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: 10-21-16
Well information:
Operator WPX, Well Name and Number W Lybrook Unit #722H

API# 30-045-35779, 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
- o Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- o 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
- o 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
- o 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 Hasse
NMOCD Approved by Signature

12-13-2016
Date

1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

14

Lessee WPX
Primary term
3 yrs - 12/9/15 +
4/27/16

NOS: 11/5/15
APD: S
MP:
SM: BIANAD
BOND: B001576
CA/PA: NM135216

1640000248
ATS-F010-1655

Form 3160-3
(March 2012)

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☑ DRILL ☐ REENTER	5. Lease Serial No. N0G13121862
1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☑ Multiple Zone	6. If Indian, Allotee or Tribe Name EASTERN NAVAJO
2. Name of Operator WPX ENERGY LLC	7. If Unit or CA Agreement, Name and No. NMNM13216X
3a. Address 720 S MAIN AZTEC NM 87410 / 3b. Phone No. (include area code) (505)333-1822	8. Lease Name and Well No. W LYBROOK UT / 722H
4. Location of Well (Report location clearly and in accordance with any State requirements.*)	9. API Well No. 30-045-35779
At surface S LOT 0 / 2556 FSL / 2037 FEL / LAT 36.212187 / LONG -107.756116	10. Field and Pool, or Exploratory LYBROOK MANCOS W
At proposed prod. zone C LOT 0 / 330 FNL / 1362 FWL / LAT 36.233181 / LONG -107.780623	11. Sec., T. R. M. or Blk. and Survey or Area SEC 23 / T23N / R9W / NMP
14. Distance in miles and direction from nearest town or post office*	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) 20 feet	16. No. of acres in lease 160 / 17. Spacing Unit dedicated to this well 480
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2037 feet	19. Proposed Depth 4739 feet / 15663 feet / 20. BLM/BIA Bond No. on file IND: B001576
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6719 feet	22. Approximate date work will start* 07/01/2016 / 23. Estimated duration 30 days

KP

OIL CONS. DIV DIST. 3
DEC 01 2016

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must 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 must 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 BLM.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	Lacey Granillo / Ph: (505)333-1816	06/21/2016

Title: Permitting Tech III

Approved by (Signature)	Name (Printed/Typed)	Date
/s/ Monica Owens		11/28/16
Title: AFM	Office: FARMINGTON	

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.

(Continued on page 2)

*(Instructions on page 2)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

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

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

NMOCD AV

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

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

☐ AMENDED REPORT

OIL CONS. DIV DIST. 3

DEC 06 2016

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-045-35779	98157	LYBROOK MANCOS W

4 Property Code	5 Property Name	6 Well Number
315280	W LYBROOK UNIT	722H
7 OGRID No.	**8 Operator Name**	**9 Elevation**
120782	WPX ENERGY PRODUCTION, LLC	6719'

10 Surface Location

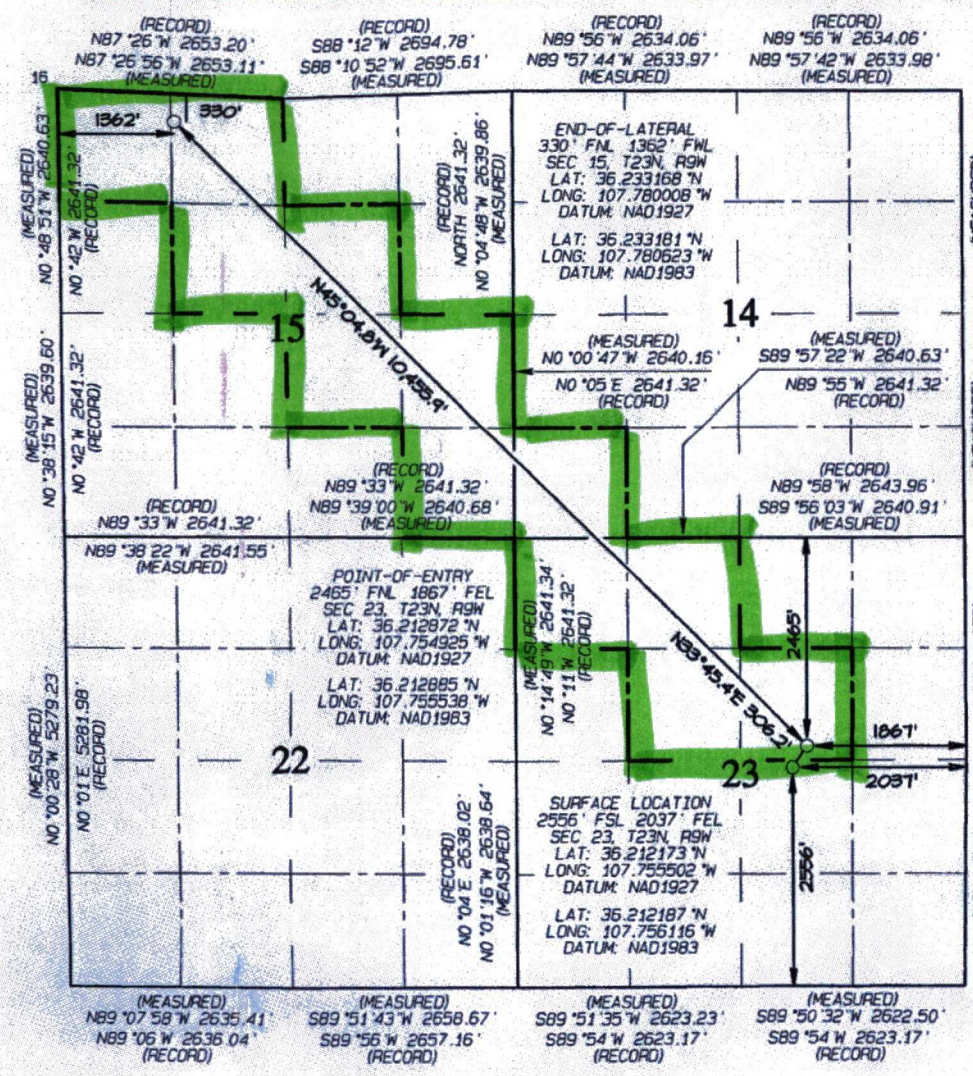
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	23	23N	9W		2556	SOUTH	2037	EAST	SAN JUAN

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
C	15	23N	9W		330	NORTH	1362	WEST	SAN JUAN

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
480.0 SW/4 SW/4 - Section 14 N/2 NW/4, SE/4 NW/4, SW/4 NE/4 N/2 SE/4, SE/4 SE/4 - Section 15 N/2 NW/4, SE/4 NW/4 SW/4 NE/4 - Section 23			R-14051 - 12,807.24 Acres

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



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 unleased mineral interest in the land including the proposed bottom-hole location 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 6/15/16 Date

Printed Name

E-mail Address

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: APRIL 26, 2016
Survey Date: OCTOBER 19, 2015

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
15269
REGISTERED PROFESSIONAL SURVEYOR

JASON C. EDWARDS
Certificate Number 15269

WPX Energy

Operations Plan

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

Date:	June 15, 2016	**Field:**	Lybrook Mancos W
Well Name:	W Lybrook UT #722H	**Surface:**	IA
SH Location:	NWSE Sec 23-23N-09W	**Elevation:**	6719' GR
BH Location:	NENW Sec 15-23N-09W	**Minerals:**	IA

Measured Depth: 15,663.34'

I. GEOLOGY

Surface formation - NACIMIENTO

A. FORMATION TOPS: (GL)

NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	409	409	POINT LOOKOUT	3469	3396
KIRTLAND	617	617	MANCOS	3663	3583
PICTURED CLIFFS	993	993	GALLUP	4024	3932
LEWIS	1104	1104	KICKOFF POINT	3,943.85	3,853.38
CHACRA	1364	1363	TOP TARGET	5202	4700
CLIFF HOUSE	2474	2438	LANDING POINT	5,207.56	4,700.00
MENEFEE	2524	2487	BASE TARGET	5,207.56	4,700.00
			TD	15,663.34	4,704.00

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 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 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"	5,207.56'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5057.56' - 15,663.34'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf. - 5057.56'	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 utalized 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 opend 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: 94 bbls, 269 sks, (530 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/ +/- 205 bbl Drilling mud or water. Total Cement: 153 bbls, 524 sks, (861 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 (1039 sx /1414 cuft /252 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/-217bbl Fr Water. Total Cement (1039 sx /1414bbls).

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).

WPX Energy

T23N R9W
2309-23J WLU
W Lybrook UT #722H - Slot A6

Wellbore #1

Plan: Design #1 20Apr16 sam

Standard Planning Report

22 April, 2016

Database:	COMPASS	**Local Co-ordinate Reference:**	Well W Lybrook UT #722H (A6) - Slot A6
Company:	WPX Energy	**TVD Reference:**	GL @ 6719.00usft
Project:	T23N R9W	**MD Reference:**	GL @ 6719.00usft
Site:	2309-23J WLU	**North Reference:**	True
Well:	W Lybrook UT #722H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 20Apr16 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	2309-23J WLU				
Site Position:		**Northing:**	1,896,575.10 usft	**Latitude:**	36.212430
From:	Map	**Easting:**	522,884.66 usft	**Longitude:**	-107.755758
Position Uncertainty:	0.00 usft	**Slot Radius:**	13.200 in	**Grid Convergence:**	0.05 °

Well	W Lybrook UT #722H - Slot A6					
Well Position	**+N/-S**	-93.55 usft	**Northing:**	1,896,481.61 usft	**Latitude:**	36.212173
	+E/-W	75.52 usft	**Easting:**	522,960.25 usft	**Longitude:**	-107.755502
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	0.00 usft	**Ground Level:**	6,719.00 usft

Wellbore	Wellbore #1			
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2015	4/20/2016	9.31	62.90	49,857

Design	Design #1 20Apr16 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	316.60

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	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,785.68	15.71	113.56	1,775.86	-42.80	98.14	2.00	2.00	0.00	113.56	
3,943.85	15.71	113.56	3,853.38	-276.46	633.89	0.00	0.00	0.00	0.00	
4,774.46	60.00	314.97	4,564.71	-31.47	456.63	9.00	5.33	-19.09	-160.88	Start 60 tan #722H
4,874.46	60.00	314.97	4,614.71	29.73	395.36	0.00	0.00	0.00	0.00	End 60 tan #722H
5,044.43	75.30	314.97	4,679.15	140.49	284.47	9.00	9.00	0.00	0.00	
5,207.56	89.98	314.97	4,700.00	254.51	170.31	9.00	9.00	0.00	-0.01	POE #722H
15,663.34	89.98	314.97	4,704.00	7,643.42	-7,227.49	0.00	0.00	0.00	0.00	BHL #722H

Database:	COMPASS	**Local Co-ordinate Reference:**	Well W Lybrook UT #722H (A6) - Slot A6
Company:	WPX Energy	**TVD Reference:**	GL @ 6719.00usft
Project:	T23N R9W	**MD Reference:**	GL @ 6719.00usft
Site:	2309-23J WLU	**North Reference:**	True
Well:	W Lybrook UT #722H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 20Apr16 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
320.00	0.00	0.00	320.00	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
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00									
1,500.00	10.00	113.56	1,497.47	-17.40	39.89	-40.05	2.00	2.00	0.00
1,785.68	15.71	113.56	1,775.86	-42.80	98.14	-98.52	2.00	2.00	0.00
Hold 15.71 Inclination									
2,000.00	15.71	113.56	1,982.18	-66.00	151.34	-151.94	0.00	0.00	0.00
2,500.00	15.71	113.56	2,463.49	-120.14	275.46	-276.55	0.00	0.00	0.00
3,000.00	15.71	113.56	2,944.81	-174.27	399.59	-401.17	0.00	0.00	0.00
3,500.00	15.71	113.56	3,426.12	-228.41	523.71	-525.78	0.00	0.00	0.00
3,943.85	15.71	113.56	3,853.38	-276.46	633.89	-636.40	0.00	0.00	0.00
Start Build DLS 9.00 TFO -160.88									
4,000.00	11.06	104.91	3,908.00	-280.89	646.07	-647.99	9.00	-8.29	-15.41
4,500.00	35.49	319.20	4,381.51	-178.04	594.92	-538.11	9.00	4.89	-29.14
4,774.46	60.00	314.97	4,564.71	-31.47	456.63	-336.60	9.00	8.93	-1.54
Hold 60.00 Inclination									
4,874.46	60.00	314.97	4,614.71	29.73	395.36	-250.03	0.00	0.00	0.00
Start Build DLS 9.00 TFO 0.00									
5,000.00	71.30	314.97	4,666.39	110.43	314.57	-135.89	9.00	9.00	0.00
5,044.43	75.30	314.97	4,679.15	140.49	284.47	-93.37	9.00	9.00	0.00
Start DLS 9.00 TFO -0.01									
5,207.56	89.98	314.97	4,700.00	254.51	170.31	67.91	9.00	9.00	0.00
POE at 89.98 Inc 314.97 Deg									
5,208.00	89.98	314.97	4,700.00	254.83	170.00	68.36	0.00	0.00	0.00
7"									
5,500.00	89.98	314.97	4,700.11	461.18	-36.60	360.24	0.00	0.00	0.00
6,000.00	89.98	314.97	4,700.30	814.52	-390.36	860.03	0.00	0.00	0.00
6,500.00	89.98	314.97	4,700.49	1,167.86	-744.13	1,359.83	0.00	0.00	0.00
7,000.00	89.98	314.97	4,700.69	1,521.20	-1,097.90	1,859.63	0.00	0.00	0.00
7,500.00	89.98	314.97	4,700.88	1,874.54	-1,451.66	2,359.42	0.00	0.00	0.00
8,000.00	89.98	314.97	4,701.07	2,227.88	-1,805.43	2,859.22	0.00	0.00	0.00
8,500.00	89.98	314.97	4,701.26	2,581.22	-2,159.19	3,359.01	0.00	0.00	0.00
9,000.00	89.98	314.97	4,701.45	2,934.56	-2,512.96	3,858.81	0.00	0.00	0.00
9,500.00	89.98	314.97	4,701.64	3,287.90	-2,866.73	4,358.61	0.00	0.00	0.00
10,000.00	89.98	314.97	4,701.83	3,641.24	-3,220.49	4,858.40	0.00	0.00	0.00
10,500.00	89.98	314.97	4,702.02	3,994.58	-3,574.26	5,358.20	0.00	0.00	0.00
11,000.00	89.98	314.97	4,702.22	4,347.93	-3,928.02	5,857.99	0.00	0.00	0.00
11,500.00	89.98	314.97	4,702.41	4,701.27	-4,281.79	6,357.79	0.00	0.00	0.00
12,000.00	89.98	314.97	4,702.60	5,054.61	-4,635.56	6,857.59	0.00	0.00	0.00
12,500.00	89.98	314.97	4,702.79	5,407.95	-4,989.32	7,357.38	0.00	0.00	0.00
13,000.00	89.98	314.97	4,702.98	5,761.29	-5,343.09	7,857.18	0.00	0.00	0.00
13,500.00	89.98	314.97	4,703.17	6,114.63	-5,696.85	8,356.97	0.00	0.00	0.00
14,000.00	89.98	314.97	4,703.36	6,467.97	-6,050.62	8,856.77	0.00	0.00	0.00
14,500.00	89.98	314.97	4,703.56	6,821.31	-6,404.39	9,356.57	0.00	0.00	0.00
15,000.00	89.98	314.97	4,703.75	7,174.65	-6,758.15	9,856.36	0.00	0.00	0.00
15,500.00	89.98	314.97	4,703.94	7,527.99	-7,111.92	10,356.16	0.00	0.00	0.00
15,663.34	89.98	314.97	4,704.00	7,643.42	-7,227.49	10,519.43	0.00	0.00	0.00
TD at 15663.34									

Database:	COMPASS	**Local Co-ordinate Reference:**	Well W Lybrook UT #722H (A6) - Slot A6
Company:	WPX Energy	**TVD Reference:**	GL @ 6719.00usft
Project:	T23N R9W	**MD Reference:**	GL @ 6719.00usft
Site:	2309-23J WLU	**North Reference:**	True
Well:	W Lybrook UT #722H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 20Apr16 sam		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (bearing	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Start 60 tan #722H - plan hits target center - Point	0.00	0.00	4,564.71	-31.47	456.63	1,896,450.51	523,416.91	36.212087	-107.753954
End 60 tan #722H - plan misses target center by 0.01usft at 4874.46usft MD (4614.71 TVD, 29.73 N, 395.36 E) - Point	0.00	0.00	4,614.71	29.74	395.36	1,896,511.67	523,355.59	36.212255	-107.754162
POE #722H - plan hits target center - Point	0.00	0.00	4,700.00	254.51	170.31	1,896,736.26	523,130.36	36.212872	-107.754925
BHL #722H - plan hits target center - Point	0.00	0.00	4,704.00	7,643.42	-7,227.49	1,904,119.23	515,726.63	36.233168	-107.780009

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (in)	Hole Diameter (in)
320.00	320.00	9 5/8"	9.625	12.250
5,208.00	4,700.00	7"	7.000	8.750

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
1,000.00	1,000.00	0.00	0.00	Start Build 2.00
1,785.68	1,775.86	-42.80	98.14	Hold 15.71 Inclination
3,943.85	3,853.38	-276.46	633.89	Start Build DLS 9.00 TFO -160.88
4,774.46	4,564.71	-31.47	456.63	Hold 60.00 Inclination
4,874.46	4,614.71	29.73	395.36	Start Build DLS 9.00 TFO 0.00
5,044.43	4,679.15	140.49	284.47	Start DLS 9.00 TFO -0.01
5,207.56	4,700.00	254.51	170.31	POE at 89.98 Inc 314.97 Deg
15,663.34	4,704.00	7,643.42	-7,227.49	TD at 15663.34

7. METHODS FOR HANDLING WASTE

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 Figure 3 and Figure 4 in Appendix B for the location of toilets).

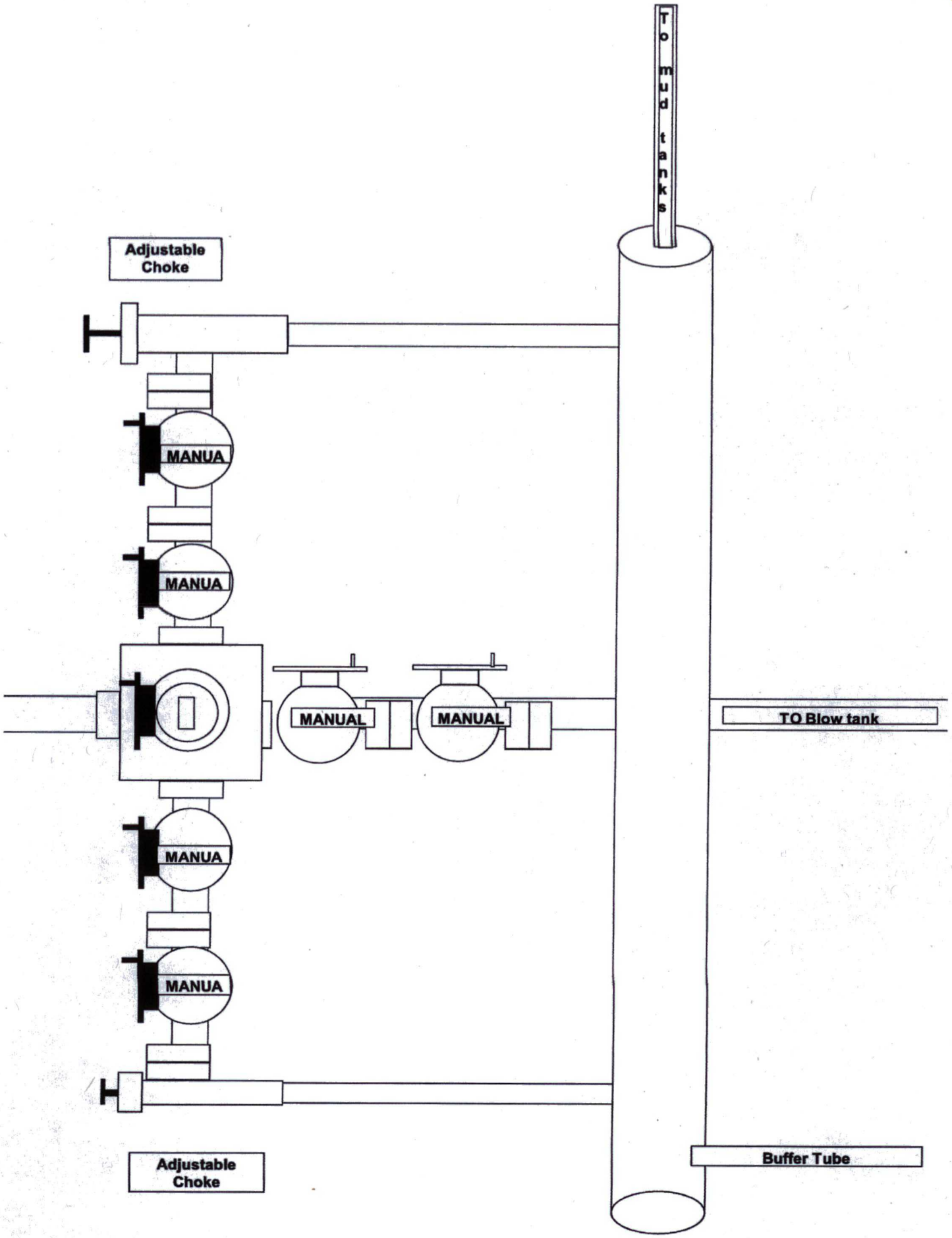
E. Garbage and other water material
   1 All garbage and trash will be placed in a metal trash basket. The trash and garbage will be hauled off site and dumped in an approved landfill, as needed.

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.

A. Produced Water:
   1 WPX Energy will dispose of produced water from this well at one of the following facilities:
      - Lybrook Yard WDW #1, API #30-039-27533, NMOCD permit #SWD-907, operated by Elm Ridge Resources, located in NE ¼, Section 14, Township 23 North, Range 7 West
      - Jillson Federal #1, NMOCD order #R-10168, operated by ConocoPhillips, located in NW ¼, Section 8, Township 24 North, Range 3 West
      - Basin Disposal, permit #NM-01-005, located in the NW ¼, Section 3, Township 29 North, Range 11 West
      - Sunco SWD #001, API #30-045-28653, NMOCD permit SWD-457, operated by Key Energy, located in NW ¼, 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.

8. ANCILLARY FACILITIES

Standard drilling operation equipment that will be on location includes drilling rig with associated equipment, temporary trailers equipped with sleeping quarters necessary for company personnel, toilet facilities, and trash containers.


To mud tanks
Adjustable Choke
MANUA
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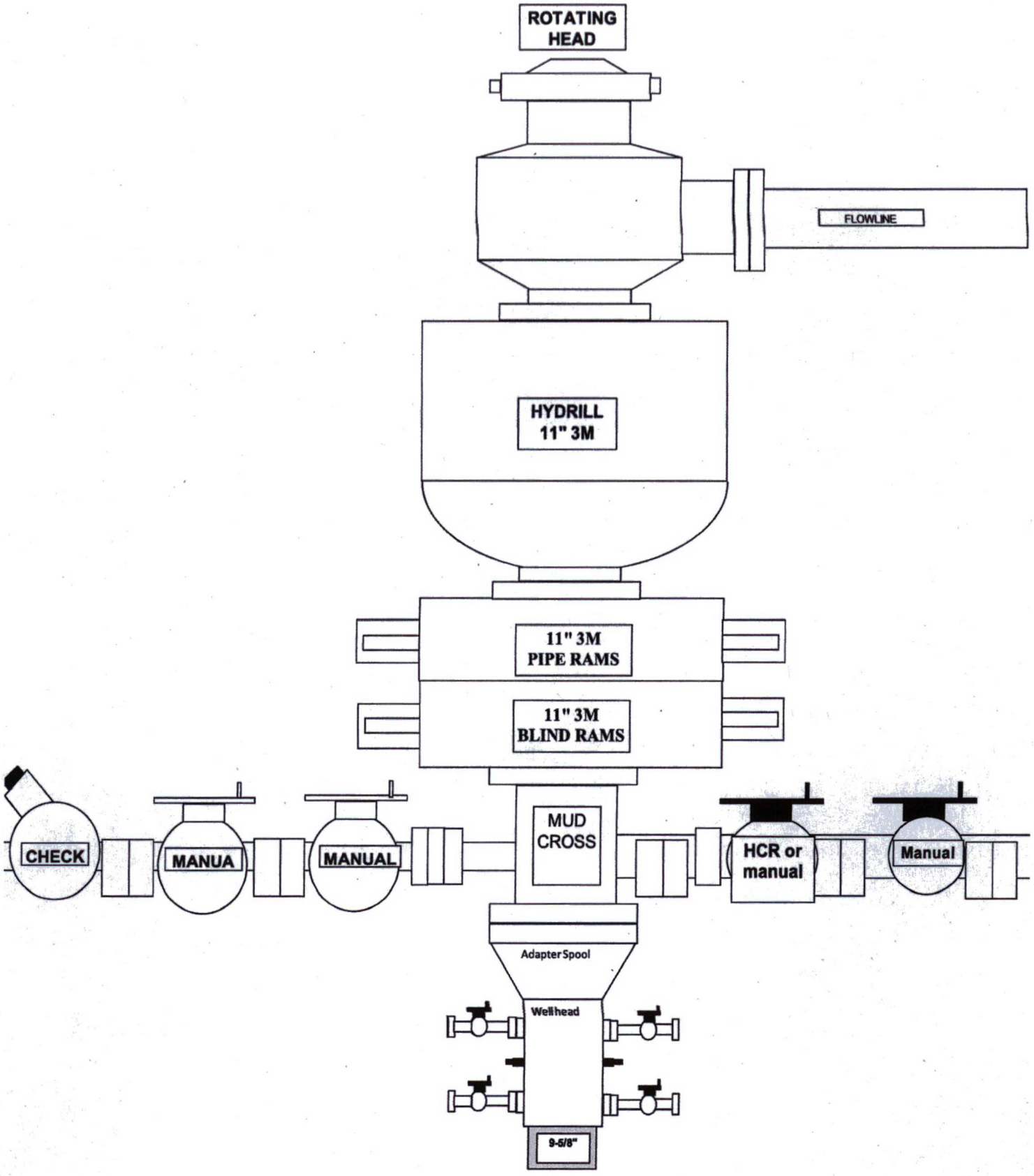
TO Blow tank
Buffer Tube
Adjustable Choke


ROTATING HEAD
FLOWLINE
HYDRILL 11" 3M
11" 3M PIPE RAMS
11" 3M BLIND RAMS
CHECK
MANUA
MANUAL
MUD CROSS
HCR or manual
Manual
Adapter Spool
Wellhead
9-5/8"

Directions from the Intersection of US Hwy 550 & US Hwy 64

in Bloomfield, NM to WPX Energy Production, LLC W Lybrook Unit #722H

2556' FSL & 2037' FEL, Section 23, T23N, R9W, N.M.P.M., San Juan County, NM

Latitude: 36.212187°N Longitude: 107.756116°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 begin proposed access on right-hand side of existing roadway which continues for 6451.2' to staked WPX W Lybrook Unit #722H location.