Form 3160-3 (June 2015)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPROVED             |
|---------------------------|
| OMB No. 1004-0137         |
| Expires: January 31, 2018 |

5. Lease Serial No. NMNM121942

| ΔΡΡΙΙΟΔΤΙ | ON FOR | PERMIT TO | ODBILL | OR REENTER |
|-----------|--------|-----------|--------|------------|
|           |        |           |        |            |

| APPLICATION FOR PERMIT TO D  | RILL OR REENTER  |                     | 6. If Indian, Allotee or Tribe   | Name              |             |
|--|--|---------------------|--|-------------------|-------------|
| b. Type of Well: ☐ Oil Well ✓ Gas Well ☐ Oil   | EENTER ther ngle Zone  Multiple Zone                   |                     | 7. If Unit or CA Agreement, 1 8. Lease Name and Well No. BONANZA 22/15 W1FC FE |                   |             |
| 2. Name of Operator MEWBOURNE OIL COMPANY  |  |                     | 9. API Well No. 30 015 478   |                   |             |
| a. Address<br>PO Box 5270, Hobbs, NM 88240   | 3b. Phone No. <i>(include area code</i> (575) 393-5905 | 2)                  | 10. Field and Pool, or Explor<br>WELCH/WOLFCAMP GAS                            | ratory Purple Sag | ge;Wolfcamp |
| At surface NWSW / 2420 FSL / 1190 FWL / LAT 32.11 At proposed prod. zone NENW / 330 FNL / 2310 FWL / L               | 48768 / LONG -104.0798958                              | 762698              | 11. Sec., T. R. M. or Blk. and<br>SEC 22/T25S/R28E/NMP                         | Survey or Area    |             |
| 4. Distance in miles and direction from nearest town or post offi 8.5 miles  | ice*   |                     | 12. County or Parish EDDY  | 13. State<br>NM   |             |
| 5. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | 16. No of acres in lease                               | 17. Spacir<br>640.0 | g Unit dedicated to this well  |                   |             |
| 8. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.            | 19. Proposed Depth<br>9789 feet / 17467 feet           | 20. BLM/<br>FED: NM | BIA Bond No. in file   |                   |             |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>3004 feet   | 22. Approximate date work will 11/09/2019              | start*              | 23. Estimated duration 60 days   |                   |             |
|  | 24. Attachments  |                     |  |                   |             |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- 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 requested by the

| 25. Signature (Electronic Submission)           | Name (Printed/Typed) BRADLEY BISHOP / Ph: (575) 393-5905       | Date 10/30/2019 |
|---|--|-----------------|
| Title<br>Regulatory                             | ,  | ,               |
| Approved by (Signature) (Electronic Submission) | Name ( <i>Printed/Typed</i> ) Cody Layton / Ph: (575) 234-5959 | Date 09/24/2020 |
| Title Assistant Field Manager Lands & Minerals  | Office<br>Carlsbad Field Office                                | ·               |

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.

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 PROVED WITH CONDITIONS synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system. Surface casing must be set 25' below top of Rustler Anhydrite or salt in order to seal off protectable water

Will requir 6a directional survey with the C-104

(Continued on page 2)

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

> KP 12/15/2020 GEO Review \*(Instructions on page 2)

**Approval Date: 09/24/2020** Entered - KMS NMOCD

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

District IV 1220 S. St. Francis Dr., 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 Dr. Santa Fe, NM 87505

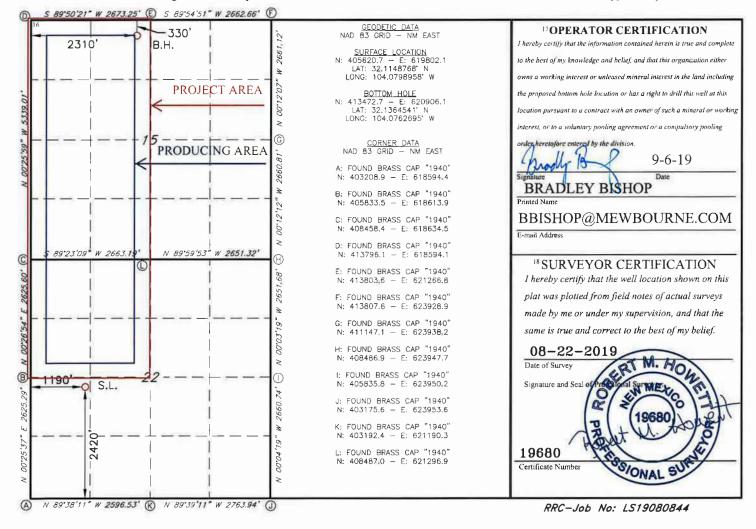
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30 015                             | API Number 47830 | г  |   | <sup>2</sup> Pool Code<br>98220 |                       |                  |                                |                |        |  |  |  |  |  |
|------------------------------------|------------------|--|---|---------------------------------|-----------------------|------------------|--------------------------------|----------------|--------|--|--|--|--|--|
| <sup>4</sup> Property Co<br>329883 | de               |  | BONANZA 22/15 W1FC FED COM 6 Well Number 2H |                                 |                       |                  |                                |                |        |  |  |  |  |  |
| 70GRID 1<br>14744                  | (8)              | **Operator Name  MEWBOURNE OIL COMPANY  **Pelevation 2976* |   |                                 |                       |                  |                                |                |        |  |  |  |  |  |
|                                    |                  |  | (O.— ).                                     |                                 | <sup>10</sup> Surface | Location         |                                |                |        |  |  |  |  |  |
| UL or lot no.                      | Section          | Township   | Range                                       | Lot Idn                         | Feet from the         | North/South line | Feet From the                  | East/West line | County |  |  |  |  |  |
| L                                  | 22               | 25S  | 28E   |                                 | 2420                  | WEST             | EDDY                           |                |        |  |  |  |  |  |
|                                    |                  |  | 11 ]  | Bottom F                        | Iole Location         | If Different Fro | om Surface                     |                |        |  |  |  |  |  |
| UL or lot no.                      | Section          | Township   | Range                                       | Lot Idn                         | Feet from the         | North/South line | outh line Feet from the East/W |                | County |  |  |  |  |  |
| C                                  | 15               | 25S  | 25S   28E                                   |                                 |                       |                  |                                |                |        |  |  |  |  |  |
| 12 Dedicated Acres                 | s 13 Joint       | or Infill 14   | Consolidation                               | Code 15                         | Order No.             |                  |                                |                |        |  |  |  |  |  |
| 480                                |                  |  |   |                                 |                       |                  |                                |                |        |  |  |  |  |  |

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



# **Additional Operator Remarks**

#### **Location of Well**

0. SHL: NWSW / 2420 FSL / 1190 FWL / TWSP: 25S / RANGE: 28E / SECTION: 22 / LAT: 32.1148768 / LONG: -104.0798958 ( TVD: 0 feet, MD: 0 feet ) PPP: SESW / 0 FSL / 2310 FWL / TWSP: 25S / RANGE: 28E / SECTION: 15 / LAT: 32.1227379 / LONG: -104.0762755 ( TVD: 9769 feet, MD: 12477 feet ) PPP: SENW / 2318 FNL / 2310 FWL / TWSP: 25S / RANGE: 28E / SECTION: 22 / LAT: 32.116365 / LONG: -104.0762783 ( TVD: 9759 feet, MD: 10158 feet ) BHL: NENW / 330 FNL / 2310 FWL / TWSP: 25S / RANGE: 28E / SECTION: 15 / LAT: 32.1364551 / LONG: -104.0762698 ( TVD: 9789 feet, MD: 17467 feet )

#### **BLM Point of Contact**

Name: Gavin Mickwee Title: Land Law Examiner Phone: (575) 234-5972 Email: gmickwee@blm.gov



(Form 3160-3, page 3)

**Approval Date: 09/24/2020** 

# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

**OPERATOR'S NAME:** | Mewbourne Oil Company

**LEASE NO.: | NMNM121942** 

WELL NAME & NO.: | BONANZA 22-15 W1FC FED COM 2H

**SURFACE HOLE FOOTAGE:** 2420'/S & 1190'/W **BOTTOM HOLE FOOTAGE** 330'/N & 2310'/W

LOCATION: Section 22, T.25 S., R.28 E., NMP COUNTY: EDDY County, New Mexico

COA

| H2S                  | © Yes          | © No           |             |
|----------------------|----------------|----------------|-------------|
| Potash               | None           | © Secretary    | © R-111-P   |
| Cave/Karst Potential | C Low          | Medium         | ○ High      |
| Cave/Karst Potential | © Critical     |                |             |
| Variance             | © None         | Flex Hose      | Other Other |
| Wellhead             | © Conventional | • Multibowl    | © Both      |
| Other                | 4 String Area  | Capitan Reef   | □WIPP       |
| Other                | Fluid Filled   | Cement Squeeze | Pilot Hole  |
| Special Requirements | Water Disposal | <b>☑</b> COM   | ☐ Unit      |

#### A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

#### B. CASING

# **Casing Design:**

- 1. The 13-3/8 inch surface casing shall be set at approximately 475 feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after

- completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing which shall be set at approximately 2410 feet is:
  - Cement to surface. If cement does not circulate see B.1.a, c-d above.
     Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
     Excess cement calculates to 21%, additional cement might be required.
  - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 7 inch production casing is:

#### **Option 1 (Single Stage):**

Cement should tie-back at least 200 feet into previous casing string.
 Operator shall provide method of verification.
 Excess cement calculates to 5%, additional cement might be required.

#### **Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:

Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

- 4. The minimum required fill of cement behind the 4-1/2 inch production liner is:
  - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

#### C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
  - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

#### D. SPECIAL REQUIREMENT (S)

#### **Communitization Agreement**

• The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

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- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

# **GENERAL REQUIREMENTS**

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
  - Eddy County
    Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on

which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

#### A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

#### B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
  - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
  - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
  - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
  - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
  - e. The results of the test shall be reported to the appropriate BLM office.
  - f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
  - g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to

the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

#### C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

#### D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

OTA09092020

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#### U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

# **Drilling Plan Data Report**

12/04/2020

**APD ID:** 10400047198

Submission Date: 10/30/2019

Highlighted data reflects the most recent changes

**Operator Name: MEWBOURNE OIL COMPANY** 

Well Name: BONANZA 22/15 W1FC FED COM

Well Number: 2H

**Show Final Text** 

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill

# **Section 1 - Geologic Formations**

| Formation |                 |           | True Vertical | Measured |                                |                   | Producing |
|-----------|-----------------|-----------|---------------|----------|--------------------------------|-------------------|-----------|
| ID        | Formation Name  | Elevation | Depth         | Depth    | Lithologies                    | Mineral Resources | Formation |
| 533481    | UNKNOWN         | 3004      | 28            | 28       | OTHER : Top soil               | NONE              | N         |
| 533472    | TOP SALT        | 2034      | 970           | 970      | SALT                           | NONE              | N         |
| 533473    | BASE OF SALT    | 674       | 2330          | 2330     | SALT                           | NONE              | N         |
| 533474    | LAMAR           | 494       | 2510          | 2510     | LIMESTONE                      | NATURAL GAS, OIL  | N         |
| 533475    | BELL CANYON     | 469       | 2535          | 2535     | SANDSTONE                      | NATURAL GAS, OIL  | N         |
| 533482    | CHERRY CANYON   | -221      | 3225          | 3225     | SANDSTONE                      | NATURAL GAS, OIL  | N         |
| 533483    | MANZANITA       | -536      | 3540          | 3540     | LIMESTONE                      | NATURAL GAS, OIL  | N         |
| 533476    | BONE SPRING     | -3081     | 6085          | 6085     | LIMESTONE, SHALE               | NATURAL GAS, OIL  | N         |
| 533477    | BONE SPRING 1ST | -4046     | 7050          | 7050     | SANDSTONE                      | NATURAL GAS, OIL  | N         |
| 533478    | BONE SPRING 2ND | -4846     | 7850          | 7850     | SANDSTONE                      | NATURAL GAS, OIL  | N         |
| 533479    | BONE SPRING 3RD | -5961     | 8965          | 8965     | SANDSTONE                      | NATURAL GAS, OIL  | N         |
| 533480    | WOLFCAMP        | -6386     | 9390          | 9390     | LIMESTONE,<br>SANDSTONE, SHALE | NATURAL GAS, OIL  | Y         |

# **Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M Rating Depth: 17467

Equipment: Annular, Blind Ram, Pipe Ram

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. Anchors are not required by manufacturer. A multi-bowl wellhead is being used. See attached schematic.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and

Well Name: BONANZA 22/15 W1FC FED COM Well Number: 2H

tested. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

### **Choke Diagram Attachment:**

Bonanza 22\_15\_W1FC\_Fed\_Com\_2H\_5M\_BOPE\_Choke\_Diagram\_20191029100945.pdf

Bonanza 22\_15\_W1FC\_Fed\_Com\_2H\_Flex\_Line\_Specs\_20191029100945.pdf

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Flex\_Line\_Specs\_API\_16C\_20200812093746.pdf

## **BOP Diagram Attachment:**

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Multi\_Bowl\_WH\_20191029100958.pdf

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_5M\_BOPE\_Schematic\_20191029100958.pdf

# **Section 3 - Casing**

| Casing ID | String Type      | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade     | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF  | Body SF Type | Body SF   |
|-----------|------------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-----------|--------|------------|-------------|----------|---------------|-----------|--------------|-----------|
| 1         | SURFACE          | 17.5      | 13.375   | NEW       | API      | N              | 0          | 475           | 0           | 475            | 3004        | 2529           | 475                         | H-40      | 48     | ST&C       | 3.54        | 7.96     | DRY           | 14.1<br>2 | DRY          | 23.7<br>3 |
| 2         | INTERMED<br>IATE | 12.2<br>5 | 9.625    | NEW       | API      | N              | 0          | 2410          | 0           | 2410           | 2982        | 594            | 2410                        | J-55      | 36     | LT&C       | 1.61        | 2.81     | DRY           | 5.22      | DRY          | 6.5       |
|           | PRODUCTI<br>ON   | 8.75      | 7.0      | NEW       | API      | N              | 0          | 9900          | 0           | 9701           | 2982        | -6697          | 9900                        | P-<br>110 | 26     | LT&C       | 1.3         | 2.08     | DRY           | 2.69      | DRY          | 3.22      |
| 4         |                  | 6.12<br>5 | 4.5      | NEW       | API      | N              | 9261       | 17467         | 6186        | 9789           | -3182       | -6785          | 8206                        | P-<br>110 | 13.5   | LT&C       | 1.75        | 2.03     | DRY           | 3.05      | DRY          | 3.81      |

# **Casing Attachments**

**Operator Name: MEWBOURNE OIL COMPANY** Well Name: BONANZA 22/15 W1FC FED COM Well Number: 2H **Casing Attachments** Casing ID: 1 String Type: SURFACE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Csg\_assumptions\_20191029101047.pdf Casing ID: 2 String Type: INTERMEDIATE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Csg\_assumptions\_20191029101121.pdf Casing ID: 3 String Type: PRODUCTION **Inspection Document: Spec Document: Tapered String Spec:** 

Casing Design Assumptions and Worksheet(s):

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Csg\_assumptions\_20191029101203.pdf

Well Name: BONANZA 22/15 W1FC FED COM Well Number: 2H

# **Casing Attachments**

Casing ID: 4 String Type:LINER

**Inspection Document:** 

**Spec Document:** 

**Tapered String Spec:** 

Casing Design Assumptions and Worksheet(s):

 $Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Csg\_assumptions\_20191029101256.pdf$ 

# Section 4 - Cement

| Section      | <del>+</del> - 00 |                     |        |           |              | 1     |         |       |         |             |   |
|--------------|-------------------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|---|
| String Type  | Lead/Tail         | Stage Tool<br>Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives   |
| SURFACE      | Lead              |                     | 0      | 285       | 190          | 2.12  | 12.5    | 403   | 100     | Class C     | Salt, Gel, Extender,<br>LCM   |
| SURFACE      | Tail              | W.                  | 285    | 475       | 200          | 1.34  | 14.8    | 268   | 100     | Class C     | Retarder  |
| INTERMEDIATE | Lead              |                     | 0      | 1728      | 320          | 2.12  | 12.5    | 678   | 25      | Class C     | Salt, Gel, Extender,<br>LCM   |
| INTERMEDIATE | Tail              |                     | 1728   | 2410      | 200          | 1.34  | 14.8    | 268   | 25      | Class C     | Retarder  |
| PRODUCTION   | Lead              | 3540                | 2210   | 2858      | 60           | 2.12  | 12.5    | 127   | 25      | Class C     | Salt, Gel, Extender,<br>LCM   |
| PRODUCTION   | Tail              |                     | 2858   | 3540      | 100          | 1.34  | 14.8    | 134   | 25      | Class C     | Retarder  |
| PRODUCTION   | Lead              | 3540                | 3540   | 7427      | 350          | 2.12  | 12.5    | 742   | 25      | Class C     | Gel, Retarder,<br>Defoamer, Extender  |
| PRODUCTION   | Tail              |                     | 7427   | 9900      | 400          | 1.18  | 15.6    | 472   | 25      | Class H     | Retarder, Fluid Loss,<br>Defoamer   |
| LINER        | Lead              |                     | 9261   | 1746<br>7 | 330          | 2.97  | 11.2    | 980   | 25      | Class C     | Salt, Gel, Fluid Loss,<br>Retarder, Dispersant,<br>Defoamer, Anti-Settling<br>Agent |

Well Name: BONANZA 22/15 W1FC FED COM Well Number: 2H

# **Section 5 - Circulating Medium**

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

**Describe what will be on location to control well or mitigate other conditions:** Sufficient mud materials to maintain mud properties & meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: Pason/PVT/Visual Monitoring

# **Circulating Medium Table**

| Top Depth | Bottom Depth | Mud Type           | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | РН | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics   |
|-----------|--------------|--------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|--|
| 0         | 475          | SPUD MUD           | 8.6                  | 8.8                  |                     | )                           |    |                |                |                 |  |
| 475       | 2410         | SALT<br>SATURATED  | 10                   | 10                   | 1                   |                             |    |                |                |                 |  |
| 2410      | 9701         | WATER-BASED<br>MUD | 8.6                  | 9.7                  |                     |                             |    |                |                |                 |  |
| 9701      | 9789         | OIL-BASED<br>MUD   | 10                   | 12                   |                     |                             |    |                |                |                 | MW up to 13.0 ppg may be required for shale control. The highest MW needed to balance formation pressure is expected to be 12.0 ppg. |

Well Name: BONANZA 22/15 W1FC FED COM Well Number: 2H

# Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Will run GR/CNL from KOP (9261') to surface Will run MWD GR from KOP (9261') to TD

List of open and cased hole logs run in the well:

COMPENSATED NEUTRON LOG, GAMMA RAY LOG, MEASUREMENT WHILE DRILLING, MUD LOG/GEOLOGIC LITHOLOGY LOG, DIRECTIONAL SURVEY, MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

None

## **Section 7 - Pressure**

Anticipated Bottom Hole Pressure: 6108 Anticipated Surface Pressure: 3954

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

**Contingency Plans geohazards attachment:** 

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_H2S\_Plan\_20191029102341.pdf

# **Section 8 - Other Information**

Proposed horizontal/directional/multi-lateral plan submission:

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Dir\_plot\_20191029102408.pdf Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Dir\_plan\_20191029102408.pdf

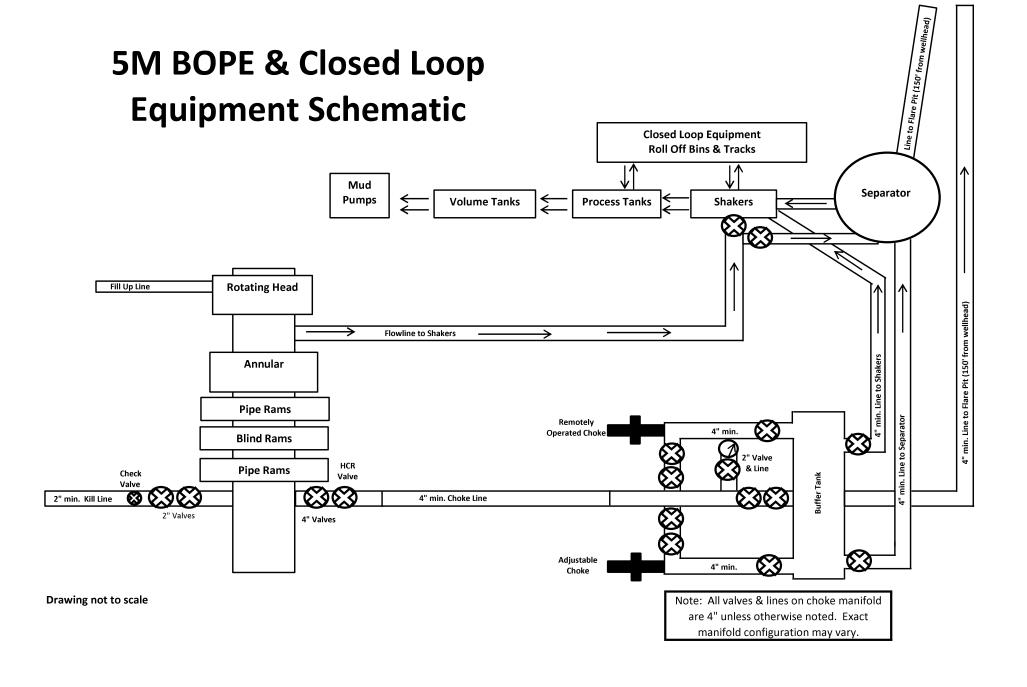
Other proposed operations facets description:

Other proposed operations facets attachment:

Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Add\_Info\_20191029102420.pdf Bonanza\_22\_15\_W1FC\_Fed\_Com\_2H\_Drlg\_Program\_20191029102432.doc

Other Variance attachment:







PHONE: 361-887-9807 FAX: 361-887-0812

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WEB: www.gates.com

# **10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE**

AUSTIN DISTRIBUTING 4/30/2015 Test Date: Customer: 4060578 D-043015-7 Hose Serial No.: Customer Ref.: JUSTIN CROPPER 500506 Created By: Invoice No.: 10K3.548.0CK4.1/1610KFLGE/E LE Product Description: 4 1/16 10K FLG 4 1/16 10K FLG End Fitting 2: End Fitting 1: L36554102914D-043015-7 4773-6290 Assembly Code: Gates Part No.:

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager:

Working Pressure:

Date:

Signature:

QUALITY

10,000 PSI

4/30/2015

Produciton:

Test Pressure:

Date:

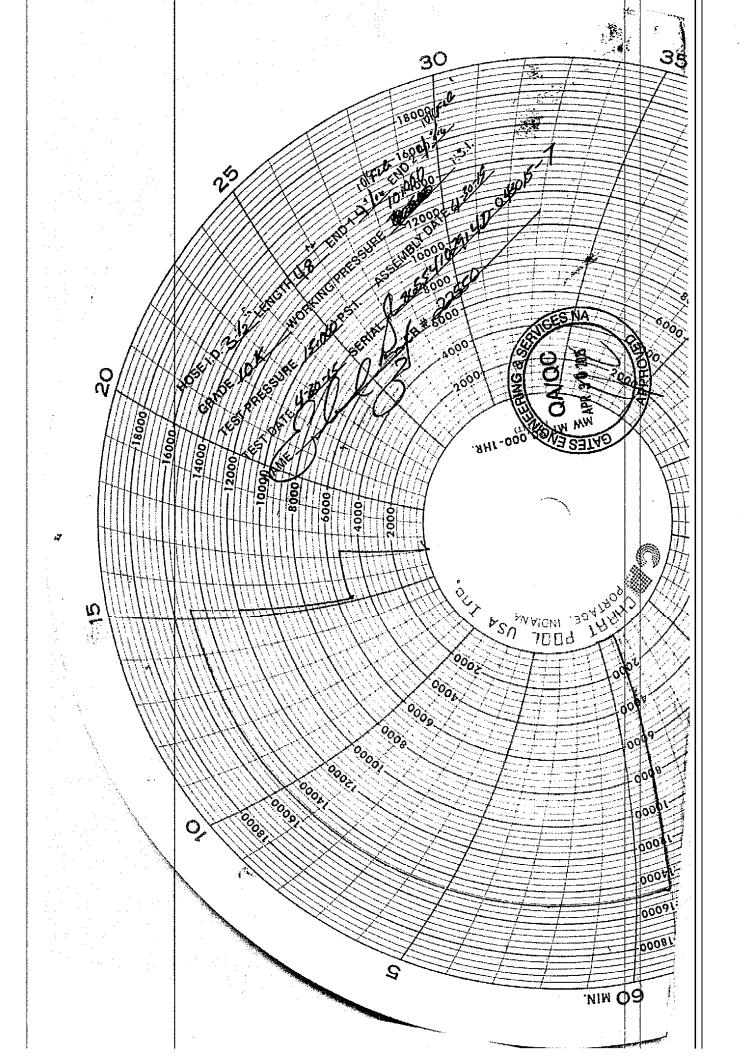
Signature :

PRODUCTION

15,000 PSI

4/30/2015







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# **10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE**

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Quality Manager:

Working Pressure:

Date:

Signature:

QUALITY

10,000 PSI

4/30/2015

Produciton:

Test Pressure:

Date:

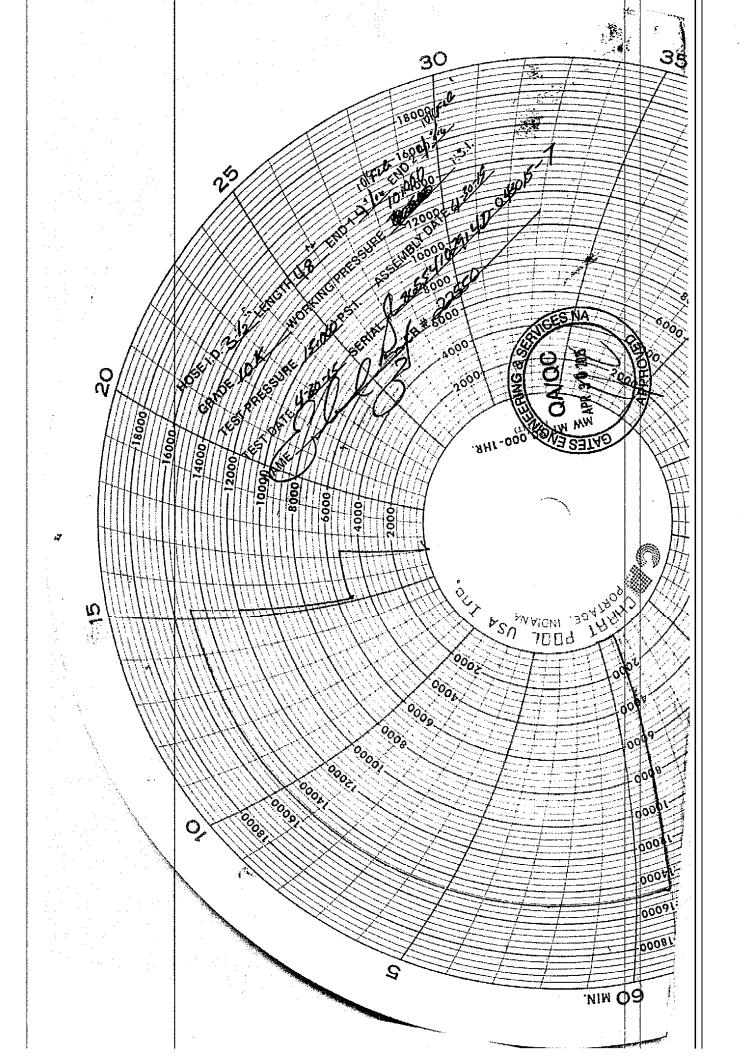
Signature :

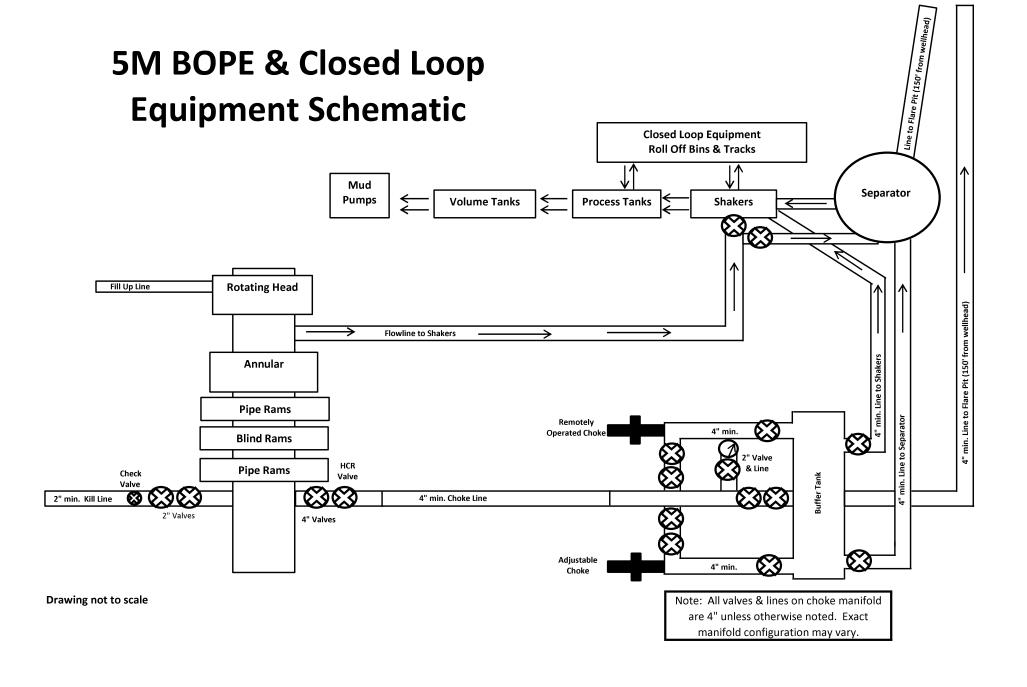
PRODUCTION

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4/30/2015









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Signature:

QUALITY

10,000 PSI

4/30/2015

Produciton:

Test Pressure:

Date:

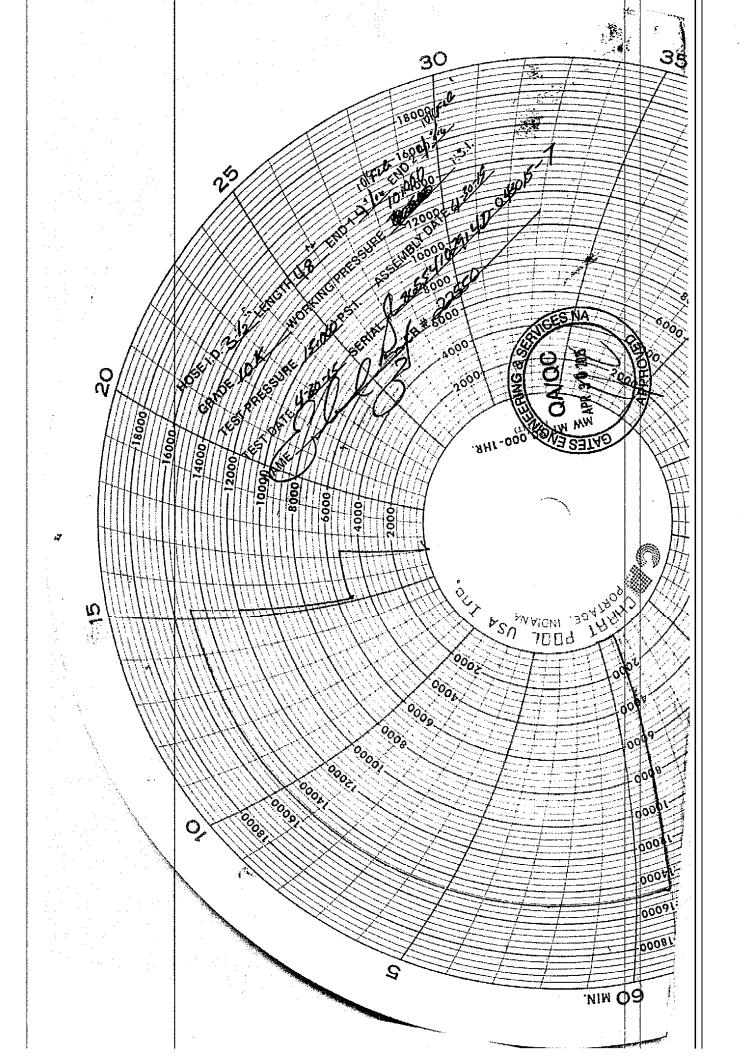
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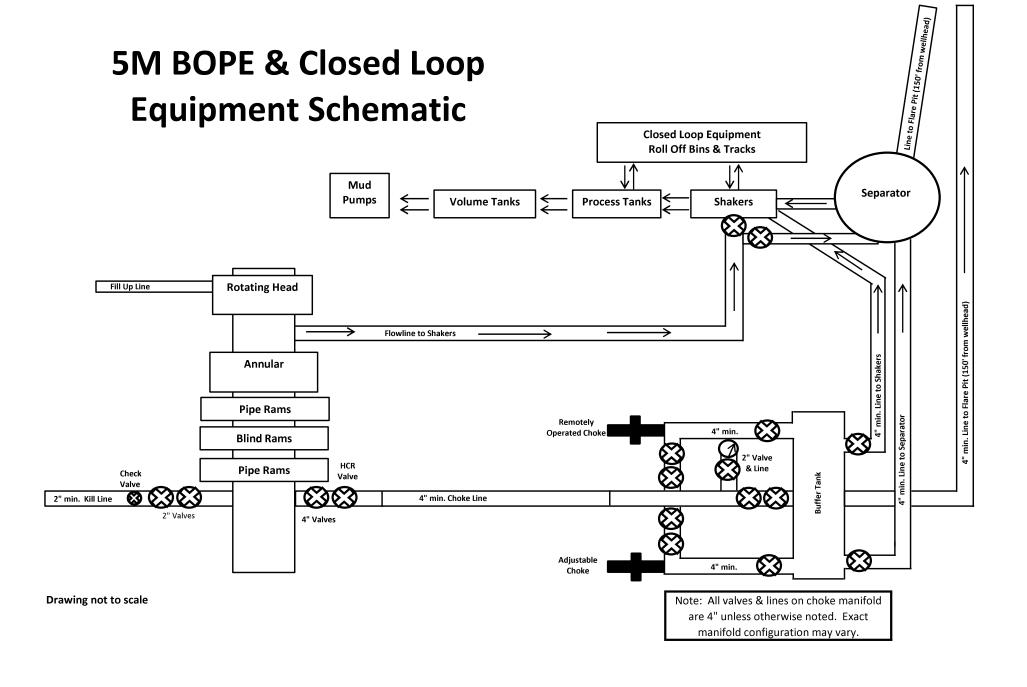
PRODUCTION

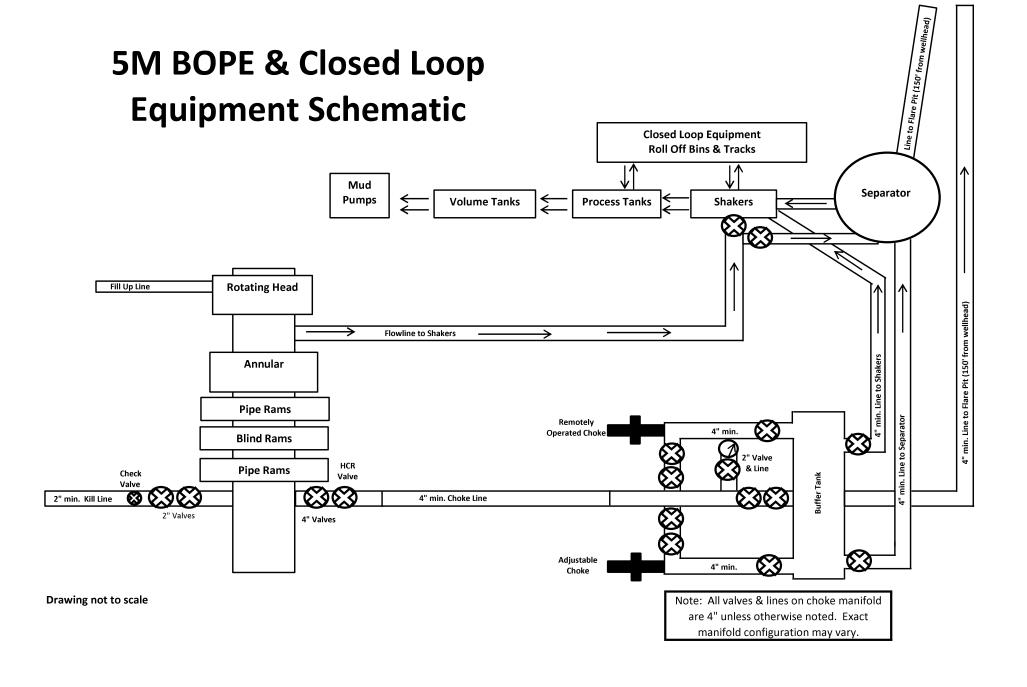
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4/30/2015











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QUALITY

10,000 PSI

4/30/2015

Produciton:

Test Pressure:

Date:

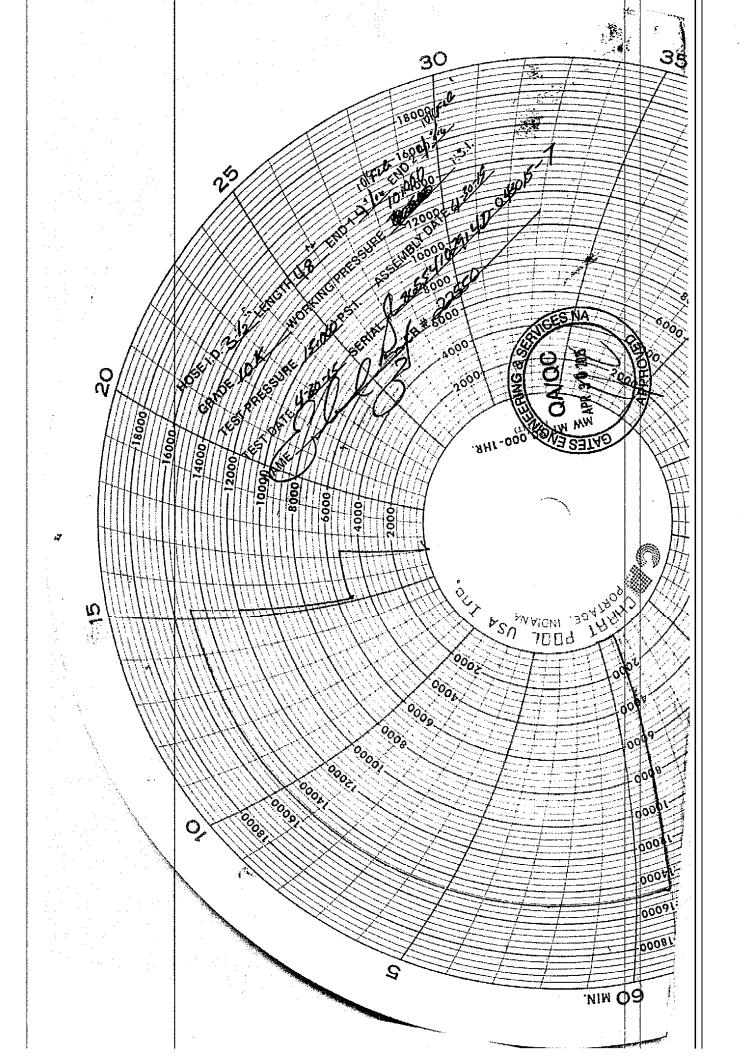
Signature :

PRODUCTION

15,000 PSI

4/30/2015





SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

# **Casing Program**

| Hole   | Casing Interval |        | Csg.    | Weight  | Grade      | Conn.    | SF       | SF    | SF Jt   | SF Body |
|--------|-----------------|--------|---------|---------|------------|----------|----------|-------|---------|---------|
| Size   | From            | To     | Size    | (lbs)   |            |          | Collapse | Burst | Tension | Tension |
| 17.5"  | 0'              | 475'   | 13.375" | 48      | H40        | STC      | 3.54     | 7.96  | 14.12   | 23.73   |
| 12.25" | 0'              | 2410'  | 9.625"  | 36      | J55        | LTC      | 1.61     | 2.81  | 5.22    | 6.50    |
| 8.75"  | 0'              | 9900'  | 7"      | 26      | P110       | LTC      | 1.30     | 2.08  | 2.69    | 3.22    |
| 6.125" | 9261'           | 17467' | 4.5"    | 13.5    | P110       | LTC      | 1.75     | 2.03  | 3.05    | 3.81    |
|        |                 |        |         | BLM Min | imum Safet | y Factor | 1.125    | 1     | 1.6 Dry | 1.6 Dry |
|        |                 |        |         |         |            |          |          |       | 1.8 Wet | 1.8 Wet |

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | Y      |
| Is casing API approved? If no, attach casing specification sheet.  | Y      |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | N      |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y      |
| Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                             | Y      |
| Is well located within Capitan Reef?   | Y      |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | N      |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       |        |
| Is well located in R-111-P and SOPA?   | N      |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
| Is well located in high Cave/Karst?  | N      |
| If yes, are there two strings cemented to surface?   |        |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   |        |
| Is well located in critical Cave/Karst?  | N      |
| If yes, are there three strings cemented to surface?   |        |

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

# **Casing Program**

| Hole   | Casing | g Interval | Csg.                      | Weight | Grade | Conn. | SF       | SF      | SF Jt   | SF Body |
|--------|--------|------------|---------------------------|--------|-------|-------|----------|---------|---------|---------|
| Size   | From   | То         | Size                      | (lbs)  |       |       | Collapse | Burst   | Tension | Tension |
| 17.5"  | 0'     | 475'       | 13.375"                   | 48     | H40   | STC   | 3.54     | 7.96    | 14.12   | 23.73   |
| 12.25" | 0'     | 2410'      | 9.625"                    | 36     | J55   | LTC   | 1.61     | 2.81    | 5.22    | 6.50    |
| 8.75"  | 0'     | 9900'      | 7"                        | 26     | P110  | LTC   | 1.30     | 2.08    | 2.69    | 3.22    |
| 6.125" | 9261'  | 17467'     | 4.5"                      | 13.5   | P110  | LTC   | 1.75     | 2.03    | 3.05    | 3.81    |
|        |        |            | BLM Minimum Safety Factor |        |       | 1.125 | 1        | 1.6 Dry | 1.6 Dry |         |
|        |        |            |                           |        |       |       |          |         | 1.8 Wet | 1.8 Wet |

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | Y      |
| Is casing API approved? If no, attach casing specification sheet.  | Y      |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | N      |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y      |
| Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                             | Y      |
| Is well located within Capitan Reef?   | Y      |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | N      |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       |        |
| Is well located in R-111-P and SOPA?   | N      |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
| Is well located in high Cave/Karst?  | N      |
| If yes, are there two strings cemented to surface?   |        |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   |        |
| Is well located in critical Cave/Karst?  | N      |
| If yes, are there three strings cemented to surface?   |        |

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

# **Casing Program**

| Hole   | Casing | g Interval | Csg.                      | Weight | Grade | Conn. | SF       | SF      | SF Jt   | SF Body |
|--------|--------|------------|---------------------------|--------|-------|-------|----------|---------|---------|---------|
| Size   | From   | То         | Size                      | (lbs)  |       |       | Collapse | Burst   | Tension | Tension |
| 17.5"  | 0'     | 475'       | 13.375"                   | 48     | H40   | STC   | 3.54     | 7.96    | 14.12   | 23.73   |
| 12.25" | 0'     | 2410'      | 9.625"                    | 36     | J55   | LTC   | 1.61     | 2.81    | 5.22    | 6.50    |
| 8.75"  | 0'     | 9900'      | 7"                        | 26     | P110  | LTC   | 1.30     | 2.08    | 2.69    | 3.22    |
| 6.125" | 9261'  | 17467'     | 4.5"                      | 13.5   | P110  | LTC   | 1.75     | 2.03    | 3.05    | 3.81    |
|        |        |            | BLM Minimum Safety Factor |        |       | 1.125 | 1        | 1.6 Dry | 1.6 Dry |         |
|        |        |            |                           |        |       |       |          |         | 1.8 Wet | 1.8 Wet |

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | Y      |
| Is casing API approved? If no, attach casing specification sheet.  | Y      |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | N      |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y      |
| Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                             | Y      |
| Is well located within Capitan Reef?   | Y      |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | N      |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       |        |
| Is well located in R-111-P and SOPA?   | N      |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
| Is well located in high Cave/Karst?  | N      |
| If yes, are there two strings cemented to surface?   |        |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   |        |
| Is well located in critical Cave/Karst?  | N      |
| If yes, are there three strings cemented to surface?   |        |

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

# **Casing Program**

| Hole   | Casing | g Interval | Csg.                      | Weight | Grade | Conn. | SF       | SF      | SF Jt   | SF Body |
|--------|--------|------------|---------------------------|--------|-------|-------|----------|---------|---------|---------|
| Size   | From   | То         | Size                      | (lbs)  |       |       | Collapse | Burst   | Tension | Tension |
| 17.5"  | 0'     | 475'       | 13.375"                   | 48     | H40   | STC   | 3.54     | 7.96    | 14.12   | 23.73   |
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| 8.75"  | 0'     | 9900'      | 7"                        | 26     | P110  | LTC   | 1.30     | 2.08    | 2.69    | 3.22    |
| 6.125" | 9261'  | 17467'     | 4.5"                      | 13.5   | P110  | LTC   | 1.75     | 2.03    | 3.05    | 3.81    |
|        |        |            | BLM Minimum Safety Factor |        |       | 1.125 | 1        | 1.6 Dry | 1.6 Dry |         |
|        |        |            |                           |        |       |       |          |         | 1.8 Wet | 1.8 Wet |

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | Y      |
| Is casing API approved? If no, attach casing specification sheet.  | Y      |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | N      |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y      |
| Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                             | Y      |
| Is well located within Capitan Reef?   | Y      |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | N      |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       |        |
| Is well located in R-111-P and SOPA?   | N      |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
| Is well located in high Cave/Karst?  | N      |
| If yes, are there two strings cemented to surface?   |        |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   |        |
| Is well located in critical Cave/Karst?  | N      |
| If yes, are there three strings cemented to surface?   |        |

# Hydrogen Sulfide Drilling Operations Plan Mewbourne Oil Company

#### 1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H2S were found. MOC will have on location and working all H2S safety equipment before the Delaware formation for purposes of safety and insurance requirements.

### 2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1. The hazards and characteristics of hydrogen sulfide gas.
- 2. The proper use of personal protective equipment and life support systems.
- 3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

#### 3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 9 5/8" intermediate casing.

#### 1. Well Control Equipment

- A. Choke manifold with minimum of one adjustable choke/remote choke.
- B. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- C. Auxiliary equipment including annular type blowout preventer.
- 2. <u>Protective Equipment for Essential Personnel</u>

Thirty minute self contained work unit located in the dog house and at briefing areas.

Additionally: If H2S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas. If higher concentrations of H2S are detected the well will be shut in and a rotating head, mud/gas separator, remote choke and flare line with igniter will be installed.

#### 3. <u>Hydrogen Sulfide Protection and Monitoring Equipment</u>

Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.

#### 4. <u>Visual Warning Systems</u>

- A. Wind direction indicators as indicated on the wellsite diagram.
- B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

### 4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

#### 5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

#### 6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

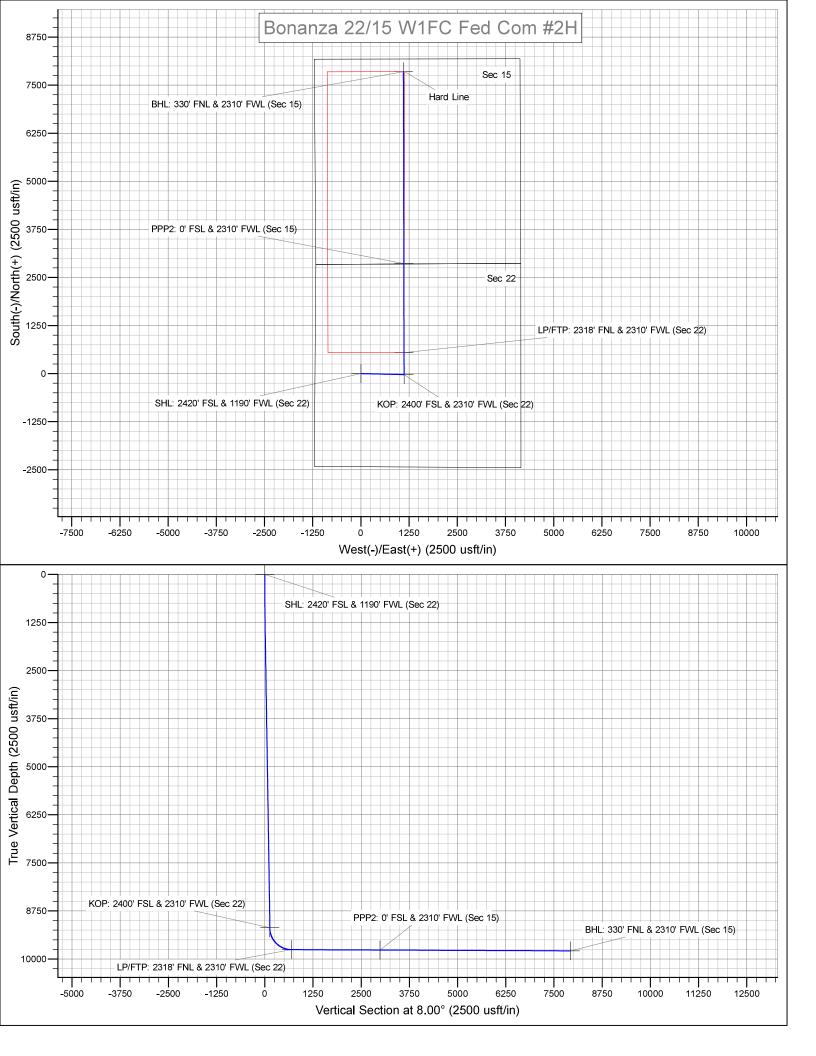
#### 7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

#### 8. Emergency Phone Numbers

| <b>Eddy County Sheriff's Office</b>                       | 911 or 575-887-7551      |
|---|--------------------------|
| Ambulance Service   | 911 or 575-885-2111      |
| Carlsbad Fire Dept  | 911 or 575-885-2111      |
| Loco Hills Volunteer Fire Dept.                           | 911 or 575-677-3266      |
| <b>Closest Medical Facility - Columbia Medical Center</b> | of Carlsbad 575-492-5000 |

| Mewbourne Oil Company          | Hobbs District Office<br>Fax<br>2 <sup>nd</sup> Fax | 575-393-5905<br>575-397-6252<br>575-393-7259 |
|--------------------------------|---|--|
| District Manager               | Robin Terrell                                       | 575-390-4816                                 |
| <b>Drilling Superintendent</b> | Frosty Lathan                                       | 575-390-4103                                 |
| -                              | Bradley Bishop                                      | 575-390-6838                                 |
| <b>Drilling Foreman</b>        | Wesley Noseff                                       | 575-441-0729                                 |



# **Mewbourne Oil Company**

Eddy County, New Mexico NAD 83 Bonanza 22/15 W1FC Fed Com #2H

Sec 22, T25S, R28E

SHL: 2420' FSL & 1190' FWL, Sec 22 BHL: 330' FNL & 2310' FWL, Sec 15

Plan: Design #1

# **Standard Planning Report**

29 October, 2019

Database: Hobbs

Company: Mewbourne Oil Company

Project: Eddy County, New Mexico NAD 83 Bonanza 22/15 W1FC Fed Com #2H Site:

Well: Sec 22, T25S, R28E

Wellbore: BHL: 330' FNL & 2310' FWL, Sec 15

Design: Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Bonanza 22/15 W1FC Fed Com #2H WELL @ 3004.0usft (Original Well Elev) WELL @ 3004.0usft (Original Well Elev)

Minimum Curvature

59.79

47,642

Project Eddy County, New Mexico NAD 83

US State Plane 1983 Map System: North American Datum 1983 Geo Datum: Map Zone:

New Mexico Eastern Zone

IGRF2010

System Datum: Ground Level

Bonanza 22/15 W1FC Fed Com #2H Site

Northing: 405,621.00 usft Site Position: Latitude: 32.1148777 From: Мар Easting: 619,802.00 usft Longitude: -104.0798961 **Position Uncertainty:** 0.0 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.13

Well Sec 22, T25S, R28E

**Well Position** +N/-S 0.0 usft Northing: 405,621.00 usft Latitude: 32.1148777 +E/-W 0.0 usft Easting: 619,802.00 usft Longitude: -104.0798961

**Position Uncertainty** 0.0 usft Wellhead Elevation: 3,004.0 usft Ground Level: 2,976.0 usft

BHL: 330' FNL & 2310' FWL, Sec 15 Wellbore Field Strength Magnetics **Model Name** Sample Date Declination Dip Angle (°) (°) (nT)

6.78

10/29/2019

Design Design #1 Audit Notes: Tie On Depth: Version: Phase: **PROTOTYPE** 0.0 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 8.00

| Plan Sections               |                    |                |                             |                 |                 |                               |                              |                             |            |        |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|------------------------------|-----------------------------|------------|--------|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) | TFO<br>(°) | Target |
| 0.0                         | 0.00               | 0.00           | 0.0                         | 0.0             | 0.0             | 0.00                          | 0.00                         | 0.00                        | 0.00       |        |

Database: Hobbs

Company: Mewbourne Oil Company

Project: Eddy County, New Mexico NAD 83
Site: Bonanza 22/15 W1FC Fed Com #2H

Well: Sec 22, T25S, R28E

**Wellbore:** BHL: 330' FNL & 2310' FWL, Sec 15

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Site Bonanza 22/15 W1FC Fed Com #2H WELL @ 3004.0usft (Original Well Elev) WELL @ 3004.0usft (Original Well Elev)

Grid

| nned Survey                 |                |                |                             |                |                |                               |                               |                              | _                           |
|-----------------------------|----------------|----------------|-----------------------------|----------------|----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| meu Survey                  |                |                |                             |                |                |                               |                               |                              |                             |
| Measured<br>Depth<br>(usft) | Inclination    | Azimuth        | Vertical<br>Depth<br>(usft) | +N/-S          | +E/-W          | Vertical<br>Section<br>(usft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |
| , ,                         | (°)            | (°)            | , ,                         | (usft)         | (usft)         | ` ,                           | ,                             | , ,                          | ,                           |
| 0.0                         | 0.00           | 0.00           | 0.0                         | 0.0            | 0.0            | 0.0                           | 0.00                          | 0.00                         | 0.00                        |
|                             | SL & 1190' FWL |                |                             |                |                |                               |                               |                              |                             |
| 100.0                       | 0.00           | 0.00           | 100.0                       | 0.0            | 0.0            | 0.0                           | 0.00                          | 0.00                         | 0.00                        |
| 200.0                       | 0.00           | 0.00           | 200.0                       | 0.0            | 0.0            | 0.0                           | 0.00                          | 0.00                         | 0.00                        |
| 300.0                       | 0.00           | 0.00           | 300.0                       | 0.0            | 0.0            | 0.0                           | 0.00                          | 0.00                         | 0.00                        |
| 400.0                       | 0.00           | 0.00           | 400.0                       | 0.0            | 0.0            | 0.0                           | 0.00                          | 0.00                         | 0.00                        |
| 475.0                       | 0.00           | 0.00           | 475.0                       | 0.0            | 0.0            | 0.0                           | 0.00                          | 0.00                         | 0.00                        |
| 500.0                       | 0.38           | 91.38          | 500.0                       | 0.0            | 0.1            | 0.0                           | 1.50                          | 1.50                         | 0.00                        |
| 600.0                       | 1.88           | 91.38          | 600.0                       | 0.0            | 2.0            | 0.2                           | 1.50                          | 1.50                         | 0.00                        |
| 700.0                       | 3.38           | 91.38          | 699.9                       | -0.2           | 6.6            | 0.8                           | 1.50                          | 1.50                         | 0.00                        |
| 800.0                       | 4.88           | 91.38          | 799.6                       | -0.3           | 13.8           | 1.6                           | 1.50                          | 1.50                         | 0.00                        |
| 900.0                       | 6.38           | 91.38          | 899.1                       | -0.6           | 23.6           | 2.7                           | 1.50                          | 1.50                         | 0.00                        |
| 994.2                       | 7.79           | 91.38          | 992.6                       | -0.8           | 35.2           | 4.1                           | 1.50                          | 1.50                         | 0.00                        |
| 1,000.0                     | 7.79           | 91.38          | 998.3                       | -0.9           | 36.0           | 4.2                           | 0.00                          | 0.00                         | 0.00                        |
| 1,100.0                     | 7.79           | 91.38          | 1,097.4                     | -1.2           | 49.6           | 5.7                           | 0.00                          | 0.00                         | 0.00                        |
| 1,200.0                     | 7.79           | 91.38          | 1,196.5                     | -1.5           | 63.1           | 7.3                           | 0.00                          | 0.00                         | 0.00                        |
| 1,300.0                     | 7.79           | 91.38          | 1,295.6                     | -1.8           | 76.7           | 8.8                           | 0.00                          | 0.00                         | 0.00                        |
| 1,400.0                     | 7.79           | 91.38          | 1,394.7                     | -2.2           | 90.2           | 10.4                          | 0.00                          | 0.00                         | 0.00                        |
| 1,500.0                     | 7.79           | 91.38          | 1,493.7                     | -2.5           | 103.7          | 12.0                          | 0.00                          | 0.00                         | 0.00                        |
| 1,600.0                     | 7.79           | 91.38          | 1,592.8                     | -2.8           | 117.3          | 13.5                          | 0.00                          | 0.00                         | 0.00                        |
| 1,700.0                     | 7.79           | 91.38          | 1,691.9                     | -3.2           | 130.8          | 15.1                          | 0.00                          | 0.00                         | 0.00                        |
| 1 800 0                     | 7.79           | 04.20          | 1.701.0                     | -3.5           |                | 16.7                          | 0.00                          | 0.00                         | 0.00                        |
| 1,800.0<br>1,900.0          | 7.79<br>7.79   | 91.38<br>91.38 | 1,791.0<br>1,890.0          | -3.5<br>-3.8   | 144.4<br>157.9 | 16.7<br>18.2                  | 0.00                          | 0.00<br>0.00                 | 0.00                        |
| 2,000.0                     | 7.79           | 91.38          | 1,989.1                     | -3.6<br>-4.1   | 171.5          | 19.8                          | 0.00                          | 0.00                         | 0.00                        |
| 2,100.0                     | 7.79           | 91.38          | 2,088.2                     | -4.5           | 185.0          | 21.3                          | 0.00                          | 0.00                         | 0.00                        |
| 2,200.0                     | 7.79           | 91.38          | 2,187.3                     | -4.8           | 198.6          | 22.9                          | 0.00                          | 0.00                         | 0.00                        |
|                             |                |                |                             |                |                |                               |                               |                              |                             |
| 2,300.0                     | 7.79           | 91.38          | 2,286.4                     | -5.1           | 212.1          | 24.5                          | 0.00                          | 0.00                         | 0.00                        |
| 2,400.0                     | 7.79           | 91.38          | 2,385.4                     | -5.4           | 225.7          | 26.0                          | 0.00                          | 0.00                         | 0.00                        |
| 2,500.0                     | 7.79<br>7.79   | 91.38<br>91.38 | 2,484.5                     | -5.8<br>6.4    | 239.2<br>252.8 | 27.6                          | 0.00<br>0.00                  | 0.00<br>0.00                 | 0.00<br>0.00                |
| 2,600.0<br>2,700.0          | 7.79<br>7.79   | 91.38          | 2,583.6<br>2,682.7          | -6.1<br>-6.4   | 252.6<br>266.3 | 29.2<br>30.7                  | 0.00                          | 0.00                         | 0.00                        |
|                             |                |                |                             |                |                |                               |                               |                              |                             |
| 2,800.0                     | 7.79           | 91.38          | 2,781.7                     | -6.7           | 279.9          | 32.3                          | 0.00                          | 0.00                         | 0.00                        |
| 2,900.0                     | 7.79           | 91.38          | 2,880.8                     | <b>-</b> 7.1   | 293.4          | 33.8                          | 0.00                          | 0.00                         | 0.00                        |
| 3,000.0                     | 7.79           | 91.38          | 2,979.9                     | -7.4<br>7.7    | 307.0          | 35.4                          | 0.00                          | 0.00                         | 0.00                        |
| 3,100.0                     | 7.79           | 91.38          | 3,079.0                     | -7.7           | 320.5          | 37.0                          | 0.00                          | 0.00                         | 0.00                        |
| 3,200.0                     | 7.79           | 91.38          | 3,178.1                     | -8.1           | 334.1          | 38.5                          | 0.00                          | 0.00                         | 0.00                        |
| 3,300.0                     | 7.79           | 91.38          | 3,277.1                     | -8.4           | 347.6          | 40.1                          | 0.00                          | 0.00                         | 0.00                        |
| 3,400.0                     | 7.79           | 91.38          | 3,376.2                     | -8.7           | 361.1          | 41.7                          | 0.00                          | 0.00                         | 0.00                        |
| 3,500.0                     | 7.79           | 91.38          | 3,475.3                     | -9.0           | 374.7          | 43.2                          | 0.00                          | 0.00                         | 0.00                        |
| 3,600.0                     | 7.79           | 91.38          | 3,574.4                     | -9.4           | 388.2          | 44.8                          | 0.00                          | 0.00                         | 0.00                        |
| 3,700.0                     | 7.79           | 91.38          | 3,673.4                     | <b>-</b> 9.7   | 401.8          | 46.4                          | 0.00                          | 0.00                         | 0.00                        |
| 3,800.0                     | 7.79           | 91.38          | 3,772.5                     | -10.0          | 415.3          | 47.9                          | 0.00                          | 0.00                         | 0.00                        |
| 3,900.0                     | 7.79           | 91.38          | 3,871.6                     | -10.3          | 428.9          | 49.5                          | 0.00                          | 0.00                         | 0.00                        |
| 4,000.0                     | 7.79           | 91.38          | 3,970.7                     | -10.7          | 442.4          | 51.0                          | 0.00                          | 0.00                         | 0.00                        |
| 4,100.0                     | 7.79           | 91.38          | 4,069.8                     | -11.0          | 456.0          | 52.6                          | 0.00                          | 0.00                         | 0.00                        |
| 4,200.0                     | 7.79           | 91.38          | 4,168.8                     | -11.3          | 469.5          | 54.2                          | 0.00                          | 0.00                         | 0.00                        |
| 4,300.0                     | 7.79           | 91.38          | 4,267.9                     | -11.6          | 483.1          | 55.7                          | 0.00                          | 0.00                         | 0.00                        |
| 4,400.0                     | 7.79           | 91.38          | 4,367.0                     | -11.0<br>-12.0 | 496.6          | 57.3                          | 0.00                          | 0.00                         | 0.00                        |
| 4,500.0                     | 7.79           | 91.38          | 4,466.1                     | -12.3          | 510.2          | 58.9                          | 0.00                          | 0.00                         | 0.00                        |
| 4,600.0                     | 7.79           | 91.38          | 4,565.1                     | -12.6          | 523.7          | 60.4                          | 0.00                          | 0.00                         | 0.00                        |
| 4,700.0                     | 7.79           | 91.38          | 4,664.2                     | -13.0          | 537.3          | 62.0                          | 0.00                          | 0.00                         | 0.00                        |
|                             |                |                |                             |                |                |                               |                               |                              |                             |
| 4,800.0                     | 7.79           | 91.38          | 4,763.3                     | -13.3          | 550.8          | 63.5                          | 0.00                          | 0.00                         | 0.00                        |
| 4,900.0                     | 7.79           | 91.38          | 4,862.4                     | -13.6          | 564.4          | 65.1                          | 0.00                          | 0.00                         | 0.00                        |

Database: Company: Hobbs

Mewbourne Oil Company

Project: Eddy County, New Mexico NAD 83
Site: Bonanza 22/15 W1FC Fed Com #2H

Well:

Sec 22, T25S, R28E

Wellbore:

BHL: 330' FNL & 2310' FWL, Sec 15

Design: Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Bonanza 22/15 W1FC Fed Com #2H WELL @ 3004.0usft (Original Well Elev) WELL @ 3004.0usft (Original Well Elev)

