

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303)894-2100 Fax: (303)894-2109



02145400

SUNDRY NOTICE

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form.) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

Received 6/28/13

1. OGCC Operator Number: 96850 4. Contact Name: Greg Davis
2. Name of Operator: WPX Energy Rocky Mountain, LLC
3. Address: 1001 17th Street, Suite 1200
City: Denver State: CO Zip: 80202
Phone: (303) 606-4071 Fax: (303) 629-8268
5. API Number: OGCC Facility ID Number: 316570, 421107, 4211185
6. Well/Facility Name: See Technical Page 7. Well/Facility Number
8. Location (Qtr/Sec, Twp, Rng, Meridian): SENE 31-1N-99W, Lot 8 31-1N-99W, SESEW 30-1N-99W
9. County: Rio Blanco 10. Field Name: Sulphur Creek
11. Federal, Indian or State Lease Number:

Complete the Attachment Checklist OP OGCC

General Notice

CHANGE OF LOCATION: Attach New Survey Plat (a change of surface qtr/qtr is substantive and requires a new permit)
Change of Surface Footage from Exterior Section Lines:
Change of Surface Footage to Exterior Section Lines:
Change of Bottomhole Footage from Exterior Section Lines:
Change of Bottomhole Footage to Exterior Section Lines:
Bottomhole location Qtr/Sec, Twp, Rng, Mer
Latitude Distance to nearest property line Distance to nearest bldg, public rd, utility or RR
Longitude Distance to nearest lease line Is location in a High Density Area (rule 603b)? Yes/No
Ground Elevation Distance to nearest well same formation Surface owner consultation date:
GPS DATA: Date of Measurement PDOP Reading Instrument Operator's Name
CHANGE SPACING UNIT Formation Formation Code Spacing order number Unit Acreage Unit configuration Remove from surface bond Signed surface use agreement attached
CHANGE OF OPERATOR (prior to drilling): Effective Date: Plugging Bond: Blanket Individual
CHANGE WELL NAME NUMBER From: To: Effective Date:
ABANDONED LOCATION: Was location ever built? Yes No Is site ready for inspection? Yes No Date Ready for Inspection:
NOTICE OF CONTINUED SHUT IN STATUS Date well shut in or temporarily abandoned: Has Production Equipment been removed from site? Yes No MIT required if shut in longer than two years. Date of last MIT
SPUD DATE: REQUEST FOR CONFIDENTIAL STATUS (6 mos from date casing set)
SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK Method used Cementing tool setting/perf depth Cement volume Cement top Cement bottom Date
RECLAMATION: Attach technical page describing final reclamation procedures per Rule 1004. Final reclamation will commence on approximately Final reclamation is completed and site is ready for inspection.

Technical Engineering/Environmental Notice

Notice of Intent Approximate Start Date: Report of Work Done Date Work Completed:
Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)
Intent to Recomplete (submit form 2) Request to Vent or Flare E&P Waste Disposal
Change Drilling Plans Repair Well Beneficial Reuse of E&P Waste
Gross Interval Changed? Rule 502 variance requested Status Update/Change of Remediation Plans
Casing/Cementing Program Change Other: Water Reuse Plan for Spills and Releases

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: Greg Davis Date: 4/26/13 Email: Greg.J.Davis@Williams.com
Print Name: Greg Davis Title: Supervisor Permits

OGCC Approved: [Signature] Title: [Signature] Date: 6/27/13
CONDITIONS OF APPROVAL IF ANY:

- Produced water or flowback water or other exploration and production waste shall NOT be temporarily stored in large volume storage tanks (LVSTs). Produced water or flowback water shall be temporarily stored in frac tanks.

FORM
4
Rev 12/05

TECHNICAL INFORMATION PAGE



FOR OGCC USE ONLY

1. OGCC Operator Number: 96850 API Number: _____
2. Name of Operator: WPX Energy Rocky Mountain, LLC OGCC Facility ID # 316570, 421107, 421185
3. Well/Facility Name: See Technical Page Well/Facility Number: _____
4. Location (QtrQtr, Sec, Twp, Rng, Meridian): SENE 31-1N-99W, Lot 6 31-1N-99W, SESW 30-1N-99W

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. **DESCRIBE PROPOSED OR COMPLETED OPERATIONS**

Please see the proposed attached "Transferring Operator Water Reuse Plan" to allow a temporary produced water transfer agreement between WPX Energy Rocky Mountain, LLC (WPX) and Encana Oil & Gas (USA) Inc. (Encana). Encana has a need for up to 200,000 barrels (bbls) of produced water for Exploration and Production operations in Rio Blanco County, Colorado. WPX operates wells in the Barcus Creek field located in Rio Blanco County, Colorado located near Encana's location currently in need of produced water. WPX is currently sending 6,000-10,000 bbls per day of excess non-tributary produced and flowback water to our approved, existing injection wells for downhole disposal and injection. Encana would like to receive water for beneficial re-use. If permitted to do so, water will be collected at three well pads inside WPX's Barcus Creek Unit (Unit ID COC070700X) and trucked to Encana's Canary Unit 6602 wellpad (COGCC ID 315334, NENE Sec 14, T1S-R99W), which will serve as the Custody Transfer Point. WPX's three Barcus Creek Unit well pads that may serve as origination points are the Federal BCU 42-31-198 pad (COGCC ID 316570, SENE Sec 31, T1N-R99W), the Federal BCU 12-31-198 pad (COGCC ID 421107, Lot 6 Sec 31, T1N-R98W) and the Federal BCU 24-30-198 pad (COGCC ID 421185, SESW Sec 30, T1N-R98W). All wells are located in Rio Blanco County, Colorado, and water will be trucked via existing roads used by WPX & Encana. Encana will test and verify compatibility of the produced water provided by WPX Energy. Transfer of produced water would begin upon COGCC approval and terminate after 180 days with an option for extension.



Transferring Operator Water Reuse Plan

**WXP Energy Rocky Mountain, LLC and Encana Oil &
Gas (USA) Inc.**

April 2013

Purpose and Need

This water re-use plan is to be submitted to the Colorado Oil and Gas Conservation Commission (COGCC) with a Form 4 (sundry) to allow a temporary produced water transfer agreement between WPX Energy Rocky Mountain, LLC (WPX) and Encana Oil & Gas (USA) Inc. (Encana).

Encana has a need for up to 200,000 barrels (bbls) of produced water for Exploration and Production operations in Rio Blanco County, Colorado. WPX operates wells in the Barcus Creek field located in Rio Blanco County, Colorado located near Encana's location currently in need of produced water. WPX is currently sending 6,000-10,000 bbls per day of excess non-tributary produced and flowback water to our approved, existing injection wells for downhole disposal and injection.

Encana would like to receive water for beneficial re-use. If permitted to do so, water will be collected at three well pads inside WPX's Barcus Creek Unit (Unit ID COC070700X) and trucked to Encana's Canary Unit 6602 wellpad (COGCC ID 315334, NENE Sec 14, T1S-R99W), which will serve as the Custody Transfer Point. WPX's three Barcus Creek Unit well pads that may serve as origination points are the Federal BCU 42-31-198 pad (COGCC ID 316570, SENE Sec 31, T1N-R99W), the Federal BCU 12-31-198 pad (COGCC ID 421107, Lot 6 Sec 31, T1N-R98W) and the Federal BCU 24-30-198 pad (COGCC ID 421185, SESW Sec 30, T1N-R98W). All wells are located in Rio Blanco County, Colorado, and water will be trucked via existing roads used by WPX & Encana. Encana will test and verify compatibility of the produced water provided by WPX Energy. Transfer of produced water would begin upon COGCC approval and terminate after 180 days with an option for extension.

Benefits

Under this plan, each party shall use reasonable and available means to safely transfer production water, in sufficient volumes and quality, to meet the other party's transfer request, when mutually agreeable to do so. The benefits include:

- Less fresh water withdraws from surface water sources;
- Less reliance on injection wells for disposal of production/flowback water;
- Increased operational efficiencies from reusing local supplies of production/flowback water to meet water demands for drilling, completion and workover activities.

Produced Fluid Pickup and Transfer Location

Produced water will be collected at any of the three WPX identified collection locations and trucked to the identified Encana delivery location via existing access roads used by WPX and Encana. The transferring company (WPX) shall maintain all regulatory responsibility, custody and control for all water until such time it is transferred onto Encana's Canary Unit 6602 well pad (COGCC ID 315334). Once the water trucks enter the boundaries of the Custody Transfer Point, the receiving company will assume all regulatory responsibility, custody and control of the water. (See attached map for additional detail on the custody transfer point).

From the custody transfer point, Encana will reuse the transferred water at the following location:

BHDU A11 2100 pad, COGCC ID 425361, NENE Sec 11 T2S, R100W, Rio Blanco County, Colorado

Transfer

WPX's transfer activities will consist of the following:

Transport water from WPX's Federal BCU 42-31-198 pad (COGCC ID 316570, SENE Sec 31, T1N-R99W), the Federal BCU 12-31-198 pad (COGCC ID 421107, Lot 6 Sec 31, T1N-R98W) and the Federal BCU 24-30-198 pad (COGCC ID 421185, SESW Sec 30, T1N-R98W) to the Custody Transfer Point located in Rio Blanco County, Colorado. WPX will assume responsibility of the water from its above named well pads until the truck enters Encana's well pad.

The volumes of fluid to be delivered will be up to 10,000 bbls/day; actual transferred volumes will be metered.

WPX will maintain records with the following information:

- Changes to the approved plan;
- Applicable training requirements for WPX and its contractors (lock out/ tag out, job hazard analysis at the transfer location, etc.);
- Types and results of internal and contractor audits conducted;
- Tabulated waste generator records, if required by Rule 907.b.(2) including:
 - Date of transport
 - Identity of water generator
 - Identity of water transporter
 - Volume of water transported
 - Location of receiving point
(Transport tickets will be maintained for each load)
- Summary of spills, incidents or upsets;

Spill Response and Cleanup Measures

WPX's collection facilities are covered under a Spill Prevention Control and Countermeasure Plan (SPCC).

Encana's receiving points are also covered under a SPCC plan.

Analytical Data

An analysis representative of the water to be transferred to Encana will be included as Attachment B.

Operator Contact Information

WPX Energy Rocky Mountain, LLC
Lisa Dee
Regulatory Specialist
1058 County 215
Parachute, CO 81635
720.470.4919 Mobile
970.263.2738 Office

ENCANA OIL & GAS (USA) Inc.
Louie Gibson
Trucking Supervisor: SRBU Water Management
143 Diamond Ave.
Parachute, CO 81635
970.489.1749 Office
970.989.0143 Mobile

Summary

Origination of water – WPX's Garfield County drilling and completion activities;

Destination of water – Encana's produced water storage tanks located on the Canary Unit 6602 location (COGCC ID 315334) located in Rio Blanco County, Colorado;

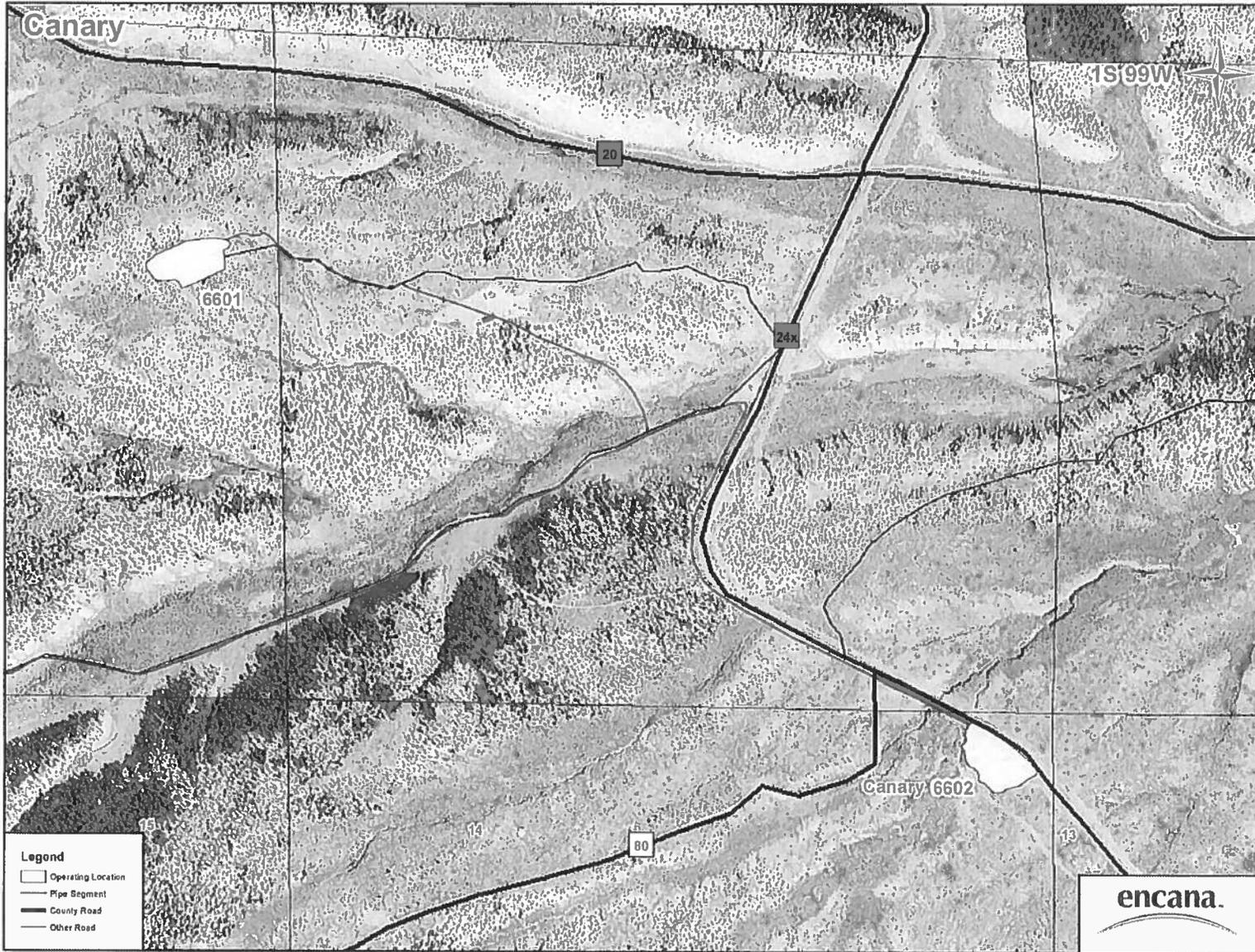
Water Transportation – All water transported to Encana will be trucked via existing roads used by WPX and Encana.

Estimated volume of water transferred – up to 10,000 bbls/day for up to 180 days.

The transporting operator shall implement the following:

- APPROVAL OF THIS PLAN IS CONTINGENT UPON ANALYTICAL LABORATORY RESULTS FOR REPRESENTATIVE SAMPLES OF WPX WATER FROM LOCATION IDs: 149006 and 149015. RESULTS SHALL BE SUBMITTED TO THE COGCC WITHIN 45 DAYS OF APPROVAL OF THIS PLAN. ANALYTICAL LABORATORY ANALYSIS SHALL INCLUDE:
 - o -VOLATILE ORGANIC COMPOUNDS EPA METHOD 624 (GC/MS)
 - o -SEMI-VOLATILE ORGANIC COMPOUNDS EPA METHOD 625 (GC/MS)
 - o DISSOLVED METALS EPA METHOD 200.7 (ICP)
 - o DISSOLVED INORGANICS (NON-METALS) EPA METHOD 300.0 (IC)
 - Br,Cl,F,Nitrate/Nitrite, Sulfate
 - o GENERAL WATER QUALITY PARAMETERS
 - SPECIFIC CONDUCTANCE EPA METHOD 300.0 (IC)
 - HARDNESS EPA METHOD 130.1
 - TOTAL DISSOLVED SOLIDS EPA METHOD 160.1
 - pH EPA METHOD 150.2
- OPERATOR MUST IMPLEMENT BEST MANAGEMENT PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS, INCLUDING ANY FLUIDS CONVEYED VIA TEMPORARY SURFACE PIPELINES.
- TERMINATION OF ACTIVITIES: BOTH ENCANA AND WPX SHALL NOTIFY THE COGCC VIA SUNDRY IMMEDIATELY UPON TERMINATION OF ACTIVITIES.

- ENCANA AND WPX WILL EACH SEPERATELY SUBMIT AN ANNUAL REPORT TO THE COGCC SUMMARIZING THE TRANSFER OF PRODUCTION WATER (BOTH AS TRANSFER AND RECEIVING OPERATOR) DURING THE CALENDAR YEAR- AND INCUDING LABORATORY ANALYTICAL RESULTS FOR REPRESENTATIVE SAMPLES(S) OF THE PRODUCTION WATER PROVIDED AS THE TRANSFER/RECIEVER. THE ANNUAL REPORT SHALL BE SUBMITTED ON OR BEFORE THE ANNIVERSAY OF THE FIRST DATE OF TRANSFER.



HALLIBURTON

Rockies Lab Water Analysis Report
District: Grand Junction

Tested By Jason
Reported By Jason

Customer and Well Information

Company WPX Well/Sample Name Ryan Gulch
Report To Mark Mayo Date Received 3/28/2013
Date Tested 3/28/2013

Sample Physical Characteristics

Sample 1 W072
Temperature 66.0 °F Resistivity 0.7 Ω·m
Specific Gravity 1.091 Conductivity 18.9 mS/cm
pH 7.2 TDS 10200.0 mg/L
Turbidity 162.0 FNU Color (observation) Clear

Sample Chemical Characteristics

Anions		Cations	
Chloride	<u>5799</u> mg/L	Total Iron	<u>3.7</u> mg/L
Sulfate	<u>0</u> mg/L	Ferrous Iron	<u>0.1</u> mg/L
Carbonate	<u>0</u> mg/L	Potassium	<u>16</u> mg/L
Bicarbonate	<u>1965</u> mg/L	Calcium	<u>220</u> mg/L
Hydroxide	<u>0</u> mg/L	Magnesium	<u>105</u> mg/L
		Sodium (calculated)	<u>4037</u> mg/L

Bacteria Serial Dilution

Bacteria Serial Dilution			Correlation of "Positive" Vials to Estimated Concentration of Bacteria		
Baseline			Number of "Positive" Vials	Estimated Bacteria (cc of Original Sample)	
24	48	72			
Aerobic	/	/	0	0	
			1	1-10	or 10 ¹
			2	10-100	or 10 ²
			3	100-1,000	or 10 ³
			4	1,000-10,000	or 10 ⁴
			5	10,000-100,000	or 10 ⁵
			6	100,000-1,000,000	or 10 ⁶
			7	1,000,000-10,000,000	or 10 ⁷
			8	10,000,000-100,000,000	or 10 ⁸

General Comments

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HALLIBURTON

Halliburton Energy Services
The Rockies NWA Regional Laboratory
Grand Junction, CO 970) 523-3692

Water Analysis Report

Contact Information

Company	<u>Williams</u>	Date Received	<u>June 6, 2011</u>
Reported To	<u>Kyle Kohl</u>	Date Tested	<u>June 7, 2011</u>
Reported By	<u>Carter Tuttle</u>	Tested By	<u>Carter Tuttle</u>

Sample Physical Characteristics

Well Name	<u>RGU 23-6 Frac Pad</u>	Temperature	<u>67</u> °F
Location	<u></u>	pH	<u>7.3</u>
Specific Gravity	<u>1.010</u>	Color	<u>Lt Yellow</u>
Corrected SG	<u>1.011</u> at 60°F	Turbidity	<u>90 FAU</u>
TDS (calculated)	<u>19274</u> ppm	Resistivity	<u>0.67</u> Ω·m

Sample Chemical Characteristics

Anions	Chloride	<u>11088</u> mg/L	Cations	Total Iron	<u>10.2</u> mg/L
	Sulfate	<u>0</u> mg/L		Ferrous Iron	<u>0.2</u> mg/L
	Bicarbonate	<u>960</u> mg/L		Potassium	<u>15</u> mg/L
	Carbonate	<u>0</u> mg/L		Calcium	<u>392</u> mg/L
	Hydroxide	<u>0</u> mg/L		Magnesium	<u>88</u> mg/L
			Sodium (calculated)	<u>6913</u> mg/L	

General Comments

Sample ID W201 Conductivity 19.9mS, Salinity 13.0ppt, TDS 12,200ppm

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HALLIBURTON

Halliburton Energy Services
The Rockies NWA Regional Laboratory
Grand Junction, CO 970) 523-3692

Water Analysis Report

Contact Information

Company	<u>Williams</u>	Date Received	<u>June 6, 2011</u>
Reported To	<u>Kyle Kohl</u>	Date Tested	<u>June 7, 2011</u>
Reported By	<u>Carter Tuttle</u>	Tested By	<u>Carter Tuttle</u>

Sample Physical Characteristics

Well Name	<u>33-24 Frac Pad</u>	Temperature	<u>67</u> °F
Location	<u></u>	pH	<u>7.8</u>
Specific Gravity	<u>1.010</u>	Color	<u>Black</u>
Corrected SG	<u>1.011</u> at 60°F	Turbidity	<u>See below</u>
TDS (calculated)	<u>13963</u> ppm	Resistivity	<u>0.66</u> Ω·m

Sample Chemical Characteristics

Anions	Chloride	<u>7635</u> mg/L	Cations	Total Iron	<u>1.8</u> mg/L
	Sulfate	<u>140</u> mg/L		Ferrous Iron	<u>1.6</u> mg/L
	Bicarbonate	<u>980</u> mg/L		Potassium	<u>84</u> mg/L
	Carbonate	<u>0</u> mg/L		Calcium	<u>440</u> mg/L
	Hydroxide	<u>0</u> mg/L		Magnesium	<u>12</u> mg/L
			Sodium (calculated)	<u>4808</u> mg/L	

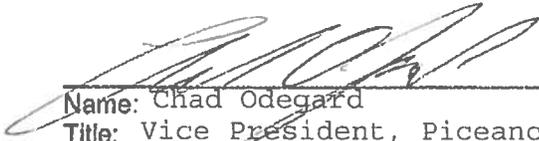
General Comments

Sample ID W200, Sample was treated with BE-7 so titration results could be observed. Turbidity exceeded test limits before BE-7. After BE-7 Turbidity was observed at 220 FAU. Conductivity 20.8mS, Salinity 13.9ppt, TDS 13,200ppm.

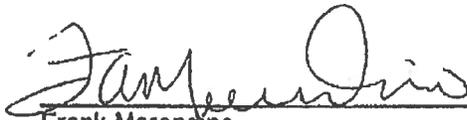
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Authorization and Point of Contact

This production Water Reuse and Waste Minimization Plan for Water Transfers Between Encana Oil & Gas (USA) Inc. and WPX Energy Rocky Mountain LLC is hereby authorized for implementation by:


Name: Chad Odegard
Title: Vice President, Piceance Basin
WPX Energy Rocky Mountain LLC

5-20-13
Date


Frank Merendino
Group Lead, Drilling and Completions
SRBU - North Piceance
Encana Oil & Gas (USA) Inc.

5-16-2013
Date

The point of contact representing WPX is:

Lisa Dee
Regulatory Specialist
1058 County 215
Parachute, CO 81635
720.470.4919 Mobile
970.263.2738 Office

The point of contact representing Encana is:

Louie Gibson
Trucking Supervisor: SRBU Water Management
143 Diamond Ave.
Parachute, CO 81635
970.489.1749 Office
970.989.0143 Mobile