

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, 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: 4-7-16

Well information;

Operator WPX, Well Name and Number W. Lybrook 2nd 729H

API# 30-045-35771, Section 23, Township 23 N/S, Range 9 E/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
- Submit Gas Capture Plan form prior to spudding or initiating recompletion 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.

Chad Xerri
NMOCD Approved by Signature

7-15-2016
Date

RECEIVED

APR 08 2016

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. Lease Serial No. **POE**
~~NO-G-1312-1863~~ **NMNM-121-961**
6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL OR REENTER **Burlington Field Office**
Bureau of Land Management

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. NMNM 135216X	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. W. Lybrook Unit #729H	
2. Name of Operator WPX Energy Production, LLC		9. API Well No. 30-045-35771	
3a. Address P.O. Box 640 Aztec, NM 87410	3b. Phone No. (include area code) (505) 333-1816	10. Field and Pool, or Exploratory Lybrook Mancos W.	
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface 534' FSL & 553' FWL SEC 23, 23N 9W At proposed prod. zone 330' FNL & 278' FEL SEC 21, 23N 9W		11. Sec., T., R., M., or Blk. and Survey or Area SHL: Sec 23, T23N, R9W BHL: Sec 21, T23N, R9W	
14. Distance in miles and direction from nearest town or post office* From intersection US HWY 550 & US HWY 64 Bloomfield, NM South HWY 550 37.8 miles to MM 113.4		12. County or Parish San Juan	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 534'	16. No. of Acres in lease 160 acres	17. Spacing Unit dedicated to this well 12,807.24 acres	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 20'	19. Proposed Depth 12789.56' MD / 4678' TVD	20. BLM/BIA Bond No. on file B001576	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6748' GR	22. Approximate date work will start* April 1, 2016	23. Estimated duration 1 month	

OIL CONS. DIV DIST. 3
DEC 13 2016

KP

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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature	Name (Printed/Typed) Lacey Granillo	Date 4-7-16
Title Permit Technician III		
Approved by (Signature)	Name (Printed/Typed) AFN	Date 12/12/16
Title AFN	Office FEO	

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 Mancos W 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 FIMO and is on lease on IA lands and will be twinned with the W. Lybrook Unit #726H/728H/759H/760H761H.

This location has been archaeologically surveyed by WESTERN. Copies of their report have been submitted directly to the BLM, FIMO, BIA & NNHPD.

The new 9392.6' on lease road on Navajo Allotted surface will be built and permitted via the APD.

A new 89.4' on lease pipeline of BLM lands will be built and permitted via the APD, 4793.6' will be on Navajo Allotted surface.

The facilities for the well will be located on the Remote Facilities Pad 23-8-18D located on BLM surface and will be built & permitted via the APD.

DRILLING OPERATIONS AUTHORIZED
ARE SUBJECT TO COMPLIANCE WITH
ATTACHED "GENERAL REQUIREMENTS"

This action is subject to
technical and procedural review
pursuant to 43 CFR 3165.4
appeal pursuant to 43 CFR 3165.4

NMOGD **AV**

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

WPX Energy**Operations Plan***(Note: This procedure will be adjusted onsite based upon actual conditions)*

Date:	April 14, 2016	Field:	Lybrook Mancos W
Well Name:	W Lybrook Unit 729H	Surface:	IA
SH Location:	SWSW Sec 23 23N-09W	Elevation:	6748' GR
BH Location:	NENE Sec 21 23N-09W	Minerals:	FED

Measured Depth: 12,789.56'**I. GEOLOGY**

Surface formation - NACIMIENTO

A. FORMATION TOPS: (KB)

NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	307	307	POINT LOOKOUT	3567	3374
KIRTLAND	469	469	MANCOS	3758	3549
PICTURED CLIFFS	1040	1037	GALLUP	4128	3888
LEWIS	1162	1156	KICKOFF POINT	4,091.97	3,854.85
CHACRA	1350	1338	TOP TARGET	5087	4618
CLIFF HOUSE	2552	2445	LANDING POINT	5,314.74	4,659.00
MENELEE	2570	2462	BASE TARGET	5,314.74	4,659.00
			TD	12,789.56	4,678.00

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 BOPE will be tested to 2,000 psi (High) for 10 minutes and the annular tested to 1,500 psi for 10 minutes. Pressure test surface casing to 1,500 psi for 30 minutes and intermediate casing to 1,500 psi for 30 minutes. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. All tests and inspections will be recorded in the tour book as to time and results.

III. MATERIALS

A. CASING PROGRAM:

CASING TYPE	OH SIZE (IN)	DEPTH (MD)	CSG SIZE	WEIGHT	GRADE	CONN
SURFACE	12.25"	320.00'	9.625"	36 LBS	J-55 or equiv	STC
INTERMEDIATE	8.75"	5,314.74'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5164.74' - 12,789.56'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf. - 5164.74'	4.5"	11.6 LBS	P-110 or equiv	LTC

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 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. If losses are encountered during the drilling of the intermediate section a DV tool will be utilized and a 2 stage cement job may be planned to ensure cement circ back to surface. The DV tool will be placed 100' above the top of the Chacra formation. If cement is circulated back to surface on the first stage, a cancelation device will be dropped to shift the dv tool closed and the 2nd stage cement job will be aborted at that time, if no cement is seen at surface on the 1st stage the stage tool will be opened and a 2nd stage cement job will be pumped.

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 + 1 RSI (Sliding Sleeve) 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.

C. CEMENT:

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

1. 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.

2. Intermediate:

Spacer #1: 20 bbl (112 cuft) Chemwash. Lead Cement: 98 bbls, 278 sks, (548 cuft), 12.3 ppg @ 1.97 cuft/sk yield. Tail Cement: 59 bbls, 254 sks, (331 cuft), 13.5 ppg @ 1.3 cuft/sk yield. Displacement: Displace w/ +/- 209 bbl Drilling mud or water. Total Cement: 157 bbls, 533 sks, (879 cuft)

3. Prod Liner:

Spacer #1: 10 bbl (56 cu-ft) Water Spacer. Spacer #2: 40 bbl 9.5 ppg (224.6 cu-ft) Tuned Spacer III. Spacer #3: 10 bbl Water Spacer. Lead Cement: Extencem™ System. Yield 1.36 cuft/sk 13.3 ppg (747 sx /1016 cuft /181 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace 'Planned WBD'lw/ +/-172 ,bbl Fr Water. Total Cement

D. COMPLETION:

Run CCL for perforating

A. 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.

B. 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.

C. 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.

If this horizontal well is 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.

NOTES:

A 4-1/2" 11.6# P-110 Liner will be run to TD and landed +/- 150 ft. into the 7" 23# J-55 Intermediate casing with a Liner Hanger and pack-off assembly then cemented to top of liner hanger.

