline associated with these wells and it is all on lease. Pipeline plats are attached. There is a separate SUPO which addresses the pipeline and it is also attached.

RECEIVED

APD Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 18th day of June, 2014.

Name Heather Riley

Position Title Regulatory Team Lead

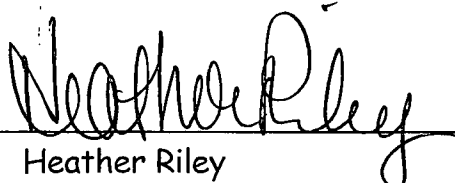
Address P.O. Box 640, Aztec, NM 87410

Telephone (505) 333-1822

Field representative (if not above signatory) _____

E-mail heather.riley@wpxenergy.com

Date: 6/18/14


Heather Riley
Regulatory Team Lead
WPX Energy Production, LLC

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-31245	*Pool Code 42289 / 13379	*Pool Name LYBROOK GALLUP / COUNSELORS GALLUP-DAKOTA
*Property Code 313124	*Property Name CHACO 2307-13I	*Well Number 204H
*OGRID No. 120782	*Operator Name WPX ENERGY PRODUCTION, LLC	*Elevation 6926'

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
I	13	23N	7W		1740	SOUTH	274	EAST	RIO ARriba

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
M	17	23N	6W		861	SOUTH	330	WEST	RIO ARriba

¹² Dedicated Acres 360.75 Acres	SW/4 (17) N/2 SW/4, NW/4 SE/4, S/2 SE/4 (18)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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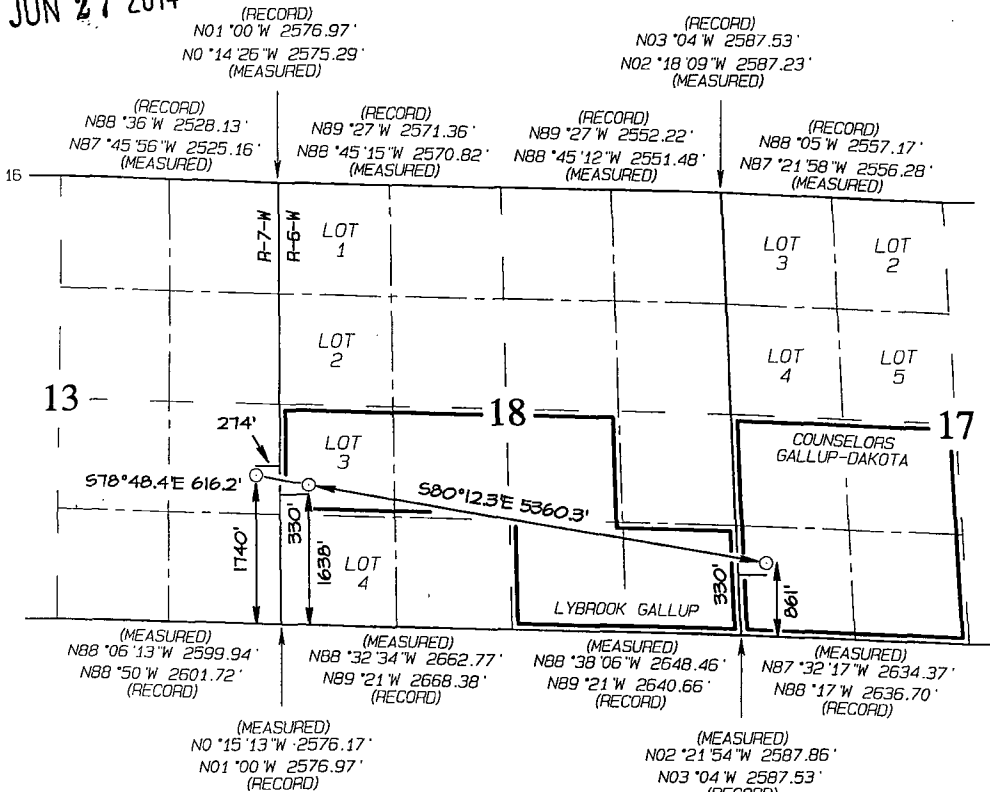
OIL CONS. DIV DIST. 3

Counselors Gallup = 160

Lybrook Gallup = 200.75

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

JUN 27 2014



SURFACE LOCATION
1740' FSL 274' FEL
SECTION 13, T23N, R7W
LAT: 36.22299°N
LONG: 107.51891°W
DATUM: NAD1927

POINT-OF-ENTRY
1638' FSL 330' FWL
SECTION 18, T23N, R6W
LAT: 36.22268°N
LONG: 107.51685°W
DATUM: NAD1927

END-OF-LATERAL
861' FSL 330' FWL
SECTION 17, T23N, R6W
LAT: 36.22036°N
LONG: 107.49891°W
DATUM: NAD1927

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 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.

