OIL CONS. DIV DIST. 3

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Farmington Field Office
Bureau of Land Management

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NMSF 078362
	6. If Indian, Allottee or Tribe Name
	7. If Unit of CA/Agreement, Name and/or No. 132829
	8. Well Name and No. NE Chaco Com #265H
2. Name of Operator WPX Energy Production, LLC	9. API Well No. 30-039-31290
3a. Address PO Box 640 Aztec, NM 87410 3b. Phone No. *(include area code)* 505-333-1816	10. Field and Pool or Exploratory Area Chaco Unit NE HZ (oil)
4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* SHL: 1366' FSL & 268' FWL, SEC 5, T23N, R6W BHL: 1553' FNL & 915' FWL, SEC 6 T23N R6W	11. Country or Parish, State Rio Arriba, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other **CHANGE OF OPS PLANS-**
☐ Subsequent Report	☒ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. 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 performed 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 determined that the site is ready for final inspection.)

WPX Energy would like to change ops plans per attachment.

NOTE:
Upgrade 7" casing to be rated higher than stimulation pressure.
Will not run tie back string for completions operations.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)* LACEY GRANILLO	Title Permit Tech III
Signature	Date 5/7/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by William Tambekou	Title Petroleum Engineer	Date 5-8-15
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.	Office FFO	

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.

NMOCD

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WPXENERGY

WPX ENERGY

Operations Plan

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

DATE:	5/6/15	**FIELD:**	Chaco Unit NE HZ (Oil)
WELL NAME:	**NE Chaco COM # 265H**	**SURFACE:**	BLM
SH Location:	NWSW Sec 5 -23N -06W	**ELEVATION:**	6830' GR
BH Location:	SWNW Sec 6 -23N -06W Rio Arriba CO., NM	**MINERALS:**	Federal
MEASURED DEPTH:	**10,285**	**LEASE #:**	NMSF0078362

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

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

Name	MD	TVD	Name	MD	TVD
Ojo Alamo	1417	1404	Point Lookout	4477	4271
Kirtland	1749	1716	Mancos	4717	4496
Picture Cliffs	2051	1999	**Kickoff Point**	**4972**	4913
Lewis	2177	2117	Top Target	5795	5536
Chacra	2526	2444	**Landing Point**	**6045**	5580
Cliff House	3689	3533	Base Target	6045	5580
Menefee	3731	3572			
			TD	10285	5494

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 ¾" 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 +/- 4,972' (MD) / 4,913' (TVD). Curve portion of wellbore will be drilled and landed at +/- 90 deg. at +/- 6,045' (MD) / 5,580' (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 +/- 10,285' (MD) / 5,494' (TVD). Will run 4-1/2 in. Production Liner from +/- 5,895 ft. to TD and cemented.

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 6,094 ft. MD) with a Liner Hanger and pack-off assembly then cemented to +/- 300 ft above the liner hanger. TOL will be +/- 5,944 ft. (MD) +/- 78 degree angle. TOC: +/- 5,644 ft. (MD).

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

No tie back string will be ran back to surface. All stimulation activities will be performed down the 7" casing.

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