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

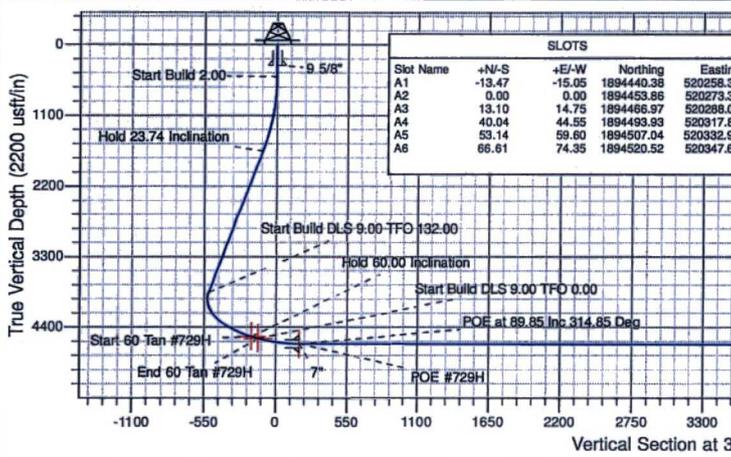
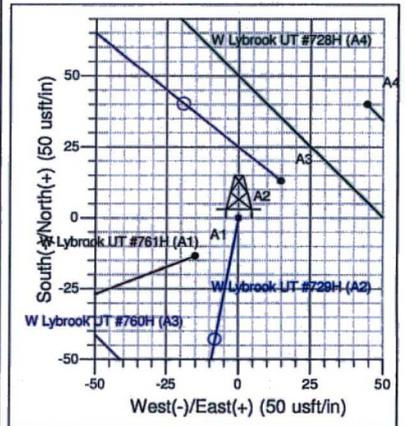
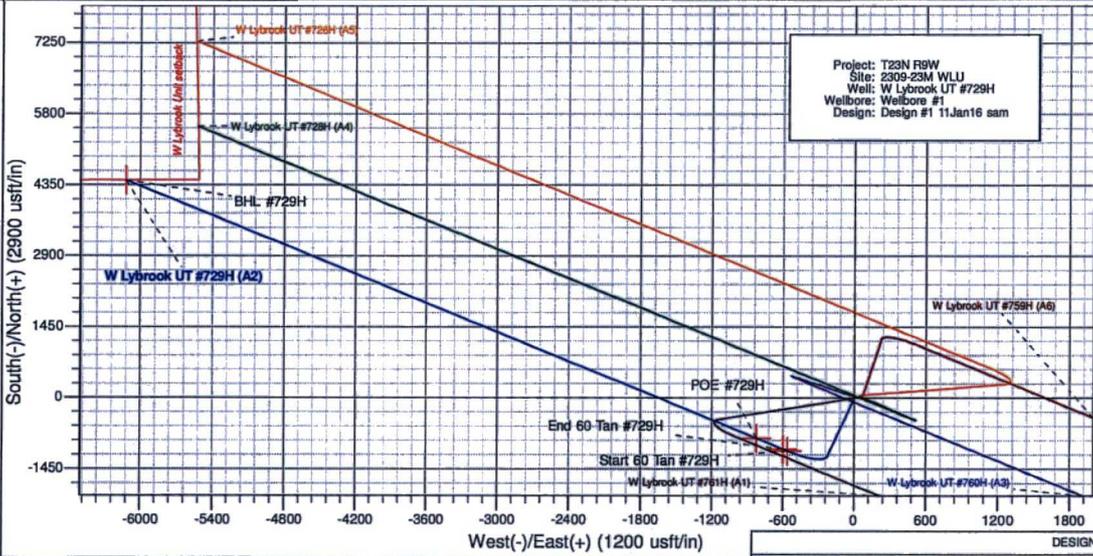


Well Name: W Lybrook UT #729H
 Surface Location: 2309-23M WLU
 NAD 1927 (NADCON CONUS) , US State Plane 1927 (Exact solution) New Mexico West 3003
 Ground Elevation: 6748.00

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	1894453.86	520273.35	36.206608	-107.764615	A2

GL @ 6748.00usft (Original Well Elev)

Azimuths to True North
 Magnetic North: 9.35°
 Magnetic Field
 Strength: 49881.6snT
 Dip Angle: 62.90°
 Date: 1/11/2016
 Model: IGRF2015



DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Start 60 Tan #729H	4543.71	-1084.44	-561.21	1893369.02	519712.91	36.203629	-107.765517	Point
End 60 Tan #729H	4573.71	-1047.79	-598.05	1893405.65	519676.04	36.203730	-107.765642	Point
POE #729H	4659.00	-824.44	-822.56	1893628.84	519451.37	36.204343	-107.767403	Point
BHL #729H	4678.00	4447.34	-6121.71	1898896.86	514146.49	36.218824	-107.785368	Point

ANNOTATIONS

TVD	MD	Inc	Azi	+N/-S	+E/-W	V/Sect	Departure	Annotation
500.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	Start Build 2.00
1653.17	1686.83	23.74	190.75	-238.09	-45.22	-103.36	242.34	Hold 23.74 Inclination
3954.85	4091.97	23.74	190.75	-1189.23	-225.85	-518.26	1210.49	Start Build DLS 9.00 TFO 132.00
4543.71	4923.02	60.00	314.85	-1084.44	-561.21	-183.34	1634.73	Hold 60.00 Inclination
4573.71	4963.02	60.00	314.85	-1047.79	-598.05	-132.00	1686.69	Start Build DLS 9.00 TFO 0.00
4659.00	5145.82	74.85	314.85	-942.14	-704.25	16.02	1836.50	Start DLS 9.00 TFO 0.00
4659.00	5314.74	89.85	314.85	-824.44	-822.56	180.92	2003.99	POE at 89.85 Inc 314.85 Deg
4678.00	12789.56	89.85	314.85	4447.34	-6121.71	7596.85	9478.19	TD at 12789.56



