



Fox Engineering Solutions, Inc.

May 20, 2014

April Mestas
Construction and Regulatory Manager
WPX Energy Rocky Mountain, LLC
1058 County Road 215
Parachute, CO 81635

Re: GM 323-28 Well Pad - Irrigation Ditch Status
SW ¼ Section 28 Township 6 South, Range 96 West, 6th P.M. Garfield County, CO

Dear April,

As requested, Fox Engineering Solutions ("FES") has investigated the status of the irrigation ditches located in the vicinity of the proposed GM 323-28 well pad. It is our understanding that a portion of the ditch will be obliterated with the construction of this pad and access road.

FES's investigation included a field visit to the site, discussions with WPX staff and the State's District Water Commissioner Ben Krause; review of Colorado Division of Water Resources' water rights diversion records, numerous water court decrees and Quit Claim Deed between Union Oil Company of California and Williams Production RMT Company, predecessor to WPX Energy Rocky Mountain LLC.

A Preliminary Location drawing from Bookcliff Survey Services, dated Rev. 4/01/14, is attached showing the pad location, property boundaries and topographic features. FES superimposed the approximate location of a ditch and one of its laterals onto the drawing. Based on information obtained from the State's District 39 Water Commission Ben Krause, the ditch is known as the Low Cost Ditch. The Low Cost was originally constructed on January 4, 1887 and adjudicated by the water court in Civil Action 103 on May 11, 1889 for irrigation purposes for 5.0 cfs from Parachute Creek. Two subsequent enlargements of the Low Cost Ditch water right were made in later years bringing the total flow entitlement to 26.34 cfs.

The Low Cost Ditch historically irrigated lands on the east side of Parachute Creek above and below the location of the proposed GM 323-28 well pad. On October 31, 2001, Williams Production RMT, now WPX Energy Rocky Mountain LLC, purchased 1,333 acres, which includes the GM 323-28 site, from Union Oil Company of California. The purchase agreement acknowledged that the Low Cost Ditch had been previously sold and that any interest in the ditch structure or related easements was conveyed to WPX Energy. Water rights in Colorado are real property as is real estate and as such are separable from the land.

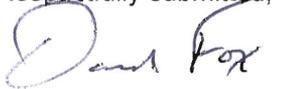
In Water Court Case W-2206, dated July 14, 1975, Union Oil Company of California transferred and changed the use of the majority of the Low Cost water rights to industrial, retorting, mining, refining, power, domestic, and all other uses in connection with oil shale development as alternate uses when the Low Cost is not used for irrigation purposes. Puckett Land Company and Petroleum Development Corporation, in Water Court Case 07CW239, filed on December 28, 2007 to transfer their share of the Low Cost Ditch to oil and gas development, drilling, oil shale development, and support personnel housing. The case is still pending.

According to the State's District Water Commissioner Ben Krause, Low Cost water is actively diverted by Puckett Land Company to irrigated lands directly to the north of the WPX Energy property where the proposed GM 323-28 well pad is located. Mr. Krause also acknowledged that no other party was diverting water through or past WPX Energy's property. FES's field investigation confirmed that the Low Cost Ditch has been obliterated in several locations on WPX Energy's property making it impossible for water to flow in the ditch.

Based upon our investigation and the information discussed, it is our opinion that the obliteration of the Low Cost Ditch and its lateral is warranted and it appears that there are no known water right holders that will be affected by this action.

Should you have any questions or require additional information, please let me know.

Respectfully submitted,



David Fox, P.E.

Fox Engineering Solutions, Inc.

