

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised August 1, 2011

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

WELL API NO. 30-039-31294
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E012079
7. Lease Name or Unit Agreement Name 132829
8. Well Number NE CHACO COM #243H
9. OGRID Number 120782
10. Pool name or Wildcat Chaco Unit NE HZ
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6858'

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
WPX ENERGY PRODUCTION, LLC.

3. Address of Operator  
721 SOUTH MAIN AZTEC NM

4. Well Location  
 Unit Letter \_\_\_\_\_ : 1449' \_\_\_\_\_ feet from the SOUTH line and 344' \_\_\_\_\_ feet from the WEST line  
 Section 16 Township 23N Range 6W NMPM County RIO ARRIBA

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

**NOTICE OF INTENTION TO:**  
 PERFORM REMEDIAL WORK  PLUG AND ABANDON   
 TEMPORARILY ABANDON  CHANGE PLANS   
 PULL OR ALTER CASING  MULTIPLE COMPL   
 DOWNHOLE COMMINGLE

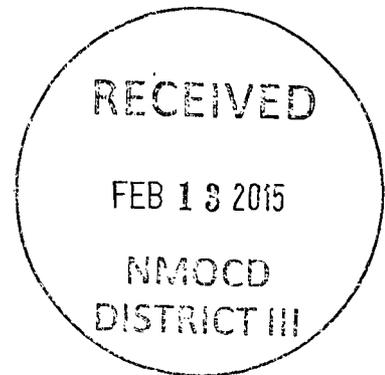
**SUBSEQUENT REPORT OF:**  
 REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  P AND A   
 CASING/CEMENT JOB

OTHER: **CHANGE OF OPS PLANS**

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

WPX plans to adjust the surface depth from 400' to ~320'. Attached is an updated Operational Plan.



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE TITLE PERMIT TECH III DATE 2/11/15

Type or print name \_\_\_\_\_ E-mail address: \_\_\_\_\_ PHONE: \_\_\_\_\_  
**For State Use Only**

APPROVED BY: TITLE SUPERVISOR DISTRICT #3 DATE FEB 20 2015  
 Conditions of Approval (if any): **FV**

**WPX ENERGY**

**Operations Plan**

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

<b><u>DATE:</u></b>	10/20/2014	<b><u>FIELD:</u></b>	Chaco Unit NE HZ (oil)
<b><u>WELL NAME:</u></b>	NE Chaco COM #243H	<b><u>SURFACE:</u></b>	STATE
<b><u>SH Location:</u></b>	NWSW Sec 16-23N-6W	<b><u>ELEVATION:</u></b>	6,859' GR
<b><u>BH Location:</u></b>	NESE Sec 16-23N-6W Rio Arriba Co, NM	<b><u>MINERALS:</u></b>	STATE
<b><u>MEASURED DEPTH:</u></b>	11,375'	<b><u>LEASE #:</u></b>	E012079

**I. GEOLOGY:** Surface formation – San Jose

**A. FORMATION TOPS:** ( KB)

Ojo Alamo	1371	1360	Point Lookout	4499	4201
Kirtland	1500	1483	Mancos	4719	4400
Picture Cliffs	1984	1927	Gallup	5938	5426
Lewis	2024	<b>1963</b>	Kickoff Point	5002	4656
Chacra	2342	2251	Top Target	5906	5410
Cliff House	3672	<b>3453</b>	Landing Point	5885	5400
Menefee	3696	3476	Base Target	5885	5400
			<b>TD</b>	<b>11,375</b>	<b>5,433</b>

**B. MUD LOGGING PROGRAM:** Mudlogger on location from surface csg to TD.

**C. LOGGING PROGRAM:** LWD GR from surface casing to TD. LWD GR / E- Sonic will be run in Lateral.

**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, the curve portion of the wellbore. 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 +/- 5,002' (MD) / 4,656' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 5,885' (MD) / 5,400' (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 +/- 11,375' (MD) / 5,433' (TVD). Will run 4-1/2 in. Production Liner from

+/- 5,735 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"	320'	9 5/8	36#	J-55
Intermediate	8.75"	5,885'	7	23#	K-55
Prod. Liner	6.125"	5,735'-11,375'	4-1/2"	11.6#	N-80
Tie-Back String	N/A	Surf. - 6,024'	4-1/2"	11.6#	N-80

**B. FLOAT EQUIPMENT:**

- SURFACE CASING:** 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
- 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.
- 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 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.
- TIE-BACK CASING:** None

**C. CEMENTING:**

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

- 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.
- INTERMEDIATE:** 20 bbl (112 cu-ft) Mud Flush III spacer + Lead: +/- 700 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.
- 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 ( 536.3 cu ft / 95.5 bbls). Mix Foamed Cement w/ +/- 75,000 SCF Nitrogen. Est. TOC +/- 5,724 ft.