Signature: *Larry Higgins* Date: *6/27/14*
Printed Name: **Larry Higgins**
E-mail Address: **larry.higgins@wpxenergy.com**

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: JUNE 27, 2014
Date of Survey: AUGUST 2, 2012

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
15269

JASON C. EDWARDS
Certificate Number 15269

WPX ENERGY**Operations Plan***(Note: This procedure will be adjusted on site based upon actual conditions)*

DATE: 6/12/2014 **FIELD:** Lybrook (Gallup)

WELL NAME: Chaco 2307-13I #204H **SURFACE:** BLM

SH Location: NESE Sec 13 -23N -07W **ELEVATION:** 6925' GR

BH Location: SWSW Sec 17 -23N -06W **MINERALS:** BLM
Rio Arriba Co, NM

MEASURED DEPTH: 11,287' **LEASE #:** NMFS078360

I. GEOLOGY: Surface formation – San Jose**A. FORMATION TOPS:** (KB)

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1319	1317	Point Lookout	4208	4204
Kirtland	1630	1626	Mancos	4397	4393
Picture Cliffs	1926	1922	Kickoff Point	4859	4854
Lewis	2032	2028	Top Target	5590	5438
Chacra	2343	2339	Landing Point	5926	5521
Cliff House	3425	3421	Base Target	5926	5521
Menefee	3457	3453			
			TD	11287	5455

- 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 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.**

NOTE: Vertical portion of the well (8-3/4 in.) will be directionally drilled as per attached Directional Plan to +/- 4,859' (MD) / 4,854' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 5,926' (MD) / 5,521' (TVD). 7 in. csg will be set at this point. A 6-1/8" Lateral will be drilled as per the attached Directional Plan to +/- 11,287' (MD) / 5,455' (TVD). Will run 4-1/2 in. Production Liner from +/- 5,776 ft. to TD and cemented. Liner will be tied back to surface w / 4-1/2" Casing for stimulation / testing, then removed from the well.

III. MATERIALS**A. CASING PROGRAM:**

CASING TYPE	OH SIZE (IN)	DEPTH (MD) (FT)	CASING SIZE (IN)	WEIGHT(LB)	GRADE
Surface	12.25"	400'+	9.625"	36#	J-55
Intermediate	8.75"	5,926'	7"	23#	K-55
Prod. Liner	6.125"	5,776' - 11,287'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 5,776'	4-1/2"	11.6#	N-80

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 2,700 ft., 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft.
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 + (2) RSI (Sliding Sleeves) 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.
4. TIE-BACK CASING: None

C. CEMENTING:

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

1. SURFACE: 10 bbl Fr Water Spacer + 190 sx (222.3 cu.ft.) of "Premium Cement" + 2% Calcium Chloride Cement + 0.125# pps of Poly-E-Flake, 15.8 #/gal (1.17 cu ft./sk, Vol 39.58 Bbls.). The 100% excess should circulate cement to the surface. WOC 12 hours. Test csg to 600psi. Total Volume: (222.3 cu-ft/190 sx/39.6 Bbls). TOC at Surface.
2. INTERMEDIATE: 20 bbl (112 cu-ft) Mud Flush III spacer + Lead: 850 sx Foamed 50/50 Poz Cement. 13.0 ppg + 0.1% Halad 766 + 0.2% Versaset + 1.5% Chem-Foamer 760 (Yield :1.43 cu-ft/ sk. / Vol: 1216 cu-ft / 216.5 Bbls.) + TAIL: 100 sx 13.5 #/gal. + 0.2% Versaset + 0.15% HALAD-766 (Yield: 1.28 cu-ft / sk / Vol: 128 cu-ft / 22.8 Bbls.). + Fresh Water Displacement (1,362 cu-ft / +/- 242 Bbls) + 100 sx Top-Out Cement Premium: Yield: (1.17 cu-ft/ sk / (Vol: 117 cu-ft / 20.8 Bbls). Test Casing to 1500 PSI for 30 minutes. Total Cement Volume: (1050 sx / 1461 cu-ft / 260 bbls). Mix with +/- 84,000 SCF Nitrogen. TOC at surface.
3. PRODUCTION LINER: **STAGE 1**:10 bbl (56.cu-ft) Fr Water Spacer. **STAGE 2**:40 bbl 9.5 ppg (224.6 cu-ft) Tuned Spacer III + 0.5 gal/bbl Musol + 38.75 ppb Barite + 0.5 gal/bbl SEM-7. **STAGE 3**: 10 bbl Fr Water Spacer. **STAGE 4: Lead Cement**: 50 / 50 Poz Premium + 0.2% Versaset + 0.2% Halad -766, Yield 1.43 cu ft/sk, 13.0 ppg, (10 sx / 14.3 cu ft. / 2.5 bbls). **STAGE 5**: 200 sx. Foamed Lead Cement: 50 / 50 Poz Standard + 0.2% Versaset + 0.2% HALAD-766 + 1.5% Chem-Foamer 760. Yield 1.97 cu-ft/sk. 13.0 ppg (200 sx / 394 cu-ft. / 70.2 bbls.). **STAGE 6**: Tail Cement : 100 sx. 50/50 Poz Standard + 0.2% Versaset + 0.05% HALAD-766 + .05% SA-1015, Weight: 13.5 ppg (100 sx / Yield 1.28 cu ft/sk. / 128 cu ft. / 22.8 bbls) **STAGE 7**: Displace w/ +/- 137 bbl Fr Water. Total Cement (563.3 cu ft / 95.5 bbls). Mix Foamed Cement w/ +/- 75,000 SCF Nitrogen. Est. TOC +/- 5,476 ft.

