Form 3160 -3 (March 2012)	OCD Art	esl a	FORM AP OMB No. 1 Expires Octob	004-0137	
UNITED ST DEPARTMENT OF T BUREAU OF LAND	THE INTERIOR		5. Lease Serial No. NMNM 0030458		
APPLICATION FOR PERMIT			6. If Indian, Allotee or Tribe Name		
la. Type of work: DRILL R	REENTER		7 If Unit or CA Agreeme Poker Lake Unit NMN		
1b. Type of Well: Oil Well Gas Well Other	er Single Zone	Multiple Zone	8. Lease Name and Well Poker Lake Unit CVX		
2. Name of Operator BOPCO, L.P.			9. API Well No.	5-4348	
3a. Address 201 Main St, SUITE 2900 Fort Worth, TX 76102	3b. Phone No. (include area co 817-390-8671	de)	10. Field and Pool, or Exp Wildcat G-06 S253002	20; Bone Spring	
 Location of Well (Report location clearly and in accordance At surface NENE, UL A, 550' FNL & 660' FEL, Lat At proposed prod. zone 660'FNL,660'FWL,Sec10,T2 	t:N32.150686, Long:W103.79316	CATION	IA Sec., T. R. M. or Blk.a Sec. 08, T25S-R31E	nd Survey or Area	
14. Distance in miles and direction from nearest town or post off 17 miles southeast of Malaga, NM	fice*		12. County or Parish Eddy County	13. State NM	
15. Distance from proposed* 550' location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 1,679.92	17. Spacir 240.0	g Unit dedicated to this well		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 16,639' MD / 10,336' TV		BIA Bond No. on file 0050		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3,411' GL	22. Approximate date work w 02/01/2016	ill start*	23. Estimated duration 30 days		
	. 24. Attachments				
The following, completed in accordance with the requirements of 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest SUPO must be filed with the appropriate Forest Service Office). 25. Signature	System Lands, the ice). System Lands, the ice). Name (Printed/Typed)	over the operatio ove). ertification	ormation and/or plans as ma	y be required by the	
Tille Regulatory/Geologist	@ Elizabeth Osborne		<i>C</i>	19/21/2015	
Approved by (Signature) Steve Caffey Title	Name (Printed/Typed)		Da	NOV 2 0 201	
Title FIELD MANAGER	Only				
Application approval does not warrant or certify that the application operations thereon. Conditions of approval, if any, are attached.	ant holds legal or equitable title to thos		oject lease which would entitl PROVAL FOR T		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, mak States any false, fictitious or fraudulent statements or representat	ke it a crime for any person knowingly tions as to any matter within its jurisdicti	and willfully to n	nake to any department or ag	gency of the United	
(Continued on page 2)	NM OIL CONSERVATION ARTESIA DISTRICT	N	*(Instruc	tions on page 2)	
sbad Controlled Water Basin	NOV 3,0 20.5		<i>()</i>	2/2/2015	

Approval Subject to General Requirements & Special Stipulations Attached

RECEIVED

SEE ATTACHED FOR CONDITIONS OF APPROVAL

- A. No new Class III inventories are required of industry within the project area for those projects where industry elects to contribute to the mitigation fund.
- B. The amount of funds contributed was derived from the rate schedule established within Appendix B of the PA. The amount of the funding contribution acknowledged on this form reflects those rates.
- C. The BLM will utilize the funding to carry out a program of mitigation at high-priority sites whose study is needed to answer key questions identified within the Regional Research Design.
- D. Donating to the fund is voluntary. Industry acknowledges that it is aware it has the right to pay for a Class III survey rather than contributing to the mitigation fund. Industry must avoid or fund data recovery at those sites already recorded that are eligible for nomination to the National Register or whose eligibility is unknown. Any such payments are independent of the mitigation funds established by this PA.
- E. Previously recorded archaeological sites determined eligible for nomination to the National Register, or whose eligibility remains undetermined, must be avoided or mitigated.
- F. If any skeletal remains that might be human or funerary objects are discovered by any activities, the land-use applicant will cease activities in the area of discovery, protect the remains, and notify the BLM within 24 hours. The BLM will determine the appropriate treatment of the remains in consultation with culturally-affiliated Indian Tribe(s) and lineal descendants. Applicants will be required to pay for treatment of the cultural items, independent and outside of the mitigation fund.

Elizabeth Osborne	09/21/2015
Company-Authorized Officer	Date
BLM-Authorized Officer	Date

DISTRICT IV

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phome (575) 393-8161 Fax: (575) 393-9720
DISTRICT II
811 S. First St., Artesia, NM 88210
Phome (575) 745-1253 Fax: (575) 746-9720
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phome (505) 334-6178 Fax: (505) 334-6170

1225 S. St. Francis Dr., Santa Fe, NM 87505 Phone (505) 476-3480 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION

1225 South St. Francis Dr. Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

30-015-43480	Pool Code 97913	Pool Name WILDCAT G-06 S2530020;	BONE SPRING
Property Code 313213		perty Name UNIT CVX JV BS	Well Number 075H
ogrid no. 260737	-	rator Name CO, L.P.	Elevation 3411

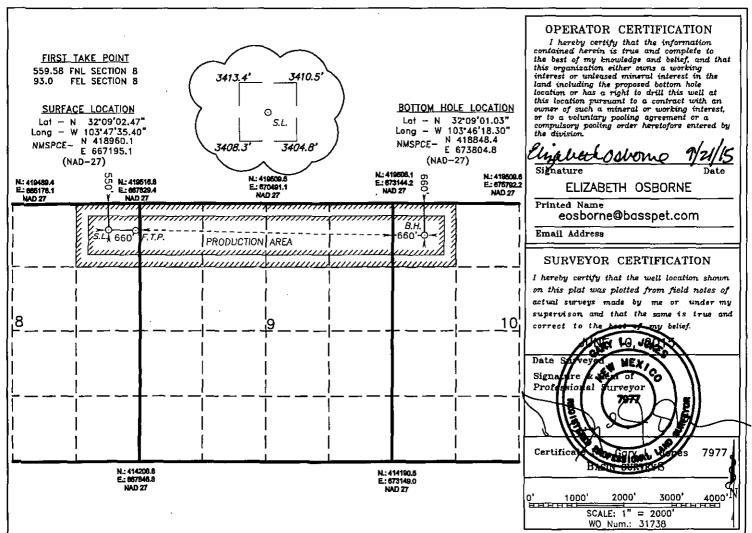
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	8	25 S	31 E		550	NORTH	660	EAST	EDDY

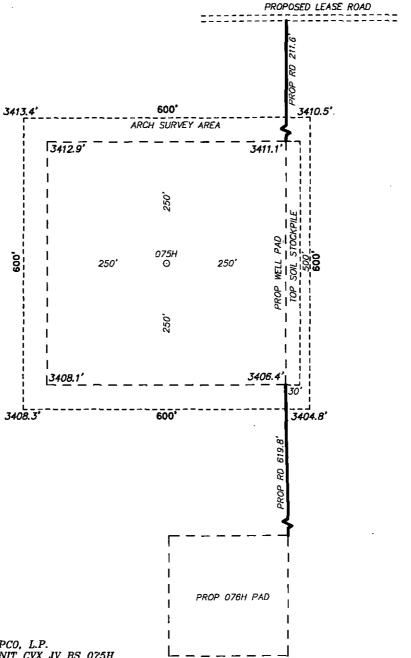
Bottom Hole Location If Different From Surface

UI, or lot No.	Section 10	Township 25 S	Range 31 E	Lot Idn	Feet from the	North/South line	Feet from the	East/West line WEST	County
Dedicated Acres	s Joint o	<u> </u>	nsolidation	Code Ore	der No.			<u></u>	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



SECTION 8, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



BOPCO, L.P. POKER LAKE UNIT CVX JV BS 075H ELEV. - 3411'

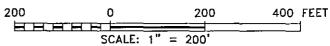
> Lat - N 32'09'02.47" Long - W 103'47'35.40" NMSPCE- N 418960.1 E 667195.1 (NAD-27)

Directions to Location:

FROM BUCKTHORN AND BUCK JACKSON GO SOUTH ON BUCKTHORN 3.2 MILES TO PROPOSED LEASE ROAD.

P.O. Box 1786 (575) 393-7316 - Office 1120 N. West County Rd. (575) 392-2206 - Fax Hobbs, New Mexico 88241 basinsurveys.com

LOVING, NM IS ± 20 MILES TO THE NORTHWEST OF LOCATION.



BOPCO

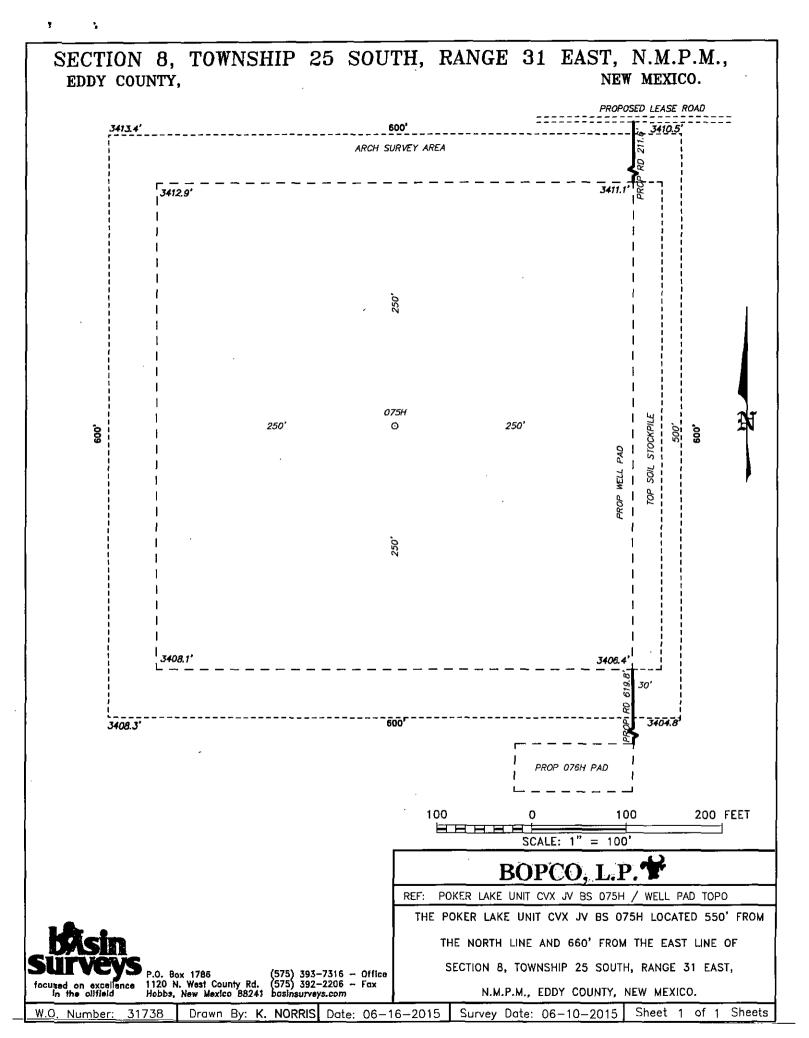
POKER LAKE UNIT CVX JV BS 075H / WELL PAD TOPO

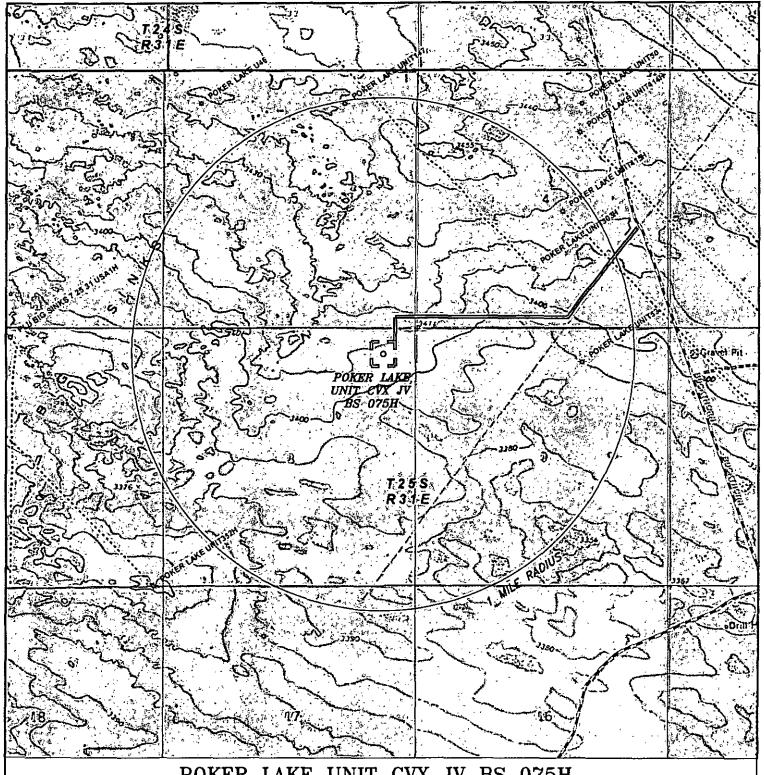
THE POKER LAKE UNIT CVX JV BS 075H LOCATED 550' FROM

THE NORTH LINE AND 660' FROM THE EAST LINE OF SECTION 8, TOWNSHIP 25 SOUTH, RANGE 31 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Sheet 1 Sheets Drawn By: K. **NORRIS** Date: 06-16-2015 Survey Date: 06-10-2015





POKER LAKE UNIT CVX JV BS 075H Located 550' FNL and 660' FEL Section 8, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



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١	0' 1000' 2000' 3000' 4000'	i
I	SCALE: 1" = 2000'	,
	W.O. Number: KAN 31738	9
	Survey Date: 06-10-2015	14
	YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND	

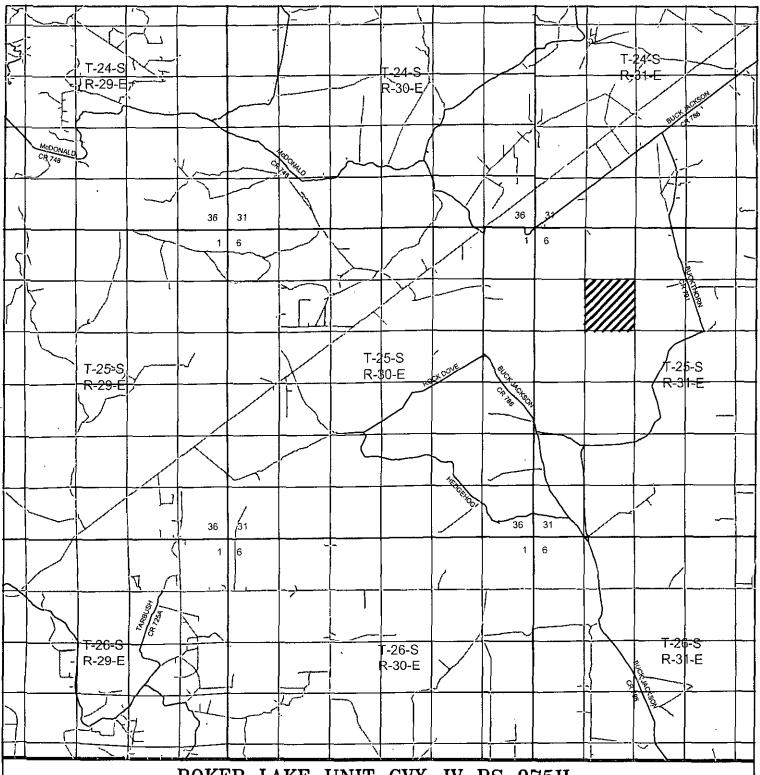
UNIE CVX JV BS 075H BOTTOM

POKER LAKE UNIT CVX JV BS 075H BOTTOM Located 660' FNL and 660' FWL Section 10, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com

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	Survey Date: 06-10-2015	14
	YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND	

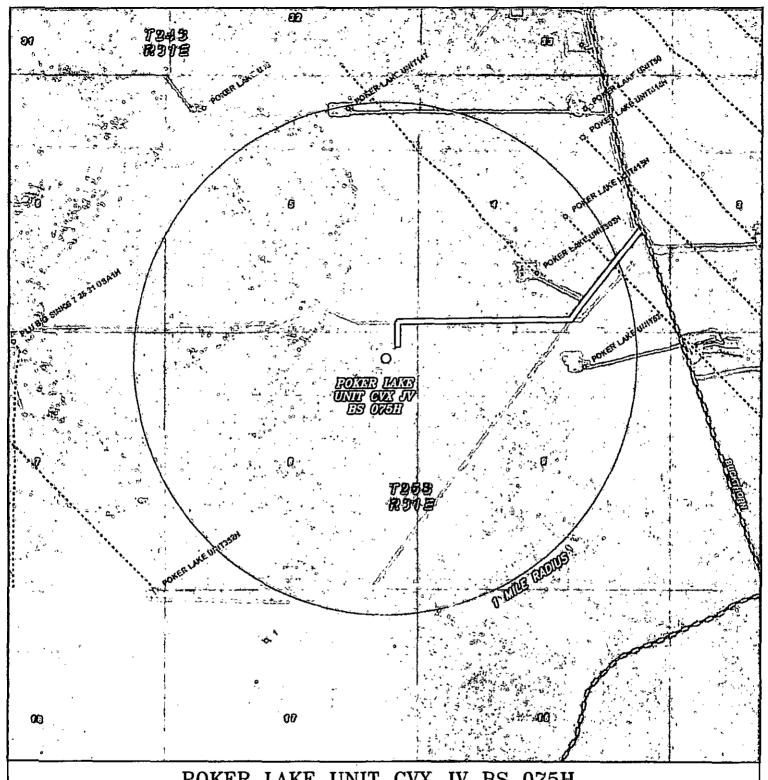


POKER LAKE UNIT CVX JV BS 075H
Located 550' FNL and 660' FEL
Section 8, Township 25 South, Range 31 East,
N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com

0 1 MI 2 MI 3 MI 4 MI SCALE: 1" = 2 MILES	
W.O. Number: KAN 31738	1
Survey Date: 06-10-2015]
YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND	

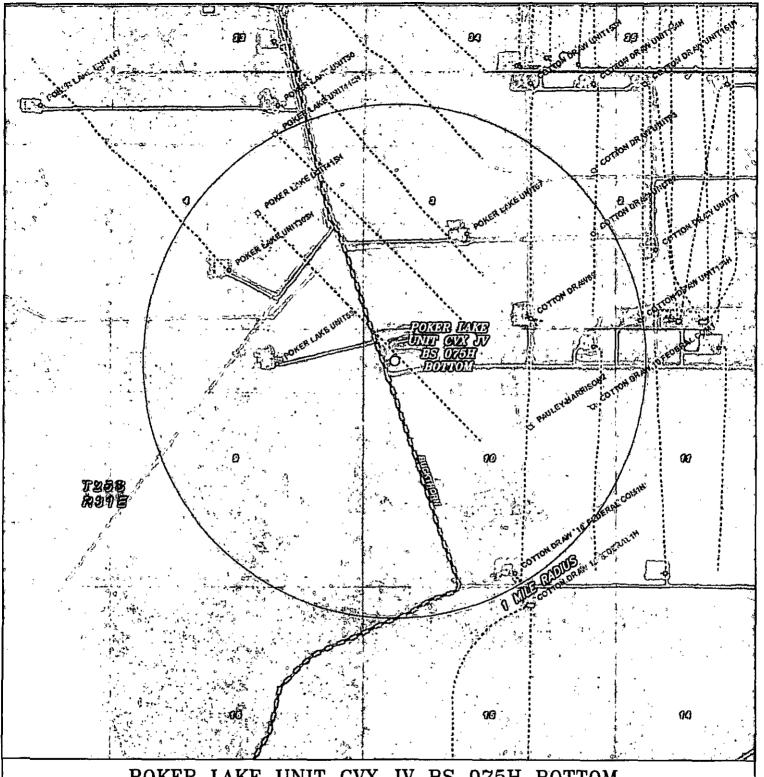


POKER LAKE UNIT CVX JV BS 075H Located 550' FNL and 660' FEL Section 8, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com

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	SCALE: 1" = 2000'	
	W.O. Number: KAN 31738	
	Survey Date: 06-10-2015	,
	YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND	



POKER LAKE UNIT CVX JV BS 075H BOTTOM Located 660' FNL and 660' FWL Section 10, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com

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l	SCALE: {" = 2000"	,
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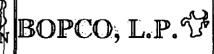
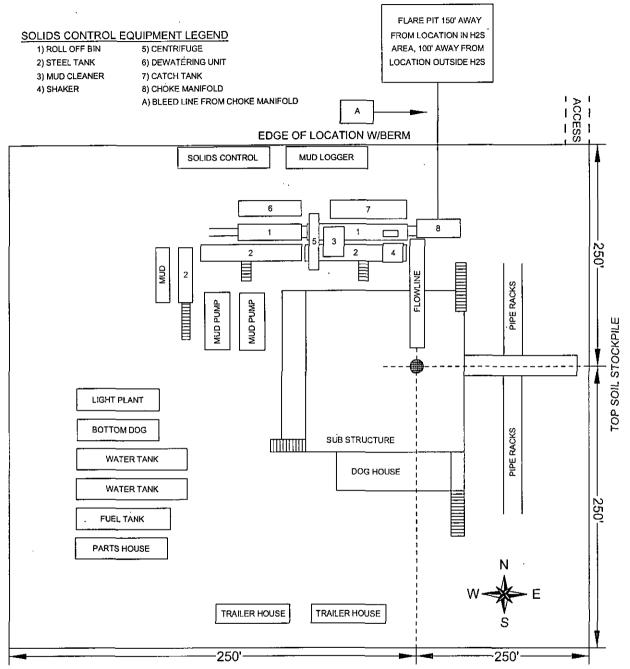


EXHIBIT "D" RIG LAYOUT SCHEMATIC INCLUSIVE OF CLOSED-LOOP DESIGN PLAN



POKER LAKE UNIT CVX JV BS 075H Located 550' FNL and 660' FEL Section 8, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



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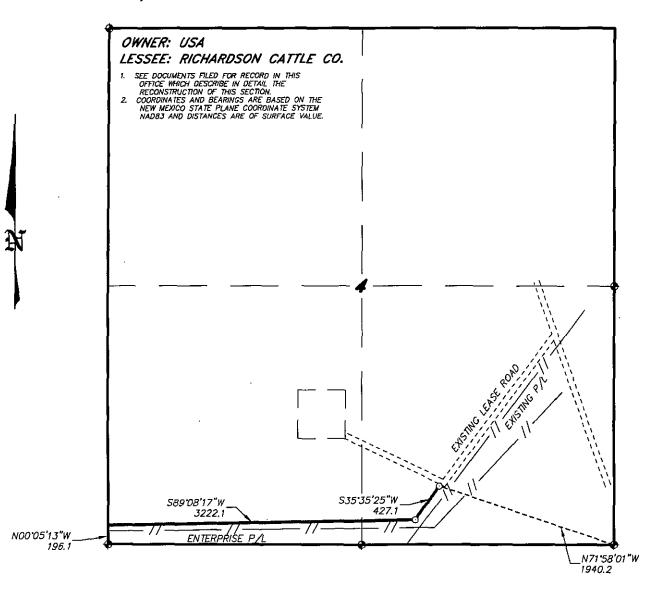
basinsurveys.com

W.O. Number: KA Survey Date: 06

er: KAN 31738 e: 06-10-2015

SCALE: NONE

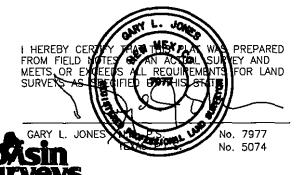
SECTION 4, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 4, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 4 = 3649.2 FEET = 221.16 RODS = 0.69 MILES = 2.51 ACRES



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1000 0 1000 2000 FEET

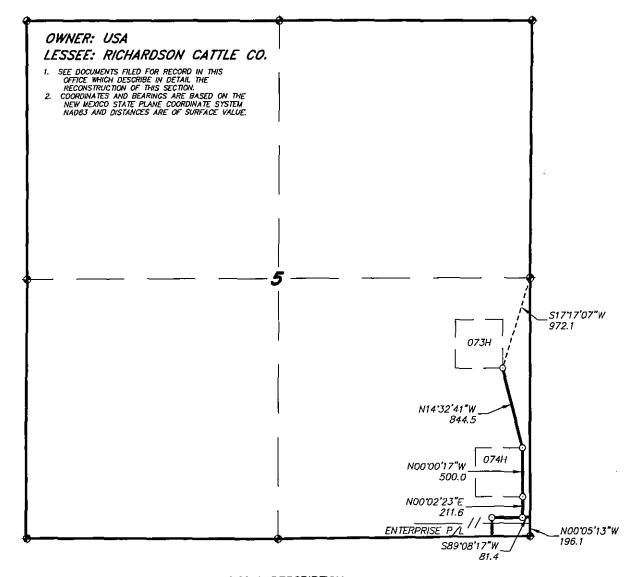
BOPCO, L.P. T

REF: PROPOSED LEASE ROAD TO PLU CVX JV BS 073H-076H

A LEASE ROAD CROSSING STATE LAND IN SECTION 4, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 31739 Drawn By: K. **NORRIS** Date: 06-16-2015 Survey Date: 06-10-2015 Sheet 1 of 2 Sheets

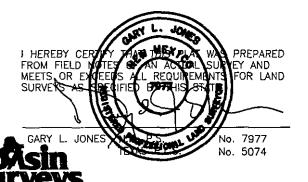
SECTION 5, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 5, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 5 = 1637.5 FEET = 99.24 RODS = 0.31 MILES = 1.13 ACRES



P.O. Box 1786
Icused on excellence 1120 N. West
In the cilifield Hobbs, New M

P.O. 8ox 1786 (575) 393-7316 - Office 1120 N. West County Rd. (575) 392-2206 - Fax Hobbs, New Mexico 88241 basinsurveys.com 1000 0 1000 2000 FEET

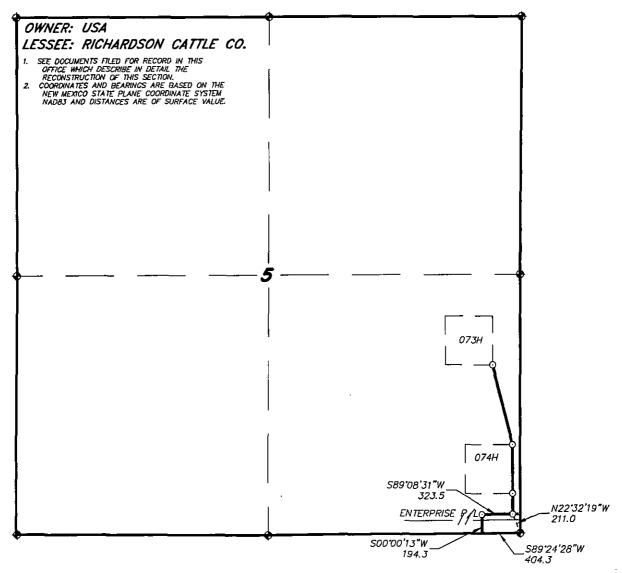
BOPCO, L.P. 🏲

REF: PROPOSED LEASE ROAD TO PLU CVX JV BS 073H-076H

A LEASE ROAD CROSSING USA LAND IN
SECTION 5, TOWNSHIP 25 SOUTH, RANGE 31 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 31739 | Drawn By: K. NORRIS | Date: 06-16-2015 | Survey Date: 06-10-2015 | Sheet 2 of 2 Sheets

SECTION 5, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

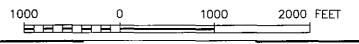
A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 5, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 4 = 517.8 FEET = 31.38 RODS = 0.10 MILES = 0.36 ACRES



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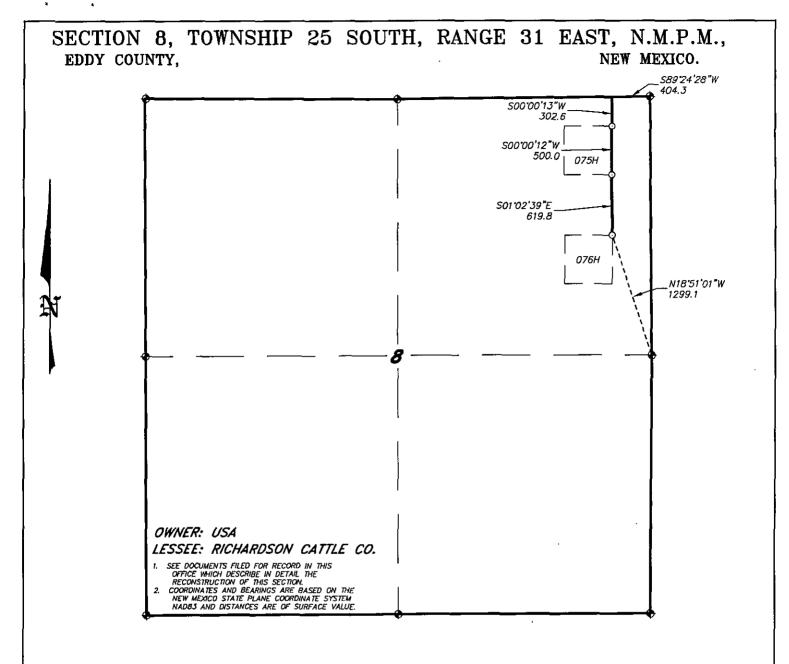


BOPCO, L.P. 🛣

REF: PROPOSED LEASE ROAD TO PLU CVX JV BS 073H-076H

A LEASE ROAD CROSSING USA LAND IN
SECTION 5, TOWNSHIP 25 SOUTH, RANGE 31 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

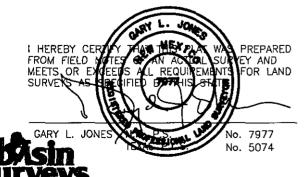
<u>W.O. Number: 31739 | Drawn By: K. NORRIS Date: 06-16-2015 | Survey Date: 06-10-2015 | Sheet 1 of 2 Sheets</u>



LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 8, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 8 = 1422.4 FEET = 86.21 RODS = 0.27 MILES = 0.98 ACRES



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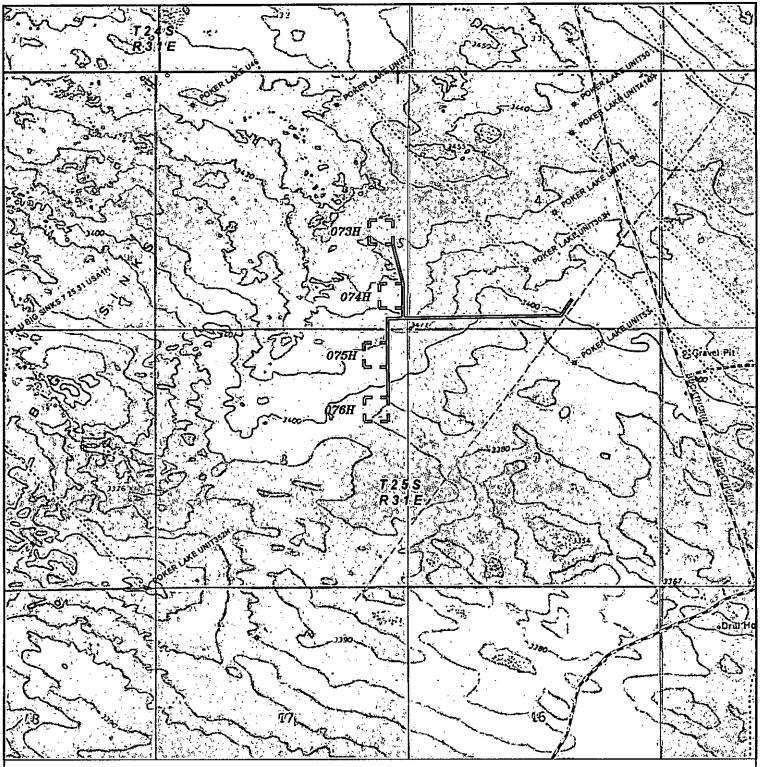
1000 1000 2000 FEET

BOPCO, L.P. 🏲

REF: PROPOSED LEASE ROAD TO PLU CVX JV BS 073H-076H

A LEASE ROAD CROSSING USA LAND IN SECTION 8, TOWNSHIP 25 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: Drawn By: K. NORRIS Survey Date: 06-10-2015 Sheet 2 of 2 Date: 06-16-2015

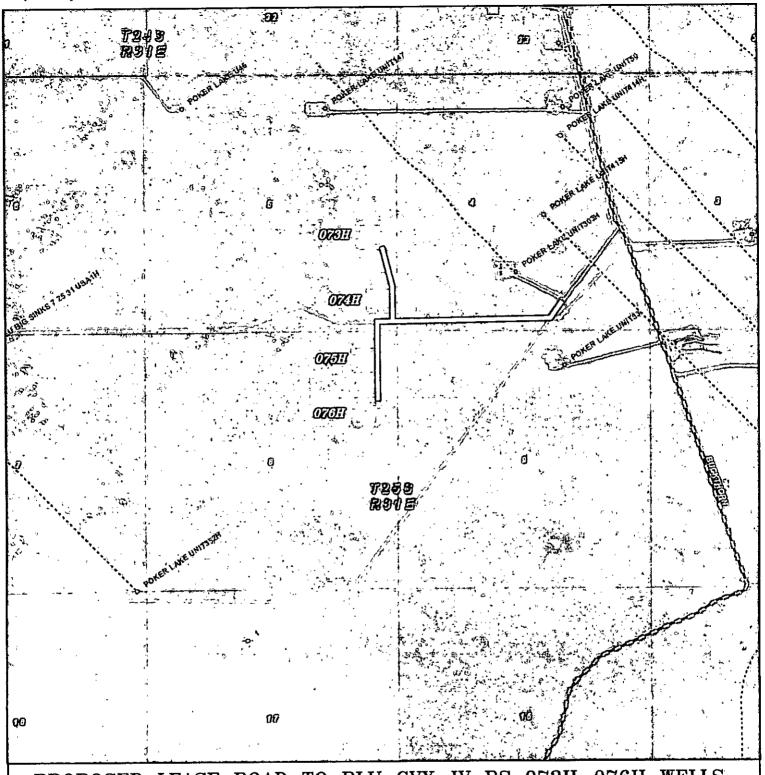


PROPOSED LEASE ROAD TO PLU CVX JV BS 073H-076H WELLS
Located 1670' FNL and 660' FEL
Sections 4&5,8&9, Township 25 South, Range 31 East,
N.M.P.M., Eddy County, New Mexico.



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	SCALE: 1" = 2000'	,
	W.O. Number: KAN 31739	1
	Survey Date: 06-10-2015	d
	YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND	•

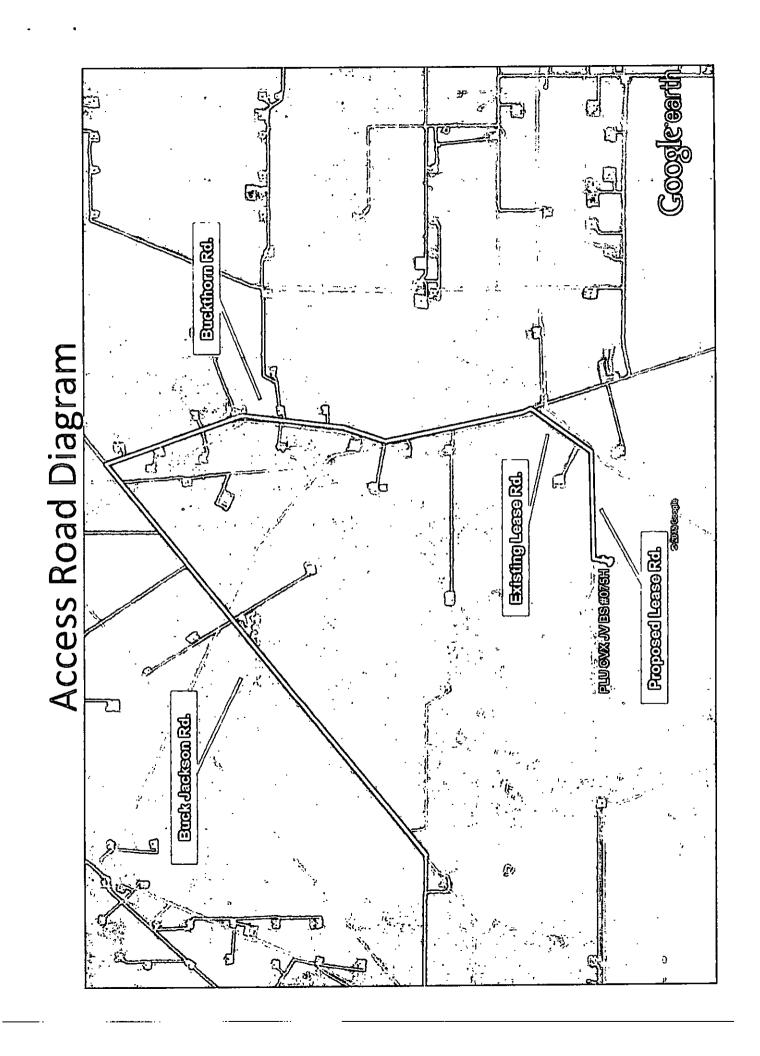


PROPOSED LEASE ROAD TO PLU CVX JV BS 073H-076H WELLS
Located 1670' FNL and 660' FEL
Sections 4&5,8&9, Township 25 South, Range 31 East,
N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 - Office (575) 392-2206 - Fax basinsurveys.com

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I	SCALE: 1" = 2000°	,
I	W.O. Number: KAN 31739	1
	Survey Date: 06-10-2015	d
	YELLOW TINT — USA LAND BLUE TINT — STATE LAND NATURAL COLOR — FEE LAND	



1. Geologic Formations

TVD of target	10336	Pilot hole depth	NA
MD at TD:	16639	Deepest expected fresh water:	400

This well has a nonstandard surface hole location Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	447	Water	
Top of Salt	833	Salt	
Lamar	4304	Barren	
Delaware Group	4330	Oil/Gas	
Bone Spring	8164	Oil/Gas	
Bone Spring 1 Sand	9224	Oil/Gas	
Bone Spring 2 Sand	9934	Target Zone	
Bone Spring 3 Sand	11121	Oil/Gas	

^{*}H2S, water flows, loss of circulation, abnormal pressures, etc

2. Casing Program

Hole	Casin	g Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF
Size	From	To	Size	(lbs)			Collapse	Burst	Tension
17.5"	0	780	13.375"	54.5	J55	STC	2.91	1.78	22.76
12.25"	0	43204270	9.625"	40	N80	LTC	1.22	2.37	5.02
8.75"	0	10595	5.5"	17	HCP110	LTC	1.50	1.84	3.61
7.875"	10595	16639	5.5"	17	HCP110	LTC	1.50	1.84	3.62
				BLM Min	imum Safet	ty Factor	1.125	1	1.6 Dry
									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?	N
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	N
Is well within the designated 4 string boundary.	N

	"
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	N
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	N
Is 2 nd string set 100' to 600' below the base of salt?	N
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	N
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	N
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	N

2. Cementing Program

Casing	# Sks	Wt. lb/ - gal	Yld ft3/ sack	H ₂ 0 gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	400	13.5	1.75	8.69	14	Lead: Class C +2% CACL + 4% Bentonite + 0.25 LB/SK Cello Flake + 3 lb/sk LCM-1
	340	14.8	1.35	6.35	8	Tail: Class C + 2% CACL + 0.25 LB/Sk CF + 3 LB/Sk LCM-1
Inter,	850	12.9	1.85	9.32	14	Lead: EconoCEM HLC + 5% CaCl + 5#/sk Gilsonite
	200	14.8	1.33	6.34	6	Tail: Class C neat
Prod.	820	11	2.64	14.87	11	1st Lead: Tuned Light + 0.125 pps Poly – E- Flake
	780	12	2.03	11.41	14	1 st Tail: Class H + 0.5% Halad-344 + 0.25% CFR-3 + 0.5% Econolite
					DV	Tool 5000'
	250	11	2.35	11.7	11	2 nd stage Primary: Tuned Light + 0.125 pps Poly – E-Flake

DV tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe.

Casing String	TOC	% Excess
Surface	0'	50%
Intermediate	0,	30%
Production	3820'	50%

Include Pilot Hole Cementing specs:
Pilot hole depth NA
KOP 9701

4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

BOP installed and tested before drilling which hole?	Size?	System Rated WP	Туре		✓	Tested to:
			Ar	ınular	X	50% of working pressure
			Blir	ıd Ram	X	
12-1/4"	13-5/8"	3M	Pip	e Ram	х	3000
			Doul	ole Ram		3000
			Other*			
	,		Annular			
			Blind Ram			
			Pipe Ram			
			Double Ram			
			Other*			
			Annular			
		ļ	Blind Ram			
			Pipe Ram			
			Double Ram			
			Other*			

^{*}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 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.

See

A variance is requested for the use of a flexible choke line from the BOP to Choke

X Manifold. See attached for specs and hydrostatic test chart.

N Are anchors required by manufacturer?

X 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.

After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the Cameron Multi-Bowl System wellhead. The BOP/BOPE will be pressure tested to 250 psi low and 3,000 psi high after installation on the surface casing which will cover testing requirements for the duration of the well as per Onshore Order #2. The 9-5/8" intermediate casing and 7" production casing will be run with a mandrel hanger through the 13-5/8" BOP/BOPE system without breaking any connections on the BOP/BOPE system and thus not requiring a pressure test. Please find attached wellhead schematic. The field reports from the Cameron representative and the BOP test information will be on location.

See attached schematic.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	То	1			
0	Surf. shoe	FW Gel	8 -9.2	38-70	N/C
Surf csg	Int shoe	Saturated Brine	9.8-10.2	28-30	N/C
Int. shoe	Prod. casing	Cut Brine	8.7-9.2	28-36	N/C
	shoe				

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	PVT/Pason/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

SUA

Logg	ging, Coring and Testing.
	Will run GR/CNL fromTD to surface (horizontal well – vertical portion of hole). Stated
X	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
Resistivity	Int. shoe to KOP
Density	Int. shoe to KOP
CBL	Production casing
Mud log	Intermediate shoe to TD
PEX	

7. Drilling Conditions



Condition	Specify what type and where?
BH Pressure at deepest TVD	4937 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Standard LCM will be on location to use when needed.

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

H2S is present
X H2S Plan attached

8. Other facets of operation

Is this a walking operation? If yes, describe. No Will be pre-setting casing? If yes, describe. No

Attachments

_X__ Directional Plan Other, describe

00 7500 Scale 1 mch = 1000 ft

8

9200

PLU BS No.75M PBHL

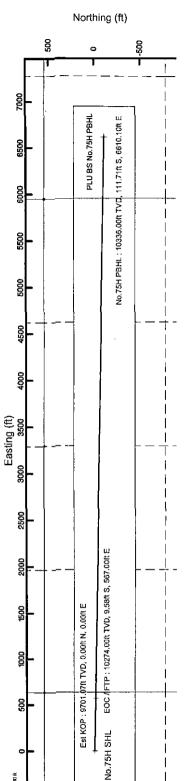


Scale 1 Inch = 1000 it -500

- West Texas Division

Location: Eddy County, NM Field: Poker Lake Unit Facility: PLU CVX JV BS No.75H

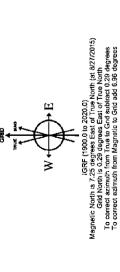
Slot: No.75H SHL Well: No.75H Wellbore: No.75H PWB

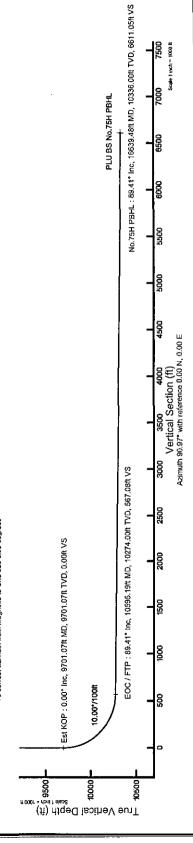


			\$	Well Profile Data	e Data			
Design Comment	MD (ft)	Inc (°)	Az (°)	(#) QVL	Local N (ft)	Local E (ft)	DLS (*/100ff)	VS (ft)
Tie On	20.00	0.000	90.968	20.00	00'0	0.00	0.00	0.00
Est KOP	9701.07	0.000	90.968	9701.07	00'0	00'0	000	0.00
EOC/FTP	10595.19	89.412	90.968	10274.00	85.6-	567.00	10.00	567.08
ť	10595,21	89,412	996'06	10274.00	85.6-	567.01	2.00	567.09
No.75H PBHL	16639.48	89.412	89,412 90,968	10336.00	12111-	6610.10	0.00	6611.05

	Comment	Rustler	Top of Salt	Lamar	Delaware Group	Bone Spring	Bone Spring 1 Sand	Bone Spring 2 Sand	
	VS (ft)	0.00	0.00	0.00	0.00	0.00	0.00	49.48	
mments	Azimuth (°)	90.968	90.968	896.06	90.968	90.968	90.968	90.968	
Wellpath Comments	Inclination (*)	0.000	0.000	0.000	0.000	0.000	0.000	23.987	
	TVD (ft)	447.00	833.00	4304.00	4330.00	8164.00	9224.00	9934.00	
	Y (ft)	0.00	0.00	0.00	0.00	0.00	0.00	-0.84	
	(ii) X	0.00	0.00	0.00	0.00	0.00	0.00	49.48	
	MD (ft)	447.00	833.00	4304.00	4330.00	8164.00	9224.00	9940.95	
									•

	Grid System: NAD27 / TM New Mexico SP, Eastern Zone (3001), US feet	North Reference: Grid north	Scale: True distance	Depths are in feet	Created by BWGentry on 8/27/2015
Plot reference wellpath is B-1	True vertical depths are referenced to Rig on No.75H SHL (KB)	Measured depths are referenced to Rig on No.75H SHL (KB)	Rig on No.75H SHL (KB) to Moan Sea Level: 3431 feet	Moan Saa Level to Mud line (At Slot: No 75H SHL): -3411 feet	Coordinates are in feet referenced to Slot







Planned Wellpath Report B-1 Page 1 of 6

REFE	RENCE WELLPATH IDENTIFICA	TION		
Operate	or WTD - West Texas Division	Slot	No.75H SHL	
Area	Eddy County, NM	Well	No.75H	
Field	Poker Lake Unit	Wellbore	No.75H PWB	
Facility	PLU CVX JV BS No.75H			

REPORT SETU	P INFORMATION		
	NAD27 / TM New Mexico SP, Eastern Zone (3001), US feet	Software System	WellArchitect® 4.1.1
North Reference	Grid	User	BWGentry
Scale	0.999941	Report Generated	8/27/2015 at 9:42:55 AM
Convergence at slo	0.29° East	Database/Source file	WellArchitectDB/No.75H_PWB.xml

WELLPATH LOCA	TION	<u></u> -				
	Local cod	rdinates	Grid co	ordinates	Geographic	coordinates
	North[ft]	East[ft]	Easting[US ft]	Northing[US ft]	Latitude	Longitude
Slot Location	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W
Facility Reference Pt			667195.10	418960.10	32°09'02.466"N	103°47'35.172"W
Field Reference Pt			675156.40	424489.10	32°09'56.776"N	103°46'02.231"W

WELLPATH DATU	VI		
Calculation method	Minimum curvature	Rig on No.75H SHL (KB) to Facility Vertical Datum	20.00ft
Horizontal Reference Pt	Slot	Rig on No.75H SHL (KB) to Mean Sea Level	3431.00ft
Vertical Reference Pt	Rig on No.75H SHL (KB)	Rig on No.75H SHL (KB) to Mud Line at Slot (No.75H SHL)	20.00ft
MD Reference Pt	Rig on No.75H SHL (KB)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	90.97°



Planned Wellpath Report B-1 Page 2 of 6

सम्बद्ध	ENGEWELLKAND DEVOLEGATION		
Operator	WTD - West Texas Division	Slot	No.75H SHL
Area	Eddy County, NM	Well	No.75H
Field	Poker Lake Unit	Wellbore	No.75H PWB
Facility	PLU CVX JV BS No.75H		

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
0.00		90.968	0.00	0.00			667195.10	418960.10	32°09'02.466"N	103°47'35,172"W	0.00	
20.00	0.000	90.968	20.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	Tie On
120.001	0.000	90.968	120.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
220.00	0.000	90.968	220.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
320.00	0.000	,90.968	320.00					418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
420.00	0.000	90.968	420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
447.001	0.000	90.968	447.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	Rustler
520.001	0.000	90.968	520.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
620.00	0.000	90.968	620.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
720.00	0.000	90,968	720.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02,466"N	103°47'35,172"W	0.00	
820.001	0.000	90.968	820.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
833.00	0.000	90.968	833.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	Top of Sal
920.00	0.000	90.968	920.00	0.00		0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
020.00	0.000	90.968	1020.00	0.00	0.00	0.00				103°47'35.172"W	0.00	
120.001	0.000		1120.00	0.00		0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
220.00	0.000		1220.00	0.00	0.00	0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
320.001	0.000		1320.00	0.00		0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
420.001	0.000		1420.00	0.00					32°09'02.466"N	103°47'35.172"W	0.00	
520.00	0.000		1520.00	0.00		0.00		418960.10	32°09'02.466"N	103°47'35,172"W	0.00	
620.00	0.000		1620.00	0.00				418960.10	32°09'02,466"N	103°47'35.172"W	0.00	
720.00	0.000		1720.00	0.00	0.00			418960.10		103°47'35.172"W	0.00	
820.001			1820.00	0.00		0.00		418960.10		103°47'35.172"W	0.00	
920.001			1920,00	0.00	0.00	0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	<u> </u>
020.001			2020.00		0.00			418960.10		103°47'35.172"W	0.00	
120.001			2120.00		0,00				32°09'02.466"N	103°47'35,172"W	0.00	<u>. </u>
220.00			2220.00		0.00	0.00			32°09'02.466"N	103°47'35.172"W	0.00	
320.00			2320.00	0.00					32°09'02.466"N	103°47'35.172"W	0.00	
420.00			2420.00					418960.10		103°47'35.172"W	0.00	
2520.001			2520.00	0.00	0.00	0.00		418960.10		103°47'35.172"W	0.00	
2620.001			2620.00	0.00				418960.10	32°09'02.466"N	103°47'35.172"W	0.00	1.
2720.00	1		2720.00	0.00		0.00		418960.10		103°47'35.172"W	0.00	
2820.00			2820.00	0.00				418960.10	 	103°47'35.172"W	0.00	
2920.00			2920.00	0.00		0.00		418960.10	32°09'02,466"N	103°47'35.172"W	0.00	
3020.00			3020.00	0.00		_		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3120.00			3120.00	. 0.00	0.00			418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3220.00	0.000		3220.00	0.00	0.00	0.00		418960.10		103°47'35.172"W	0.00	
3320.00			3320.00	0.00		0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3420.00	-		3420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3520.00			3520.00	0.00		0.00		418960.10		103°47'35.172"W	0.00	
3620.00			3620.00	0.00	0.00	0.00	<u> </u>		32°09'02.466"N	103°47'35.172"W	0.00	
3720.00			3720.00	0.00		0.00		418960.10	32°09'02,466"N	103°47'35,172"W	0.00	1
3820.00		*****	3820.00					418960.10		103°47'35,172"W	0.00	
3920.00			3920.00		0.00	_	-	418960.10		103°47'35.172"W	0.00	
1020.00			4020.00	0.00	0.00	0.00		418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
1120.00			4120.00	****	0.00				32°09'02,466"N	103°47'35.172"W	0.00	



Planned Wellpath Report B-1 Page 3 of 6

REFER	ENCE WELLPATH IDENTIFICATION		
Operator	WTD - West Texas Division	Slot	No.75H SHL
Area	Eddy County, NM	Well	No.75H
Field	Poker Lake Unit	Wellbore	No.75H PWB
Facility	PLU CVX JV BS No.75H		

WELL!	Inclination			Vert Sect		East		Grid North	Latitude	Longitude		Comments
[ft]	. [°]	ľľ	[ft]	[ft]	[ft]		[US ft]	[US ft]		-	[°/100ft]	
1220.00†	0.000		4220.00							103°47'35,172"W	0.00	
1304,00†	0.000	90.968	4304.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	Lamar
1320.00†	0.000	90.968	4320.00	0.00	0.00	0.00	667195.10	418960.10		103°47'35.172"W	0.00	
1330.00	0.000	90.968	4330.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	Delaware Grou
1420.00†	0.000	90.968	4420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	⁷ 0.00	
1520.00†	0.000		4520.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
1620.00†	0.000	90.968	4620.00	0.00	0.00	0.0	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
4720.00 †	0.000	90.968	4720.00							103°47'35.172"W	0.00	
1820.00†	0.000	90.968	4820.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
4920.00†	0.000	90.968	4920.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	1
5020.00†		90.968		0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172''W	0.00	
5120.00†	0.000	90.968	5120.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
5220.00†	0.000	90.968	5220.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
5320.00†	0.000	90.968	5320.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
420.00	0.000	`90.968	5420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
5520.00†		90.968		0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
620.00	0.000	90.968	5620.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
720.00	0.000	90.968	5720.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35,172"W	0.00	
820.00	0.000	90.968	5820.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35 172"W	0.00	
920.00†	* . 0.000	90.968	5920.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°,47'35.172"W	1.0.00	7, == 1, 2, 4, 5, 5 2 4 44 44 51
3020.00†	0.000	90.968	6020.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3120.00†	0.000	90.968	6120.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3220.00	0.000	90.968	6220.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
320.00	0.000	90,968	6320,00	0.00	0.00	0,00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3420.00†	0.000	90.968	6420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
5520.00†	0.000	90.968	6520.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
620.00	0.000	90,968	6620.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3720,00†	0.000	90.968	6720.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3820.00†	0.000	90.968	6820.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
5920.00†	0.000	.90.968	6920.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35:172"W	0.00	
7020.00	0.000	90.968	7020.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7120.00 1	0.000	90.968	7120.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7220.00	0.000	90.968	7220.00	0.00	0.00	0.00	667195,10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7320.00†	0.000	90.968	7320.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7420.001	0.000	90.968	7420.00	.0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	, ·
7520.00†	0.000	90.968	7520.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7620.00	0.000	90,968	7620.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7720.00	0.000	90.968	7720.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7820.00	0.000	90.968	7820.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
7920.00	* 0.000	.90.968	7920.00	0.00	0.00	0.00	667,195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	A
8020,00	0.000	90.968	8020.00	0.00	0.00	0,00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3120,00	0.000	90.968	8120.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
3164.001	0.000	90.968	8164.00							103°47'35.172"W	0.00	Bone Spring
8220.001	0.000	90.968	8220.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
8320.001	. 0.000	90.968	8320.00	. 0.00	0.00	0.00	667195.10	418960,10	32°09'02.466"N	103°47,'35.172"W	0.00	



Planned Wellpath Report B-1 Page 4 of 6

REFER	ENGEWELLPATH IDENTIFICATION	and the second	
Operator	WTD - West Texas Division	Slot	No.75H SHL
Area	Eddy County, NM	Well	No.75H
Field	Poker Lake Unit	Wellbore	No.75H PWB
Facility	PLU CVX JV BS No.75H		

WELLP	ATH DA	TA (1	79 sta	tions)	† = ir	terpolat	ed/extrapo	lated static	n.	· · · · · · · · · · · · · · · · · · ·	: : :	:
MD [ft]	Inclination	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
8420.00†	0.000	90.968	8420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
8520.00†	0.000	90.968	8520.00	0,00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
8620.00†	0.000	90.968	8620.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
8720.00 †	0.000	90.968	8720.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
_8820.00†	0.000	90.968	8820.00	0.00	0.00	. 0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
8920.00†	0.000	90.968	8920.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9020.00†	0.000	90.968	9020.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9120.00†	0.000	90.968	9120.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9220.00†	0.000	90.968	9220.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9224.00†	0.000	90,968	9224.00	0.00	0.00	_ 0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0,00	Bone Sprini
9320.00	0.000	90.968	9320.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9420.00†	0.000	90.968	9420.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9520.00†	0.000	90.968	9520.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	
9620.00†	0.000	90.968	9620.00	0.00	0.00	0.00	667195.10	418960.10	32°09'02,466"N	103°47'35.172"W	0.00	
9701.07.	0.000	90.968	9701.07	0.00	0.00	0.00	667195,10	418960.10	32°09'02.466"N	103°47'35.172"W	0.00	Est KOP: 1
9720.00†	1.893	90.968	9720.00	0.31	-0.01	0.31	667195.41	418960.09	32°09'02.466"N	103°47'35.168"W	10.00	
9820.00†	11.893	90.968	9819.15	12.30	-0.21	12.30	667207.40	418959.89	32°09'02.463"N	103°47'35.028"W	10.00	
9920.00†	21.893	90.968	9914.71	41.32	-0.70	41.31	667236.41	418959,40	32°09'02.457"N	103°47'34.691"W	10.00	
9940.95†	23.987	90.968	9934.00	49.48	-0.84	49.48	667244.57	418959.26	32°09'02.455"N	103°47'34.596"W	10.00	Bone Spring
10020.00†	31.893	90.968	10003.78	. 86.49	-1.46	86.48	667281.58	418958.64	32°09'02.447."N	103°47'34.166"W	10.00	
10120.00†	41.893	90.968	10083.66	146.45	-2.47	146.43	667341.52	418957.63	32°09'02.434"N	103°47'33.469"W	10.00	
10220.00†	51.893	90.968	10151.91	219.37	-3.71	219.33	667414.42	418956.39	32°09'02.418"N	103°47'32.621"W	10.00	
10320.00†	61.893	90.968	10206.46	303.02	-5.12	302.98	667498.06	418954.98	32°09'02.400"N	103°47'31.648'W	10.00	
10420.00†	71.893	90.968	10245.66	394.88	-6.67	394.83	667589.90	418953.43	32°09'02.380"N	103°47'30,580"W	10.00	
10520.00†	81.893	90.968	10268.30	492.16	-8.31	492.09	667687.16	418951.79	32°09'02.359"N	103°47'29.449"W	10.00	
10595.19	89.412	90.968	10274.00	567.08	-9.58	567.00	667762.06	418950.52	32°09'02.343"N	103°47'28.577"W	10.00	EOC / FTP
10595.21	89.412	90.968	10274.00	567.09	-9.58	567.01	667762.08	418950.52	32°09'02.343"N	103°47'28.577"W	2.00	TL
10620.00†	89.412	90,968	10274.25	591.88	-10.00	591.80	667786.86	418950.10	32°09'02.338"N	103°47'28.289"W	0.00	
10720.00†	89.412	90.968	10275.28	691.88	-11.69	691.78	667886.84	418948.41	32°09'02.316"N	103°47'27.126"W	0.00	
10820.00	89.412	90.968	10276.31	791.87	-13.38	791.76	667986.81	418946.72	32°09'02.294"N	103°47'25.963"W	0.00	,
10920.00†	89.412	90.968	10277.33	891.87	-15.07	891.74	668086.79	418945.03	32°09'02.273"N	103°47'24.801"W	0.00	
11020.00	89.412	90.968	10278.36	991.86	-16.76	991.72	668186.76	418943.34	32°09'02.251"N	103°47'23.638"W	0.00	
11120.00	89.412	90.968	10279.38	1091.86	-18.45	1091.70	668286.74	418941.65	32°09'02.229"N	103°47'22.475"W	0.00	1
11220.001	89.412	90.968	10280.41	1191.85	-20.14	1191.68	668386.71	418939.96	32°09'02.207"N	103°47'21.312"W	0.00	
11320.00	89.412	90.968	10281.43	1291.85	-21.83	1291.66	668486.68	418938.27	32°09'02.186"N	103°47'20.150"W	0.00	
11420.00†	89.412	90.968	10282.46	1391.84	-23.52	1391.64	668586.66	418936.58	32°09'02.164"N	103°47'18,987"W	0.00	
11520.00†	89.412	90.968	10283.49		•					103°47'17.824"W	0.00	
11620.00†	89.412	90.968	10284.51	1591.83	-26.90	1591.60	668786.61	418933.21	32°09'02.120"N	103°47'16.661"W	0.00	
11720.00	89.412	90.968	10285.54	1691.83	-28.59	1691.58	668886.58	418931.52	32°09'02.099"N	103°47'15.498"W	0.00	
11820.00	89.412	90.968	10286.56	1791.82	-30.28	1791.57	668986.56	418929.83	32°09'02.077"N	103°47'14,336"W	_'0.00	
11920.00	89.412	90.968	10287.59							103°47'13.173"W	0.00	
12020.00			10288.62							103°47'12.010"W		
12120.00										103°47'10.847"W		
12220.001			10290.67							103°47'09.685"W		
12320.001									•	103°47'08.522"W		



Planned Wellpath Report B-1 Page 5 of 6

REFER	ENCEWELLPATHIDENTIFICATION	建 存。	
Operator	WTD - West Texas Division	Slot	No.75H SHL
Area	Eddy County, NM	Well	No.75H
Field	Poker Lake Unit	Wellbore	No.75H PWB
Facility	PLU CVX JV BS No.75H	i	

WELLP MD	Inclination			Vert Sect	North	East	Grid East	Grid North	Latitude	Longitude	DLS	Comment
[ft]	[7]	[*]	[ft]	[ft]	[ft]	[ft]	IUS ft1	(US ft)	Lantude	Longitude	[°/100ft]	
12420.001	89,412	90.968	10292.72				669586.40	418919.69	32°09'01.947"N	103°47'07.359"W	0.00	
12520.00	89.412		10293.74		-42.10	2491.43	669686.38	418918.00	32°09'01.925"N	103°47'06.196"W	0.00	
12620.00	89.412	90.968	10294.77	2591.78	-43.79	2591.41	669786.35	418916.31	32°09'01.903"N	103°47'05.034"W	0.00	
12720.001	89.412	90.968	10295.80	2691.77	-45.48	2691.39	669886.33	418914.62	32°09'01.881"N	103°47'03.871"W	0.00	
12820.00	89.412	90,968	10296.82	2791.77	_47.17	2791.37	669986.30	418912.93	32°09'01.859"N	103°47'02.708"W	0.00	
12920.00	89.412	90.968	10297.85	2891.76	-48.86	2891.35	670086.27	418911.24	32°09'01.838"N	103°47'01.545"W	0.00	
13020.00	89.412	90.968	10298.87	2991.76	-50.55	2991.33	670186.25	418909.55	32°09'01.816"N	103°47'00.383"W	0.00	
13120.001	89.412		10299.90		-52.24	3091.31	670286.22	418907.86	32°09'01.794"N	103°46'59.220"W	0.00	
13220.00	89.412	90.968	10300.92	3191.75	-53.93	3191.29	670386.20	418906.17	32°09'01.772"N	103°46'58.057"W	0.00	
13320.00	89.412		10301.95		-55.62	3291.27	670486.17	418904.48	32°09'01.751"N	103°.46'56.894"W	0.00	
3420.00	89.412	90.968	10302.98	3391.74	-57.31	3391.25	670586.15	418902.79	32°09'01.729"N	103°46′55.732″W	0.00	
13520.00	89.412	90.968	10304.00	3491.73	-59.00	3491.23	670686.12	418901.10	32°09'01.707"N	103°46'54.569"W	0.00	
13620.00	89.412	90.968	10305.03	3591.73	-60.69	3591.21	670786.09	418899.42	32°09'01.685"N	103°46'53.406"W	0.00	
13720.00	89.412	90.968	10306.05	3691.72	-62,38	3691,19	670886.07	418897.73	32°09'01.663"N	103°46'52.243"W	0.00	
13820.00	89.412		10307.08		-64.07	3791.17	670986.04	418896.04	32°09'01,642"N	103°46'51.080"W	0.00	
13920.00†	89.412	90.968	10308.10	3891.71	-65.76	3891.16	671086.02	418894.35	32°09'01.620"N	103°46'49.918"W	0.00	
14020.00	89.412	90.968	10309.13	3991.71	-67.45	3991.14	671185.99	418892.66	32°09'01.598"N	103°46'48.755"W	0.00	
4120.00	89.412	90.968	10310.16	4091.70	-69.14	4091,12	671285.97	418890.97	32°09'01.576 <u>"N</u>	103°46'47.592"W	0.00	
14220,001	89,412	90.968	<u>1</u> 0311.18	4191.69	-70.83	4191.10	671385.94	418889.28	32°09'01.554"N	103°46'46.429"W	0.00	
14320.00	89.412	90.968	10312.21	4291.69	72.52	4291.08	671485.92	418887.59	32°09'01.533"N	103°46'45.267';W	0.00	
14420.00	89.412		<u>1</u> 0313.23		-74.21	4391.06	671585.89	418885.90	32°09'01.511"N	103°46'44.104"W	0.00	
14520.00	89.412	90.968	<u>1</u> 0314.26	4491.68	-75.90	4491.04	671685.86	418884.21	32°09'01.489"N	103°46'42.941"W	0.00	
14620.00	89.412	90.968	10315.28	4591.67	-77.58	4591.02	671785.84	418882.52	32°09'01.467"N	103°46'41.778"W	0.00	
14720.00	89.412	90.968	10316.31	4691.67	-79.27	4691.00	671885.81	418880.83	32°09'01.445"N	103°46'40.616"W	0.00	
14820.00	89.412	90.968	10317.34	4791.66	-80.96	4790.98	671985.79	418879.14	32°09'01.424"N	103°46'39.453"W	0.00	
14920.00	89.412	90.968	10318.36	4891.66	-82.65	4890.96	672085.76	418877.45	32°09'01.402"N	103°46'38.290"W	0.00	
15020.001	89.412	90.968	10319.39	4991.65	-84.34	4990,94	672185.74	418875.76	32°09'01.380"N	103°46'37.127"W	0.00	
15120.00	89.412		10320.41							103°46'35.965"W	0.00	
15220.001	89.412	90.968	10321.44	5191.64	-87.72	5190.90	672385.68	418872.38	32°09'01.336"N	103°46'34.802"W	0.00	
15320.001	89.412	90.968	10322.47	5291:64	-89.41	5290.88	672485.66	418870.69	32°09'01.314"N	103°46'33.639"W	0.00	
15420.001	89.412	90.968	10323.49	5391.63	-91.10	5390.86	672585.63	418869.00	32°09'01.293"N	103°46'32.476"W	0.00	
15520.00	89,412		10324.52		-92.79	5490.84	672685.61	418867.31	32°09'01.271"N	103°46'31.314"W	0.00	
15620.00	89,412	90.968	10325.54	5591.62						103°46'30.151"W	0.00	
15720.00	89.412		10326.57		-96.17	5690.80	672885.56	418863.93	32°09'01.227"N	103°46'28.988"W	0.00	
15820.001	89.412	90.968	10327.59	5791.61	-97.86	5790.78	672985.53	418862.25	32°09'01.205"N	103°46'27.825"W	.0.00	- 34
15920.001			10328.62							103°46'26.663"W	0.00	
16020.00	-									103°46'25.500"W	0.00	
16120.00	<u> </u>		10330.67	6091.59	-102.93	6090.73	673285.45	418857.18	32°09'01.140"N	103°46'24.337"W	0.00	L
16220.00	<u>' </u>									103°46'23.174"W	0.00	
16320.00 ⁻	89.412	90.968	10332.72	6291.58	106.31	6290.69	673485.40	418853.80	32°09'01.096"N	103°46'22.012"W	0.00	
16420.00°	89.412									103°46'20.849"W	0.00	
16520.001	89.412	90.968	10334.77	6491.57						103°46'19.686"W	0.00	
16620.00	89.412	90.968	10335.80	6591.57	-111.38	6590.63	673785.33	418848.73	32°09'01.030"N	103°46'18.523"W	0.00	
16639.48	89.412	90.968	10336.00	6611.05	-111 71	6610.10	673804 80	418848 40	32*09'01 026"N	103°46'18.297"\\	0.00	No.75H F



Planned Wellpath Report B-1 Page 6 of 6

REFER	ENCE WELLPATH IDENTIFICATION	N		
Operator	WTD - West Texas Division	Slot	No.75H SHL	
Агеа	Eddy County, NM	Well	No.75H	
Field	Poker Lake Unit	Wellbore	No.75H PWB	
Facility	PLU CVX JV BS No.75H			

TARGETS			, .						
Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [บร ft]	Grid North [US ft]	Latitude	Longitude	Shape
1) PLU BS No.7\$H PBHL	16639.48	10336.00	-111.71	6610.10	673804.80	418848.40	32°09'01.026"N	103°46'18.297"W	point

SURVEY	PROGRA	M - Ref Wellbore: No.75H PWB Ref We	llpath: B-1	ere ere
Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore
20.00	500.00	Generic gyro - northseeking (Standard)		No.75H PWB
500.00	16639.48	ISCWSA MWD, Rev. 3 (Standard)		No.75H PWB



Clearance Report

Closest Approach
Page 1 of 7

REFE	RENCE WELLPATH IDENTIFICA	TION		
Operato	wTD - West Texas Division	Slot	No.75H SHL	
Area	Eddy County, NM	Well	No.75H	
Field	Poker Lake Unit	Wellbore	No.75H PWB	
Facility	PLU CVX JV BS No.75H		,	

REPORT SETU	PINFORMATION		
	NAD27 / TM New Mexico SP, Eastern Zone (3001), US feet	Software System	WellArchitect® 4.1.1
North Reference	Grid	User	BWGentry
Scale	0.999941	Report Generated	11/19/2015 at 1:21:08 PM
Convergence at slo	0.29° East	Database/Source file	WellArchitectDB/No.75H_PWB_CR.xml

WELLPATH LOCA	TION					
	Local coo	rdinates	Grid co	ordinates	Geographic	coordinates
	North[ft]	East[ft]	Easting[US ft]	Northing[US ft]	Latitude	Longitude
Slot Location	0.00	0.00	667195,10	418960.10	32°09'02.466"N	103°47'35.172"W
Facility Reference Pt			667195.10	418960.10	32°09'02.466"N	103°47'35.172"W
Field Reference Pt			675156.40	424489.10	32°09'56.776"N	103°46'02.231"W

WELLPATH DATU	WELLPATH DATUM						
Calculation method	Minimum Curvature	Rig on No.75H SHL (KB) to Facility Vertical Datum	20.00ft				
Horizontal Reference Pt	Slot	Rig on No.75H SHL (KB) to Mean Sea Level	3431.00ft				
Vertical Reference Pt	Rig on No.75H SHL (KB)	Rig on No.75H SHL (KB) to Mud Line at Slot (No.75H SHL)	20.00ft				
MD Reference Pt	Rig on No.75H SHL (KB)						
Field Vertical Reference	Mean Sea Level						

Ellipse Confidence Limit	3.00 Std Dev	Ellipse Start MD	20.00ft	Surface Position Uncertainty	included
Declination	7.25° East of TN	Dip Angle	59.98°	Mag Field Strength	48057 nT
Slot Surface Uncertainty @	1SD	Horizontal	0.100ft	Vertical	0.100ft
Facility Surface Uncertainty	/ @1SD	Horizontal	1.000ft	Vertical	1.000ft

ANTI-COLLISION RULE								
Rule Name	Separation Factor : R-type Closest Approach w/Hole&Csg Limit:1.0 StdDev:3.00 w/Surface Uncert R=(D-H&C)/PU	Rule Based On	Ratio					
Plane of Rule	Closest Approach	Threshold Value	1.00					
Subtract Casing & Hole Size	yes	Apply Cone of Safety	no					

SURVEY PROGRAM - Ref Wellbore: No.75H PWB Ref Wellpath: B-1									
Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore					
20.00	500.00	Generic gyro - northseeking (Standard)		No.75H PWB					
500.00	16639.48	ISCWSA MWD, Rev. 3 (Standard)	,	No.75H PWB					



Clearance Report B-1 Closest Approach Page 2 of 7

REFE	RENCE WELLPATH IDENTIFICATION		
Operato	WTD - West Texas Division	Slot	No.75H SHL
Area	Eddy County, NM	Well	No.75H
Field	Poker Lake Unit	Wellbore	No.75H PWB
Facility	PLU CVX JV BS No.75H		

CALCULATION RANGE & CUT	OFF		·
From: 20.00ft MD	To: 16639.48ft MD	C-C Cutoff: (none)	

OFFSE	r WELL	CLEA	RANCE S	UMMARY	(1 Offset W	ellpath selec	ted) Ratios a	are calculate	d in Clo	sest Approa	ch plane
					C-C	Clearance Dis	tance	AC	R Sepa	ration Ratio	
Offset Facility	Offset Slot	Offset Well	Offset Wellbore	Offset Wellpath	Ref MD [ft]	Min C-C Clear Dist [ft]	Diverging from MD [ft]	Ref MD of Min Ratio [ft]	Min Ratio	Min Ratio Dvrg from [ft]	ACR Status
PLU No.053	No.053 SHL	No.053	No.053 AWB	No.053 AWP	14011.55	45.31	14011.55	14011.69	0.08	14011.69	"FAIL



Clearance Report B-1 Closest Approach Page 3 of 7

REFER	REFERENCE WELLPATH IDENTIFICATION								
Operato	WTD - West Texas Division	Slot	No.75H SHL						
Area	Eddy County, NM	Well	No.75H						
Field	Poker Lake Unit	Wellbore	No.75H PWB						
Facility	PLU CVX JV BS No.75H								

Facility: PLU	J No.053	Slot:	No.053	SHL W	ell: No.053								
Ref MD	Ref TVD	Ref	Ref	Offset MD		Offset North		Horiz	C-C	ACR	Sep	ACR	
[ft]	[ft]	North	East	[ft]	[ft]	[ft]	[ft]	Bearing	Clear Dist	MASD	Ratio	Status	
20.00	20.00	[ft]	[ft]	4.00	20.00	440.07		[°]	[ft]	[ft]	207.00	D100	
20.00	20.00	0.00	0.00	1.00	20.00	-112.61	3981.94	91.62	3983.53	12.94	307.95	PASS	
120.00†	120.00	0.00	0.00	101.00	120.00	-112.61	3981.94	91.62	3983.53	14.60	272.92	PASS	
220.00† 320.00†	220.00 320.00	0.00	0.00	201.00	220.00	-112.61 -112.61	· 3981.94	91.62	3983.53	16.31	244.26	PASS	
	320.00	0.00	0.00	301.00	320.00		3981.94 3981.94	91.62	3983.53	18.07	220.46		
420.00† 520.00†	520.00	0.00	0.00	401.00 501.00	420.00 520.00	-112.61		91.62	3983.53	19:87	200.45		
620.00	620.00	0.00	0.00	601.00	620.00	-112.61	3981.94 3981.94	91.62	3983.53	21.61		PASS	
720.00	720.00	0.00	0.00	701.00		-112.61	3981.94	91.62 91.62	3983.53	23.26		PASS	
820.001	820.00	0.00	0.00		720.00 820.00	-112.61			3983.53	24.94	159.74		
920:001	**:4.920.00	0.00	0.00	801.00 901.00	920.00	-112.61	3981.94 3981.94	91.62 91.62	3983.53	26.85 31.88		PASS	
1020.00	1020.00	0.00	0.00	1001.00	1020.00	-112.61 -112.61	3981.94	91.62	3983,53 3983,53	38.65	124.97 103.06		
1120.00	1120.00	0.00	0.00	1101.00									
1220.00	1220.00	0.00	0.00	1201.00	1120.00 1220.00	-112.61 -112.61	3981.94	91.62 91.62	3983.53	45.94 53.02		PASS	
1320.00†	1320.00	0.00	0.00	1301.00	1320.00	-112.61	3981.94 3981.94	91.62	3983.53			PASS	
1420.001	1,420,00		. 0.00	1401.00	 1320.00 1420.00 	-112.61	3981.94	91.62	3983.53 3983.53	59.84 66.06		PASS	
1520.00	1520.00	0.00	0.00	1501.00	1520.00	-112.61	3981.94	91.62	3983.53	71.99		PASS	
1620.001	1620.00	0.00	0.00	1601.00	1620.00	-112.61	3981.94	91.62	3983.53	77.95		PASS	
1720.00†	1720.00	0.00	0.00	1701.00	1720.00	-112.61	3981.94	91.62	3983.53		47,47		
1820.001	1820.00	0.00	0.00	1801.00	1820.00	-112.61	3981.94 3981.94	91.62	3983.53	89.90	44.31		
1920.00†	1920.00	0.00	0.00	1901.00	1920.00	-112.61	3981.94	91.62	3983.53		41.38		
2020.001	2020.00	0.00	0.00	2001.00	2020.00	-112.61	3981.94	91.62	3983.53	101.92		PASS	
2120.00	2120.00	0.00	0.00	2101.00	2120.00	-112.61	3981.94	91.62	3983.53			PASS	
2220.00	2220.00	0.00	0.00	2201.00	2220.00	-112.61	3981.94	91.62	3983.53	112.60		PASS	
2320.00	2320.00	0.00	0.00	2301.00	2320.00	-112.61	3981.94	91.62	3983.53	117.71		PASS	
2420.001	2420.00	0.00	0.00	2401.00	2420.00	-112.61	3981.94	91.62	3983.53	121.89	32.68		
2520.001	2520.00	0.00	0.00	2501.00	2520.00	-112.61	3981.94	91.62	3983.53	126.07		PASS	
2620.00†	2620.00	0.00	0.00	2601.00	2620.00	-112.61	3981.94	91.62	3983.53	130.26	30.58		
2720.00†	2720.00	0.00	0.00	2701.00	2720.00	-112.61	3981.94	91.62	3983.53	134.45		PASS	
2820.001	2820.00	0.00	0.00	2801.00	2820.00	-112.61	3981.94	91.62	3983.53	138.64		PASS	
2920.001	2920.00	0.00	0.00	2901.00	2920.00	-112.61	3981.94	91.62	3983.53	142.84	27.89		
3020.001	3020.00	0.00	0.00	3001.00	3020.00	-112.61	3981.94	91.62	3983.53	146.90		PASS	
3120.00	3120.00	0.00	0.00	3101,00	3120.00	-112.61	3981.94	91.62	3983.53	150.92	26,39		
3220.00t	3220,00	0,00	0.00	3201,00	3220.00	-112.61	3981.94	91.62	3983.53	154.95		PASS	
3320.00†	3320.00	0.00	0.00	3301.00	3320.00	-112.61	3981.94	91.62	3983.53	160.37	24.84		
3420,001	:3420.00	0.00	0.00	3401.00	3420.00	-112,61	3981.94	91,62	3983.53	165.89	24.01		
3520.00†	3520.00	0.00	0.00	3501.00	3520.00	-112.61	3981.94	91.62	3983.53	171.42	23.24		
3620.001	3620.00	0.00	0.00	3601.00	3620.00	-112.61	3981.94	91.62	3983.53	176.95		PASS	
3720.00†	3720.00	0.00	0.00		3720.00		3981.94		3983.53			PASS	
3820.00	3820.00	0.00	0.00		3820.00		3981.94	91.62	3983.53		21.12		
3920.00t	3920.00	0.00	0.00	3901.00	3920.00		3981.94		3983.53		20.47		
4020.00†	4020.00	0.00	0.00	4001.00	4020.00	-112.61	3981.94	91.62	3983.53		19.92		
4120.00	4120.00	0.00	0.00	4101.00	4120.00	-112.61	3981.94	91.62	3983.53		19.40		
4220.00 1	4220.00	0.00	0.00	4201.00	4220.00	-112.61	3981.94	91.62	3983.53		18.91		
4320.00	4320.00	0.00	0.00	4301.00	4320.00	-112.61	3981.94	91.62	3983.53			PASS	
4420.001	4420.00	0.00	0.00		4420.00	-112.61	3981.94	91.62	3983.53			PASS	



Clearance Report B-1 Closest Approach Page 4 of 7

REFER	REFERENCE WELLPATH IDENTIFICATION									
Operator	WTD - West Texas Division	Slot	No.75H SHL							
Area	Eddy County, NM	Well	No.75H							
Field	Poker Lake Unit	Wellbore	No.75H PWB							
Facility	PLU CVX JV BS No.75H									

acility: PLL	No.053	Slot:	No.053	SHL W	ell: No.053	Thresh	Threshold Value=1.00 † = Interpolated/extrapolated s						
Ref MD [ft]	Ref TVD [ft]	Ref North [ft]	Ref East [ft]	Offset MD [ft]	Offset TVD [ft]	Offset North	Offset East [ft]	Horlz Bearing [°]	C-C Clear Dist [ft]	ACR MASD [ft]	Sep Ratio	ACR Statu	
4520.00†	4520.00	0.00	0.00	4501.00	4520,00	-112.61	3981.94	91.62	3983.53	224.99	17,71	PAS	
4620.00†	4620.00	0.00	0.00	4601.00	4620.00	-112.61	3981.94	91.62	3983.53	229.59	17.35	PA\$	
4720.00†	4720.00	0.00	0.00	4701.00	4720.00	-112.61	3981.94	91.62	3983.53	234.19	17.01	PAS	
4820.00†	4820.00	0.00	0.00	4801.00	4820.00	-112.61	3981.94	91.62	3983.53	238.80	16.68	PAS	
4920.00†	4920.00	0.00	0.00	4901.00	4920.00	-112.61	3981.94	91.62	3983.53	243.40	16.37	PAS	
5020.00 †	5020.00	0.00	0.00	5001.00	5020.00	-112.61	3981.94	91.62	3983.53	248.00	16.06	PAS	
5120.00†	5120.00	0.00	0.00	5101.00	5120.00	-112.61	3981.94	91.62	3983.53	252.98	15.75		
5220.00†	5220.00	0.00	0.00	5201.00	5220,00	-112.61	3981.94	91.62	3983.53	257.96	15,44	PAS	
5320.00†	5320.00		0.00	5301.00	5320.00	-112.61	3981.94	91.62	3983.53	262.95	15.15	PAS	
5420.00†	5420,00		0.00	5401.00	5420.00	-112.61	3981.94	91.62	3983.53	267.93	14.87	PAS	
5520.00 †	5520.00	0.00	0.00	5501.00	5520.00	-112.61	3981.94	91.62	3983.53	272.90	14.60	PAS	
5620.00 †	5620.00	0.00	0.00	5601.00	5620.00		3981.94	91,62	3983.53	277.13	14.37		
5720.00 †	5720.00	0.00	0.00	5701.00	5720.00	-112.61	3981.94	91.62	3983.53	281.37	14.16	PAS	
5820.00 †	5820,00	0.00	0.00	5801.00	5820.00	-112.61	3981.94	91.62	3983.53	285.60	13.95	PAS	
5920.00 †	5920.00		0.00	5901.00	5920.00	-112.61	3981.94	91.62	3983.53	289.83	13.74		
6020.00†	6020.00		0.00	6001.00	6020.00	-112.61	3981.94	91.62	3983.53	294.01	13.55		
6120.00 †	6120.00	0.00	0.00	6101.00	6120.00	-112.61	3981.94	91.62	3983.53	297.51	13.39		
6220.00†	6220.00		0.00	6201.00	6220.00	-112.61	3981.94	91.62	3983.53	301.00	13.23	PAS	
6320.00†	6320.00	0.00	0.00	6301.00	6320.00	-112.61	3981.94	91.62	3983.53	304.50	13.08	PAS	
6420.00	6420.00	0.00	0.00	6401.00	6420.00	-112.61	3981.94	91.62	3983.53	307.99	12.93		
6520.00†	6520.00	0.00	0.00	6501.00	6520.00	-112.61	3981.94	91.62	3983.53	311.48	12.79	PAS	
6620.00 †	6620.00	0.00	0.00	6601.00	6620.00	-112.61	3981.94	91.62	3983.53	315.00	12.65	PAS	
6720.00	6720.00	0.00	0.00	6701.00	6720.00	-112.61	3981,94	91.62	3983.53	318.51	12.51	PAS	
6820.00 †	6820.00	0.00	0.00	6801.00	6820.00	-112.61	3981.94	91.62	3983.53	322.02	12.37	PAS	
6920.00†	6920.00	0.00	0.00	6901.00	6920.00	-112.61	3981.94	91.62	3983.53	325.53	12.24	PAS	
7020.00 †	7020.00	0.00	0.00	7001.00	7020.00	-112.61	3981.94	91.62	3983.53	329.04	12.11	PAS	
7120.00†	7120.00	0.00	0.00	7101.00	7120.00	-112.61	3981.94	91.62	3983.53	332.55	11.98	PAS	
7220.00†	7220.00	0.00	0.00	7201.00	7220.00	-112.61	3981.94	91.62	3983.53	336.08	11.85	PAS	
7320.00 †	7320.00	0.00	0.00	7301.00	7320.00	-112.61	3981.94	91.62	3983.53	339.61	11.73	PAS	
7420:00	7420.00	0.00	0.00	7401.00	7420.00	-112.61	3981.94	91.62	3983:53	343.13	11.61	PAS	
7520.00 †	7520.00	0.00	0.00	7501.00	7520.00	-112.61	3981.94	91.62	3983.53	346.66	11.49	PAS	
7620.00	7620,00		0.00	7601.00	7620,00	-112.61	3981.94	91.62	3983,53	350.18	11.38	PAS	
7720.00	7720.00	0.00	0.00	7701.00	7720.00	-112.61	3981.94	91.62	3983,53	354.02	11,25	PAS	
7820.001	7820,00		0.00	7801.00	7820.00	-112.61	3981,94	91.62	3983,53	357.92	11.13	PAS	
7920.00	7920.00	0.00	0.00	7901.00	7920,00	-112.61	3981.94	91.62	3983.53	361.81		PAS	
8020.00 †	8020.00	0.00	0.00	8001.00	8020.00		3981,94	91.62	3983,53	365.71	10.89	PAS	
8120.00†	8120.00		0.00	8101.00	8120.00		3981.94	91.62	3983.53	369.47	10.78		
8220.00†	8220.00	0.00	0.00	8201.00			3981.94	91.62	3983.53			PAS	
8320.00	8320.00	0.00	0.00	8301.00	8320.00	-112.61	3981.94	91.62	3983.53	376.92	10.57	PAS	
8420.00	8420.00		0.00	8401.00	8420.00	-112.61	3981.94	91.62	3983.53	380.64	10.47	PA	
8520.00	8520.00		0.00	8501.00			3981.94	91.62	3983.53	384.36			
8620.00	8620.00		0.00	8601.00	8620.00		3981.94	91.62	3983.53	388.09	10.26	PA:	
8720.00	8720.00		0.00		8720.00		3981.94	91.62	3983.53	391.81	10.17		
8820.00†	8820.00								3983.53	395.54	10.07		
8920.001	8920.00								3983.53	399.27	9.98		



Clearance Report B-1 Closest Approach Page 5 of 7

REFERENCE WELLPATH IDENTIFICATION								
Operator	WTD - West Texas Division	Slot	No.75H SHL					
Area	Eddy County, NM	Well	No.75H					
Field	Poker Lake Unit	Wellbore	No.75H PWB					
Facility	PLU CVX JV BS No.75H							

acility: PLU			.053 SHL			Threshold \			erpolated/e	xtrapola	ited st	ation
Ref MD [ft]	Ref TVD [ft]	Ref North [ft]	Ref East [ft]	Offset MD [ft]	Offset TVD [ft]	Offset North [ft]	Offset East [ft]	Horiz Bearing [°]	C-C Clear Dist [ft]	ACR MASD [ft]	Sep Ratio	ACR Statu
9020.00	9020.00	0.00	0.00	9001.00	9020.00	-112.61	3981.94	91.62	3983.53	403.00	9.88	PAS
9120.00	9120.00	0.00	0.00	9101.00	9120.00	-112.61	3981.94	91.62	3983.53	406.73	9.79	PAS
9220.00	9220.00	0.00	0.00	9201.00	9220.00	-112.61	3981.94	91.62	3983.53	410.46	9.71	PAS
9320.00	9320.00	0.00	0.00	9301.00	9320.00	-112.61	3981.94	91.62	3983.53	413.71	9.63	PAS
9420.00	9420.00		0.00	9401.00	9420.00	-112.61	3981.94	91.62	3983.53	416.74	₹9.56	PAS
9520.001	9520.00	0.00	0.00	9501.00	9520.00	-112.61	3981.94	91.62	3983.53	419.77	9.49	PAS
9620.00	9620.00		0.00	9601.00	9620.00	-112.61	3981.94	91.62	3983.53	422.81	9.42	PAS
9701.07	9701.07	0.00	0.00	9682.07	9701.07	-112.61	3981.94	91.62	3983,53	425.26	9.37	PAS
9720.00†	9720.00	-0.01	0.31	9701.00	9720.00	-112.61	3981.94	91.62	3983.22	425.84	9.35	PAS
9820.00†	9819.15		12.30	9800.15	9819.15	-112.61	3981.94	91.62	3971.24	428.52	9.27	PAS
9920.00†	9914.71	-0.70	41.31	9895.71	9914.71	-112.61	3981.94	91.63	3942.22	430.95	9.15	PAS
10020.00†	10003.78	-1.46	86.48	9984.78	10003.78	-112.61	3981.94	91.63	3897.05	433.21		PAS
10120.00 †	10083.66	-2,47	146.43	10064.66	10083.66	-112.61	3981.94	91.65	3837.09	435,24	8.82	PAS
10220.00†	10151.91	-3.71	219.33	10132.91	10151.91	-112.61	3981.94	91.66	3764.18	436.98	8.61	PAS
10320.00	10206.46	-5.12	302.98	10187.46	10206.46	·-112.61	3981.94	91.67	3680.53	438.36	. 8.40	PAS
10420.00†	10245.66	-6 .67	394.83	10226.66	10245.66		3981.94	91.69	3588.68	439.36	8.17	PAS
10520.00	10268.30	-8.31	492.09	10249.30	10268.30	-112.61	3981.94	91.71	3491.41	440.03	7.93	PAS
10595.19	10274.00	-9.58	567.00	10255.00	10274.00	-112.61	3981.94	. 91.73	3416.50	440.26	7.76	PAS
10595.21	10274.00	-9.58	567.01	10255.00	10274.00	-112.61	3981.94	91.73	3416.48	440.26	7.76	PAS
10620,00†	10274.25	10,00	591.80	10255.25	10274.25	-112.61	3981.94	91.73	3391.70	° 440.28	7.70	PAS
10720.00	10275.28	-11.69	691.78	10256.28	10275,28	-112.61	3981.94	91.76	3291.71	440.34	7.48	PAS
10820.00	10276.31	-13.38	791.76	10257.31	10276.31	-112.61	3981.94	91.78	3191.72	440.40	7.25	PAS
10920.00	10277.33	-15,07	891.74	10258,33	10277.33	-112.61	3981.94	91.81	3091.74	440.46	7.02	PAS
11020.00	10278.36	-16.76	991.72	10259.36	10278.36	-112.61	3981.94	91.84	2991.76	440.53	6.79	PAS
1.1.120,00†	10279.38	-18.45	1091.70	10260.38	- 10279.38	-112.61	3981.94	91.87	2891.77	440.60	6.56	PAS
11220.00†	10280.41	-20.14	1191.68	10261.41	10280.41	-112.61	3981.94	91.90	2791.79	440.68	6.34	PAS
11320.00†	10281.43	-21.83	1291.66	10262.43	10281.43		3981.94	91.93	2691.81	440.76	6.11	PAS
11420.001	10282.46	-23.52	1391.64	10263.46	10282.46	-112.61	3981.94	91.97	2591.83	440.84	5.88	PAS
11520.00	10283.49	-25.21	1491.62	10264.49	10283.49	-112.61	3981.94	92.01	2491.85	440.92		PAS
11620.00	10284.51	-26.90	1591.60	10265.51	10284.51	-112.61	3981.94	92.05	2391.87	° 441.01	5.42	PAS
11720.00	10285.54	-28.59	1691.58	10266.54	10285.54	-112.61	3981.94	92.10	2291.90	441.10	5.20	PAS
11820.00	10286.56	-30.28	1791.57	10267.56	10286.56	-112.61	3981.94	92,15	2191.92	441.19	4.97	PAS
11920.00	10287.59	-31.96	1891.55	10268.59	10287.59	-112.61	3981,94	92.21	2091.95	441.29	4.74	PAS
12020.00	10288.62	-33,65	1991.53	10269.62	10288.62	-112.61	3981.94	92.27	1991.98	441.39	4.51	PAS
12120.00	10289.64	35,34	2091.51	10270.64	10289.64	-112.61	3981.94	92.34	1892.01	441.50	4.29	PAS
12220.00	10290.67	-37.03	2191.49	10271.67	10290.67	-112.61	3981.94	92.42	1792.05	441.61	4.06	PAS
12320.00†	10291.69	-38.72	2291.47	10272.69	10291.69		3981.94	92.50	1692.09	441.73		PAS
12420.00	10292.72	-40.41		10273.72	10292.72	-112.61	3981.94	92.60	1592.13	441.86	3.60	PAS
12520.00	10293:74						3981.94		1492.18			
12620.00	10294.77	-43.79	2591.41	10275.77	10294.77	-112.61	3981.94	92.83	1392.24	442.14	√3.15	PAS
12720.00	10295.80						3981.94		1292.30			
12820.00	10296.82				10296.82		3981.94	93.15	1192.37			_
12920.00	10297.85						3981.94		1092.45			_
13020.001	10298.87				10298.87		3981.94		992.55			_
13120.00	10299.90						3981.94		892.67			_



Clearance Report B-1 Closest Approach Page 6 of 7

REFE	REFERENCE WELLPATH IDENTIFICATION									
Operat	or WTD - West Texas Division .	Slot	No.75H SHL							
Area	Eddy County, NM	Well	No.75H							
Field	Poker Lake Unit	Wellbore	No.75H PWB							
Facility	PLU CVX JV BS No.75H									

cility: PLU		Slot: No.053 SHL				Threshold Value=1.00					-	-
Ref MD [ft]	Ref TVD [ft]	Ref North [ft]	Ref East [ft]	Offset MD [ft]	Offset TVD [ft]	Offset North [ft]	Offset East [ft]	Horiz Bearing [°]	C-C Clear Dist [ft]	ACR MASD [ft]	Sep Ratio	ACR Statu
13220.00 1	10300.92	-53.93	3191.29	10281.92			3981.94	94.24	792,82	443,48	1,79	PAS
13320.00	10301.95		3291.27	10282.95			3981.94	94.72	693.02	443.92	1.56	PAS
13420.00	10302.98	-57.31	3391.25	10283.98				95.35	593.27	444.54	1.33	PAS
13520.00	10304.00	-59.00	3491.23	10285.00	10304.00		3981.94	96.24	493.63	445.51	1.11	_
13620:00	* 10305.03		3591.21	10286.03			3981.94	97.57	394:16			FAI
13720.00	10306.05	-62.38	3691.19	10287.05			3981.94	99.80	295,06	450,49	0.65	FAI
13820.00 1	10307.08		3791.17	10288.08			3981.94		196.85	458.75		
13920.00 1	10308.10	-65.76	3891.16	10289.10	10308.10		3981.94	117.30	102.16			
14011.55	10309.04		3982.68	10290.04	10309,04	-112.61	3981.94	180.94	45.31	575.14	0.08	FAI
14011.69	10309.05	-67.31	3982.82	10290.05	10309.05	-112.61	3981.94	181.11	45.31	575.14	0.08	-FAI
14020.00	10309.13	-67.45	3991.14	10290.13	10309.13	-112.61	3981.94	191.51	46.09	572,82		FAI
14120.00	10310.16	-69.14	4091.12	10291.16	10310.16	-112.61	3981.94	248.29	117.51	482.63		FΑ
14220.00	10311.18	-70.83	4191.10	10292.18	10311.18	-112.61	3981.94	258.70	213,29	459.79		∂FA
14320.00	10312.21	-72.52	4291.08	10293.21	10312.21	-112.61	3981.94	262.61	311.72	452.65	0.69	FΑ
14420:00	10313.23	-74.21	4391.06	10294.23	10313.23	-112.61	3981.94	264.64	410.91	449.64	0.91	FA
14520.00	10314.26	-75.90	4491.04	10295.26	10314.26	-112.61	3981.94	265.88	510.42	448.16	1.14	PAS
14620.00†	10315.28	-77.58	4591.02	10296.28	10315.28	-112.61	3981.94	266.71	610.08	447.36	1.36	PAS
14720.00	10316.31	-79.27	4691.00	10297.31	10316.31	-112.61	3981.94	267.31	709.84	446.91	1.59	PAS
14820.00	10317.34	-80.96	4790.98	10298.34	10317.34	-112.61	3981.94	267.76	809.66	446.65	1.81	PAS
14920.001	£10318.36	-82.65	4890.96	10299.36	10318,36	-112.61	3981:94	268.11	909.51	446.52	2.04	PAS
15020.00	10319,39	-84.34	4990.94	10300.39	10319.39	-112.61	3981.94	268.40	1009.39	446.47	2.26	PA:
15120.00	10320.41	-86.03	5090.92	10301.41	10320.41	-112.61	3981.94	268.63	1109.30	446.47	2.48	PA:
15220.00	10321.44	-87.72	5190.90	10302.44	10321.44		3981.94	268.82	1209.21	446.51	2.71	PAS
15320.00	10322,47	-89.41	5290,88	10303,47	10322.47	-112.61	3981.94	268,99	1309,14	446,57	2.93	PAS
15420.00 1	×: 10323.49	-91.10	5390.86	10304.49	10323.49		3981.94	269.13	1409.08	446.66	3,15	PAS
15520.001	10324.52	-92.79	5490.84	10305.52	10324.52	-112.61	3981.94	269.25	1509.03	446.76	3.38	PAS
15620.00	10325.54	-94.48	5590.82	10306.54	10325.54		3981.94	269.36	1608.98			PAS
15720.00 1	10326.57	-96.17	5690.80	. 10307.57	10326.57	-112.61	3981.94	269.45	1708.94	447.01		PAS
15820.00	10327.59	- 97.86	5790.78	10308.59	10327.59		3981.94	269.53	1808.90			PAS
15920.00 1	10328.62	-99.55	5890.76	10309.62	10328.62	-112.61	3981.94	269.61	1908.87	447.29	. 4.27	PAS
16020.00	10329.65	-101.24	5990.74	10310.65	10329.65		3981.94		2008.83	447.44		PA
16120,001	10330.67	-102,93	6090,73	10311.67	10330,67		3981,94	269.74	2108,80	447,60	4.71	PA:
16220,001	10331.70	-104.62	6190,71	10312.70	10331,70		3981.94	269.79	2208.78	447.76	4.93	PA:
16320.00	10332.72	-106.31	6290.69	10313,72	10332.72		3981.94	269.84	2308.75	447.93		PA:
16420.00	10333.75		6390.67	10314.75	10333.75		3981.94	269.89	2408.73	448.10		
16520.00	10334.77	-109.69	6490.65	10315,77	10334.77		3981.94		2508.71	448.27		PA
16620.00	10335.80	-111.38	6590.63	10316.80	10335.80		3981.94	269.97	2608.69	448.45		PAS
16639.48	10336.00	-111.71	6610.10	10317.00	10336.00		3981.94		2628.16			PAS

POSITIONAL UNCERTAINTY - Offset Wellbore: No.053 AWB Offset Wellpath: No.053 AWP								
Slot Surface Uncertainty @1SD	Horizontal	0.100ft	Vertical	0.100ft				
Facility Surface Uncertainty @1SD	Horizontal	3,300ft	Vertical	1,000ft				



Clearance Report

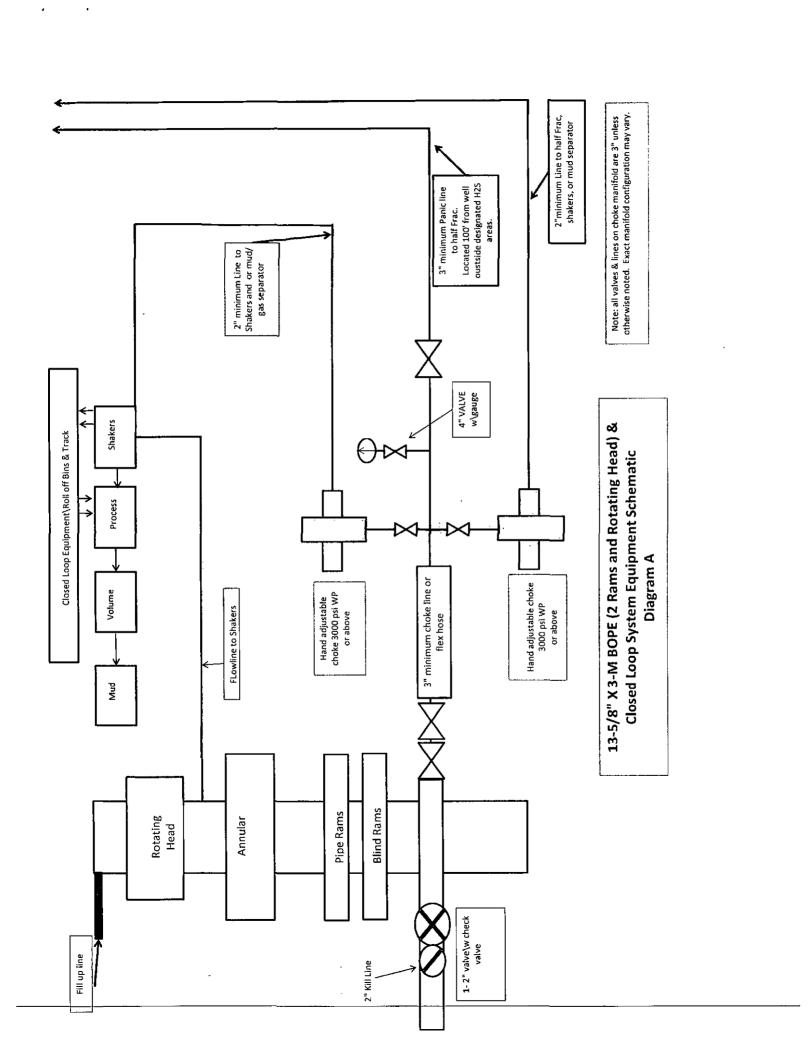
BOPCO, L.P.

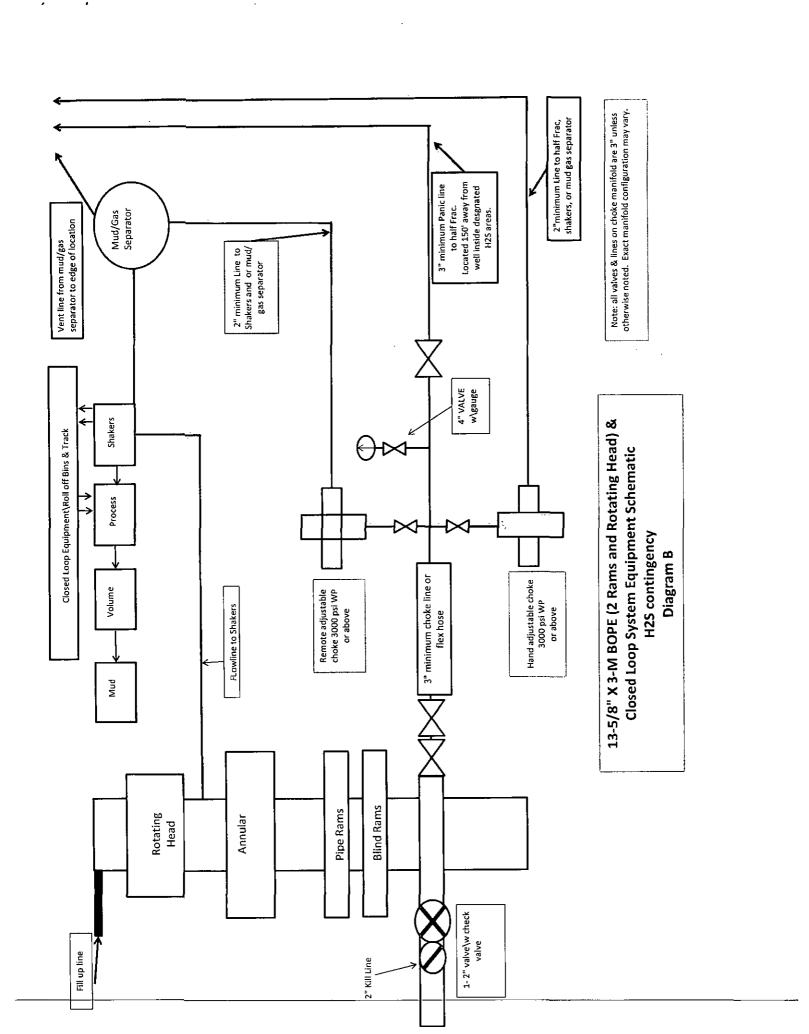
Closest Approach Page 7 of 7

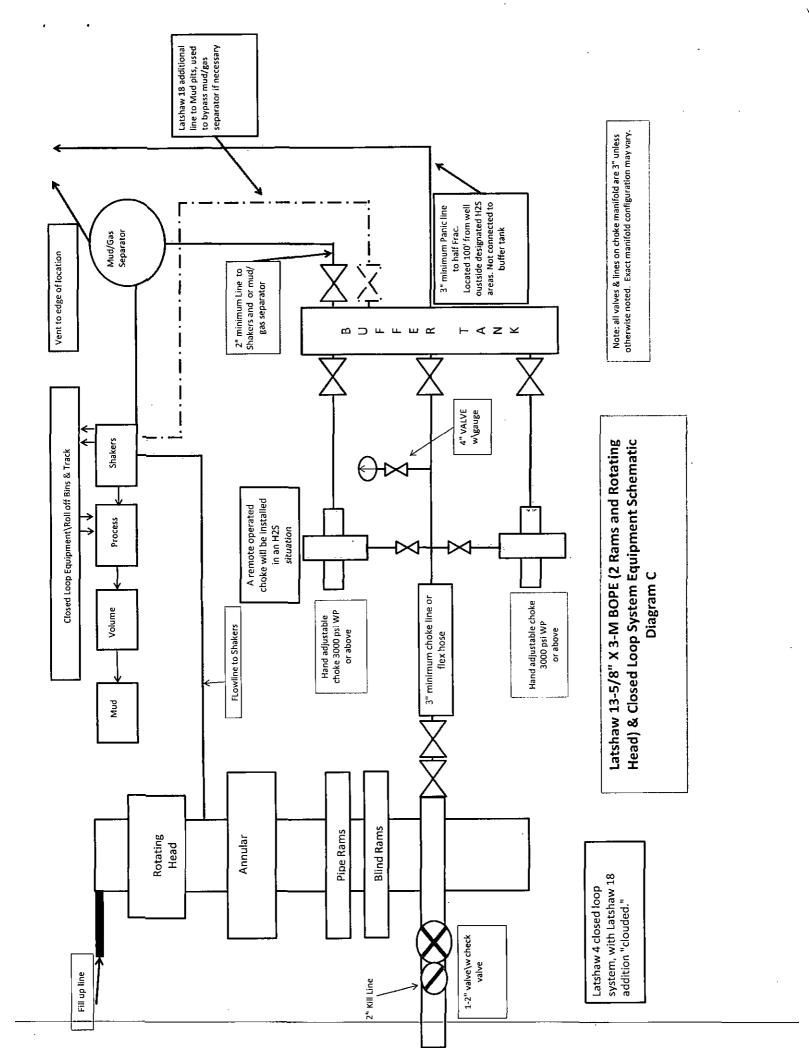
REFERENCE WELLPATH IDENTIFICATION					
Operator	WTD - West Texas Division	Slot	No.75H SHL		
Area	Eddy County, NM	Well	No.75H		
Field	Poker Lake Unit	Wellbore	No.75H PWB		
Facility	PLU CVX JV BS No.75H				

WELLPATH COMPOSITION - Offset Wellbore: No.053 AWB Offset Wellpath: No.053 AWP						
Start MD [ft]	End MD [ft]	Positional Uncertainty Model		Log Name/Comment	Wellbore	
0.00	15530.00	Drift Indicator - Inclination Only (Actual Survey)	•	Inc Only <773-15530>	No.053 AWB	

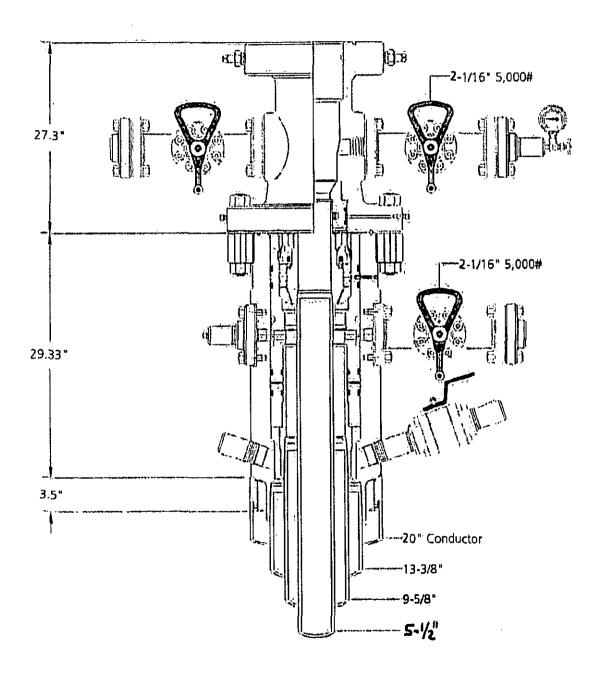
OFFSET WELLPATH MD REFERENCE	- Offset Wellbore: No.053 AWB Offset Wellpath: No.053 AWP
	Offset TVD & local coordinates use Reference Wellpath settings (See WELLPATH DATUM on page 1 of this report)
Ellipse Start MD	0.00ft







Note: Dimensional information reflected on this drawing are estimated measurements only.



BOPCO Project: South East New Mexico

CAMERON

21077904

Internal Hydrostatic Test Graph

Pick Ticket # 81610 Customer: Latshaw

Concider Maked

Swape

Frage

Frage

Frage

Mass Assembly Serial *

Bitto Verification Yeas of Pitting 41/16 St Dig Sips 5.12" Kuse Serial & Seba Standard Safety Multiplier Applies Length 30° Q.D. 415/22 Burst Pressure Hose Specifications Working Pressure Sood Pin

Peak Pressire 10195 PSI Actual Burst Pressure **Pressure Test** Time in Wantes Time Refulat Test Presente 6 1/4 Minutes , the state of the A. PS one 2000 10000 4600 12000 1000

Commission Hase assembly pressure tested with water at ambient temperature.

Test. Pressure 10000 PSI

Tested By: Damie Malemore

Diroved By: Bobby Find

787. J32

₫

Mixtwest Hose & Specialty, Inc.

MIDWEST

HOSE AND SPECIALTY INC.

INTERNA	۸L	HYDROST	ATIC TEST	REPOR	₹T	- 1 Page 1
Customer: LATSHAW DRILLING				P.O. Numi RIG#4	-	
and the second s	, <u>, ,</u>	OSE SPECIF	ICATIONS			
Type: CHOKE L	NE.		<u>-</u>	Length:	.30'	· · · · · ·
I.D	3"	INCHES	O.D.	6"	INC	CHES
WORKING PRESSURE		TEST PRESSUR	E	BURST PRE		
. 5,000 <i>PS</i>	,	10,000	, PSI			PSI
		COLLE	LINGS			
Type of End Fitting 4 1/16 5K	-			<u></u>		
Type of Coupling: SWEDGE) D		MANUFACTU MIDWEST HOS		ALTY	
		PROC	EDURE	-> .		· · · · · · · · · · · · · · · · · · ·
والمراجع المراجع المرا	ن <u>د ع</u>		ide union of societies	ni termperatura		
TIME HELD		water at ambient temperature. ACTUAL BURST PRESSURE:				
	1	MIN.			0	PSI
wraped w	ove ith 1	red with stainl	ess steel armo	ted fiberglas	S	-
Date: Tested By: BOBBY FINK			Approved: MENDI JACKSON			NC

TABLE OF CONTENTS

I. H₂S Contingency Plan

- A. Scope
- B. Objective
- C. Discussion of Plan

II. Emergency Procedures

- A. Emergency Procedures and Public Protection
- B. Emergency Procedures Implementation
- C. Simulated Blowout Control Drills

III. Ignition Procedures

- A. Responsibility
- B. Instructions

IV. Training Requirements

V. Emergency Equipment

VI. Evacuation Plan

- A. General Plan
- B. Emergency Phone Lists

VII. General Information

- A. H₂S Toxicity Table
- B. Respirator Use
- C. Emergency Rescue

H₂S CONTINGENCY PLAN SECTION

Scope:

This contingency plan provides an organized plan of action for alerting and protecting the public within an area of exposure prior to an intentional release, or following the accidental release of a potentially hazardous volume of hydrogen sulfide. The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H₂S).

Objective:

Prevent any and all accidents, and prevent the uncontrolled release of H₂S into the atmosphere.

Provide proper evacuation procedures to cope with emergencies.

Provide immediate and adequate medical attention should an injury occur.

Discussion of Plan:

Suspected Problem Zones:

Implementation: This plan, with all details, is to be fully implemented 500' above or three days prior to drilling into the first known sour zone

Emergency Response and Public Protection Procedure: This section outlines the conditions and denotes steps to be taken in the event of an emergency.

Emergency Equipment and Procedure: This section outlines the safety and emergency equipment that will be required for the drilling of this well.

Training Provisions: This section outlines the training provisions that must be adhered to 500 feet above or three days prior to drilling into the first known sour zone.

Emergency call lists: Included are the telephone numbers of all persons that would need to be contacted should an H_2S emergency occur.

Briefing: This section deals with the briefing of all persons involved with the drilling of this well.

Public Safety: Public Safety Personnel will be made aware of the drilling of this well.

EMERGENCY PROCEDURES AND PUBLIC PROTECTION SECTION

- I. In the event of any evidence of H₂S levels above 10 ppm, take the following steps immediately:
 - A. Secure breathing apparatus.
 - B. Order non-essential personnel out of the danger zone.
 - C. Take steps to determine if the H₂S level can be corrected or suppressed, and if so, proceed with normal operations.
- II. If uncontrollable conditions occur, proceed with the following:
 - A. Take steps to protect and/or remove any public downwind of the rig, including partial evacuation or isolation. Notify necessary public safety personnel and the New Mexico Oil & Gas of the situation.
 - B. Isolate area and prevent entry by unauthorized persons into the 100 ppm ROE.
 - C. Remove all personnel to the Safe Briefing Area.
 - D. Notify public safety personnel for help with maintaining roadblocks and implementing evacuation. Phone number list attached.
 - E. Determine and proceed with the best possible plan to regain control of the well. Maintain tight security and safety measures.

III. Responsibility:

- A. The Company Approved Supervisor shall be responsible for the total implementation of the plan.
- B. The Company Approved Supervisor shall be in complete command during any emergency.
- C. The Company Approved Supervisor shall designate a back up Supervisor in the event that he/she is not available.

EMERGENCY PROCEDURE IMPLEMENTATION

I. Drilling or Tripping

A. All Personnel

- 1. When alarm sounds, don escape unit and report to upwind Safe Briefing Area.
- 2. Check status of other personnel (buddy system).
- 3. Secure breathing apparatus.
- 4. Wait for orders from supervisor.

B. Drilling Foreman

- 1. Report to the upwind Safe Briefing Area.
- 2. Don Breathing Apparatus and return to the point of release with the Tool Pusher or Driller (buddy system).
- 3. Determine the concentration of H₂S.
- 4. Assess the situation and take appropriate control measures.

C. Tool Pusher

- 1. Report to the upwind Safe Briefing Area.
- 2. Don breathing apparatus and return to the point of release with the Drilling Foreman or the Driller (buddy system).
- 3. Determine the concentration.
- 4. Assess the situation and take appropriate control measures.

D. Driller

- 1. Check the status of other personnel (in a rescue attempt, always use the buddy system).
- 2. Assign the least essential person to notify the Drilling Foreman and Tool Pusher, in the event of their absence.

3. Assume the responsibility of the Drilling Foreman and the Tool Pusher until they arrive, in the event of their absence.

E. Derrick Man and Floor Hands

1. Remain in the upwind Safe Briefing Area until otherwise instructed by a supervisor.

F. Mud Engineer

- 1. Report to the upwind Safe Briefing Area.
- 2. When instructed, begin check of mud for pH level and H₂S level.

G. On-site Safety Personnel

- 1. Don Breathing Apparatus.
- 2. Check status of all personnel.
- 3. Wait for instructions from Drilling Foreman or Tool Pusher.

II. Taking a Kick

- A. All personnel report to the upwind Safe Briefing Area.
- B. Follow standard BOP procedures.

III. Open Hole Logging

- A. All unnecessary personnel should leave the rig floor.
- B. Drilling Foreman and Safety Personnel should monitor the conditions and make necessary safety equipment recommendations.

IV. Running Casing or Plugging

- A. Follow "Drilling or Tripping" procedures.
- B. Assure that all personnel have access to protective equipment.

SIMULATED BLOWOUT CONTROL DRILLS

All drills will be initiated by activating alarm devices (air horn). Use one long blast on the air horn for ACTUAL and SIMULATED Blowout Control Drills. This operation will be performed by the Drilling Foreman or Tool Pusher at least one time per week for each of the following conditions, with each crew:

Drill # 1 Bottom Drilling

Drill # 2 Tripping Drill Pipe

In each of these drills, the initial reaction time to shutting in the well shall be timed as well as the total time for the crew to complete its entire pit drill assignment. The times must be recorded on the IADC Driller's Log as "Blowout Control Drill".

Drill No .:

Reaction Time to Shut-In:

Total Time to Complete Assignment:

minutes, minutes,

seconds.

I. Drill Overviews

- A. Drill No. 1- Bottom Drilling
 - 1. Sound the alarm immediately.
 - 2. Stop the rotary and hoist kelly joint above the rotary table.
 - 3. Stop the circulatory pump.
 - 4. Close the drill pipe rams.
 - 5. Record casing and drill pipe shut-in pressures and pit volume increases.
- B. Drill No. 2 Tripping Drill Pipe
 - 1. Sound the alarm immediately.
 - 2. Position the upper tool joint just above the rotary table and set the slips.

- 3. Install a full opening valve or inside blowout preventor tool in order to close the drill pipe.
- 4. Close the drill pipe rams.
- 5. Record the shut-in annular pressure.

II, Crew Assignments

A. Drill No. 1 – Bottom Drilling

1. Driller

- a) Stop the rotary and hoist kelly joint above the rotary table.
- b) Stop the circulatory pump.
- c) Check flow.
- d) If flowing, sound the alarm immediately.
- e) Record the shut-in drill pipe pressure.
- f) Determine the mud weight increase needed or other courses of action.

2. Derrickman

- a) Open choke line valve at BOP.
- b) Signal Floor Man # 1 at accumulator that choke line is open.
- c) Close choke and upstream valve after pipe tams have been closed.
- d) Read the shut-in annular pressure and report readings to Driller.

3. Floor Man # 1

- a) Close the pipe rams after receiving the signal from the Derrickman.
- b) Report to Driller for further instructions.

4. Floor Man # 2

- a) Notify the Tool Pusher and Operator Representative of the H₂S alarms.
- b) Check for open fires and, if safe to do so, extinguish them.
- c) Stop all welding operations.
- d) Turn-off all non-explosion proof lights and instruments.
- e) Report to Driller for further instructions.

5. Tool Pusher

- a) Report to the rig floor.
- b) Have a meeting with all crews.
- c) Compile and summarize all information.
- d) Calculate the proper kill weight.
- e) Ensure that proper well procedures are put into action.

6. Operator Representative

- a) Notify the Drilling Superintendent.
- b) Determine if an emergency exists and if so, activate the contingency plan.

B. Drill No. 2 - Tripping Pipe

Driller

- a) Sound the alarm immediately when mud volume increase has been detected.
- b) Position the upper tool joint just above the rotary table and set slips.
- c) Install a full opening valve or inside blowout preventor tool to close the drill pipe.
- d) Check flow.

- e) Record all data reported by the crew.
- f) Determine the course of action.

2. Derrickman

- a) Come down out of derrick.
- b) Notify Tool Pusher and Operator Representative.
- c) Check for open fires and, if safe to do so, extinguish them.
- d) Stop all welding operations.
- e) Report to Driller for further instructions.

3. Floor Man # 1

- a) Pick up full opening valve or inside blowout preventor tool and stab into tool joint above rotary table (with Floor Man # 2).
- b) Tighten valve with back-up tongs.
- c) Close pipe rams after signal from Floor Man # 2.
- d) Read accumulator pressure and check for possible high pressure fluid leaks in valves or piping.
- e) Report to Driller for further instructions.

4. Floor Man # 2

- a) Pick-up full opening valve or inside blowout preventor tool and stab into tool joint above rotary table (with Floor Man # 1).
- b) Position back-up tongs on drill pipe.
- c) Open choke line valve at BOP.
- d) Signal Floor Man # 1 at accumulator that choke line is open.
- e) Close choke and upstream valve after pipe rams have been closed.
- f) Check for leaks on BOP stack and choke manifold.

- g) Read annular pressure.
- h) Report readings to the Driller.

5. Tool Pusher

- a) Report to the rig floor.
- b) Have a meeting with all of the crews.
- c) Compile and summarize all information.
- d) See that proper well kill procedures are put into action.

6. Operator Representative

- a) Notify Drilling Superintendent
- b) Determine if an emergency exists, and if so, activate the contingency plan.

IGNITION PROCEDURES

Responsibility:

The decision to ignite the well is the responsibility of the DRILLING FOREMAN in concurrence with the STATE POLICE. The State Police shall be the Incident Command on the scene of any major release. Intentional ignition must be coordinated with the NMOCD and local officials. In the event the Drilling Foreman is incapacitated, it becomes the responsibility of the RIG TOOL PUSHER. This decision should be made only as a last resort and in a situation where it is clear that:

- 1. Human life and property are endangered.
- 2. There is no hope of controlling the blowout under the prevailing conditions.

If time permits, notify the main office, but do not delay if human life is in danger. Initiate the first phase of the evacuation plan.

Instructions for Igniting the Well:

- 1. Two people are required for the actual igniting operation. Both men must wear self-contained breathing apparatus and must use a full body harness and attach a retrievable safety line to the D-Ring in the back. One man must monitor the atmosphere for explosive gases with the LEL monitor, while the Drilling Foreman is responsible for igniting the well.
- 2. The primary method to ignite is a 25mm flare gun with a range of approximately 500 feet.
- 3. Ignite from upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best suited for protection and which offers an easy escape route.
- 5. Before igniting, check for the presence of combustible gases.
- 6. After igniting, continue emergency actions and procedures as before.
- 7. All unassigned personnel will limit their actions to those directed by the Drilling Foreman.

NOTE: After the well is ignited, burning Hydrogen Sulfide will convert to Sulfur Dioxide (SO₂), which is also highly toxic. Do not assume the area is safe after the well is ignited.

TRAINING REQUIREMENTS

When working in an area where Hydrogen Sulfide (H₂S) might be encountered, definite training requirements must be carried out. The Company Supervisor will ensure that all personnel at the well site, whether regularly assigned, contracted, or employed on an unscheduled basis, have had adequate training by a qualified instructor in the following:

- 1. Hazards and Characteristics of Hydrogen Sulfide and Sulfur Dioxide.
- 2. Physicals effects of Hydrogen Sulfide on the human body.
- 3. Toxicity of Hydrogen Sulfide and Sulfur Dioxide.
- 4. H₂S detection, emergency alarm and sensor location.
- 5. Emergency rescue.
- 6. First aid and artificial resuscitation.
- 7. The effects of Hydrogen Sulfide on metals.
- 8. Location safety.

In addition, Supervisory Personnel will be trained in the following areas:

- 1. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well as blowout prevention and well control procedures.
- 3. The contents and requirements of the H₂S Drilling Operations Contingency Plan and the Public Protection Plan.

Service company personnel and visiting personnel must be notified if the zone contains H_2S , and each service company must provide adequate training and equipment for their employees before they arrive at the well site.

EMERGENCY EQUIPMENT

As stated in the BLM Onshore Order 6, for wells located in a known H₂S areas, H₂S equipment will be rigged up after setting surface casing. For wells located inside known H₂S areas, the flare pit will be located 150' from the location and for wells located outside known H₂S areas, the flare pit will be located 100' away from the location. (See page 6 of Survey plat package and diagram B or C.)

It is not anticipated that any H_2S is in the area, however in the event that H_2S is encountered, the attached H_2S Contingency Plan will be implemented. (Please refer to diagrams B or C for choke manifold and closed loop system layout.) See H_2S location layout diagram for location of all H_2S equipment on location.

All H_2S safety equipment and systems will be installed, tested and be operational when drilling reaches a depth of 500' above, or three days prior to penetrating a known formation containing H_2S .

Lease Entrance Sign:

Caution signs should be located at all roads providing direct access to the location. Signs shall have a yellow background with black lettering and contain the words "CAUTION" and "POISON GAS" that is legible from a distance of at least 50 feet.

LEASE NAME CAUTION – POTENTIAL POISON GAS HYDROGEN SULFIDE NO ADMITTANCE WITHOUT AUTHORIZATION

Windsocks or Wind Streamers:

- A minimum of two 10" windsocks located at strategic locations so that they
 may be seen from any point on location.
- Wind streamers (if preferred) should be placed at various locations on the well site to ensure wind consciousness at all times. (Corners of location)

Hydrogen Sulfide Detector and Alarms:

• H₂S monitors with alarms will be located on the rig floor, at the cellar, and at the mud pits. These monitors will be set to alarm at 10 PPM with a red light and to alarm at 15 PPM with a red light and audible alarm.

Well Condition Flags:

The Well Condition flags should be located at all roads providing direct access to the location. It should have three (3) color coded flags (green, yellow and red) that will be used to denote the following location conditions:

GREEN – Normal Operating Conditions YELLOW – Potential Danger RED – Danger, H₂S Gas Present

Respiratory Equipment:

- Fresh air breathing equipment should be placed at the company supervision trailer and the safe briefing areas and should include the following:
 - A minimum of two SCBA's at each briefing area and the supervisor company supervision trailer.
 - Enough air line units to operate safely, anytime the H₂S concentration reaches the IDLH level (100 PPM).
 - Cascade system with enough breathing air hose and manifolds to reach the rig floor, the derrickman and the other operation areas.

Fire Extinguishers:

Adequate fire extinguishers shall be located at strategic locations.

Mud Program:

The mud program has been designed to minimize the volume of H_2S circulated to the surface. Proper mud weight, safe drilling practices and the use of H_2S scavengers will minimize hazards when penetrating H_2S bearing zones.

Metallurgy:

All drill strings, casing, tubing, wellhead; blowout preventer, drilling spools, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.

Well Control Equipment:

- Flare Line (See page 6 of survey plat package for flare line reference).
- Choke manifold (See diagram B or C and refer to H2S location diagram for location of important H2S safety items).
- Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing units.
- Auxiliary equipment may include, if applicable, annular preventer & rotating head.

Communication Equipment:

• Proper communication equipment such as cell phones or 2 – way radios should be available for communication between the company man's trailer, rig floor and tool pusher's trailer.

Well Testing:

• There will be no drill stem testing.

Evacuation Plan:

- Evacuation routes should be established prior to spudding the well.
- Should be discussed with all rig personnel.

Designated Areas:

Parking and Visitor area:

- All vehicles are to be parked at a pre-determined safe distance from the wellhead.
- A smoking area will be designated at a pre-determined safe distance from the wellhead and any other possible flammable areas.

Safe Briefing Areas:

 Two Safe Briefing Areas shall be designated on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds or they are at a 180 degree angle if wind directions tend to shift in the area. Personal protective equipment should be stored at both briefing areas or if a moveable cascade trailer is used, it should be kept upwind of existing winds. When wind is from the prevailing direction, both briefing areas should be accessible.

NOTE:

 Additional equipment will be available at Indian Fire and Safety in Hobbs, NM or at Total Safety in Hobbs, NM.

EVACUATION PLAN

General Plan

The direct lines of action to protect the public from hazardous gas situations are as follows:

- 1. When the company approved supervisor (Drilling Foremen, Tool Pusher or Driller) determine that Hydrogen Sulfide gas cannot be limited to the well location, and the public will be involved, he will activate the evacuation plan. Escape routes are noted on the Area Map.
- 2. Company safety personnel or designee will notify the appropriate local government agency that a hazardous condition exists and evacuation needs to be implemented.
- 3. Company approved safety personnel that have been trained in the use of the proper emergency equipment will be utilized.
- 4. Law enforcement personnel (State Police, Local Police Department, Fire Department, and the Sheriff's Department) will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.

NOTE: Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

5. After the discharge of gas has been controlled, Company approved safety personnel will determine when the area is safe for re-entry.

See Emergency Action Plan

Contacting Authorities

BOPCO L.P. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. (Operator Name)'s response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

H₂S CONTINGENCY PLAN EMERGENCY CONTACTS

H23 CONTI	MOCING! PLAN EMERGENC!	ONTACIS
BOPCO L.P. Midland	Office	432-683-2277
Key Personnel		
Name		Cell Phone Number
Stephen Martinez	Drilling & Completions Manager	432-556-0262
Charles Warne	Division Engineer	432-312-4431
Don Wood	Division Engineer Division Drilling Specialist	432-266-2674
Leo Bojorquez	Area Drilling Superintendent	702-280-4424
Chris Giese		432-661-7328
Brian Braun	Engineer	210-683-9849
Jeremy Braden		432-312-1113
Artesia		
		911
State Police		
City Police		575-746-2703
Sheriff's Office		575-746-9888
Fire Department		575-746-2701
Local Emergency Pla	anning Committee	575-746-2122
New Mexico Oil Cons	servation Division	575-748-1283
Caulahad		
Carlsbad		911
Ambulance		
State Police		5/5-005-313/
City Police		070-000-2111 F7E 007 7EE4
		5/5-88/-/551
Fire Department		5/5-88/-3/98
Local Emergency Pla	anning Committee	5/5-88/-5544
US Bureau of Land N	lanagement	5/5-88/-6544
	ncy Response Commission (Santa Fo	
24 Hour		505-827-9126
New Mexico State Er	mergency Operations Center	505-476-9635
National Emergency	Response Center (Washington, DC)	800-424-8802
<u>Other</u>		
Wild Well Control	43	2-550-6202 (Permian Basin)
Cudd PressureContr	ol432-580-3544 or 43	2-570-5300 (Permian Basin)
Flight For Life - 4000) 24 th St. Lubbock, Texas	806-743-9911
	19F, Lubbock, Texas	806-747-8923
·	- 2301 Yale Blvd SE #D3, Albuq., NM	505-842-4433
	– 2505 Clark Carr Loop SE, Albuq., Ñ	
	ty – 3317 NW Cnty Rd, Hobbs, NM	
	ndustrial Dr., Hobbs, NM	

TOXIC EFFECTS OF HYDROGEN SULFIDE

Hydrogen Sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 PPM, which is .001% by volume. Hydrogen Sulfide is heavier than air (specific gravity = 1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in Table I. Physical effects at various Hydrogen Sulfide exposure levels are shown in Table II.

Table I - TOXICITY OF VARIOUS GASES

Common Name	Chemical Formula	Specific Gravity (SC=1)	Threshold Limit (1)	Hazardous Limit (2)	Lethal Concentration (3)
Hydrogen Cyanide	HCN	0.94	10 PPM	150 PPM/HR	300 PPM
Hydrogen Sulfide	H2S	1.18	10 PPM	250 PPM/HR	600 PPM
Sulfur Dioxide	SO2	2.21	5 PPM		1000 PPM
Chlorine	CL2	2.45	1 PPM	4 PPM/HR	1000 PPM
Carbon Monoxide	СО	0.97	50 PPM	400 PPM/HR	1000 PPM
Carbon Dioxide	CO2	1.52	5000 PPM	5%	10%
Methane	CH4	0.55	90,000 PPM	Combustible in air	Above 5%

- 1) Threshold Limit Concentration at which it is believed that all worker may be repeatedly exposed day after day without adverse effects.
- 2) Hazardous Limit Concentration that will cause death with short-term exposure.
- 3) Lethal Concentration Concentration that will cause death with short-term exposure.

Table II – PHYSICAL EFFECTS OF HYDROGEN SULFIDE

Percent (%)	PPM	Concentration Grains 100 STD. FT3*	Physical Effects
0.001	< 10	00.65	Obvious & unpleasant odor.
0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kills smell in 3-15 minutes. May sting eyes & throat.
0.020	200	12.96	Kills smell shortly; stings eyes & throat.
0.050	500	32.96	Dizziness; Breathing ceases in a few minutes. Needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; Death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; Followed by death within minutes.

• At 15.00 PSIA and 60° F.

USE OF SELF-CONTAINED BREATHING APPARATUS

- Anyone who uses an SCBA shall: Be approved by a physician or licensed health care practitioner; Pass a fit test; Be trained in donning and doffing, proper use, including how to ensure a proper face seal, conducting an inspection of the SCBA, and conduct proper maintenance.
- 2. Such items as facial hair (beard or sideburns) and eyeglasses will not allow a proper face mask seal.
- 3. Anyone reasonably expected to wear SCBA's shall have these items removed before entering a toxic atmosphere.
- A special mask with a mount for prescription glasses must be obtained for anyone who must wear eyeglasses in order to see while using an SCBA.
- 5. SCBA's should be worn in H₂S concentrations above 10 PPM.

RESCUE & FIRST AID FOR H2S POISONING

DO NOT PANIC - REMAIN CALM - THINK

- 1. Hold your breath do not inhale first.
- 2. Put on SCBA.
- 3. Remove victim(s) to fresh air as quickly as possible. Go upwind from source or at right angle to the wind. Do not go downwind.
- 4. Briefly apply chest pressure using arm lift method of artificial respiration to clean victim's lungs and to avoid inhaling any toxic gas directly from victim's lungs.
- 5. Provide artificial respiration if needed.
- 6. Provide for prompt transportation to the hospital and continue giving artificial respiration if needed.
- 7. Inform hospital/medical facilities of the possibility of H2S gas poisoning before they treat.

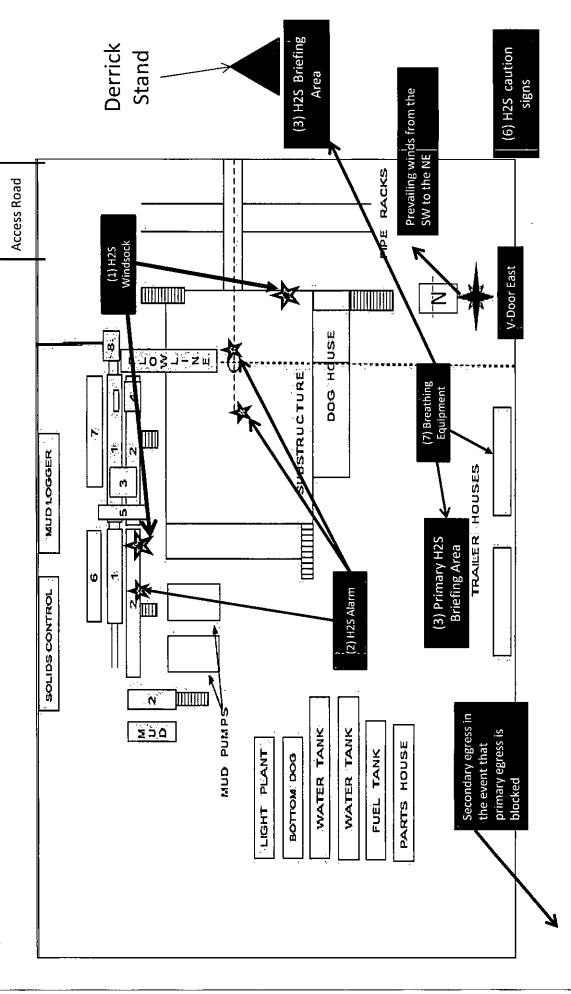
Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration and CPR, as well as first aid for eyes and skin contact with liquid H₂S.

Proposed H2S Safety Schematic

- 4) Terrain of surrounding area (Please refer to page 2 of survey plat package also see point 11 of multi-surface use plan) 1) Location of windsocks.
- 2) Location of H2S alarms
- 3) Location of briefing areas.

5) Location of flare line(s) and pit(s) (Please refer to diagram 2 choke manifold diagram and or page six of survey plat packet)

- 6) Location of caution and/or danger signs.
- (7) Location of Breathing Equipment



Location On-Site Notes

On June 9, 2015 an onsite was conducted for the Poker Lake Unit CVX JV BS 075H multiple well pad. The attendees were Todd Carpenter- BOPCO, L.P., Jarrel Brooks-BOPCO, L.P., Jesse Bassett- BLM, and a crew from Basin Surveys. The 500'x500' pad was approved with a center hole location of 550' FNL & 660' FEL, Sec 8-25-31. The agreed upon location will have the access road on the SSE corner of the pad, and will connect to the proposed Poker Lake Unit CVX JV BS 076H pad. Topsoil will be piled to the East side of the pad. The agreed upon location will have up to 12 wells on the pad. Any subsequent well to be added to the existing pad will not require an additional environmental assessment or onsite, as agreed to by Jesse Bassett with the BLM.

MULTI-POINT SURFACE USE PLAN

NAME OF WELL: POKER LAKE UNIT CVX JV BS #075H

LEGAL DESCRIPTION

SURFACE: 550' FNL, 660' FEL, Section 08, T25S, R31E, Eddy County, NM.

BHL: 660' FNL, 660' FWL, Section 10, T25S, R31E, Eddy County, NM.

POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

See Form C-102 (Survey Plat).

B) Existing Roads:

From the junction of Buck Jackson and Buckthorn, go south on Buckthorn for 3.2 miles. Turn southwest on existing lease road and go 0.3 miles to proposed lease road, continue on proposed lease road for 0.7 miles to the beginning of proposed lease road on the left.

C) Existing Road Maintenance or Improvement Plan:

Existing roads will be maintained and kept in the same or better condition than before operations began. See the Well Pad Layout and Topo Map of the survey plat (Sheet 3 and 4 of plat package)

POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

There will be 4,551' of new road built. (See the Well Pad Layout of the survey plat (Sheet 10-13 of plat package).

B) Width

14' wide

C) Maximum Grade

Grade to match existing topography or as per BLM requirements.

D) Turnout Ditches

As required by BLM stipulations.

E) Culverts, Cattle Guards, and Surfacing Equipment

If required, culverts and cattle guards will be set per BLM Specs.

POINT 3: LOCATION OF EXISTING WELLS

The following wells are located within a one-mile radius of the location site. See the One-Mile Radius Map (Sheet 4 of the plat package).

Existing wells 4 (Four)
Water wells 0 (Zero)

POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES

- A) A BOPCO, L.P. operated facility is not located within ideal operating range of the PLU CVX JV BS #075H.
- B) In the Event of Production:

BOPCO, L.P. will construct a new tank battery in Sec. 8, Township 25-Range 31. The produced fluids will be piped to the newly constructed battery. A 3-1/2" in diameter steel flowline is to be run above ground from the wellhead to the battery. The flowline is expected to carry oil, water, and gas. A sundry will be submitted at a later date citing the exact location of said battery, after an onsite has been conducted for the new battery.

C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following the construction, those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography (see Point 10).

POINT 5: LOCATION AND TYPE OF WATER SUPPLY

A) Location and Type of Water Supply

Fresh water will be hauled from Johnson Station 50 miles east of Carlsbad, New Mexico or other commercial facilities. Brine water will be hauled from commercial facilities.

B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads.

POINT 6: SOURCE OF CONSTRUCTION MATERIALS

A) Materials

On-site caliche will be used. If this is not sufficient, caliche will be hauled from a BLM approved pit.

B) Land Ownership

Federally Owned

C) Materials Foreign to the Site

No construction materials foreign to this area are anticipated for this drill site.

D) Access Roads

See the Well Pad Layout and Aerial Map of the survey plat (Sheet 1 and 4 of plat package).

POINT 7: METHODS FOR HANDLING WASTE MATERIAL

A) Cuttings

Cuttings will be contained in the roll off bins and disposed at R360 Environmental located in Lea County, NM.

B) Drilling Fluids

Drilling fluids will be contained in the steel pits, frac tanks and disposed at licensed disposal sites.

C) Produced Fluids

Water production will be contained in the steel pits.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning as the situation would dictate.

D) Sewage

Current laws and regulations pertaining to the disposal of human waste will be complied with.

E) Garbage

Portable containers will be utilized for garbage disposal during the drilling of this well.

F) Cleanup of Well Site

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if electric log analysis indicate potential productive zones. Reasonable cleanup will be performed prior to the final restoration of the site.

POINT 8: ANCILLARY FACILITIES

None required.

POINT 9: WELL SITE LAYOUT

A) Rig Orientation and Layout

The "Rig Layout Schematic" (Sheet 9 of plat package) shows the dimensions of the well pad, closed loop system, and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary. The top soil will be stockpiled on the east side of the location.

B) Locations of Access Road

See the Well Pad Layout, Topo Map, and Vicinity Map of the survey plat (Sheet 3, 4, and 7 of plat package).

C) Lining of the Pits

No reserve pits - closed loop system.

POINT 10: PLANS FOR RESTORATION OF THE SURFACE

- A) Reserve Pit Cleanup Not applicable. Closed loop drilling fluid system will be used
- B) Restoration Plans Production Developed

BOPCO, L.P. has no plans for interim reclamation to allow for additional wells to be drilled on this pad

C) Restoration Plans - No Production Developed

BOPCO, L.P. has no plans for interim reclamation to allow for additional wells to be drilled on this pad

POINT 11: OTHER INFORMATION

A) On-Site

On June 9, 2015 an onsite was conducted for the Poker Lake Unit CVX JV BS 075H multiple well pad. The attendees were Todd Carpenter- BOPCO, L.P., Jarrel Brooks- BOPCO, L.P., Jesse Bassett- BLM, and a crew from Basin Surveys. The 500'x500' pad was approved with a center hole location of 550' FNL & 660' FEL, Sec 8-25-31. The agreed upon location will have the access road on the SSE corner of the pad, and will connect to the proposed Poker Lake Unit CVX JV BS 076H pad. Topsoil will be piled to the East side of the pad. The agreed upon location will have up to 12 wells on the pad. Any subsequent well to be added to the existing pad will not require an additional environmental assessment or onsite, as agreed to by Jesse Bassett with the BLM.

B) Soil

Caliche and sand.

C) Vegetation

Sparse, primarily grasses and mesquite with very little grass.

D) Surface Use

Primarily grazing.

E) Surface Water

There are no ponds, lakes, streams or rivers within several miles of the wellsite.

F) Water Wells

There are no water wells located within a 1 mile radius of the proposed location.

G) Residences and Buildings

None in the immediate vicinity.

H) Historical Sites

None observed.

I) Archeological Resources

No independent archeological survey has been done. This well location is located in the area covered by Memorandum of Agreement – Permian Basin. A Payment of \$2,277.51.00 fee for this project is included in this application. Any location or construction conflicts will be resolved before construction begins. Please see Access Road Diagram and Page 13 of the Plat Package. The MOA payment for the main proposed access road (beginning in Section 4 at N71°58'01"W and ending in Section 5 at N89°08'17"W) will be included with the Poker Lake Unit CVX JV BS #075H MOA payment.

J) Surface Ownership

The well site is on federally owned land. There will be 4,551' of new road required for this location. Please see page 11 of the survey plat package.

- K) Well signs will be posted at the drilling site.
- L) Open Pits

No open pits will be used for drilling or production. Any open top tanks will be netted.

M) Terrain

Slightly rolling hills.

POINT 12: OPERATOR'S FIELD REPRESENTATIVE

(Field personnel responsible for compliance with development plan for surface use).

DRILLING Stephen Martinez Box 2760 Midland, Texas 79702 (432) 683-2277 PRODUCTION Richard Cottle 3104 East Green Street Carlsbad, New Mexico 88220 (575) 887-7329

Wesley Hanna Box 2760 Midland, Texas 79702 (432) 683-2277

OPERATOR'S CERTIFICATION

APPLICATION FOR PERMIT TO DRILL POKER LAKE UNIT CVX JV BS #075H 550' FNL, 660' FEL, Section 08, T25S, R31E, Eddy County, NM.

In reference to the above captioned well, I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in the APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 21st day of September, 2015.

If you have any questions regarding the accuracy of the plan provided herein, please do not hesitate to contact me at (817) 390-8671.

Elizabeth Osborne
Regulatory/Geologist

Confirmation of Payment

Form NM 8140-9 (March 2008)

United States Department of the Interior Bureau of Land Management New Mexico State Office

Permian Basin Cultural Resource Mitigation Fund

The company shown below has agreed to contribute funding to the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III survey for cultural resources associated with their project. This form verifies that the company has elected to have the Bureau of Land Management (BLM) follow the procedures specified within the Programmatic Agreement (PA) concerning improved strategies for managing historic properties within the Permian Basin, New Mexico, for the undertaking rather than the Protocol to meet the agency's Section 106 obligations.

Company Name: BOPCO, L.P.
Address: 201 Main St., SUITE 2900
Fort Worth, TX 76102
Project description: Poker Lake Unit CVX JV BS #075H
This will be a multi will pad. The MOA payment for the main proposed access road
(beginning in Section 4 at N71°58'01"W and ending in Section 5 at N89°08'17"W)
is included with this MOA payment.
T. 25S, R. 31E, Section 08 NMPM, Eddy County, New Mexico
Amount of contribution: \$2,277.51

Provisions of the PA:

PECOS DISTRICT **CONDITIONS OF APPROVAL**

OPERATOR'S NAME: BOPCO, LP NM030458 LEASE NO.: 075H-Poker Lake Unit CVX JV BS WELL NAME & NO.: SURFACE HOLE FOOTAGE: 550'/N & 660'/E BOTTOM HOLE FOOTAGE 660'/N & 660'/W LOCATION: Section 8, T.25 S., R.31 E., NMPM

COUNTY: Eddy County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
Special Requirements
Commercial Well Determination
Unit Well
Lesser Prairie-Chicken Timing Stipulations
Below Ground-level Abandoned Well Marker
Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
⊠ Drilling
Cement Requirements
H2S Requirements
Logging Requirements
Pressure Control Requirements
Waste Material and Fluids
⊠ Production (Post Drilling)
Well Structures & Facilities
Pipelines
☑ Interim Reclamation
Final Abandonment & Reclamation

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

<u>Commercial Well Determination:</u> A commercial well determination will need to be submitted after production has been established for at least six months.

<u>Unit Wells:</u> The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:
Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period.
Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted.
Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Below Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning -

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

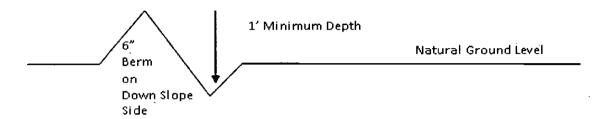
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope:
$$\frac{400'}{404}$$
 + 100' = 200' lead-off ditch interval

Cattleguards

An appropriately sized cattleguard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattleguards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

- 1. Salvage topsoil
- 3. Redistribute topsoil
- 2. Construct road
- 4. Revegetate slopes

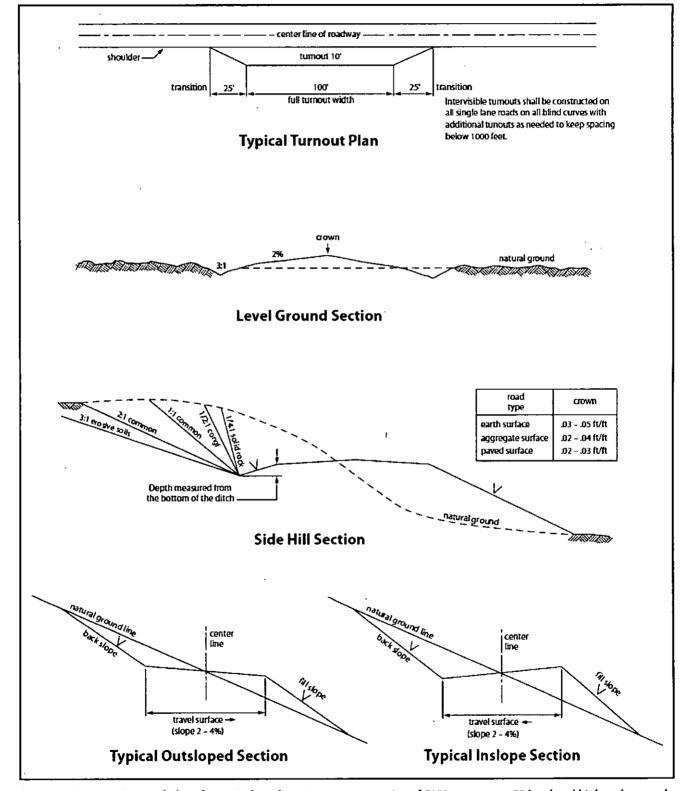


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. DRILLING

A. DRILLING OPERATIONS 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. Although Hydrogen Sulfide has not been reported within one mile of the proposed project, it is always a potential hazard. It is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide. 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, report measured amounts and formations to the BLM.
- 2. 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. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. 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 is located, this does not include the dog house or stairway area.
- 4. 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.

B. CASING

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.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

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. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Risks:

Possibility of Water Flows in the Salado and in the Castile.

Possibility of Lost Circulation in the Red Beds, in the Rustler, and in the Delaware.

- 1. The 13 3/8 inch surface casing shall be set at approximately 780 feet (in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet 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 is to include the lead cement slurry.
 - 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 is:
 - Ement to surface. If cement does not circulate see B.1.a, c-d above.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

3. The minimum required fill of cement behind the 5 1/2 inch production casing which shall be set at approximately 4270 feet (in the top of the Lamar Limestone) is:

Operator has proposed DV tool at depth of 5000 feet, but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50 feet below previous shoe and a minimum of 200 feet above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

a.	First	stage t	o DV	tool:
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\boxtimes	Cement to circulate. If cement does not circulate, contact the appropriate
	BLM office before proceeding with second stage cement job. Operator should
	have plans as to how they will achieve approved top of cement on the next
	stage.

- b. Second stage above DV tool:
- Cement tie-back is appropriate as proposed. Operator shall provide method of verification.
- 4. 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.

C. 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 53.
- 2. Variance approved to use flex line from BOP to choke manifold. 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. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 3. 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 3000 (3M) 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. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
 - 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.

- 4. 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. 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).
 - c. 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.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. 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.
 - f. 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.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. 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.

KGR 11152015

VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the

largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 et seq. (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (see 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

- 4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:
 - a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
 - b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;
 - c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

- 5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.
- 6. All construction and maintenance activity shall be confined to the authorized right-of-way width of <u>20</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.
- 7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.

- 8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.
- 9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.
- 10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.
- 14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will

be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

- 16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 17. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

18. Special Stipulations:

- a. <u>Lesser Prairie-Chicken:</u> Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.
- b. This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

IX. INTERIM RECLAMATION A. GENERAL CONDITIONS

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to

reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

B. DRILLING ADDITIONAL WELLS ON THIS PAD

The operator has indicated in the Surface Use Plan of Operations that there are currently no plans to conduct interim reclamation to allow for additional wells to be drilled on this pad. This deviation from standard practices has been approved by the BLM; thus, the requirement to conduct interim reclamation within 6 months of well completion date has been waived.

HOWEVER, if at any point the BLM determines that additional wells will not be drilled on this pad or that interim reclamation is warranted for any reason, the BLM will issue an order to commence interim reclamation. At that point the operator will be required to submit an interim reclamation plan and to work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Once these strategies are finalized the operator will be required to conduct interim reclamation.

X. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Below Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

Seed Mixture for LPC Sand/Shinnery Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	11bs/A

^{*}Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed