State of New Mexico
Energy, Minerals and Natural Resources Department

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: 6/6/2017
Well information;
Operator WPX, Well Name and Number W Escrito Unit 206H

API# 30-043-21313, Section 17, Township 22 N/S, Range 7 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 violatio... 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.

NMOCD Approved by Signature

1-26-2018
Date

1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

10

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

5. Lease Serial No.: NOG1311180

6. If Indian, Allotee or Tribe Name: EASTERN NAVAJO

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.: NMNM135218X

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

8. Lease Name and Well No.: W ESCAVADA UNIT 306H

2. Name of Operator: WPX ENERGY LLC

9. API Well No.: 30-043-21313

3a. Address: 720 S Main Aztec NM 87410

3b. Phone No. *(include area code)*: (505)333-1822

10. Field and Pool, or Exploratory: BASIN MANCOS / ESCAVADA MANCO

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

At surface: SWSW / 517 FSL / 220 FWL / LAT 36.133783 / LONG -107.606148

At proposed prod. zone: NWNW / 2302 FSL / 2288 FEL / LAT 36.153241 / LONG -107.632399

11. Sec., T. R. M. or Blk. and Survey or Area: SEC 17 / T22N / R7W / NMP

14. Distance in miles and direction from nearest town or post office*: 53.9 miles

12. County or Parish: SANDOVAL

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: 442.16

OIL CONS. DIV DIST. 3

AUG 04 2017

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: 220 feet

19. Proposed Depth: 4700 feet / 15059 feet

20. BLM/BIA Bond No. on file: IND: B001576

21. Elevations (Show whether DF, KDB, RT, GL, etc.): 6805 feet

22. Approximate date work will start*: 07/31/2017

23. Estimated duration: 30 days

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	06/06/2017

Title: Permitting Tech III

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
/s/ Matthew Kahn AFM		8/1/17
Title	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)

...'S APPROVAL OR ACCEPTANCE OF THIS
...TION DOES NOT RELIEVE THE LESSEE AND
...RATOR FROM OBTAINING ANY OTHER
...THORIZATION REQUIRED FOR OPERATIONS
...N FEDERAL AND INDIAN LANDS

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

NMOCD AV

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-043-21313	98225	ESCAVADA W; MANCOS
4 Property Code	**5 Property Name**	**6 Well Number**
317688	W ESCAVADA UNIT	306H
7 OGRID No.	**8 Operator Name**	**9 Elevation**
120782	WPX ENERGY PRODUCTION, LLC	6805'

10 Surface Location

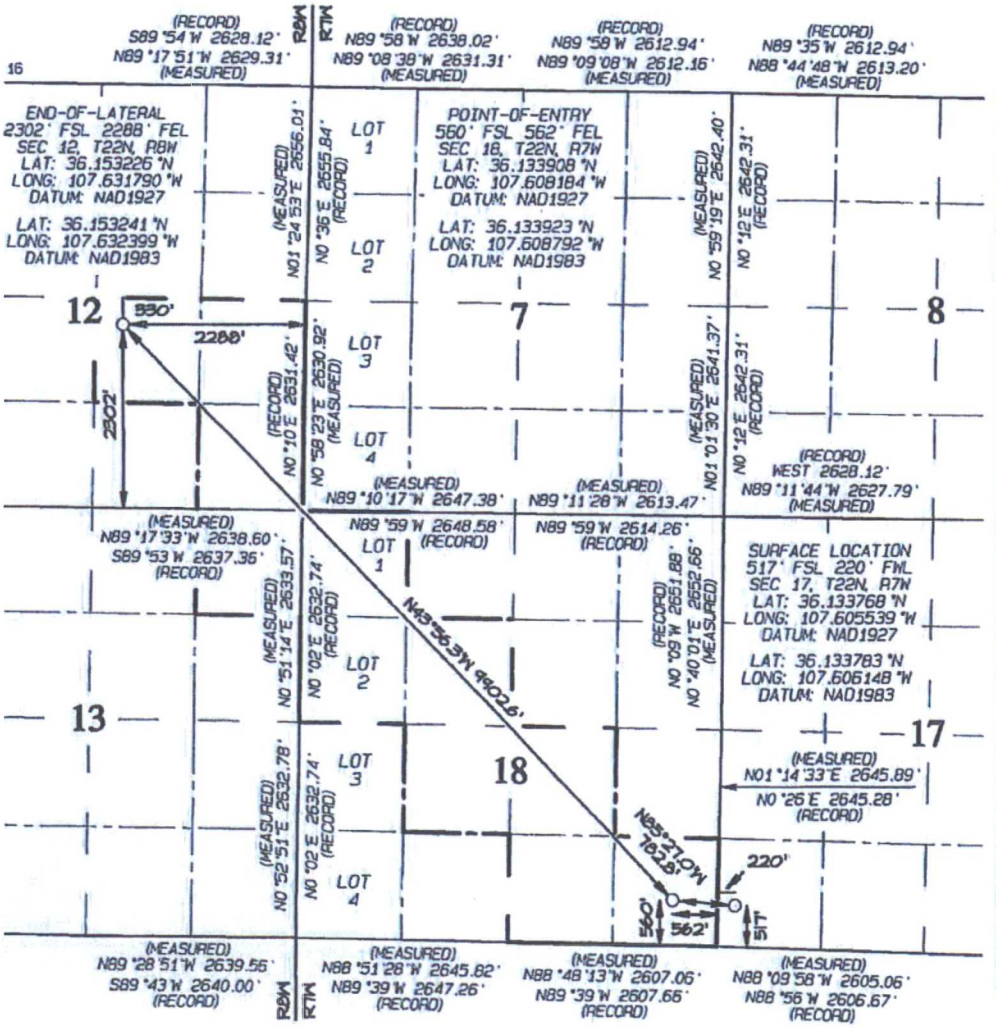
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	22N	7W		517	SOUTH	220	WEST	SANDOVAL

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
J	12	22N	8W		2302	SOUTH	2288	EAST	SAN JUAN

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
442.16 NE/4 NE/4 - Section 13 N/2 SE/4, SE/4 SE/4 - Section 12 NW/4 NW/4, S/2 NW/4, NE/4 SW/4 W/2 SE/4, SE/4 SE/4 - Section 18			R-14100

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 5/15/17 Date

Lacey Granillo
Printed Name

lacey.granillowpxenergy.com
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 24, 2017
Survey Date: OCTOBER 7, 2015

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
15269
REGISTERED PROFESSIONAL SURVEYOR

JASON C. EDWARDS
Certificate Number 15269

Surface = Navajo

WPX Energy

Operations Plan

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

Date:	May 12, 2017	**Field:**	Lybrook Gallup
Well Name:	W Escavada UT #306H	**Surface:**	
SH Location:	SWSW Sec 17 22N-07W	**Elevation:**	6805' GR
BH Location:	NWSW Sec 12 22N-08W	**Minerals:**	

Measured Depth: 15,059.19'

I. GEOLOGY

Surface formation - NACIMIENTO

A. FORMATION TOPS: (GR)

NAME	MD	TVD	NAME	MD	TVD
OJO ALAMO	535.00	535.00	POINT LOOKOUT	3,492.00	3,460.00
KIRTLAND	713.00	713.00	MANCOS	3,650.00	3,616.00
PICTURED CLIFFS	1,072.00	1,072.00	GALLUP	3,996.00	3,957.00
LEWIS	1,155.00	1,155.00	KICKOFF POINT	4,021.60	3,981.81
CHACRA	1,453.00	1,451.00	TOP TARGET	4,934.00	4,661.00
CLIFF HOUSE	2,571.00	2,553.00	LANDING POINT	5,158.33	4,700.00
MENEFEE	2,611.00	2,592.00	BASE TARGET	5,158.33	4,700.00
			TD	15,059.19	4,700.00

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"	5,158.33'	7"	23 LBS	J-55 or equiv	LTC
PRODUCTION	6.125"	5008.33' - 15,059.19'	4.5"	11.6 LBS	P-110 or equiv	LTC
TIE BACK	6.125"	Surf. - 5008.33'	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: 93 bbls, 265 sks, (522 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/ +/- 203 bbl Drilling mud or water. Total Cement: 152 bbls, 520 sks, (853 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 (985 sx /1340 cuft /239 bbls). Tail Spacer: 20 BBL of MMCR. Displacement: Displace w/ +/-208bbl Fr Water. Total Cement (985 sx /1340bbls).

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:

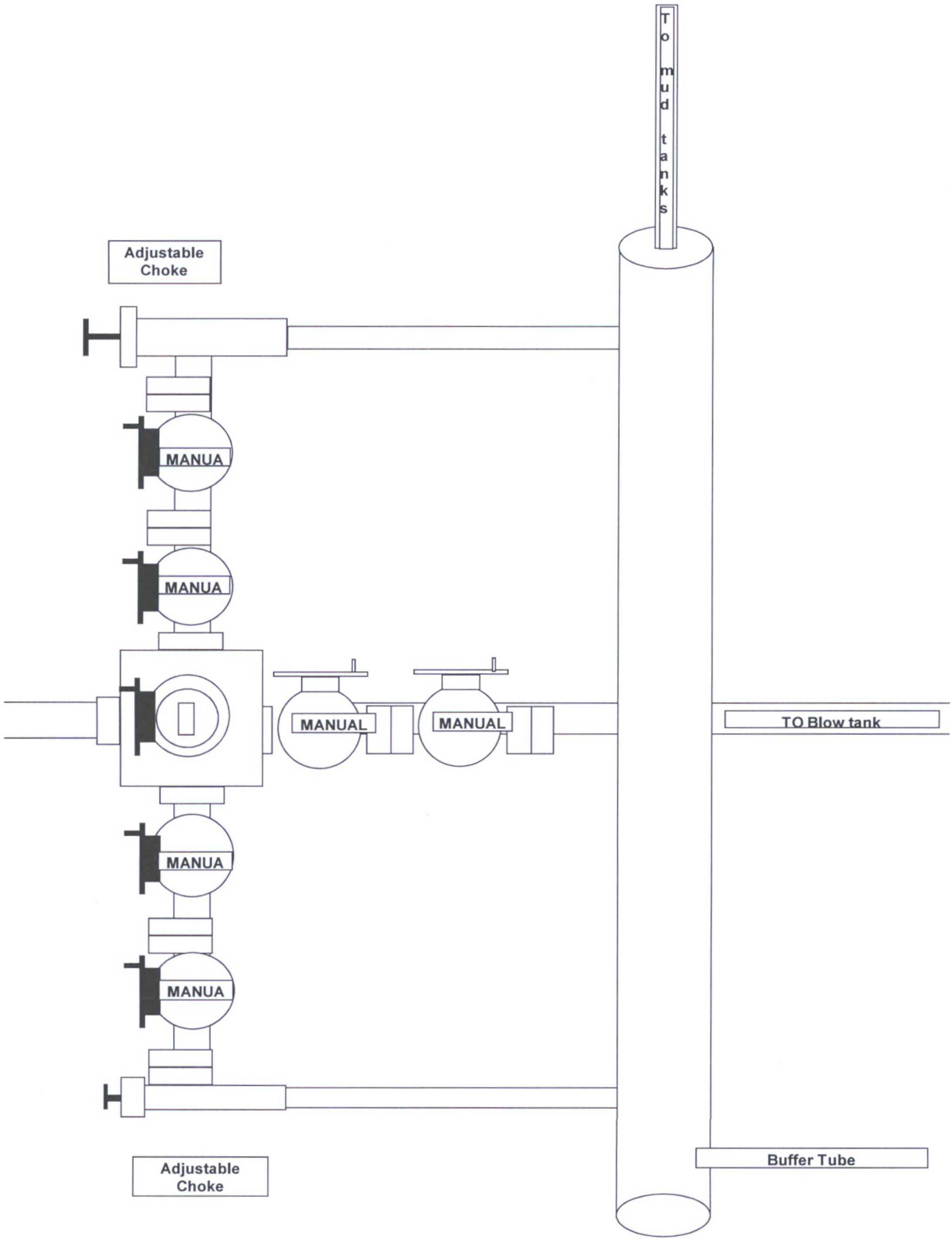
1. *Production Tubing:* Run 2-7/8", 6.5#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing near Top of Liner.

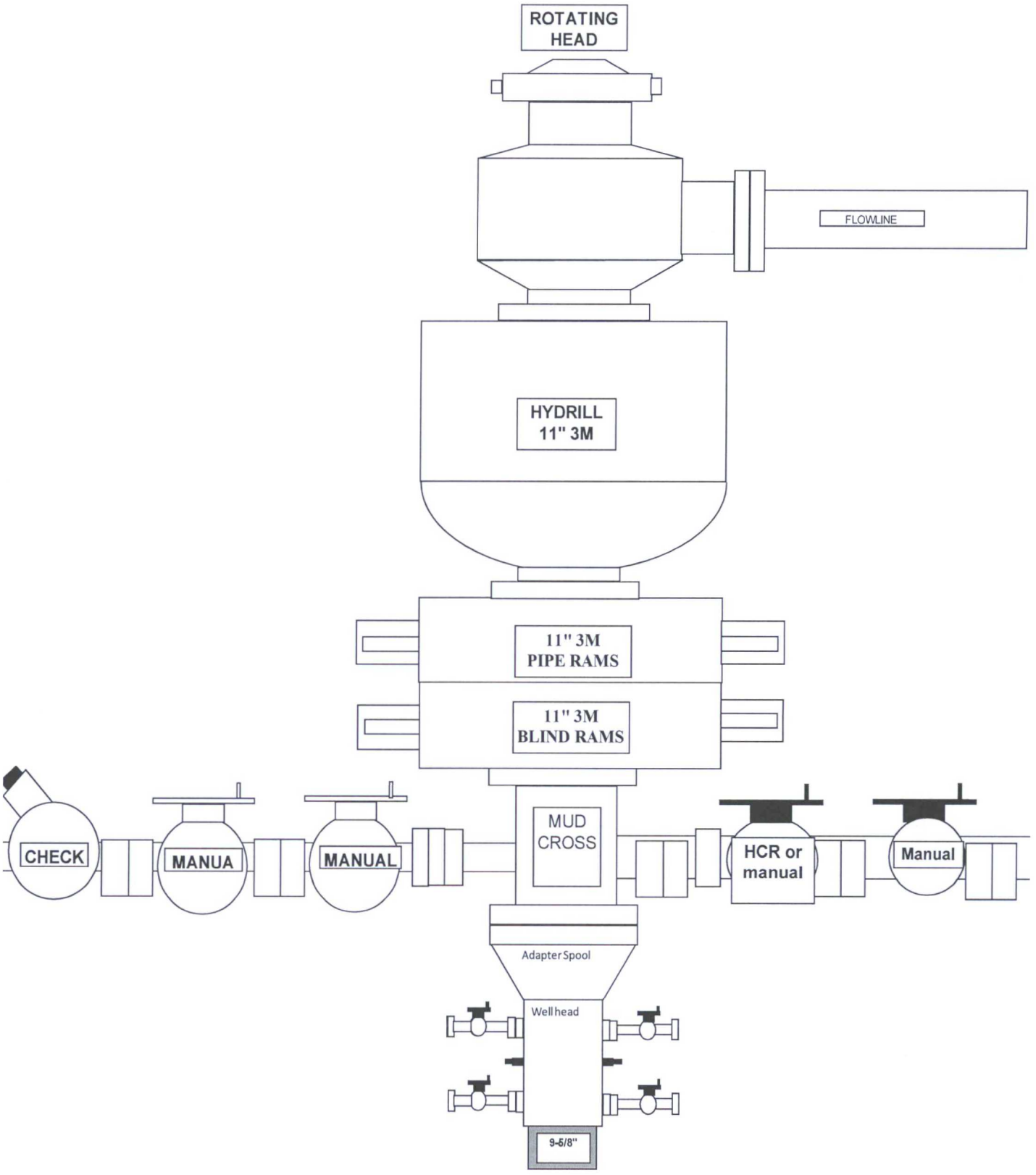
If this horizontal well is drilled past the applicable setbacks, an unorthodox location application is not required because the completed interval in this well, as defined by 19.15.16.7 B(1) NMAC,will be entirely within the applicable setbacks . This approach complies with all applicable rules, including 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).


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


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"

WPX Energy

T22N R7W
2207-17M WEU
W Escavada UT #306H - Slot A1

Wellbore #1

Plan: Design #1 6Aug16 sam

Standard Planning Report

09 August, 2016

WPX
Planning Report

Database:	COMPASS	**Local Co-ordinate Reference:**	Well W Escavada UT #306H (A1) - Slot A1
Company:	WPX Energy	**TVD Reference:**	GL @ 6805.00usft (Original Well Elev)
Project:	T22N R7W	**MD Reference:**	GL @ 6805.00usft (Original Well Elev)
Site:	2207-17M WEU	**North Reference:**	True
Well:	W Escavada UT #306H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 6Aug16 sam		

Project	T22N R7W		
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	2207-17M WEU				
Site Position:		**Northing:**	1,867,991.10 usft	**Latitude:**	36.133713
From:	Map	**Easting:**	567,266.42 usft	**Longitude:**	-107.605539
Position Uncertainty:	0.00 usft	**Slot Radius:**	13.200 in	**Grid Convergence:**	0.13 °

Well	W Escavada UT #306H - Slot A1					
Well Position	**+N/-S**	20.02 usft	**Northing:**	1,868,011.12 usft	**Latitude:**	36.133768
	+E/-W	0.00 usft	**Easting:**	567,266.37 usft	**Longitude:**	-107.605539
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	0.00 usft	**Ground Level:**	6,805.00 usft

Wellbore	Wellbore #1			
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2015	8/6/2016	9.21	62.86	49,800

Design	Design #1 6Aug16 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	312.43

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	
1,493.06	9.86	208.25	1,490.63	-37.28	-20.03	2.00	2.00	0.00	208.25	
4,021.60	9.86	208.25	3,981.81	-418.74	-225.00	0.00	0.00	0.00	0.00	
4,725.00	60.00	315.26	4,564.71	-236.52	-496.05	9.00	7.13	15.21	112.04	Start 60 Tan #306H
4,825.00	60.00	315.26	4,614.71	-175.00	-557.01	0.00	0.00	0.00	0.00	End 60 Tan #306H
4,993.18	75.14	315.26	4,678.70	-64.90	-666.11	9.00	9.00	0.00	0.00	
5,158.33	90.00	315.26	4,700.00	51.10	-781.05	9.00	9.00	0.00	0.00	POE #306H
15,059.19	90.00	315.26	4,700.00	7,084.04	-7,749.89	0.00	0.00	0.00	0.00	BHL #306H

Database:	COMPASS	**Local Co-ordinate Reference:**	Well W Escavada UT #306H (A1) - Slot A1
Company:	WPX Energy	**TVD Reference:**	GL @ 6805.00usft (Original Well Elev)
Project:	T22N R7W	**MD Reference:**	GL @ 6805.00usft (Original Well Elev)
Site:	2207-17M WEU	**North Reference:**	True
Well:	W Escavada UT #306H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 6Aug16 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									
1,493.06	9.86	208.25	1,490.63	-37.28	-20.03	-10.37	2.00	2.00	0.00
Hold 9.86 Inclination									
1,500.00	9.86	208.25	1,497.47	-38.33	-20.60	-10.66	0.00	0.00	0.00
2,000.00	9.86	208.25	1,990.08	-113.76	-61.13	-31.64	0.00	0.00	0.00
2,500.00	9.86	208.25	2,482.69	-189.19	-101.66	-52.61	0.00	0.00	0.00
3,000.00	9.86	208.25	2,975.31	-264.62	-142.19	-73.59	0.00	0.00	0.00
3,500.00	9.86	208.25	3,467.92	-340.05	-182.72	-94.56	0.00	0.00	0.00
4,000.00	9.86	208.25	3,960.53	-415.49	-223.25	-115.54	0.00	0.00	0.00
4,021.60	9.86	208.25	3,981.81	-418.74	-225.00	-116.45	0.00	0.00	0.00
Start Build DLS 9.00 TFO 112.04									
4,500.00	40.20	309.62	4,421.04	-353.25	-370.22	34.93	9.00	6.34	21.19
4,725.00	60.00	315.26	4,564.71	-236.52	-496.05	206.56	9.00	8.80	2.51
Hold 60.00 Inclination									
4,825.00	60.00	315.26	4,614.71	-175.00	-557.01	293.06	0.00	0.00	0.00
Start Build DLS 9.00 TFO 0.00									
4,993.18	75.14	315.26	4,678.70	-64.90	-666.11	447.87	9.00	9.00	0.00
Start DLS 9.00 TFO 0.00									
5,000.00	75.75	315.26	4,680.41	-60.21	-670.75	454.46	9.00	9.00	0.00
5,158.00	89.97	315.26	4,700.00	50.87	-780.82	610.64	9.00	9.00	0.00
7"									
5,158.33	90.00	315.26	4,700.00	51.10	-781.05	610.97	9.00	9.00	0.00
POE at 90.00 Inc 315.26 Deg									
5,500.00	90.00	315.26	4,700.00	293.80	-1,021.54	952.23	0.00	0.00	0.00
6,000.00	90.00	315.26	4,700.00	648.97	-1,373.47	1,451.61	0.00	0.00	0.00
6,500.00	90.00	315.26	4,700.00	1,004.14	-1,725.40	1,951.00	0.00	0.00	0.00
7,000.00	90.00	315.26	4,700.00	1,359.30	-2,077.33	2,450.39	0.00	0.00	0.00
7,500.00	90.00	315.26	4,700.00	1,714.47	-2,429.26	2,949.78	0.00	0.00	0.00
8,000.00	90.00	315.26	4,700.00	2,069.64	-2,781.20	3,449.17	0.00	0.00	0.00
8,500.00	90.00	315.26	4,700.00	2,424.81	-3,133.13	3,948.56	0.00	0.00	0.00
9,000.00	90.00	315.26	4,700.00	2,779.98	-3,485.06	4,447.95	0.00	0.00	0.00
9,500.00	90.00	315.26	4,700.00	3,135.15	-3,836.99	4,947.34	0.00	0.00	0.00
10,000.00	90.00	315.26	4,700.00	3,490.31	-4,188.92	5,446.73	0.00	0.00	0.00
10,500.00	90.00	315.26	4,700.00	3,845.48	-4,540.85	5,946.12	0.00	0.00	0.00
11,000.00	90.00	315.26	4,700.00	4,200.65	-4,892.78	6,445.51	0.00	0.00	0.00
11,500.00	90.00	315.26	4,700.00	4,555.82	-5,244.71	6,944.90	0.00	0.00	0.00
12,000.00	90.00	315.26	4,700.00	4,910.99	-5,596.64	7,444.28	0.00	0.00	0.00
12,500.00	90.00	315.26	4,700.00	5,266.16	-5,948.58	7,943.67	0.00	0.00	0.00
13,000.00	90.00	315.26	4,700.00	5,621.32	-6,300.51	8,443.06	0.00	0.00	0.00
13,500.00	90.00	315.26	4,700.00	5,976.49	-6,652.44	8,942.45	0.00	0.00	0.00
14,000.00	90.00	315.26	4,700.00	6,331.66	-7,004.37	9,441.84	0.00	0.00	0.00
14,500.00	90.00	315.26	4,700.00	6,686.83	-7,356.30	9,941.23	0.00	0.00	0.00
15,000.00	90.00	315.26	4,700.00	7,042.00	-7,708.23	10,440.62	0.00	0.00	0.00
15,059.19	90.00	315.26	4,700.00	7,084.04	-7,749.89	10,499.74	0.00	0.00	0.00
TD at 15059.19									

Database:	COMPASS	**Local Co-ordinate Reference:**	Well W Escavada UT #306H (A1) - Slot A1
Company:	WPX Energy	**TVD Reference:**	GL @ 6805.00usft (Original Well Elev)
Project:	T22N R7W	**MD Reference:**	GL @ 6805.00usft (Original Well Elev)
Site:	2207-17M WEU	**North Reference:**	True
Well:	W Escavada UT #306H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1 6Aug16 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 #306H - plan hits target center - Point	0.00	0.00	4,564.71	-236.52	-496.05	1,867,773.44	566,770.88	36.133118	-107.607219
End 60 Tan #306H - plan misses target center by 0.01usft at 4825.00usft MD (4614.71 TVD, -175.00 N, -557.01 E) - Point	0.00	0.00	4,614.71	-175.01	-557.01	1,867,834.81	566,709.77	36.133287	-107.607426
POE #306H - plan hits target center - Point	0.00	0.00	4,700.00	51.10	-781.05	1,868,060.39	566,485.20	36.133908	-107.608184
BHL #306H - plan hits target center - Point	0.00	0.00	4,700.00	7,084.04	-7,749.89	1,875,076.97	559,499.89	36.153226	-107.631790

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
5,158.00	4,700.00	7"	7.000	8.750

Plan Annotations

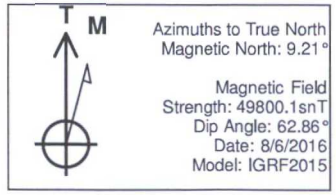
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
1,000.00	1,000.00	0.00	0.00	Start Build 2.00
1,493.06	1,490.63	-37.28	-20.03	Hold 9.86 Inclination
4,021.60	3,981.81	-418.74	-225.00	Start Build DLS 9.00 TFO 112.04
4,725.00	4,564.71	-236.52	-496.05	Hold 60.00 Inclination
4,825.00	4,614.71	-175.00	-557.01	Start Build DLS 9.00 TFO 0.00
4,993.18	4,678.70	-64.90	-666.11	Start DLS 9.00 TFO 0.00
5,158.33	4,700.00	51.10	-781.05	POE at 90.00 Inc 315.26 Deg
15,059.19	4,700.00	7,084.04	-7,749.89	TD at 15059.19

WPXENERGY

Well Name: W Escavada UT #306H
Surface Location: 2207-17M WEU
NAD 1927 (NADCON CONUS) , US State Plane 1927 (Exact solution) New Mexico West 3003
Ground Elevation: 6805.00

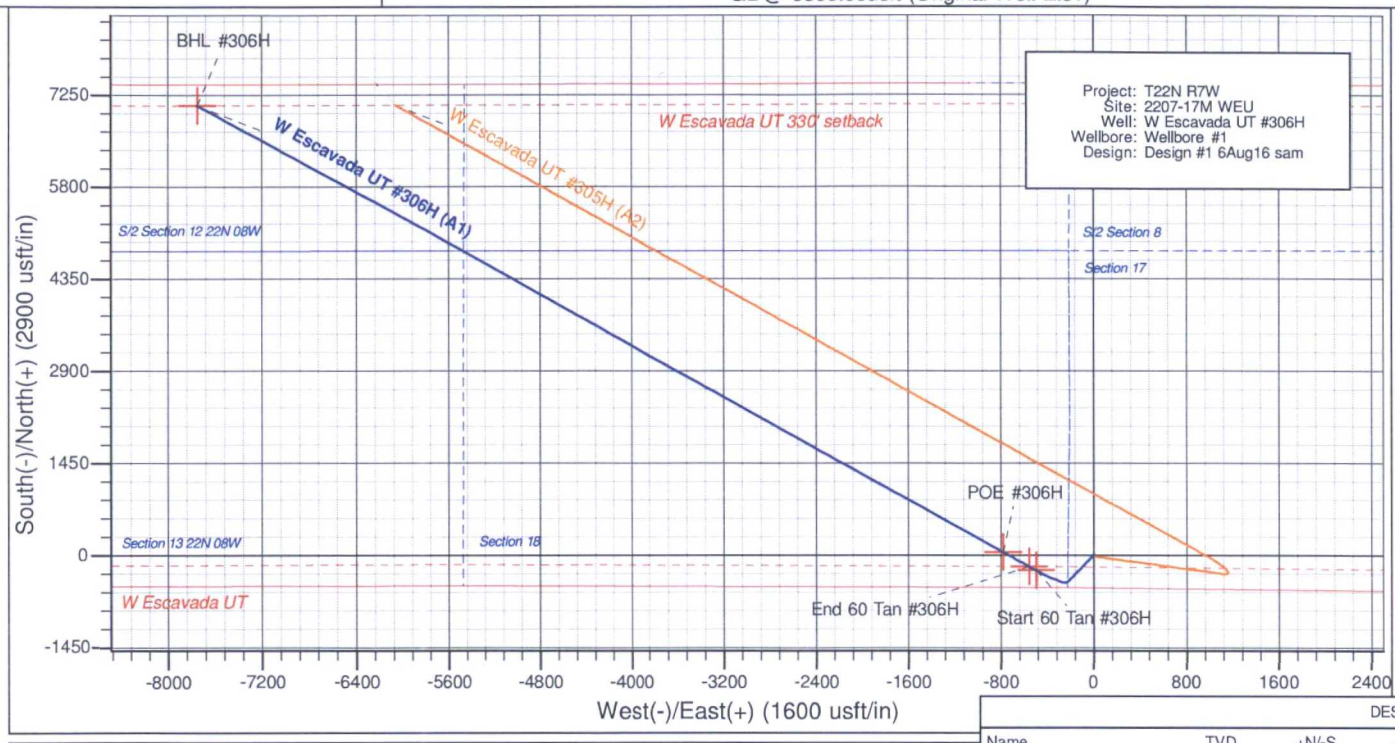
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	1868011.12	567266.37	36.133768	-107.605539	A1

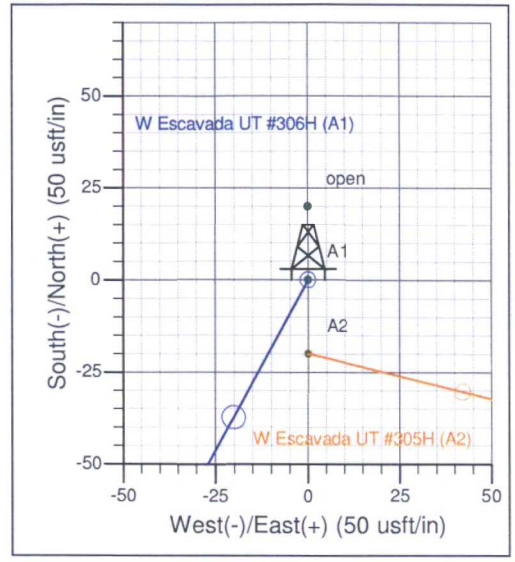
GL @ 6805.00usft (Original Well Elev)



Azimuths to True North
Magnetic North: 9.21°

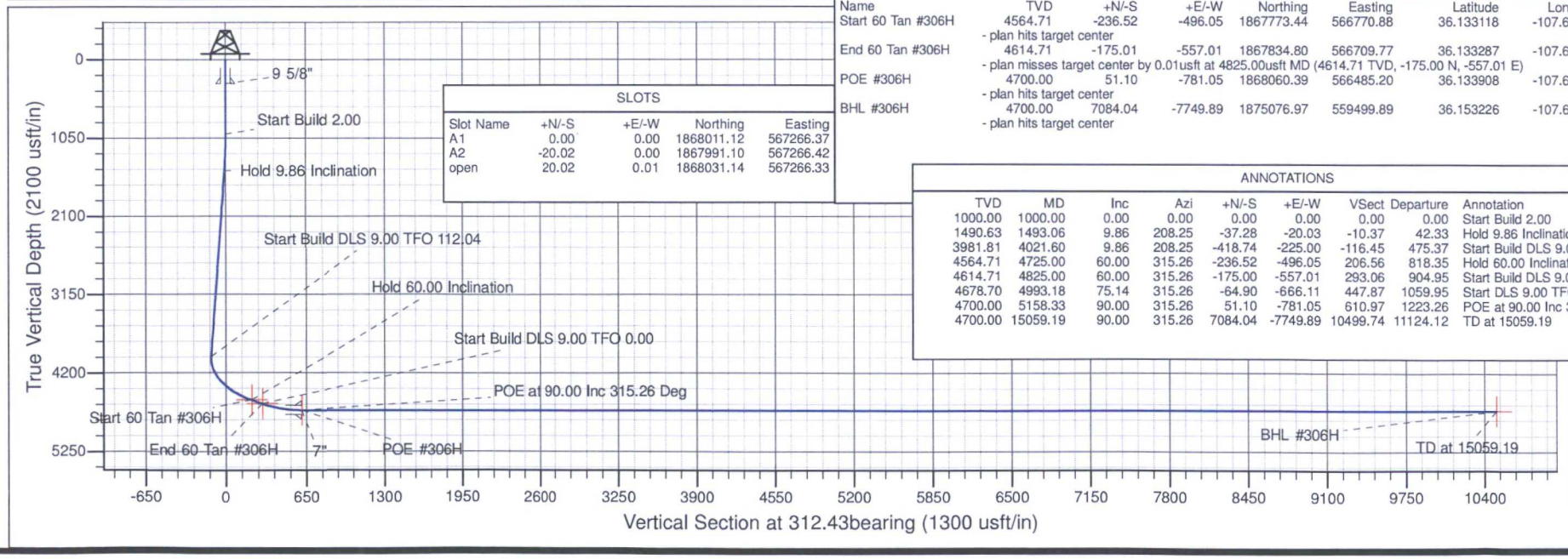
Magnetic Field
Strength: 49800.1snT
Dip Angle: 62.86°
Date: 8/6/2016
Model: IGRF2015





DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Start 60 Tan #306H	4564.71	-236.52	-496.05	1867773.44	566770.88	36.133118	-107.607219	Point
	- plan hits target center							
End 60 Tan #306H	4614.71	-175.01	-557.01	1867834.80	566709.77	36.133287	-107.607425	Point
	- plan misses target center by 0.01usft at 4825.00usft MD (4614.71 TVD, -175.00 N, -557.01 E)							
POE #306H	4700.00	51.10	-781.05	1868060.39	566485.20	36.133908	-107.608184	Point
	- plan hits target center							
BHL #306H	4700.00	7084.04	-7749.89	1875076.97	559499.89	36.153226	-107.631790	Point
	- plan hits target center							



SLOTS

Slot Name	+N/-S	+E/-W	Northing	Easting
A1	0.00	0.00	1868011.12	567266.37
A2	-20.02	0.00	1867991.10	567266.42
open	20.02	0.01	1868031.14	567266.33

ANNOTATIONS

TVD	MD	Inc	Azi	+N/-S	+E/-W	VSect	Departure	Annotation
1000.00	1000.00	0.00	0.00	0.00	0.00	0.00	0.00	Start Build 2.00
1490.63	1493.06	9.86	208.25	-37.28	-20.03	-10.37	42.33	Hold 9.86 Inclination
3981.81	4021.60	9.86	208.25	-418.74	-225.00	-116.45	475.37	Start Build DLS 9.00 TFO 112.04
4564.71	4725.00	60.00	315.26	-236.52	-496.05	206.56	818.35	Hold 60.00 Inclination
4614.71	4825.00	60.00	315.26	-175.00	-557.01	293.06	904.95	Start Build DLS 9.00 TFO 0.00
4678.70	4993.18	75.14	315.26	-64.90	-666.11	447.87	1059.95	Start DLS 9.00 TFO 0.00
4700.00	5158.33	90.00	315.26	51.10	-781.05	610.97	1223.26	POE at 90.00 Inc 315.26 Deg
4700.00	15059.19	90.00	315.26	7084.04	-7749.89	10499.74	11124.12	TD at 15059.19

terraces and ridges (0- to 8-percent slopes) and within loamy and salt flat ecological sites (USDA/NRCS 2015).

B. Blancot – Councelor- Tsosie association, gently sloping

1. Within the project area, this soil map unit is found throughout the entirety of the project with exception to the start of the pipeline and the access road. As such, excavated soils during construction of the well pad, access roads, and well connect pipelines would consist of native borrow and subsoils from the Blancot –Councelor- Tsosie association, gently sloping soil map unit. A brief description of this soil can be found below.

2. The Blancot-Councelor-Tsosie soil association is composed of 40 percent Blancot and similar soils and 30 percent Councelor and similar soils and 25 percent Tsosie and similar soils and 5 percent of minor components. This soil map unit is considered a well-drained soil, with the depth to water table and depth to restrictive layer being more than 80 inches. This soil association has a moderate to high potential for water erosion and low to moderate potential for wind erosion. The Blancot-Councelor-Tsosie association is typically found ranging in elevation from 6,600 to 7,000 feet in elevation, along valley sides, ridges, fan remnants, stream terraces, valley floors and alluvial fans (0- to 5-percent slopes) and within loamy, sandy and salt flat ecological sites (USDA/NRCS 2015).

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 Figures 3 & 4 in Appendix B for the location of toilets).

E. Garbage and other waste 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:

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

in Bloomfield, NM to WPX Energy Production, LLC W Escavada UT #306H

517' FSL & 220' FWL, Section 17, T22N, R7W, N.M.P.M., Sandoval County, NM

Latitude: 36.133783°N Longitude: 107.606148°W Datum: NAD1983

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 53.6 miles to Mile Marker 97.7;

Go Right (Southerly) on Indian Service Route #474 for 4.9 miles to fork in roadway;

Go Right (Westerly) exiting Indian Service Route #474 for 2.5 miles to fork in roadway;

Go Right (Westerly) which is straight for 0.3 miles to fork in roadway;

Go Right (Westerly) which is straight for 1.0 miles to 4-way intersection;

Go Straight (Westerly) for 1.2 miles to 4-way intersection;

Go Left (Southerly) for 1.7 miles to 4-way intersection;

Go Right (Westerly) for 1.9 miles to begin WPX N Escavada UT #317H proposed access on left-hand side of existing roadway;

Go Left (South-westerly) which is straight following along WPX N Escavada UT #317H & WPX W Escavada UT #300H proposed access's for 2685.0' to fork in proposed roadway;

Go Left (Southerly) which is straight following along WPX W Escavada UT #302H proposed access for 4226.1' to fork in proposed roadway;

Go Right (Westerly) continuing for an additional 4624.7' to staked WPX W Escavada UT #306H location.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original to Appropriate District Office

GAS CAPTURE PLAN

Date: May 23, 2017

☒ Original
☐ Amended - Reason for Amendment:_____

Operator & OGRID No.: **WPX Energy Production, LLC OGRID No. 120782**

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name 30-043-21313	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
W ESCAVADA UNIT #306H	**Pending APD approval**	**Sec. 17, T22N, R7W**	**UL: M SHL: 517' FSL & 220' FWL**	**1944**	**Flared**	
W ESCAVADA UNIT #305H	Pending APD approval	Sec. 17, T22N, R7W	UL: M SHL: 497' FSL & 220' FWL	1967	Flared	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to NA and will be connected to See Below low/high pressure gathering system located in **Sandoval** County, New Mexico. It will require **4851'** of pipeline to connect the facility to low/high pressure gathering system. WPX Energy provides (periodically) to See Below a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, WPX Energy and See Below have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at See Below Processing Plant located in Sec. **See Below**, Twn._____, Rng._____, _____ County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on See Below system at that time. Based on current information, it is WPX Energy belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
  - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
  - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

WPX Energy Production, LLC:
Gas Capture Plan: Gas Transporter Processing Plant Information:

WPX Energy Production, LLC has the ability to deliver to the below listed Gas Processing Plants at any time with the gathering infrastructure that is in place today.

1. **Ignacio Gas Plant- Williams**
   Section 22, T35N, R9W
   La Plata County
   Colorado