IV. COMPLETION

A. CBL

1. Run CCL for perforating.

B. 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.

C. 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.

D. 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 point of curve (~5,800' MD).

- 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:

Installation of RSI sleeves at Toe of Lateral.

Proposed Operations:

A 4-1/2" 11.6# N-80 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# K-55 Intermediate casing (set at 5,926 ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 5,776 ft. (MD) +/- 78 degree angle. TOC: +/- 5,476 ft. (MD).

After cementing and TOL clean up operations are complete, the TOL will be tested to 1500 psi (per BLM).

A 4-1/2" 11.6# N-80 tie-back string with seal assembly will be run and stung into the PBR of the liner hanger, tested to 1500 PSI and hung off at the surface.

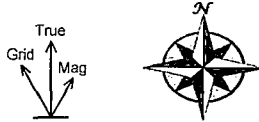
The Drilling Rig will be rigged down at this point and Completion operations will begin. After Stimulation and Testing operations are complete the 4-1/2" tie-back string will be removed from the well.

Note: Changes to formation tops, casing landing points, well TD and Directional Plan.

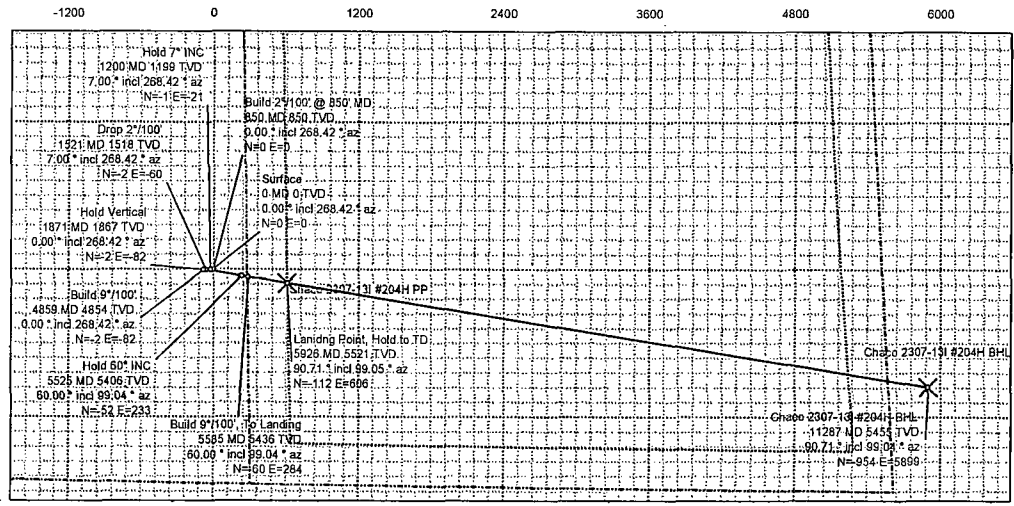
Borehole:	Well:	Field:	Structure:
Original Hole	Chaco 2307-13I #204H	NM, Rio Arriba (NAD 27 CZ)	Sec 13-23N-7W

Gravity & Magnetic Parameters	Surface Location	Miscellaneous
Model: BGGM 2013 Dip: 63.012° Date: 11-Dec-2013	NAD27 New Mexico State Plane, Central Zone, US Feet	Slot: Chaco 2307-13I #204H
MagDec: 9.469° FS: 50160.557nT Gravity FS: 998.918mgm (9.80665 Based)	Lat: N 36 13 22.75 Northing: 1902825.947 Grid Conv: -0.7499°	TVD Ref: RKB(6939ft above MSL)
	Lon: W 107 31 8.06 Easting: 125721.293 Scale Fact: 1.0000603	Plan: Chaco 2307-13I #204H R0 mdv 09Jun14

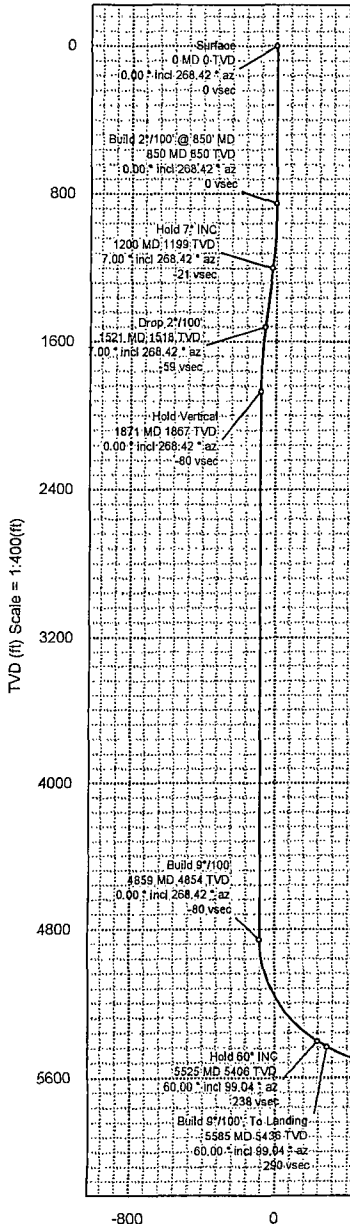
Proposal



True North
Tot Corr (M→T 9.469°)
Mag Dec (9.469°)
Grid Conv (-0.750°)



NS (ft) Scale = 1:800(ft)



TVD (ft) Scale = 1:400(ft)

Surface Location								
Northing: 1902825.947		Easting: 125721.293		Latitude: N 36 13 22.75		Longitude: W 107 31 8.06		VSec Azimuth: 99.189
Target Description		Grid Coord					Local Coord	
Target Name	Latitude	Longitude	Northing	Easting	TVD	VSec	N(+)/S(-)	E(+)/W(-)
Chaco 2307-13I #204H BHL	N 36 13 13.30	W 107 29 56.07	1901794.46	131607.87	5455.00	5975.92	-954.30	5899.23
Chaco 2307-13I #204H PP	N 36 13 21.64	W 107 31 0.66	1902706.44	126325.88	5521.00	616.11	-111.58	606.07
Chaco 2307-13I Pad Sec 18 3307 Setback	N 36 13 22.84	W 107 31 9.08	1902835.96	125637.40	6939.00	-84.36	8.91	-84.01
Chaco 2307-13I Pad Sec 13	N 36 13 22.76	W 107 31 8.33	1902827.86	125699.25	6939.00	-22.04	1.63	-22.07
Chaco 2307-13I Pad Sec 18	N 36 13 22.84	W 107 31 9.08	1902835.96	125637.40	6939.00	-84.36	8.91	-84.01
Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS
Surface	0.00	0.00	268.42	0.00	0.00	0.00	0.00	
Build 2°/100' @ 850' MD	850.00	0.00	268.42	850.00	0.00	0.00	0.00	0.00
Hold 7° INC	1199.99	7.00	268.42	1199.02	-20.96	-0.59	-21.33	2.00
Drop 2°/100'	1521.25	7.00	268.42	1517.98	-59.43	-1.66	-60.47	0.00
Hold Vertical	1871.13	0.00	268.42	1867.00	-80.39	-2.25	-81.80	2.00
Build 9°/100'	4858.56	0.00	268.42	4854.43	-80.39	-2.25	-81.80	0.00
Hold 60° INC	5525.23	60.00	99.04	5405.76	237.92	-52.26	232.56	9.00
Build 9°/100', To Landing	5595.23	60.00	99.04	5435.76	289.88	-60.43	283.87	0.00
Landing Point, Hold to TD	5926.40	90.70	99.04	5521.00	616.02	-111.69	605.96	9.00
Chaco 2307-13I #204H BHL	11286.72	90.71	99.04	5455.00	5975.92	-954.28	5899.23	0.00

Vertical Section (ft) Azim = 99.189° Scale = 1:400(ft) Origin = 0N/-S, 0E/-W



Chaco 2307-131 #204H R0 mdv 09Jun14 Proposal Geodetic Report



(Def Plan)

Report Date: June 10, 2014 - 09:50 AM
Client: WPX Energy
Field: NM, Rio Arriba (NAD 27 CZ)
Structure / Slot: WPX Sec 13-23N-7W (Chaco 2307-131 Pad) / Chaco 2307-131 #204H
Well: Chaco 2307-131 #204H
Borehole: Original Hole
UWI / API#: Unknown / Unknown
Survey Name: Chaco 2307-131 #204H R0 mdv 09Jun14
Survey Date: December 11, 2013
Tort / AHD / DDI / ERD Ratio: 104.702 ° / 6138.161 ft / 6.119 / 1.112
Coordinate Reference System: NAD27 New Mexico State Plane, Central Zone, US Feet
Location Lat / Long: N 36° 13' 22.74790", W 107° 31' 8.05870"
Location Grid N/E Y/X: N 1902825.947 RUS, E 125721.293 RUS
CRS Grid Convergence Angle: -0.7499 °
Grid Scale Factor: 1.0000603
Version / Patch: 2.7.1043.0
Survey / DLS Computation: Minimum Curvature / Lubinski
Vertical Section Azimuth: 99.189 ° (True North)
Vertical Section Origin: 0.000 ft, 0.000 ft
TVD Reference Datum: RKB
TVD Reference Elevation: 6939.000 ft above MSL
Seabed / Ground Elevation: 6925.000 ft above MSL
Magnetic Declination: 9.469 °
Total Gravity Field Strength: 998.9183mgn (9.80665 Based)
Gravity Model: DOX
Total Magnetic Field Strength: 50160.557 nT
Magnetic Dip Angle: 63.012 °
Declination Date: December 11, 2013
Magnetic Declination Model: BGGM 2013
North Reference: True North
Grid Convergence Used: 0.0000 °
Total Corr Mag North-True North: 9.4689 °
Local Coord Referenced To: Well Head