WPX Energy

T23N R9W

2309-23M WLU

W Lybrook UT #729H - Slot A2

Wellbore #1

Plan: Design #1 11Jan16 sam

Standard Planning Report

12 January, 2016

WPX
Planning Report

Database:	COMPASS	Local Co-ordinate Reference:	Well W Lybrook UT #729H (A2) - Slot A2
Company:	WPX Energy	TVD Reference:	GL @ 6748.00usft (Original Well Elev)
Project:	T23N R9W	MD Reference:	GL @ 6748.00usft (Original Well Elev)
Site:	2309-23M WLU	North Reference:	True
Well:	W Lybrook UT #729H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 11Jan16 sam		

Project	T23N R9W		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico West 3003		

Site	2309-23M WLU				
Site Position:	Northing:	1,894,520.52 usft	Latitude:	36.206791	
From: Map	Easting:	520,347.65 usft	Longitude:	-107.764363	
Position Uncertainty:	0.00 usft	Slot Radius:	13.200 in	Grid Convergence:	0.04 °

Well	W Lybrook UT #729H - Slot A2					
Well Position	+N/-S	-66.61 usft	Northing:	1,894,453.86 usft	Latitude:	36.206608
	+E/-W	-74.35 usft	Easting:	520,273.35 usft	Longitude:	-107.764615
Position Uncertainty	0.00 usft	Wellhead Elevation:	0.00 usft	Ground Level:	6,748.00 usft	

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2015	1/11/2016	9.34	62.90	49,882

Design	Design #1 11Jan16 sam			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (bearing)
	0.00	0.00	0.00	306.00

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,686.83	23.74	190.75	1,653.17	-238.09	-45.22	2.00	2.00	0.00	190.75	
4,091.97	23.74	190.75	3,854.85	-1,189.23	-225.85	0.00	0.00	0.00	0.00	
4,923.02	60.00	314.85	4,543.71	-1,084.44	-561.21	9.00	4.36	14.93	132.00	Start 60 Tan #729H
4,983.02	60.00	314.85	4,573.71	-1,047.79	-598.05	0.00	0.00	0.00	0.00	End 60 Tan #729H
5,145.82	74.65	314.85	4,636.30	-942.14	-704.25	9.00	9.00	0.00	0.00	
5,314.74	89.85	314.85	4,659.00	-824.44	-822.56	9.00	9.00	0.00	0.00	POE #729H
12,789.56	89.85	314.85	4,678.00	4,447.34	-6,121.71	0.00	0.00	0.00	0.00	BHL #729H

WPX
Planning Report

Database:	COMPASS	Local Co-ordinate Reference:	Well W Lybrook UT #729H (A2) - Slot A2
Company:	WPX Energy	TVD Reference:	GL @ 6748.00usft (Original Well Elev)
Project:	T23N R9W	MD Reference:	GL @ 6748.00usft (Original Well Elev)
Site:	2309-23M WLU	North Reference:	True
Well:	W Lybrook UT #729H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 11Jan16 sam		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
320.00	0.00	0.00	320.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8"										
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00										
1,000.00	10.00	190.75	997.47	-42.76	-8.12	-18.56	2.00	2.00	0.00	
1,500.00	20.00	190.75	1,479.82	-169.73	-32.23	-73.68	2.00	2.00	0.00	
1,686.83	23.74	190.75	1,653.17	-238.09	-45.22	-103.36	2.00	2.00	0.00	
Hold 23.74 Inclination										
2,000.00	23.74	190.75	1,939.85	-361.94	-68.74	-157.12	0.00	0.00	0.00	
2,500.00	23.74	190.75	2,397.55	-559.67	-106.29	-242.96	0.00	0.00	0.00	
3,000.00	23.74	190.75	2,855.25	-757.40	-143.84	-328.79	0.00	0.00	0.00	
3,500.00	23.74	190.75	3,312.96	-955.13	-181.39	-414.63	0.00	0.00	0.00	
4,000.00	23.74	190.75	3,770.66	-1,152.86	-218.94	-500.47	0.00	0.00	0.00	
4,091.97	23.74	190.75	3,854.85	-1,189.23	-225.85	-516.26	0.00	0.00	0.00	
Start Build DLS 9.00 TFO 132.00										
4,500.00	26.52	286.36	4,237.34	-1,246.22	-332.25	-463.67	9.00	0.68	23.43	
4,923.02	60.00	314.85	4,543.71	-1,084.44	-561.21	-183.34	9.00	7.91	6.74	
Hold 60.00 Inclination										
4,983.02	60.00	314.85	4,573.71	-1,047.79	-598.05	-132.00	0.00	0.00	0.00	
Start Build DLS 9.00 TFO 0.00										
5,000.00	61.53	314.85	4,582.00	-1,037.35	-608.55	-117.37	9.00	9.00	0.00	
5,145.82	74.65	314.85	4,636.30	-942.14	-704.25	16.02	9.00	9.00	0.00	
Start DLS 9.00 TFO 0.00										
5,314.74	89.85	314.85	4,659.00	-824.44	-822.56	180.92	9.00	9.00	0.00	
POE at 89.85 Inc 314.85 Deg										
5,315.00	89.85	314.85	4,659.00	-824.26	-822.75	181.17	0.00	0.00	0.00	
7"										
5,500.00	89.85	314.85	4,659.47	-693.78	-953.90	363.97	0.00	0.00	0.00	
6,000.00	89.85	314.85	4,660.74	-341.14	-1,308.37	858.01	0.00	0.00	0.00	
6,500.00	89.85	314.85	4,662.01	11.49	-1,662.83	1,352.05	0.00	0.00	0.00	
7,000.00	89.85	314.85	4,663.28	364.13	-2,017.30	1,846.09	0.00	0.00	0.00	
7,500.00	89.85	314.85	4,664.55	716.76	-2,371.77	2,340.13	0.00	0.00	0.00	
8,000.00	89.85	314.85	4,665.83	1,069.40	-2,726.23	2,834.17	0.00	0.00	0.00	
8,500.00	89.85	314.85	4,667.10	1,422.03	-3,080.70	3,328.21	0.00	0.00	0.00	
9,000.00	89.85	314.85	4,668.37	1,774.67	-3,435.17	3,822.25	0.00	0.00	0.00	
9,500.00	89.85	314.85	4,669.64	2,127.31	-3,789.63	4,316.29	0.00	0.00	0.00	
10,000.00	89.85	314.85	4,670.91	2,479.94	-4,144.10	4,810.33	0.00	0.00	0.00	
10,500.00	89.85	314.85	4,672.18	2,832.58	-4,498.57	5,304.38	0.00	0.00	0.00	
11,000.00	89.85	314.85	4,673.45	3,185.21	-4,853.03	5,798.42	0.00	0.00	0.00	
11,500.00	89.85	314.85	4,674.72	3,537.85	-5,207.50	6,292.46	0.00	0.00	0.00	
12,000.00	89.85	314.85	4,675.99	3,890.48	-5,561.96	6,786.50	0.00	0.00	0.00	
12,500.00	89.85	314.85	4,677.26	4,243.12	-5,916.43	7,280.54	0.00	0.00	0.00	
12,789.56	89.85	314.85	4,678.00	4,447.34	-6,121.71	7,566.65	0.00	0.00	0.00	
TD at 12789.56										

WPX
Planning Report

Database:	COMPASS	Local Co-ordinate Reference:	Well W Lybrook UT #729H (A2) - Slot A2
Company:	WPX Energy	TVD Reference:	GL @ 6748.00usft (Original Well Elev)
Project:	T23N R9W	MD Reference:	GL @ 6748.00usft (Original Well Elev)
Site:	2309-23M WLU	North Reference:	True
Well:	W Lybrook UT #729H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 11Jan16 sam		

Design Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(bearing	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape)							
Start 60 Tan #729H - plan hits target center - Point	0.00	0.00	4,543.71	-1,084.44	-561.21	1,893,369.02	519,712.91	36.203629	-107.766517
End 60 Tan #729H - plan hits target center - Point	0.00	0.00	4,573.71	-1,047.79	-598.05	1,893,405.65	519,676.04	36.203730	-107.766642
POE #729H - plan hits target center - Point	0.00	0.00	4,659.00	-824.44	-822.56	1,893,628.84	519,451.37	36.204343	-107.767403
BHL #729H - plan hits target center - Point	0.00	0.00	4,678.00	4,447.34	-6,121.71	1,898,896.86	514,148.49	36.218824	-107.785369

Casing Points					
Measured Depth	Vertical Depth	Name	Casing Diameter	Hole Diameter	
(usft)	(usft)		(in)	(in)	
320.00	320.00	9 5/8"	9.625	12.250	
5,315.00	4,659.00	7"	7.000	8.750	

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates		Comment	
(usft)	(usft)	+N/-S	+E/-W		
		(usft)	(usft)		
500.00	500.00	0.00	0.00	Start Build 2.00	
1,686.83	1,653.17	-238.09	-45.22	Hold 23.74 Inclination	
4,091.97	3,854.85	-1,189.23	-225.85	Start Build DLS 9.00 TFO 132.00	
4,923.02	4,543.71	-1,084.44	-561.21	Hold 60.00 Inclination	
4,983.02	4,573.71	-1,047.79	-598.05	Start Build DLS 9.00 TFO 0.00	
5,145.82	4,636.30	-942.14	-704.25	Start DLS 9.00 TFO 0.00	
5,314.74	4,659.00	-824.44	-822.56	POE at 89.85 Inc 314.85 Deg	
12,789.56	4,678.00	4,447.34	-6,121.71	TD at 12789.56	

✓ A. Cuttings

1. Drilling operations will utilize a closed-loop system. Drilling of the horizontal laterals will be accomplished with water-based mud. All cuttings will be placed in roll-off bins and hauled to a commercial disposal facility or land farm. WPX will follow Onshore Oil and Gas Order No. 1 regarding the placement, operation, and removal of closed-loop systems. No blow pit will be used.
2. Closed-loop tanks will be adequately sized for containment of all fluids.

B. Drilling Fluids

1. Drilling fluids will be stored onsite in above-ground storage tanks. Upon termination of drilling operations, the drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical. All residual fluids will be hauled to a commercial disposal facility.

C. Spills

1. Any spills of non-freshwater fluids will be immediately cleaned up and removed to an approved disposal site.

D. Sewage

1. Portable toilets will be provided and maintained during construction, as needed (see Figures 4 and 5 in Appendix B for the location of toilets).

E. Garbage and other water material

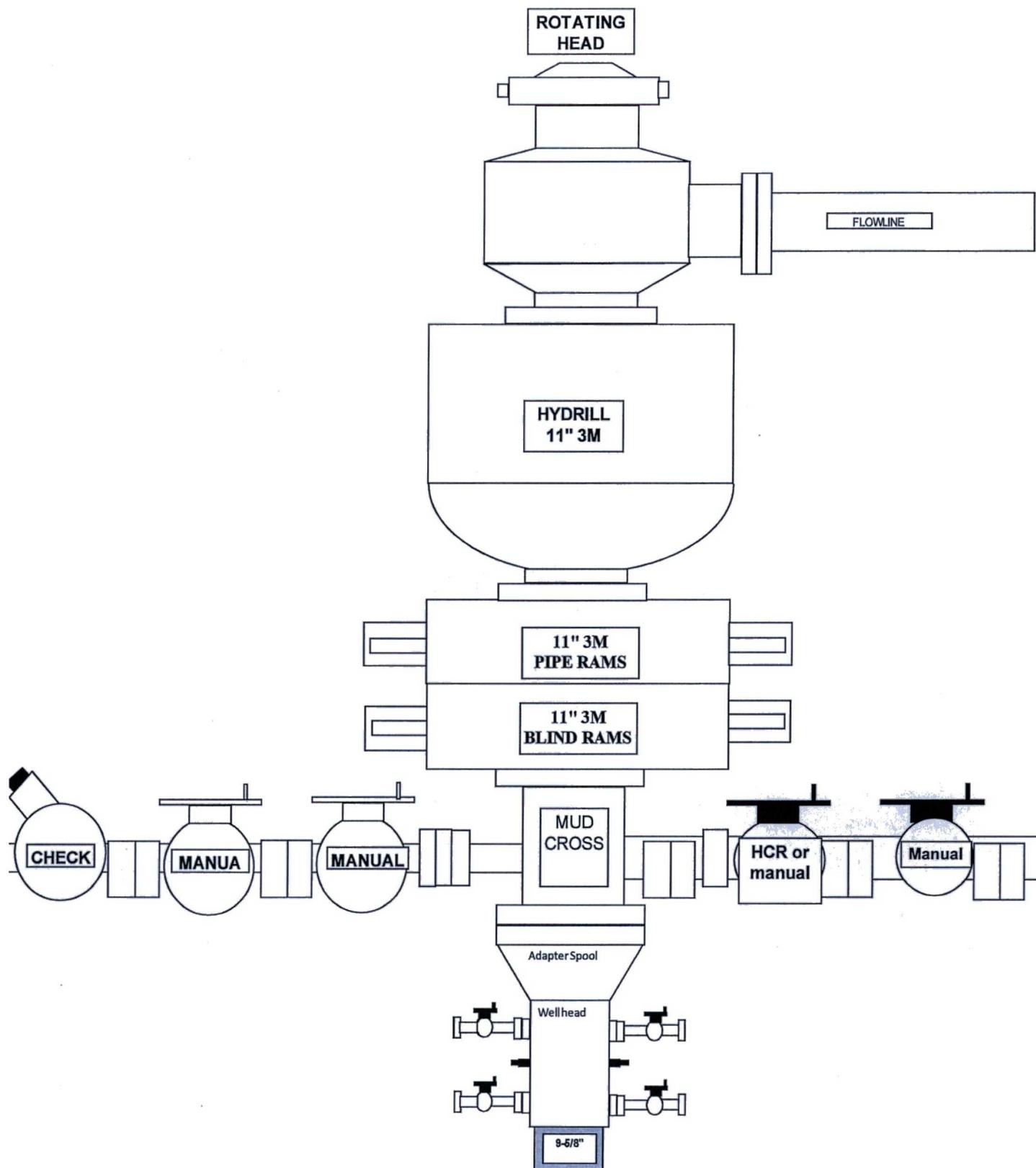
1. All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.

F. Hazardous Waste

1. No chemicals subject to reporting under Superfund Amendments and Reauthorization Act Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
2. No extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of these wells.
3. All fluids (i.e., scrubber cleaners) used during washing of production equipment will be properly disposed of to avoid ground contamination or hazard to livestock or wildlife.

G. Produced Water:

1. WPX Energy will dispose of produced water from this well at one of the following facilities:
 - a. Lybrook Yard WDW #1, API #30-039-27533, NMOCD permit #SWD-907, operated by Elm Ridge Resources, located in NE $\frac{1}{4}$, Section 14, Township 23 North, Range 7 West
 - b. Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW $\frac{1}{4}$, Section 8, Township 24 North, Range 3 West
 - c. Basin Disposal, permit #NM-01-005, located in the NW $\frac{1}{4}$, Section 3, Township 29 North, Range 11 West
 - d. Sunco SWD #001, API #30-045-28653, NMOCD permit SWD-457, operated by Key Energy, located in NW $\frac{1}{4}$, Section 2, Township 29 North, Range 12 West
2. Water will be hauled by truck. Some produced water may also be used in drilling and completion operations as an alternative disposal method.



Directions from the Intersection of US Hwy 550 & US Hwy 64
in Bloomfield, NM to WPX Energy Production, LLC W Lybrook Unit #729H
534' FSL & 553' FWL, Section 23, T23N, R9W, N.M.P.M., San Juan County, NM

Latitude: 36.206621°N Longitude: 107.765229°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 37.8 miles to Mile Marker 113.4;

Go Right (South-westerly) on County Road #7890 for 0.8 miles to fork in roadway;

Go Left (Southerly) remaining on County Road #7890 for 1.3 miles to four-way intersection;

Go Left (South-easterly) remaining on County Road #7890 for 0.6 miles to fork in roadway;

Go Right (South-westerly) remaining on County Road #7890 for 0.5 miles to WPX W Lybrook Unit #720H proposed access on right-hand side of County Road #7890;

Go Right (Westerly) exiting County Road #7890 following along WPX W Lybrook Unit #720H proposed access for 3123.1' to fork in proposed access;

Go Left (Westerly) which is straight, continuing for 4605.4' to staked WPX W Lybrook Unit #729H location.