



December 11, 2013

Working Interest Owners  
Cox Canyon Unit

Re: Approval Cox Canyon Dakota Commerciality Determinations  
Dakota formation  
San Juan County, NM

RECEIVED OGD  
2013 DEC 19 P 2:41

Dear Owner:

Enclosed for your information is a copy of the BLM well determination approval letter for the Cox Canyon Unit #9B, #9C, #5B and #7C. The BLM has determined that the Cox Canyon Unit #9B is commercial. The BLM has also determined that the Cox Canyon #5B and #7C are non-commercial and will remain on a lease basis.

With this approval the Cox Canyon #9B will initiate the unit PA for the Cox Canyon Dakota formation. Schedules will be submitted to the BLM for approval. The #9B will remain on a lease basis until the schedules have been submitted and approved. The 9C will come in with the #9B.

Sincerely,

Kris Russell

WPX Energy Production, LLC  
P.O. Box 3102  
Tulsa, OK 74101  
539-573-6181  
[Kris.russell@wpxenergy.com](mailto:Kris.russell@wpxenergy.com)  
539-573-0681 fax



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office  
6251 College Blvd - Suite A  
Farmington, New Mexico 87402  
www.blm.gov/nm



IN REPLY REFER TO:

Cox Canyon Unit DK PA  
3162.7 (F0111)

December 3, 2013

RECEIVED

DEC 10 2013

Ms. Kris Russell  
WPX Energy Production, LLC.  
P.O. Box 3102  
Tulsa, OK 74101-3102

LEASEHOLD DETERMINATION

RE: Cox Canyon Unit  
Commerciality Determinations  
Dakota Formation  
San Juan County, NM

Dear Ms. Russell:

In response to your letters dated November 15, 2013, the Farmington Field Office has reviewed the data you submitted for a commerciality determination for the following wells completed in the Dakota formation.

Well Name & Number	Dedication	Lease	Completion Date	Determination
Cox Canyon #9B	N/2 Sec. 20, T32N, R11W	NMNM03189	5/24/2007	Commercial
Cox Canyon #9C	N/2 Sec. 20, T32N, R11W	NMNM010910	4/22/2008	No Determination*
Cox Canyon #5B	W/2 Sec. 21, T32N, R11W	NMNM03189	5/11/2006	Non-Commercial
Cox Canyon #7C	E/2 W/2 & W/2 E/2 Sec. 17, T32N, R11W	NMNM03190	3/3/2009	Non-Commercial

\* The Cox Canyon #9C does not require a paying well determination since the well is outside the Cox Canyon Unit boundary. Both the Cox Canyon #9B and #9C wells will continue to report their Dakota production to communitization agreement NMNM122052 even after the Cox Canyon Dakota participating area is formed.

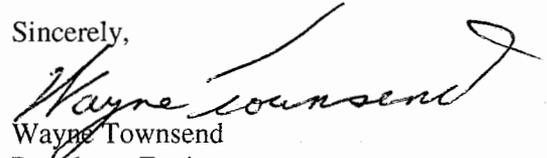
After completing our economic evaluations, we are in concurrence with the above determinations.

The well that was determined to be commercial in the Dakota formation is to be included in the initial Dakota participating area. It is required that the initial Dakota participating area be submitted to include this well in the Cox Canyon Unit Dakota Participating Area (NE/4). The wells that were determined to be non-commercial are to report their Dakota production to the lease or communitization agreement number.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order(s) described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-92000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions concerning this matter, please contact Wayne Townsend at the above address or telephone (505) 564-7745.

Sincerely,

A handwritten signature in black ink that reads "Wayne Townsend". The signature is written in a cursive style with a large, sweeping flourish at the end.

Wayne Townsend  
Petroleum Engineer  
Branch of Petroleum Management

WORKING INTEREST OWNERS  
COX CANYON UNIT

BP AMERICA PRODUCTION CO.  
ATTN: DONNA JONES  
P.O. BOX 3092  
HOUSTON, TX 77253-3092

BURLINGTON RESOURCES  
ATTN: SAN JUAN/ROCKY MOUNTAIN LANDMAN  
P.O. BOX 4289  
FARMINGTON, NM 87499-4289

CONOCOPHILLIPS COMPANY  
ATTN: SAN JUAN/ROCKY MOUNTAIN LANDMAN  
P.O. BOX 4289  
FARMINGTON, NM 87499-4289