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
Surface	0.00	0.00	268.42	0.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	100.00	0.00	268.42	100.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	200.00	0.00	268.42	200.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	300.00	0.00	268.42	300.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	400.00	0.00	268.42	400.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	500.00	0.00	268.42	500.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	600.00	0.00	268.42	600.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	700.00	0.00	268.42	700.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	800.00	0.00	268.42	800.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
Build 2"/100' @ 850' MD	850.00	0.00	268.42	850.00	0.00	0.00	0.00	0.00	1902825.95	125721.29	N 36 13 22.75	W 107 31 8.06
	900.00	1.00	268.42	900.00	-0.43	-0.01	-0.44	2.00	1902825.94	125720.86	N 36 13 22.75	W 107 31 8.06
	1000.00	3.00	268.42	999.93	-3.86	-0.11	-3.92	2.00	1902825.89	125717.37	N 36 13 22.75	W 107 31 8.11
Hold 7" INC	1100.00	5.00	268.42	1099.68	-10.71	-0.30	-10.90	2.00	1902825.79	125710.39	N 36 13 22.74	W 107 31 8.19
	1199.89	7.00	268.42	1199.02	-20.96	-0.59	-21.33	2.00	1902825.64	125699.95	N 36 13 22.74	W 107 31 8.32
	1200.00	7.00	268.42	1199.13	-20.98	-0.59	-21.35	0.00	1902825.64	125699.94	N 36 13 22.74	W 107 31 8.32
	1300.00	7.00	268.42	1298.39	-32.95	-0.92	-33.52	0.00	1902825.46	125687.76	N 36 13 22.74	W 107 31 8.47
	1400.00	7.00	268.42	1397.64	-44.92	-1.26	-45.70	0.00	1902825.29	125675.58	N 36 13 22.74	W 107 31 8.62
Drop 2"/100'	1500.00	7.00	268.42	1496.90	-56.88	-1.59	-57.88	0.00	1902825.11	125663.39	N 36 13 22.73	W 107 31 8.77
	1521.25	7.00	268.42	1517.98	-59.43	-1.66	-60.47	0.00	1902825.08	125660.80	N 36 13 22.73	W 107 31 8.80
	1600.00	5.42	268.42	1596.27	-67.80	-1.90	-68.98	2.00	1902824.95	125652.29	N 36 13 22.73	W 107 31 8.90
Hold Vertical	1700.00	3.42	268.42	1695.97	-75.37	-2.11	-76.69	2.00	1902824.84	125644.58	N 36 13 22.73	W 107 31 8.99
	1800.00	1.42	268.42	1795.88	-79.52	-2.23	-80.92	2.00	1902824.78	125640.35	N 36 13 22.73	W 107 31 9.05
	1871.13	0.00	268.42	1867.00	-80.39	-2.25	-81.80	2.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	1900.00	0.00	268.42	1895.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2000.00	0.00	268.42	1995.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2100.00	0.00	268.42	2095.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2200.00	0.00	268.42	2195.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2300.00	0.00	268.42	2295.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2400.00	0.00	268.42	2395.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2500.00	0.00	268.42	2495.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2600.00	0.00	268.42	2595.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2700.00	0.00	268.42	2695.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2800.00	0.00	268.42	2795.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	2900.00	0.00	268.42	2895.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3000.00	0.00	268.42	2995.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3100.00	0.00	268.42	3095.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3200.00	0.00	268.42	3195.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3300.00	0.00	268.42	3295.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3400.00	0.00	268.42	3395.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3500.00	0.00	268.42	3495.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3600.00	0.00	268.42	3595.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3700.00	0.00	268.42	3695.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3800.00	0.00	268.42	3795.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	3900.00	0.00	268.42	3895.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4000.00	0.00	268.42	3995.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4100.00	0.00	268.42	4095.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4200.00	0.00	268.42	4195.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4300.00	0.00	268.42	4295.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4400.00	0.00	268.42	4395.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4500.00	0.00	268.42	4495.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4600.00	0.00	268.42	4595.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4700.00	0.00	268.42	4695.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4800.00	0.00	268.42	4795.87	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
Build 9"/100'	4858.56	0.00	268.42	4854.43	-80.39	-2.25	-81.80	0.00	1902824.77	125639.47	N 36 13 22.73	W 107 31 9.06
	4900.00	3.73	99.04	4895.84	-79.04	-2.46	-80.47	9.00	1902824.54	125640.79	N 36 13 22.72	W 107 31 9.04
	5000.00	12.73	99.04	4994.71	-64.74	-4.71	-66.35	9.00	1902822.11	125654.89	N 36 13 22.70	W 107 31 8.87
	5100.00	21.73	99.04	5090.12	-35.15	-9.36	-37.13	9.00	1902817.08	125684.05	N 36 13 22.66	W 107 31 8.51
	5200.00	30.73	99.04	5179.73	9.00	-16.29	6.48	9.00	1902809.57	125727.56	N 36 13 22.59	W 107 31 7.98
	5300.00	39.73	99.04	5261.33	66.62	-25.35	63.39	9.00	1902799.77	125784.35	N 36 13 22.50	W 107 31 7.29
	5400.00	48.73	99.04	5332.92	136.30	-36.30	132.20	9.00	1902787.92	125853.02	N 36 13 22.39	W 107 31 6.45
	5500.00	57.73	99.04	5392.71	216.32	-48.87	211.23	9.00	1902774.31	125931.88	N 36 13 22.26	W 107 31 5.48
	5525.23	60.00	99.04	5405.76	237.92	-52.26	232.56	9.00	1902770.64	125953.16	N 36 13 22.23	W 107 31 5.22
Build 9"/100', To Landing	5585.23	60.00	99.04	5435.76	289.88	-60.43	283.87	0.00	1902761.80	126004.37	N 36 13 22.15	W 107 31 4.59
	5600.00	61.33	99.04	5443.00	302.76	-62.45	296.59	9.00	1902759.61	126017.06	N 36 13 22.13	W 107 31 4.44
	5700.00	70.33	99.04	5483.90	393.89	-76.77	386.60	9.00	1902744.12	126108.87	N 36 13 21.99	W 107 31 3.34
	5800.00	79.33	99.04	5510.04	490.31	-91.93	481.81	9.00	1902727.72	126201.89	N 36 13 21.84	W 107 31 2.18
	5900.00	88.33	99.04	5520.78	589.63	-107.54	579.90	9.00	1902710.82	126299.77	N 36 13 21.68	W 107 31 0.98
Landing Point, Hold to TD	5926.40	90.71	99.04	5521.00	616.02	-111.69	605.96	9.00	1902706.33	126325.78	N 36 13 21.64	W 107 31 0.66
	6000.00	90.71	99.04	5520.10	689.62	-123.26	678.65	0.00	1902693.81	126398.31	N 36 13 21.53	W 107 30 59.78
	6100.00	90.71	99.04	5518.87	789.61	-138.98	777.39	0.00	1902676.80	126496.85	N 36 13 21.37	W 107 30 58.57
	6200.00	90.71	99.04	5517.63	889.60	-154.70	876.14	0.00	1902659.79	126595.39	N 36 13 21.22	W 107 30 57.37
	6300.00	90.71	99.04	5516.40	989.60	-170.42	974.88	0.00	1902642.78	126693.93	N 36 13 21.06	W 107 30 56.16
	6400.00	90.71	99.04	5515.17	1089.59	-						