670 Canyon Creek Drive
Grand Junction, CO 81507

Ph: (970) 250-5505

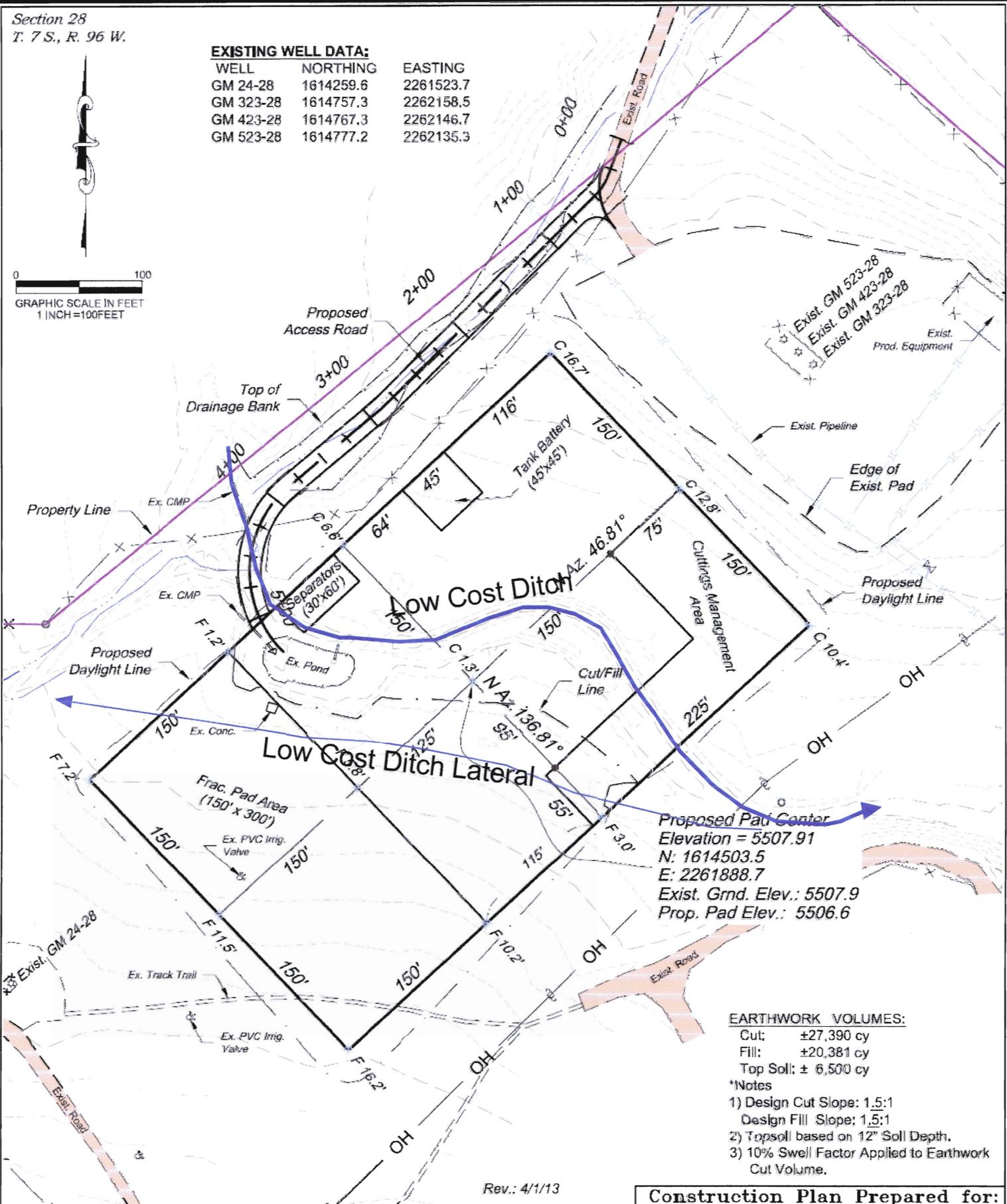
Email: coloradofox@bresnan.net

Section 28
T. 7 S., R. 96 W.

EXISTING WELL DATA:

WELL	NORTHING	EASTING
GM 24-28	1614259.6	2261523.7
GM 323-28	1614757.3	2262158.5
GM 423-28	1614767.3	2262146.7
GM 523-28	1614777.2	2262135.3

0 100
GRAPHIC SCALE IN FEET
1 INCH=100 FEET



Proposed Pad Center
Elevation = 5507.91
N: 1614503.5
E: 2261888.7
Exist. Gmd. Elev.: 5507.9
Prop. Pad Elev.: 5506.6

EARTHWORK VOLUMES:

- Cut: ±27,390 cy
- Fill: ±20,381 cy
- Top Soil: ± 6,500 cy

Notes

- 1) Design Cut Slope: 1.5:1
Design Fill Slope: 1.5:1
- 2) Topsoil based on 12" Soil Depth.
- 3) 10% Swell Factor Applied to Earthwork Cut Volume.

Rev.: 4/1/13

136 East Third Street
Rifle, Colorado 81650
Ph: (970) 625-2720
Fax: (970) 625-2773



SCALE:	1" = 100'
DATE:	3/5/13
PLAT:	1 of 2
PROJECT:	Valley
DPT:	gas

Construction Plan Prepared for:
WPXENERGY WPX Energy Rocky Mountain, LLC

*GM 323-28 Drill Pad
PRELIMINARY LOCATION*