Grid

| Planned Survey              |                    |                |                             |                   |                 |                               |                               |                              |                             |
|-----------------------------|--------------------|----------------|-----------------------------|-------------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft)   | +E/-W<br>(usft) | Vertical<br>Section<br>(usft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |
| 5,100.0                     | 7.79               | 91.38          | 5,060.5                     | -14.3             | 591.5           | 68.2                          | 0.00                          | 0.00                         | 0.00                        |
| 5,200.0                     | 7.79               | 91.38          | 5,159.6                     | -14.6             | 605.0           | 69.8                          | 0.00                          | 0.00                         | 0.00                        |
| 5,300.0                     | 7.79               | 91.38          | 5,258.7                     | -14.9             | 618.5           | 71.4                          | 0.00                          | 0.00                         | 0.00                        |
| 5,400.0                     | 7.79               | 91.38          | 5,357.8                     | -15.2             | 632.1           | 72.9                          | 0.00                          | 0.00                         | 0.00                        |
| 5,500.0                     | 7.79               | 91.38          | 5,456.8                     | -15.6             | 645.6           | 74.5                          | 0.00                          | 0.00                         | 0.00                        |
| 5,600.0                     | 7.79               | 91.38          | 5,555.9                     | -15.9             | 659.2           | 76.0                          | 0.00                          | 0.00                         | 0.00                        |
| 5,700.0                     | 7.79               | 91.38          | 5,655.0                     | -16.2             | 672.7           | 77.6                          | 0.00                          | 0.00                         | 0.00                        |
| 5,800.0                     | 7.79               | 91.38          | 5,754.1                     | -16.5             | 686.3           | 79.2                          | 0.00                          | 0.00                         | 0.00                        |
| 5,900.0                     | 7.79               | 91.38          | 5,853.1                     | -16.9             | 699.8           | 80.7                          | 0.00                          | 0.00                         | 0.00                        |
| 6,000.0                     | 7.79               | 91.38          | 5,952.2                     | -17.2             | 713.4           | 82.3                          | 0.00                          | 0.00                         | 0.00                        |
| 6,100.0                     | 7.79               | 91.38          | 6,051.3                     | -17.5             | 726.9           | 83.9                          | 0.00                          | 0.00                         | 0.00                        |
| 6,200.0                     | 7.79               | 91.38          | 6,150.4                     | -17.9             | 740.5           | 85.4                          | 0.00                          | 0.00                         | 0.00                        |
| 6,300.0                     | 7.79               | 91.38          | 6,249.5                     | -18.2             | 754.0           | 87.0                          | 0.00                          | 0.00                         | 0.00                        |
| 6,400.0                     | 7.79               | 91.38          | 6,348.5                     | -18.5             | 767.6           | 88.5                          | 0.00                          | 0.00                         | 0.00                        |
| 6,500.0                     | 7.79               | 91.38          | 6,447.6                     | -18.8             | 781.1           | 90.1                          | 0.00                          | 0.00                         | 0.00                        |
| 6,600.0                     | 7.79               | 91.38          | 6,546.7                     | -19.2             | 794.7           | 91.7                          | 0.00                          | 0.00                         | 0.00                        |
| 6,700.0                     | 7.79               | 91.38          | 6,645.8                     | -19.5             | 808.2           | 93.2                          | 0.00                          | 0.00                         | 0.00                        |
| 6,800.0                     | 7.79               | 91.38          | 6,744.8                     | -19.8             | 821.8           | 94.8                          | 0.00                          | 0.00                         | 0.00                        |
| 6,900.0                     | 7.79               | 91.38          | 6,843.9                     | -20.1             | 835.3           | 96.4                          | 0.00                          | 0.00                         | 0.00                        |
| 7,000.0                     | 7.79               | 91.38          | 6,943.0                     | -20.5             | 848.9           | 97.9                          | 0.00                          | 0.00                         | 0.00                        |
| 7,100.0                     | 7.79               | 91.38          | 7,042.1                     | -20.8             | 862.4           | 99.5                          | 0.00                          | 0.00                         | 0.00                        |
| 7,200.0                     | 7.79               | 91.38          | 7,141.2                     | -21.1             | 875.9           | 101.0                         | 0.00                          | 0.00                         | 0.00                        |
| 7,300.0                     | 7.79               | 91.38          | 7,240.2                     | -21.4             | 889.5           | 102.6                         | 0.00                          | 0.00                         | 0.00                        |
| 7,400.0                     | 7.79               | 91.38          | 7,339.3                     | -21.8             | 903.0           | 104.2                         | 0.00                          | 0.00                         | 0.00                        |
| 7,500.0                     | 7.79               | 91.38          | 7,438.4                     | -22.1             | 916.6           | 105.7                         | 0.00                          | 0.00                         | 0.00                        |
| 7,600.0                     | 7.79               | 91.38          | 7,537.5                     | -22.4             | 930.1           | 107.3                         | 0.00                          | 0.00                         | 0.00                        |
| 7,700.0                     | 7.79               | 91.38          | 7,636.5                     | -22.7             | 943.7           | 108.9                         | 0.00                          | 0.00                         | 0.00                        |
| 7,800.0                     | 7.79               | 91.38          | 7,735.6                     | -23.1             | 957.2           | 110.4                         | 0.00                          | 0.00                         | 0.00                        |
| 7,900.0                     | 7.79               | 91.38          | 7,834.7                     | -23.4             | 970.8           | 112.0                         | 0.00                          | 0.00                         | 0.00                        |
| 8,000.0                     | 7.79               | 91.38          | 7,933.8                     | -23.7             | 984.3           | 113.6                         | 0.00                          | 0.00                         | 0.00                        |
| 8,100.0                     | 7.79               | 91.38          | 8,032.9                     | -24.1             | 997.9           | 115.1                         | 0.00                          | 0.00                         | 0.00                        |
| 8,200.0                     | 7.79               | 91.38          | 8,131.9                     | -24.4             | 1,011.4         | 116.7                         | 0.00                          | 0.00                         | 0.00                        |
| 8,300.0                     | 7.79               | 91.38          | 8,231.0                     | -24.7             | 1,025.0         | 118.2                         | 0.00                          | 0.00                         | 0.00                        |
| 8,400.0                     | 7.79               | 91.38          | 8,330.1                     | -25.0             | 1,038.5         | 119.8                         | 0.00                          | 0.00                         | 0.00                        |
| 8,500.0                     | 7.79               | 91.38          | 8,429.2                     | -25.4             | 1,052.1         | 121.4                         | 0.00                          | 0.00                         | 0.00                        |
| 8,600.0                     | 7.79               | 91.38          | 8,528.2                     | -25.7             | 1,065.6         | 122.9                         | 0.00                          | 0.00                         | 0.00                        |
| 8,700.0                     | 7.79               | 91.38          | 8,627.3                     | -26.0             | 1,079.2         | 124.5                         | 0.00                          | 0.00                         | 0.00                        |
| 8,741.4                     | 7.79               | 91.38          | 8,668.4                     | -26.2             | 1,084.8         | 125.1                         | 0.00                          | 0.00                         | 0.00                        |
| 8,800.0                     | 6.91               | 91.38          | 8,726.5                     | -26.3             | 1,092.3         | 126.0                         | 1.50                          | -1.50                        | 0.00                        |
| 8,900.0                     | 5.41               | 91.38          | 8,825.9                     | -26.6             | 1,103.0         | 127.2                         | 1.50                          | -1.50                        | 0.00                        |
| 9,000.0                     | 3.91               | 91.38          | 8,925.5                     | -26.8             | 1,111.1         | 128.2                         | 1.50                          | -1.50                        | 0.00                        |
| 9,100.0                     | 2.41               | 91.38          | 9,025.4                     | -26.9             | 1,116.6         | 128.8                         | 1.50                          | -1.50                        | 0.00                        |
| 9,200.0                     | 0.91               | 91.38          | 9,125.3                     | -27.0             | 1,119.5         | 129.1                         | 1.50                          | -1.50                        | 0.00                        |
| 9,260.7                     | 0.00               | 0.00           | 9,186.0                     | <del>-</del> 27.0 | 1,120.0         | 129.2                         | 1.50                          | -1.50                        | 0.00                        |
| KOP: 2400' I                | SL & 2310' FWL     | _ (Sec 22)     |                             |                   |                 |                               |                               |                              |                             |
| 9,300.0                     | 3.93               | 359.88         | 9,225.3                     | -25.7             | 1,120.0         | 130.5                         | 10.00                         | 10.00                        | 0.00                        |
| 9,400.0                     | 13.93              | 359.88         | 9,324.0                     | -10.1             | 1,120.0         | 145.9                         | 10.00                         | 10.00                        | 0.00                        |
| 9,500.0                     | 23.93              | 359.88         | 9,418.4                     | 22.3              | 1,119.9         | 178.0                         | 10.00                         | 10.00                        | 0.00                        |
| 9,600.0                     | 33.93              | 359.88         | 9,505.8                     | 70.6              | 1,119.8         | 225.8                         | 10.00                         | 10.00                        | 0.00                        |
| 9,700.0                     | 43.93              | 359.88         | 9,583.5                     | 133.3             | 1,119.7         | 287.9                         | 10.00                         | 10.00                        | 0.00                        |
| 9,800.0                     | 53.93              | 359.88         | 9,649.2                     | 208.6             | 1,119.5         | 362.5                         | 10.00                         | 10.00                        | 0.00                        |
| 9,900.0                     | 63.93              | 359.88         | 9,700.7                     | 294.2             | 1,119.3         | 447.2                         | 10.00                         | 10.00                        | 0.00                        |
| 10,000.0                    | 73.93              | 359.88         | 9,736.6                     | 387.4             | 1,119.2         | 539.4                         | 10.00                         | 10.00                        | 0.00                        |

Database: Company: Hobbs

Mewbourne Oil Company

Project: Eddy County, New Mexico NAD 83
Site: Bonanza 22/15 W1FC Fed Com #2H

Well:

Sec 22, T25S, R28E

Wellbore: Design: BHL: 330' FNL & 2310' FWL, Sec 15

Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Bonanza 22/15 W1FC Fed Com #2H WELL @ 3004.0usft (Original Well Elev) WELL @ 3004.0usft (Original Well Elev)