Comments	MD (ft)	Incl (°)	Azim True (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
	6600.00	90.71	99.04	5512.71	1289.57	-217.57	1271.14	0.00	1902591.74	126989.55	N 36 13 20.60	W 107 30 52.55
	6700.00	90.71	99.04	5511.48	1389.56	-233.29	1369.89	0.00	1902574.73	127088.09	N 36 13 20.44	W 107 30 51.34
	6800.00	90.71	99.04	5510.25	1489.56	-249.01	1468.64	0.00	1902557.72	127186.63	N 36 13 20.29	W 107 30 50.14
	6900.00	90.71	99.04	5509.02	1589.55	-264.73	1567.39	0.00	1902540.71	127285.17	N 36 13 20.13	W 107 30 48.93
	7000.00	90.71	99.04	5507.79	1689.54	-280.45	1666.14	0.00	1902523.69	127383.71	N 36 13 19.97	W 107 30 47.73
	7100.00	90.71	99.04	5506.56	1789.53	-296.17	1764.89	0.00	1902506.68	127482.25	N 36 13 19.82	W 107 30 46.52
	7200.00	90.71	99.04	5505.33	1889.53	-311.89	1863.63	0.00	1902489.67	127580.79	N 36 13 19.66	W 107 30 45.32
	7300.00	90.71	99.04	5504.10	1989.52	-327.61	1962.38	0.00	1902472.66	127679.34	N 36 13 19.51	W 107 30 44.11
	7400.00	90.71	99.04	5502.87	2089.51	-343.33	2061.13	0.00	1902455.65	127777.88	N 36 13 19.35	W 107 30 42.90
	7500.00	90.71	99.04	5501.64	2189.50	-359.05	2159.88	0.00	1902438.64	127876.42	N 36 13 19.20	W 107 30 41.70
	7600.00	90.71	99.04	5500.40	2289.49	-374.77	2258.63	0.00	1902421.63	127974.96	N 36 13 19.04	W 107 30 40.49
	7700.00	90.71	99.04	5499.17	2389.49	-390.49	2357.38	0.00	1902404.62	128073.50	N 36 13 18.89	W 107 30 39.29
	7800.00	90.71	99.04	5497.94	2489.48	-406.21	2456.13	0.00	1902387.60	128172.04	N 36 13 18.73	W 107 30 38.08
	7900.00	90.71	99.04	5496.71	2589.47	-421.93	2554.88	0.00	1902370.59	128270.58	N 36 13 18.57	W 107 30 36.88
	8000.00	90.71	99.04	5495.48	2689.46	-437.64	2653.63	0.00	1902353.58	128369.12	N 36 13 18.42	W 107 30 35.67
	8100.00	90.71	99.04	5494.25	2789.45	-453.36	2752.38	0.00	1902336.57	128467.66	N 36 13 18.26	W 107 30 34.47
	8200.00	90.71	99.04	5493.02	2889.45	-469.08	2851.13	0.00	1902319.56	128566.20	N 36 13 18.11	W 107 30 33.26
	8300.00	90.71	99.04	5491.79	2989.44	-484.80	2949.88	0.00	1902302.55	128664.74	N 36 13 17.95	W 107 30 32.06
	8400.00	90.71	99.04	5490.56	3089.43	-500.52	3048.62	0.00	1902285.54	128763.28	N 36 13 17.80	W 107 30 30.85
	8500.00	90.71	99.04	5489.32	3189.42	-516.24	3147.37	0.00	1902268.53	128861.82	N 36 13 17.64	W 107 30 29.65
	8600.00	90.71	99.04	5488.09	3289.41	-531.96	3246.12	0.00	1902251.51	128960.36	N 36 13 17.49	W 107 30 28.44
	8700.00	90.71	99.04	5486.86	3389.41	-547.68	3344.87	0.00	1902234.50	129058.91	N 36 13 17.33	W 107 30 27.24
	8800.00	90.71	99.04	5485.63	3489.40	-563.40	3443.62	0.00	1902217.49	129157.45	N 36 13 17.17	W 107 30 26.03
	8900.00	90.71	99.04	5484.40	3589.39	-579.12	3542.37	0.00	1902200.48	129255.99	N 36 13 17.02	W 107 30 24.83
	9000.00	90.71	99.04	5483.17	3689.38	-594.83	3641.12	0.00	1902183.47	129354.53	N 36 13 16.86	W 107 30 23.62
	9100.00	90.71	99.04	5481.94	3789.38	-610.55	3739.87	0.00	1902166.46	129453.07	N 36 13 16.71	W 107 30 22.42
	9200.00	90.71	99.04	5480.70	3889.37	-626.27	3838.62	0.00	1902149.45	129551.61	N 36 13 16.55	W 107 30 21.21
	9300.00	90.71	99.04	5479.47	3989.36	-641.99	3937.37	0.00	1902132.44	129650.15	N 36 13 16.40	W 107 30 20.01
	9400.00	90.71	99.04	5478.24	4089.35	-657.71	4036.12	0.00	1902115.43	129748.69	N 36 13 16.24	W 107 30 18.80
	9500.00	90.71	99.04	5477.01	4189.34	-673.43	4134.87	0.00	1902098.42	129847.23	N 36 13 16.09	W 107 30 17.60
	9600.00	90.71	99.04	5475.78	4289.34	-689.15	4233.61	0.00	1902081.40	129945.77	N 36 13 15.93	W 107 30 16.39
	9700.00	90.71	99.04	5474.55	4389.33	-704.87	4332.36	0.00	1902064.39	130044.31	N 36 13 15.77	W 107 30 15.19
	9800.00	90.71	99.04	5473.32	4489.32	-720.59	4431.11	0.00	1902047.38	130142.85	N 36 13 15.62	W 107 30 13.98
	9900.00	90.71	99.04	5472.08	4589.31	-736.30	4529.86	0.00	1902030.37	130241.39	N 36 13 15.46	W 107 30 12.78
	10000.00	90.71	99.04	5470.85	4689.30	-752.02	4628.61	0.00	1902013.36	130339.93	N 36 13 15.31	W 107 30 11.57
	10100.00	90.71	99.04	5469.62	4789.30	-767.74	4727.36	0.00	1901996.35	130438.48	N 36 13 15.15	W 107 30 10.37
	10200.00	90.71	99.04	5468.39	4889.29	-783.46	4826.11	0.00	1901979.34	130537.02	N 36 13 15.00	W 107 30 9.16
	10300.00	90.71	99.04	5467.16	4989.28	-799.18	4924.86	0.00	1901962.33	130635.56	N 36 13 14.84	W 107 30 7.96
	10400.00	90.71	99.04	5465.92	5089.27	-814.90	5023.61	0.00	1901945.32	130734.10	N 36 13 14.69	W 107 30 6.75
	10500.00	90.71	99.04	5464.69	5189.26	-830.62	5122.36	0.00	1901928.31	130832.64	N 36 13 14.53	W 107 30 5.55
	10600.00	90.71	99.04	5463.46	5289.26	-846.34	5221.11	0.00	1901911.30	130931.18	N 36 13 14.37	W 107 30 4.34
	10700.00	90.71	99.04	5462.23	5389.25	-862.06	5319.86	0.00	1901894.28	131029.72	N 36 13 14.22	W 107 30 3.14
	10800.00	90.71	99.04	5461.00	5489.24	-877.77	5418.60	0.00	1901877.27	131128.26	N 36 13 14.06	W 107 30 1.93
	10900.00	90.71	99.04	5459.76	5589.23	-893.49	5517.35	0.00	1901860.26	131226.80	N 36 13 13.91	W 107 30 0.73
	11000.00	90.71	99.04	5458.53	5689.22	-909.21	5616.10	0.00	1901843.25	131325.34	N 36 13 13.75	W 107 29 59.52
	11100.00	90.71	99.04	5457.30	5789.22	-924.93	5714.85	0.00	1901826.24	131423.88	N 36 13 13.60	W 107 29 58.32
	11200.00	90.71	99.04	5456.07	5889.21	-940.65	5813.60	0.00	1901809.23	131522.42	N 36 13 13.44	W 107 29 57.11
Chaco 2307-13I #204H BHL	11286.72	90.71	99.04	5455.00	5975.92	-954.28	5899.23	0.00	1901794.48	131607.88	N 36 13 13.31	W 107 29 56.07

Survey Type: Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma

Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size (in)	Casing Diameter (in)	Survey Tool Type	Borehole / Survey
	1	0.000	14.000	1/100.000	30.000	30.000	SLB_MWD-STD-Depth Only	Original Hole / Chaco 2307-13I #204H R0 mdv 09Jun14
	1	14.000	11286.718	1/100.000	30.000	30.000	SLB_MWD-STD	Original Hole / Chaco 2307-13I #204H R0 mdv 09Jun14

1. INTRODUCTION

WPX Energy Production, LLC (WPX), is providing this Surface Use Plan of Operations (SUPO) to the Bureau of Land Management – Farmington Field Office (BLM-FFO) as part of their Chaco 2307-131 Nos. 187H, 203H, and 204H (187H/203H/204H) Applications for Permit to Drill (APDs). This SUPO is provided per Onshore Oil and Gas Order No. 1. This SUPO serves as a revision to the original 186H/187H/203H/204H SUPO.

The project was originally for four wells (the 186H, 187H, 20H and 204H). The wells, which were to drill to minerals managed by the BLM-FFO, were each to be permitted under an approved APD. The associated well pad (including construction zone), which was to be located on-lease, was to be approved under the approved APDs. The project also included one staging area (an existing well pad), which was to be permitted under an agreement between WPX and Elm Ridge Exploration Company, LLC (Elm Ridge). A SUPO was originally developed for the 186H/187H/203H/204H project in March 2014. An approved APD (American Petroleum Institute No. 30-039-31208) has been issued for the 187H well.

WPX has now eliminated the 186H well from the project. The two remaining non-permitted wells (203H and 204H) which will drill to BLM-FFO-managed minerals and which will each be permitted under an approved APD will be drilled from the originally permitted well pad; the permitted well pad will not be expanded. A difference between the originally permitted project will be that an existing access road, which currently travels through the center of the well pad, will be rerouted through the northern portion of the well pad and construction zone.

Pre-disturbance onsite meetings for the 186H/187H project were held on December 19, 2012, and July 31, 2013. The BLM-FFO, WPX, and an environmental consultant (Nelson Consulting, Inc.) attended the meetings. Because no additional surface disturbance is associated with the addition of the 203H and 204H wells to the project, additional onsite meetings were deemed unnecessary.

In addition to the best management practices (BMPs) provided below and in the Surface Reclamation Plan (Reclamation Plan; Appendix A), the general Conditions of Approval will be followed, if any are attached to the approved APDs.

2. PROJECT LOCATION AND DESCRIPTION

2.1. Project Location

The project area is located on BLM-FFO surface in Rio Arriba County, New Mexico.

The project area is located approximately 42 miles south-southeast of the town of Bloomfield, New Mexico. To access the proposed project area, head southward on U.S. Highway 550 from the U.S. Highway 550-U.S. Highway 64 intersection for approximately 51 miles, then turn right onto an existing road for approximately 0.4 mile, and then turn right onto an existing road for approximately 0.5 mile before reaching the 187H/203H/204H well pad. The access route from U.S. Highway 550 is depicted on Figure B.1 (Appendix B) and on the construction plats provided in the APDs.

The project area and staging area are located within the northeastern quarter of the southeastern quarter of Section 13 of Township 23 North, Range 7 West (New Mexico Principal Meridian).

The latitude and longitude of the bottom holes and surface holes (wellheads) are provided in the below table.

weeks. Working areas will be confined to the project area described in Section 2 (Project Location and Description).

Vegetation and topsoil removal, storage, and protection are described in detail in the Reclamation Plan (Appendix A).

An erosional headcut drainage within the northeastern corner (Corner 3) of the well pad construction zone will be filled during construction.

The well pad will be leveled with a D-8 bulldozer to provide space and a level surface for vehicles and equipment. Excavated materials from cuts will be used on fill portions of the well pad to level the pad. Approximately 14 feet of cut and 17 feet of fill will be needed to create a level well pad.

Construction and maintenance activities will cease when soil or road surfaces become saturated to the extent that construction equipment is unable to stay within the project area and/or when activities cause irreparable harm to roads, soils, or streams. No frozen soils will be used for construction purposes.

Construction plats are provided in the APDs.

9. METHODS FOR HANDLING WASTE DISPOSAL

- ✓ Drilling operations will utilize a closed-loop system. Drilling of the horizontal lateral will be accomplished with water-based mud. All cuttings will be hauled to a commercial disposal facility or land farm. WPX will follow New Mexico Oil Conservation Division "Pit Rule" guidelines and Onshore Order No. 1 regarding the placement, operation, and removal of closed-loop systems. No blow pit will be used.

If drilling has not been initiated on the well pad within 120 days of the well pad being constructed, the operator will submit a site-stabilization plan to the BLM-FFO.

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. Portable toilets will be provided and maintained during construction, as needed (see Figures B.3 and B.4 [Appendix B] for the location of toilets and trash receptacles).

10. ANCILLARY FACILITIES

Pipelines will be permitted at a later date.

One staging area will be used; it is described in Section 2.2 (Project Description). During staging, WPX will stay within the boundaries of the previously disturbed well pad associated with the staging area. During interim reclamation, WPX will repair any damage to and reseed the staging area (with the exception of portions of the staging area that Elm Ridge prefers to remain unseeded).

11. WELL SITE LAYOUT

The approximate cuts, approximate fills, and orientation for the well pad are depicted on the construction plats in the APDs. Rig orientation and the location of drilling equipment and topsoil or spoil material stockpiles are depicted on Figure B.3 (Appendix B). The layout of the completions rigs is depicted on Figure B.4 (Appendix B). The interim reclamation/long-term disturbance layout is depicted on Figure B.5 (Appendix B) and is described below.

- The following areas (known as the "non-reseed working areas") will remain unreclaimed throughout the lifetime of the project:

