



Sent via Overnight Delivery

February 11, 2014

Jami Bailey
Division Director
NEW MEXICO OIL CONSERVATION DIVISION
1220 South Saint Francis Drive
Santa Fe, NM 87505

*Re: Request for Administrative Approval for Non-Standard Lybrook Gallup Lateral
Chaco 2307-13D #172H
API#: Not yet assigned
Sec. 14, T23N, R7W*

Dear Ms. Bailey:

WPX Energy Production, LLC ("WPX"), pursuant to the provisions of Division Rule 19.15.15.13, hereby seeks administrative approval of an unorthodox location for the Lybrook Gallup (42289) formation in the Chaco 2307-13D #172H. This is a horizontal well with a surface location of 1186' FNL and 474' FWL, Section 13, T23N, R7W and an end of lateral location of 132' FNL & 230' FWL, Section 14, T23N, R7W. See attached plat.

This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. Initially the Lybrook Gallup Pool was set up with Special Pool Rules under Order No. R-2267 but these rules were later abolished with Order No. R-2267-B. The new Special Rules for Horizontal Wells under Division Rule 19.15.16.15(B)(3) also apply and state no internal setbacks are required within a project area. Given these setback requirements, the producing interval in the lateral is encroaching the S2 of the S/2 of Section 11, T23N R7W in that it is approximately 98' from the unit boundary.

The spacing for the subject well is the N/2 of the N/2 of section 14 consisting of 4 consecutive parcels containing 40 acres more or less and totaling 160 acres. The spacing unit being encroached upon is the S/2 of the S/2 of Section 11 also consisting of 4 consecutive parcels containing 160 acres. All of Section 11 is operated by WPX and ownership is 100% WPX therefore no affected owner letters are required pursuant to NMOCD rules.



Please note that the maximum perforation range for the lateral will from 6,144' MD to 10,493' MD which are legal as to the east and west lines.

EAST LINE EXPLANATION: Referring to the plat, the Point of Entry is at 380' from the east line of Section 11 which correlates with approximately 6,142' MD. The top perforation is at 6,144' which is 2' past the Point of Entry so the distance from the east line for the perforation is 382'.

WEST LINE EXPLANATION: Our end of lateral is shown at 230' from the west line, which correlates to 10,594 MD. The deepest perforation would be the lower port in a RSI tool which would be set no deeper than 10,493' which correlates to 331' from the west line.

Should you have any questions or concerns, please don't hesitate to contact me.

Sincerely,


Heather Riley
Regulatory Team Lead

Enc.: C-102

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

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code	*Pool Name
		42289	LYBROOK GALLUP
*Property Code	*Property Name		*Well Number
	CHACO 2307-13D		172H
*GRID No.	*Operator Name		*Elevation
120782	WPX ENERGY PRODUCTION, LLC		7014'

¹⁰ Surface Location

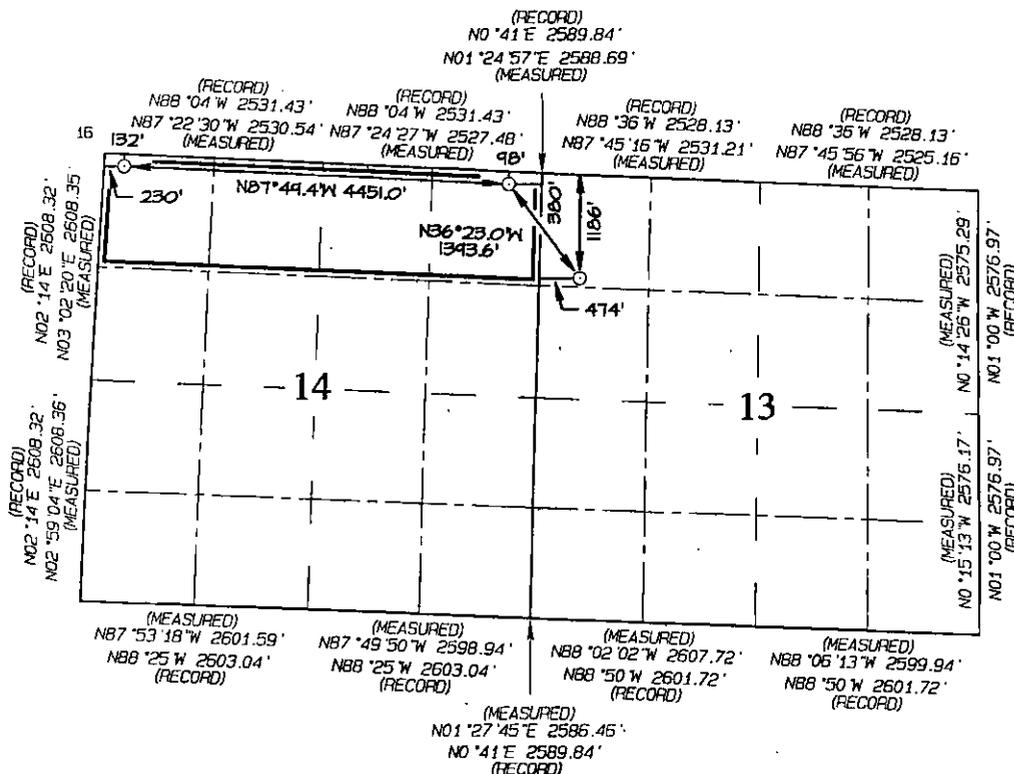
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	13	23N	7W		1186	NORTH	474	WEST	RIO ARRIBA

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
D	14	23N	7W		132	NORTH	230	WEST	RIO ARRIBA

¹² Dedicated Acres	160.0 Acres N/2 N/2 - Section 14	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 _____ Date _____
Larry Higgins
 Printed Name
 larry.higgins@wpxenergy.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: JANUARY 23, 2014
 Survey Date: OCTOBER 24, 2013
 Signature and Seal of Professional Surveyor



JASON C. EDWARDS
 Certificate Number 15269

END-OF-LATERAL
132' FNL 230' FWL
SECTION 14, T23N, R7W
LAT: 36.23276°N
LONG: 107.55169°W
DATUM: NAD1927

POINT-OF-ENTRY
98' FNL 380' FEL
SECTION 14, T23N, R7W
LAT: 36.23246°N
LONG: 107.53660°W
DATUM: NAD1927

SURFACE LOCATION
1186' FNL 474' FWL
SECTION 13, T23N, R7W
LAT: 36.22941°N
LONG: 107.53375°W
DATUM: NAD1927

LAT: 36.23278°N
LONG: 107.55230°W
DATUM: NAD1983

LAT: 36.23248°N
LONG: 107.53721°W
DATUM: NAD1983

LAT: 36.22942°N
LONG: 107.53436°W
DATUM: NAD1983



WPX Energy

Rev 0



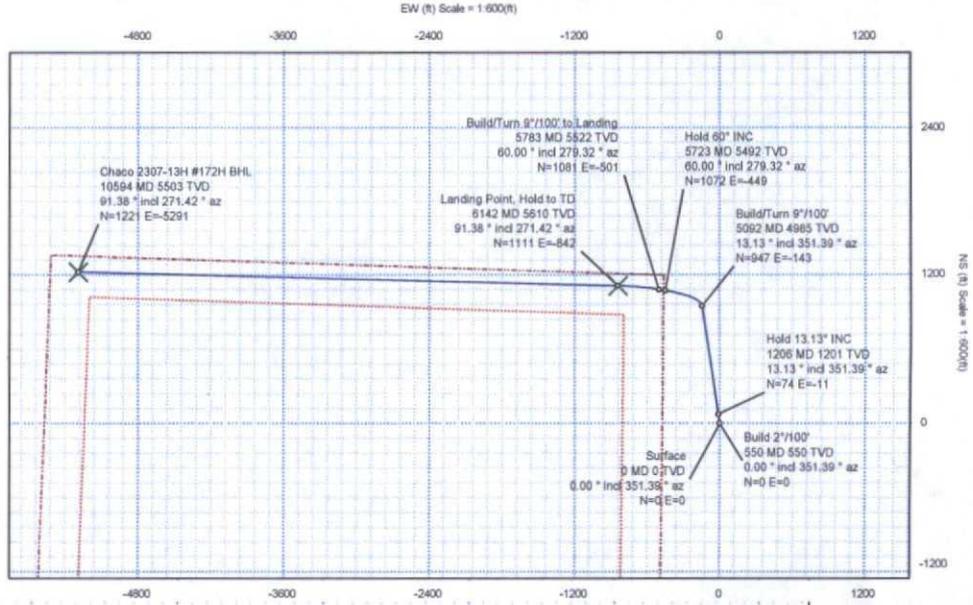
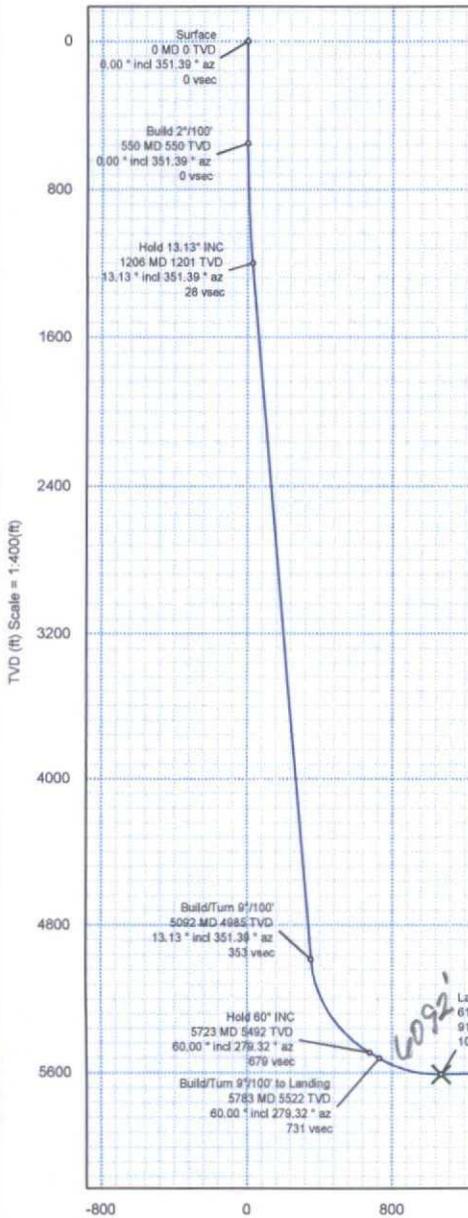
Borehole: Original Hole	Well: Chaco 2307-13H #172H	Field: NM, Rio Arriba (NAD 27 CZ)	Structure: Sec 13-23N-7W
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Gravity & Magnetic Parameters Model: BGGM 2013 Dip: 63.012° Date: 17-Jan-2014 MagDec: 9.465° FS: 50149.603mT Gravity FS: 996.489mgn (9.80665 Based)	Surface Location NAD27 New Mexico State Plane, Central Zone, US Feet Lat: N 36 13 45.88 Northing: 1905222.325ft Grid Conv: -0.7588" Lon: W 107 32 1.50 Easting: 121373.392ft Scale Fact: 1.00006405	Miscellaneous Slot: Chaco 2307-13H #172H TVD Ref: RKB(7028ft above MSL) Plan: Chaco 2307-13H #172H R0 mdv 20Jan14
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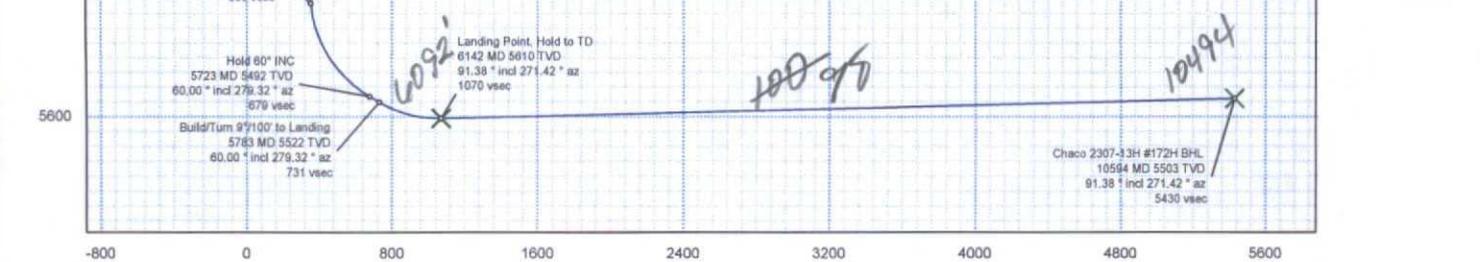
Proposal



True North
Tot Corr (M->T 9.465°)
Mag Dec (9.465°)
Grid Conv (-0.759°)



Surface Location											
		Northing:	1905222.325	Eastng:	121373.392	Latitude:	N 36 13 45.88	Longitude:	W 107 32 1.50	VSec Azimuth:	282.996
Target Description	Grid Coord					Local Coord					
Target Name	Latitude	Longitude	Northing	Eastng	TVD	VSec	N(+)/S(-)	E(+)/W(-)	DLS		
Chaco 2307-13H #172H BHL	N 36 13 57.95	W 107 33 6.08	1906513.52	116098.43	5903.00	5430.35	1221.15	-5291.27	0.00		
Chaco 2307-13H #172H PP	N 36 13 56.86	W 107 32 11.78	1906344.44	120546.17	5610.00	1070.23	1110.99	-841.95	0.00		
Chaco 2307-13H #172H Section Line	N 36 13 45.88	W 107 32 1.50	1905222.33	121373.39	7028.00	0.00	0.00	0.00	0.00		
Chaco 2307-13H #172H 330' Setback	N 36 13 45.88	W 107 32 1.50	1905222.33	121373.39	7028.00	0.00	0.00	0.00	0.00		
Critical Points											
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+)/S(-)	E(+)/W(-)	DLS			
Surface	0.00	0.00	351.39	0.00	0.00	0.00	0.00	0.00			
Build 2'/100'	550.00	0.00	351.39	550.00	0.00	0.00	0.00	0.00			
Hold 13.13' INC	1206.36	13.13	351.39	1200.63	27.56	74.02	-11.21	2.00			
Build/Turn 9'/100'	5092.22	13.13	351.39	4984.95	352.52	946.60	-143.32	0.00			
Hold 60' INC	5723.39	60.00	279.32	5492.34	678.83	1072.19	-449.23	9.00			
Build/Turn 9'/100' to Landing	5783.39	60.00	279.32	5522.34	730.68	1060.60	-500.50	0.00			
Landing Point, Hold to TD	6141.92	91.38	271.42	5610.00	1070.20	1110.99	-841.93	9.00			
Chaco 2307-13H #172H BHL	10593.91	91.38	271.42	5503.00	5430.35	1221.15	-5291.27	0.00			



Vertical Section (ft) Azim = 282.996° Scale = 1:400(ft) Origin = 0N-S, 0E-W