Grid

| ed Survey            |                  |                  |                    |                    |                    |                    |                     |                     |                     |
|----------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| Measured             |                  |                  | Vertical           |                    |                    | Vertical           | Dogleg              | Build               | Turn                |
| Depth<br>(usft)      | Inclination      | Azimuth          | Depth<br>(usft)    | +N/-S              | +E/-W              | Section<br>(usft)  | Rate<br>(°/100usft) | Rate<br>(°/100usft) | Rate<br>(°/100usft) |
|                      | (°)              | (°)              |                    | (usft)             | (usft)             | ` '                | ,                   | ,                   | , ,                 |
| 10,100.0             | 83.93            | 359.88           | 9,755.8            | 485.4              | 1,119.0            | 636.5              | 10.00               | 10.00               | 0.00                |
| 10,158.4             | 89.76            | 359.88           | 9,759.0            | 543.7              | 1,118.8            | 694.2              | 9.99                | 9.99                | 0.00                |
|                      | 8' FNL & 2310' F |                  |                    |                    |                    |                    |                     |                     |                     |
| 10,200.0             | 89.76            | 359.88           | 9,759.2            | 585.3              | 1,118.8            | 735.3              | 0.00                | 0.00                | 0.00                |
| 10,300.0             | 89.76            | 359.88           | 9,759.6            | 685.3              | 1,118.6            | 834.3              | 0.00                | 0.00                | 0.00                |
| 10,400.0             | 89.76            | 359.88           | 9,760.0            | 785.3              | 1,118.4            | 933.3              | 0.00                | 0.00                | 0.00                |
| 10,500.0             | 89.76            | 359.88           | 9,760.4            | 885.3              | 1,118.1            | 1,032.3            | 0.00                | 0.00                | 0.00                |
| 10,600.0             | 89.76            | 359.88           | 9,760.8            | 985.3              | 1,117.9            | 1,131.3            | 0.00                | 0.00                | 0.00                |
| 10,700.0             | 89.76            | 359.88           | 9,761.2            | 1,085.3            | 1,117.7            | 1,230.3            | 0.00                | 0.00                | 0.00                |
| 10,800.0             | 89.76            | 359.88           | 9,761.6            | 1,185.3            | 1,117.5            | 1,329.3            | 0.00                | 0.00                | 0.00                |
| 10,900.0             | 89.76            | 359.88           | 9,762.0            | 1,285.3            | 1,117.3            | 1,428.3            | 0.00                | 0.00                | 0.00                |
| 11,000.0             | 89.76            | 359.88           | 9,762.5            | 1,385.3            | 1,117.1            | 1,527.3            | 0.00                | 0.00                | 0.00                |
| 11,100.0             | 89.76            | 359.88           | 9,762.9            | 1,485.3            | 1,116.9            | 1,626.3            | 0.00                | 0.00                | 0.00                |
| 11,200.0             | 89.76            | 359.88           | 9,763.3            | 1,585.3            | 1,116.7            | 1,725.3            | 0.00                | 0.00                | 0.00                |
| 11,300.0             | 89.76            | 359.88           | 9,763.7            | 1,685.3            | 1,116.5            | 1,824.3            | 0.00                | 0.00                | 0.00                |
| 11,400.0             | 89.76            | 359.88           | 9,764.1            | 1,785.3            | 1,116.3            | 1,923.3            | 0.00                | 0.00                | 0.00                |
|                      | 89.76            | 359.88           | 9,764.5            | 1,885.3            |                    | 2,022.3            | 0.00                | 0.00                | 0.00                |
| 11,500.0<br>11,600.0 | 89.76<br>89.76   | 359.88<br>359.88 | 9,764.5<br>9.764.9 | 1,885.3<br>1,985.3 | 1,116.1<br>1,115.9 | 2,022.3            | 0.00                | 0.00                | 0.00                |
| 11,700.0             | 89.76<br>89.76   | 359.88<br>359.88 | 9,764.9<br>9,765.3 | 2,085.3            | 1,115.9            | 2,121.3            | 0.00                | 0.00                | 0.00                |
| 11,700.0             | 89.76            | 359.88           | 9,765.3<br>9,765.7 | 2,065.3            | 1,115.7            | 2,220.3            | 0.00                | 0.00                | 0.00                |
| 11,900.0             | 89.76            | 359.88           | 9,766.1            | 2,185.3            | 1,115.3            | 2,319.3            | 0.00                | 0.00                | 0.00                |
|                      |                  |                  |                    |                    |                    |                    |                     |                     |                     |
| 12,000.0             | 89.76            | 359.88           | 9,766.6            | 2,385.3            | 1,115.1            | 2,517.3            | 0.00                | 0.00                | 0.00                |
| 12,100.0             | 89.76            | 359.88           | 9,767.0            | 2,485.2            | 1,114.9            | 2,616.3            | 0.00                | 0.00                | 0.00                |
| 12,200.0             | 89.76            | 359.88           | 9,767.4            | 2,585.2            | 1,114.7            | 2,715.3            | 0.00                | 0.00                | 0.00                |
| 12,300.0             | 89.76            | 359.88           | 9,767.8            | 2,685.2            | 1,114.5            | 2,814.3            | 0.00                | 0.00                | 0.00                |
| 12,400.0             | 89.76            | 359.88           | 9,768.2            | 2,785.2            | 1,114.3            | 2,913.3            | 0.00                | 0.00                | 0.00                |
| 12,476.8             | 89.76            | 359.88           | 9,768.5            | 2,862.0            | 1,114.1            | 2,989.2            | 0.00                | 0.00                | 0.00                |
| PPP2: 0' FS          | L & 2310' FWL (S |                  |                    |                    |                    |                    |                     |                     |                     |
| 12,500.0             | 89.76            | 359.88           | 9,768.6            | 2,885.2            | 1,114.1            | 3,012.3            | 0.00                | 0.00                | 0.00                |
| 12,600.0             | 89.76            | 359.88           | 9,769.0            | 2,985.2            | 1,113.9            | 3,111.3            | 0.00                | 0.00                | 0.00                |
| 12,700.0             | 89.76            | 359.88           | 9,769.4            | 3,085.2            | 1,113.7            | 3,210.3            | 0.00                | 0.00                | 0.00                |
| 12,800.0             | 89.76            | 359.88           | 9,769.8            | 3,185.2            | 1,113.5            | 3,309.2            | 0.00                | 0.00                | 0.00                |
| 12,900.0             | 89.76            | 359.88           | 9,770.3            | 3,285.2            | 1,113.3            | 3,408.2            | 0.00                | 0.00                | 0.00                |
| 13,000.0             | 89.76            | 359.88           | 9,770.7            | 3,385.2            | 1,113.1            | 3,507.2            | 0.00                | 0.00                | 0.00                |
| 13,100.0             | 89.76            | 359.88           | 9,771.1            | 3,485.2            | 1,112.9            | 3,606.2            | 0.00                | 0.00                | 0.00                |
| 13,200.0             | 89.76            | 359.88           | 9,771.5            | 3,585.2            | 1,112.7            | 3,705.2            | 0.00                | 0.00                | 0.00                |
| 13,300.0             | 89.76            | 359.88           | 9,771.9            | 3,685.2            | 1,112.5            | 3,804.2            | 0.00                | 0.00                | 0.00                |
| 13,400.0             | 89.76            | 359.88           | 9,772.3            | 3,785.2            | 1,112.3            | 3,903.2            | 0.00                | 0.00                | 0.00                |
| 13,500.0             | 89.76            | 359.88           | 9,772.7            | 3,885.2            | 1,112.1            | 4,002.2            | 0.00                | 0.00                | 0.00                |
| 13,600.0             | 89.76            | 359.88           | 9,773.1            | 3,985.2            | 1,111.9            | 4.101.2            | 0.00                | 0.00                | 0.00                |
| 13,700.0             | 89.76            | 359.88           | 9,773.5            | 4,085.2            | 1,111.6            | 4,200.2            | 0.00                | 0.00                | 0.00                |
| 13,800.0             | 89.76            | 359.88           | 9,773.9            | 4,185.2            | 1,111.4            | 4,299.2            | 0.00                | 0.00                | 0.00                |
|                      |                  |                  |                    |                    |                    |                    |                     |                     |                     |
| 13,900.0             | 89.76            | 359.88           | 9,774.4            | 4,285.2            | 1,111.2            | 4,398.2            | 0.00                | 0.00                | 0.00                |
| 14,000.0<br>14,100.0 | 89.76<br>89.76   | 359.88<br>359.88 | 9,774.8<br>9,775.2 | 4,385.2<br>4,485.2 | 1,111.0<br>1,110.8 | 4,497.2<br>4,596.2 | 0.00<br>0.00        | 0.00<br>0.00        | 0.00<br>0.00        |
| 14,100.0             | 89.76            | 359.88           | 9,775.6<br>9,775.6 | 4,465.2<br>4,585.2 | 1,110.6            | 4,695.2            | 0.00                | 0.00                | 0.00                |
| 14,200.0             | 89.76            | 359.88           | 9,776.0            | 4,685.2            | 1,110.4            | 4,794.2            | 0.00                | 0.00                | 0.00                |
|                      |                  |                  |                    |                    |                    |                    |                     |                     |                     |
| 14,400.0             | 89.76            | 359.88           | 9,776.4            | 4,785.2            | 1,110.2            | 4,893.2            | 0.00                | 0.00                | 0.00                |
| 14,500.0             | 89.76            | 359.88           | 9,776.8            | 4,885.2            | 1,110.0            | 4,992.2            | 0.00                | 0.00                | 0.00                |
| 14,600.0             | 89.76            | 359.88           | 9,777.2            | 4,985.2            | 1,109.8            | 5,091.2            | 0.00                | 0.00                | 0.00                |
| 14,700.0             | 89.76            | 359.88           | 9,777.6            | 5,085.2            | 1,109.6            | 5,190.2            | 0.00                | 0.00                | 0.00                |
| 14,800.0             | 89.76            | 359.88           | 9,778.1            | 5,185.2            | 1,109.4            | 5,289.2            | 0.00                | 0.00                | 0.00                |
| 14,900.0             | 89.76            | 359.88           | 9,778.5            | 5,285.2            | 1,109.2            | 5,388.2            | 0.00                | 0.00                | 0.00                |
| 15,000.0             | 89.76            | 359.88           | 9,778.9            | 5,385.2            | 1,109.0            | 5,487.2            | 0.00                | 0.00                | 0.00                |

Database: Company: Project: Hobbs

Mewbourne Oil Company

Sec 22, T25S, R28E

Eddy County, New Mexico NAD 83

Site: Bonanza 22/15 W1FC Fed Com #2H

Well: Wellbore:

BHL: 330' FNL & 2310' FWL, Sec 15

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Bonanza 22/15 W1FC Fed Com #2H WELL @ 3004.0usft (Original Well Elev) WELL @ 3004.0usft (Original Well Elev)

Grid

| nned Survey                 |                    |                |                             |                 |                 |                               |                               |                              |                             |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Measured<br>Depth<br>(usft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Vertical<br>Section<br>(usft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |
| 15,100.0                    | 89.76              | 359.88         | 9,779.3                     | 5,485.2         | 1,108.8         | 5,586.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,200.0                    | 89.76              | 359.88         | 9,779.7                     | 5,585.2         | 1,108.6         | 5,685.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,300.0                    | 89.76              | 359.88         | 9,780.1                     | 5,685.2         | 1,108.4         | 5,784.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,400.0                    | 89.76              | 359.88         | 9,780.5                     | 5,785.2         | 1,108.2         | 5,883.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,500.0                    | 89.76              | 359.88         | 9,780.9                     | 5,885.2         | 1,108.0         | 5,982.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,600.0                    | 89.76              | 359.88         | 9,781.3                     | 5,985.2         | 1,107.8         | 6,081.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,700.0                    | 89.76              | 359.88         | 9,781.7                     | 6,085.2         | 1,107.6         | 6,180.2                       | 0.00                          | 0.00                         | 0.00                        |
| 15,800.0                    | 89.76              | 359.88         | 9,782.2                     | 6,185.2         | 1,107.4         | 6,279.1                       | 0.00                          | 0.00                         | 0.00                        |
| 15,900.0                    | 89.76              | 359.88         | 9,782.6                     | 6,285.2         | 1,107.2         | 6,378.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,000.0                    | 89.76              | 359.88         | 9,783.0                     | 6,385.2         | 1,107.0         | 6,477.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,100.0                    | 89.76              | 359.88         | 9,783.4                     | 6,485.2         | 1,106.8         | 6,576.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,200.0                    | 89.76              | 359.88         | 9,783.8                     | 6,585.2         | 1,106.6         | 6,675.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,300.0                    | 89.76              | 359.88         | 9,784.2                     | 6,685.2         | 1,106.4         | 6,774.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,400.0                    | 89.76              | 359.88         | 9,784.6                     | 6,785.2         | 1,106.2         | 6,873.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,500.0                    | 89.76              | 359.88         | 9,785.0                     | 6,885.2         | 1,106.0         | 6,972.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,600.0                    | 89.76              | 359.88         | 9,785.4                     | 6,985.2         | 1,105.8         | 7,071.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,700.0                    | 89.76              | 359.88         | 9,785.9                     | 7,085.2         | 1,105.6         | 7,170.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,800.0                    | 89.76              | 359.88         | 9,786.3                     | 7,185.2         | 1,105.4         | 7,269.1                       | 0.00                          | 0.00                         | 0.00                        |
| 16,900.0                    | 89.76              | 359.88         | 9,786.7                     | 7,285.2         | 1,105.2         | 7,368.1                       | 0.00                          | 0.00                         | 0.00                        |
| 17,000.0                    | 89.76              | 359.88         | 9,787.1                     | 7,385.2         | 1,104.9         | 7,467.1                       | 0.00                          | 0.00                         | 0.00                        |
| 17,100.0                    | 89.76              | 359.88         | 9,787.5                     | 7,485.2         | 1,104.7         | 7,566.1                       | 0.00                          | 0.00                         | 0.00                        |
| 17,200.0                    | 89.76              | 359.88         | 9,787.9                     | 7,585.2         | 1,104.5         | 7,665.1                       | 0.00                          | 0.00                         | 0.00                        |
| 17,300.0                    | 89.76              | 359.88         | 9,788.3                     | 7,685.2         | 1,104.3         | 7,764.1                       | 0.00                          | 0.00                         | 0.00                        |
| 17,400.0                    | 89.76              | 359.88         | 9,788.7                     | 7,785.2         | 1,104.1         | 7,863.1                       | 0.00                          | 0.00                         | 0.00                        |
| 17,466.8                    | 89.76              | 359.88         | 9,789.0                     | 7,852.0         | 1,104.0         | 7,929.2                       | 0.00                          | 0.00                         | 0.00                        |

| Design Targets  |                  |                 |               |                 |                 |                    |                   |            |              |
|---|------------------|-----------------|---------------|-----------------|-----------------|--------------------|-------------------|------------|--------------|
| Target Name - hit/miss target - Shape                         | Dip Angle<br>(°) | Dip Dir.<br>(°) | TVD<br>(usft) | +N/-S<br>(usft) | +E/-W<br>(usft) | Northing<br>(usft) | Easting<br>(usft) | Latitude   | Longitude    |
| SHL: 2420' FSL & 1190'<br>- plan hits target cent<br>- Point  | 0.00<br>er       | 0.00            | 0.0           | 0.0             | 0.0             | 405,621.00         | 619,802.00        | 32.1148777 | -104.0798961 |
| KOP: 2400' FSL & 2310'<br>- plan hits target cent<br>- Point  | 0.00<br>er       | 0.00            | 9,186.0       | -27.0           | 1,120.0         | 405,594.00         | 620,922.00        | 32.1147962 | -104.0762788 |
| LP/FTP: 2318' FNL & 23<br>- plan hits target cent<br>- Point  | 0.00<br>er       | 0.00            | 9,759.0       | 543.7           | 1,118.8         | 406,164.70         | 620,920.80        | 32.1163650 | -104.0762783 |
| PPP2: 0' FSL & 2310' F\ - plan hits target cent - Point       | 0.00<br>er       | 0.00            | 9,768.5       | 2,862.0         | 1,114.1         | 408,483.00         | 620,916.14        | 32.1227379 | -104.0762755 |
| BHL: 330' FNL & 2310' F<br>- plan hits target cent<br>- Point | 0.00<br>er       | 0.00            | 9,789.0       | 7,852.0         | 1,104.0         | 413,473.00         | 620,906.00        | 32.1364551 | -104.0762698 |

| Intent         | X                      | As Dril          | led          |         |              |       |                  |       |             |        |                  |                  |                    |                   |
|----------------|------------------------|------------------|--------------|---------|--------------|-------|------------------|-------|-------------|--------|------------------|------------------|--------------------|-------------------|
| API#           |                        |                  |              |         |              |       |                  |       |             |        |                  |                  |                    |                   |
|                | rator Nai<br>vbourne   | ne:<br>e Oil Co. |              |         |              |       | perty N<br>nanza |       |             | 1FC    | Fed              | Com              |                    | Well Number<br>2H |
| Kick C         | Off Point              | (KOP)            |              |         |              |       |                  |       |             |        |                  |                  |                    |                   |
| UL<br><b>K</b> | Section 22             | Township 25S     | Range<br>28E | Lot     | Feet<br>2400 |       | From N           | I/S   | Feet<br>231 |        | Fron             | n E/W            | County <b>Eddy</b> |                   |
| Latitu 32.     | de<br>114796           | 62               |              |         | Longitu -104 |       | 2788             | ı     | '           |        |                  |                  | NAD<br>83          |                   |
| First T        | ake Poir               | nt (FTP)         |              |         |              |       |                  |       |             |        |                  |                  |                    |                   |
| UL<br>F        | Section 22             | Township 25S     | Range<br>28E | Lot     | Feet<br>2318 |       | From N           | I/S   | Feet<br>231 |        | Fron<br><b>W</b> | n E/W            | County<br>Eddy     |                   |
| Latitu 32.     | de<br>116365           | 50               |              |         | Longitu -104 |       | 2783             |       |             |        |                  |                  | NAD<br>83          |                   |
| Last T         | ake Poin               | t (LTP)          |              |         |              |       |                  |       |             |        |                  |                  |                    |                   |
| UL<br>C        | Section<br>15          | Township 25S     | Range<br>28E | Lot     | Feet<br>330  | Fro N | m N/S            | Feet  |             | From W | E/W              | Count            |                    |                   |
| Latitu 32.     | de<br>136455           | 51               |              |         | Longitu -104 |       | 62698            |       |             | •      |                  | NAD<br><b>83</b> |                    |                   |
|                |                        |                  |              |         | •            |       |                  |       |             |        |                  |                  |                    |                   |
| Is this        | well the               | defining v       | vell for th  | e Horiz | zontal Sp    | oacin | g Unit?          |       | Y           |        |                  |                  |                    |                   |
| Is this        | well an                | infill well?     |              | N       | ]            |       |                  |       |             |        |                  |                  |                    |                   |
|                | l is yes p<br>ng Unit. | lease prov       | ide API if   | availab | ile, Opei    | rator | Name             | and v | vell n      | umbe   | r for I          | Definir          | ng well fo         | r Horizontal      |
| API#           |                        |                  |              |         |              |       |                  |       |             |        |                  |                  |                    |                   |
| Ope            | rator Nai              | me:              |              |         |              | Pro   | perty N          | ame   | :           |        |                  |                  |                    | Well Number       |

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

# 1. Geologic Formations

| TVD of target | 9,789'  | Pilot hole depth              | NA  |
|---------------|---------|-------------------------------|-----|
| MD at TD:     | 17,467' | Deepest expected fresh water: | 45' |

## Basin

| Formation                        | Depth (TVD)<br>from KB | Water/Mineral Bearing/<br>Target Zone? | Hazards* |
|----------------------------------|------------------------|--|----------|
| Quaternary Fill                  | Surface                |  |          |
| Rustler                          | 375                    |  |          |
| Top of Salt                      | 970                    |  |          |
| Base of Salt                     | 2330                   |  |          |
| Delaware (Lamar)                 | 2510                   |  |          |
| Bell Canyon                      | 2535                   |  |          |
| Cherry Canyon                    | 3225                   |  |          |
| Manzanita Marker                 | 3540                   |  |          |
| Brushy Canyon                    |                        |  |          |
| Bone Spring                      | 6085                   | Oil/Gas                                |          |
| 1 <sup>st</sup> Bone Spring Sand | 7050                   | Oil/Gas                                |          |
| 2 <sup>nd</sup> Bone Spring Sand | 7850                   | Oil/Gas                                |          |
| 3 <sup>rd</sup> Bone Spring Sand | 8965                   | Oil/Gas                                |          |
| Abo                              |                        |  |          |
| Wolfcamp                         | 9390                   | Target Zone                            |          |
| Devonian                         |                        |  |          |
| Fusselman                        |                        |  |          |
| Ellenburger                      |                        |  |          |
| Granite Wash                     |                        |  |          |

<sup>\*</sup>H2S, water flows, loss of circulation, abnormal pressures, etc.

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

## 2. Casing Program

| Hole   | Casing   | Interval     | Csg.       | Weight | Grade | Conn.   | SF       | SF    | SF Jt   | SF Body |
|--------|----------|--------------|------------|--------|-------|---------|----------|-------|---------|---------|
| Size   | From     | То           | Size       | (lbs)  |       |         | Collapse | Burst | Tension | Tension |
| 17.5"  | 0'       | 475'         | 13.375"    | 48     | H40   | STC     | 3.54     | 7.96  | 14.12   | 23.73   |
| 12.25" | 0'       | 2410'        | 9.625"     | 36     | J55   | LTC     | 1.61     | 2.81  | 5.22    | 6.50    |
| 8.75"  | 0'       | 9900'        | 7"         | 26     | P110  | LTC     | 1.30     | 2.08  | 2.69    | 3.22    |
| 6.125" | 9261'    | 17467'       | 4.5"       | 13.5   | P110  | LTC     | 1.75     | 2.03  | 3.05    | 3.81    |
|        | BLM Mini | mum Safety F | Factor 1.1 | 125    | 1     | 1.6 Dry | 1.6 Dry  |       |         |         |
|        |          |              |            |        |       | 1.8 Wet | 1.8 Wet  |       |         |         |

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | Y      |
| Is casing API approved? If no, attach casing specification sheet.  | Y      |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | N      |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y      |
| Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                             | Y      |
| Is well located within Capitan Reef?   | Y      |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | N      |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back  |        |
| 500' into previous casing?   |        |
| Is well located in R-111-P and SOPA?   | N      |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
|  |        |

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

| Is well located in high Cave/Karst?  | N |
|--|---|
| If yes, are there two strings cemented to surface?                                     |   |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs? |   |
|  |   |
| Is well located in critical Cave/Karst?  | N |
| If yes, are there strings cemented to surface?   |   |

## 3. Cementing Program

| Casing | # Sks | Wt.<br>lb/<br>gal | Yld<br>ft3/<br>sack | H <sub>2</sub> 0<br>gal/<br>sk | 500#<br>Comp.<br>Strength | Slurry Description                               |
|--------|-------|-------------------|---------------------|--------------------------------|---------------------------|--|
|        |       |                   |                     |                                | (hours)                   |  |
| Surf.  | 190   | 12.5              | 2.12                | 11                             | 10                        | Lead: Class C + Salt + Gel + Extender + LCM      |
|        | 200   | 14.8              | 1.34                | 6.3                            | 8                         | Tail: Class C + Retarder                         |
| Inter. | 320   | 12.5              | 2.12                | 11                             | 10                        | Lead: Class C + Salt + Gel + Extender + LCM      |
|        | 200   | 14.8              | 1.34                | 6.3                            | 8                         | Tail: Class C + Retarder                         |
| Prod.  | 350   | 12.5              | 2.12                | 11                             | 9                         | Lead: Class C + Gel + Retarder + Defoamer +      |
| Stg 1  |       |                   |                     |                                |                           | Extender   |
|        | 400   | 15.6              | 1.18                | 5.2                            | 10                        | Tail: Class H + Retarder + Fluid Loss + Defoamer |
|        |       |                   |                     |                                | ECP/DV T                  | ool @ 3625'                                      |
| Prod.  | 60    | 12.5              | 2.12                | 11                             | 10                        | Lead: Class C + Salt + Gel + Extender + LCM      |
| Stg 2  | 100   | 14.8              | 1.34                | 6.3                            | 8                         | Tail: Class C + Retarder                         |
| Liner  | 330   | 11.2              | 2.97                | 18                             | 16                        | Class C + Salt + Gel + Fluid Loss + Retarder +   |
|        |       |                   |                     |                                |                           | Dispersant + Defoamer + Anti-Settling Agent      |

A copy of cement test will be available on location at time of cement job providing pump times & compressive strengths.

| Casing String | TOC   | % Excess |
|---------------|-------|----------|
| Surface       | 0'    | 100%     |
| Intermediate  | 0'    | 25%      |
| Production    | 2210' | 25%      |
| Liner         | 9261' | 25%      |

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## 4. Pressure Control Equipment

| BOP installed<br>and tested<br>before drilling<br>which hole? | Size?   | System<br>Rated<br>WP | 7          | Гуре   | <b>→</b> | Tested to: |
|---|---------|-----------------------|------------|--------|----------|------------|
|   |         |                       | Aı         | nnular | X        | 2,500#     |
|   | 13-5/8" | 5M                    | Bliı       | nd Ram | X        |            |
| 12-1/4"   |         |                       | Pip        | e Ram  | X        | 5,000#     |
|   |         |                       | Double Ram |        |          | 3,000#     |
|   |         |                       | Other*     |        |          |            |

<sup>\*</sup>Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Formation integrity test will be performed per Onshore Order #2.
On Exploratory wells or on that portion of any well approved for a 5M BOPE system or

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

|   | greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i. |
|---|--|
|   | A variance is requested for the use of a flexible choke line from the BOP to Choke   |
| Y | Manifold. See attached for specs and hydrostatic test chart.   |
|   | N Are anchors required by manufacturer?  |
| Y | A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after  |
|   | installation on the surface casing which will cover testing requirements for a maximum of  |
|   | 30 days. If any seal subject to test pressure is broken the system must be tested.   |
|   |  |
|   | Provide description here: See attached schematic.  |

## 5. Mud Program

| TVD  |      | Туре            | Weight (ppg) | Viscosity | Water Loss |
|------|------|-----------------|--------------|-----------|------------|
| From | То   |                 |              |           |            |
| 0    | 475  | FW Gel          | 8.6-8.8      | 28-34     | N/C        |
| 475  | 2410 | Saturated Brine | 10.0         | 28-34     | N/C        |
| 2410 | 9701 | Cut Brine       | 8.6-9.5      | 28-34     | N/C        |
| 9701 | 9789 | OBM             | 10.0-12.0    | 30-40     | <10cc      |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

| What will be used to monitor the loss or gain | Pason/PVT/Visual Monitoring |
|---|-----------------------------|
| of fluid?                                     |                             |

## 6. Logging and Testing Procedures

| Logg | ing, Coring and Testing.  |
|------|---|
| X    | Will run GR/CNL from KOP (9,261') to surface (horizontal well – vertical portion of |

SL: 2420' FSL & 1190' FWL (Sec 22, T25S, R28E) BHL: 330' FNL & 2310' FWL (Sec 15, T25S, R28E)

| hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
|---|
| No Logs are planned based on well control or offset log information.              |
| Drill stem test? If yes, explain  |
| Coring? If yes, explain   |

| Additional logs planned |           | Interval           |
|-------------------------|-----------|--------------------|
| X                       | Gamma Ray | 9,261' (KOP) to TD |
|                         | Density   |                    |
|                         | CBL       |                    |
|                         | Mud log   |                    |
|                         | PEX       |                    |

## 7. Drilling Conditions

| Condition                  | Specify what type and where? |
|----------------------------|------------------------------|
| BH Pressure at deepest TVD | 6108 psi                     |
| Abnormal Temperature       | No                           |

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers in surface hole. Weighted mud for possible over-pressure in Wolfcamp formation.

| Hydi  | rogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S    |  |  |  |  |
|-------|--|--|--|--|--|
| is de | is detected in concentrations greater than 100 ppm, the operator will comply with the provisions |  |  |  |  |
| of O  | of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and         |  |  |  |  |
| form  | formations will be provided to the BLM.  |  |  |  |  |
|       | H2S is present   |  |  |  |  |
| X     | H2S Plan attached  |  |  |  |  |

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# 8. Other facets of operation

| Is this a walking operation? If yes, describe. Will be pre-setting casing? If yes, describe. |  |
|--|--|
| Attachments  |  |
| Directional Plan   |  |
| Other, describe  |  |

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

Submit Original to Appropriate District Office

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

| Date: 9-6-19   | GAS CAPTURE PLAN                                    |
|--|---|
| <ul><li>☑ Original</li><li>☑ Amended - Reason for Amendment:</li></ul> | Operator & OGRID No.: Mewbourne Oil Company - 14744 |
|  |   |

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: Form 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                      | API | Well Location (ULSTR) | Footages           | Expected MCF/D | Flared or<br>Vented | Comments          |
|--------------------------------|-----|-----------------------|--------------------|----------------|---------------------|-------------------|
| BONANZA 22/15 W1FC FED COM #2H |     | L-22-25S-28E          | 2420 FSL & 1190 FW | L 0            | NA                  | ONLINE AFTER FRAC |
|                                |     |                       |                    |                |                     |                   |

#### **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 toEnterprise Field Services and will be connected to                     |
| Enterprise Field Services low/high pressure gathering system located in LEA County, New Mexico. It will require                        |
| ' of pipeline to connect the facility to low/high pressure gathering system. Mewbourne Oil Company provides                            |
| (periodically) to Enterprise Field Services a drilling, completion and estimated first production date for wells that are scheduled to |
| be drilled in the foreseeable future. In addition, Mewbourne Oil Company andEnterprise Field Services_ have periodic                   |
| conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at                    |
| Enterprise Field Services Processing Plant located in Sec. 17, Twn. 19S, Rng. 31E, Eddy 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 Enterprise Field Svc system at that time. Based on current information, it is Operator's 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
  - o Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
  - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
  - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines