RECEIVED

Form 3160-3 (March 2012) UNITED STATES DEPARTMENT OF THE I BUREAU OF LAND MANA APPLICATION FOR PERMIT TO I				FORM OMB N Expires C 5. Lease Serial No. NMNM120898 6. If Indian, Allotee			
Ia. Type of work: 🗹 DRILL 🗌 REENTE	R			7 If Unit or CA Agre POKER LAKE / NN		016X	
lb. Type of Well Dil Well Gas Well Other	🖌 Sir	ngle Zone 🔲 Multip	le Zone	8. Lease Name and POKER LAKE UNI		-	₩ ₽ 73 H
2. Name of Operator BOPCO LP		260731		9. API Well No. 30 - 01	5.4	489	7
3a. Address 810 Houston Street Fort Worth TX 76102	3b. Phone No. (817)885-8	(include area code)		10. Field and Pool, or I Wildcat	Explorator 964		Pierce
4. Location of Well (Report location clearly and in accordance with any	-			11. Sec., T. R. M. or B	lk.and Su	rvey or Are	Crossing RSAL Food
At surface LOT 2 / 2310 FNL / 540 FWL / LAT 32.131096				SEC 18 / T25S / R	30E / NN	ИР	
At proposed prod. zone LOT 4 / 200 FSL / 330 FWL / LAT 3 14. Distance in miles and direction from nearest town or post office*	2.108759 /	LONG -103.928278	3	12. County or Parish EDDY		13. State NM	
 Distance from proposed* location to nearest property or lease line, R. (Also to nearest drig. unit line, if any) 	16. No. of a 161.16	cres in lease	17. Spacin 240	g Unit dedicated to this t			
 Distance from proposed location* to nearest well, drilling, completed, 30 feet applied for, on this lease, ft. 	19. Proposed	l Depth t / 18353 feet	-	BIA Bond No. on file OB000050			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3163 feet	22. Approxim 05/01/201	mate date work will star 8	t*	23. Estimated duratio 90 days			
	24. Attac	chments					
The following, completed in accordance with the requirements of Onshor	e Oil and Gas	Order No.1, must be at	tached to th	is form:			
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office). 	Lands, the	Item 20 above). 5. Operator certific	ation	ns unless covered by an ormation and/or plans as	-		
25. Signature (Electronic Submission)		(Printed/Typed) nanie Rabadue / Ph	: (432)62	0-6714	Date 11/10/	2017	
Title Regulatory Compliance Analyst							
Approved by (Signature) (Electronic Submission)		(Printed/Typed) Layton / Ph: (575)2	34-5959		Date 04/18/	/2018	
Title Supervisor Multiple Resources	Office CARI	LSBAD					
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	s legal or equi	table title to those righ	ts in the sul	bject lease which would o	entitle the	applicant to	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr States any false, fictitious or fraudulent statements or representations as t			villfully to r	nake to any department	or agency	of the Uni	led
(Continued on page 2)			03/6	*(Inst	truction	s on pag	e 2)

APPROVED WITH CONDITIONS PPProval Date: 04/18/2018

RW 4-25-18

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts. ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

SHL: LOT 2 / 2310 FNL / 540 FWL / TWSP: 25S / RANGE: 30E / SECTION: 18 / LAT: 32.131096 / LONG: -103.927664 (TVD: 0 feet, MD: 0 feet)
 PPP: LOT 3 / 2310 FSL / 330 FWL / TWSP: 25S / RANGE: 30E / SECTION: 18 / LAT: 32.129171 / LONG: -103.928337 (TVD: 10444 feet, MD: 10926 feet)
 BHL: LOT 4 / 200 FSL / 330 FWL / TWSP: 25S / RANGE: 30E / SECTION: 19 / LAT: 32.108759 / LONG: -103.928278 (TVD: 10444 feet, MD: 18353 feet)

BLM Point of Contact

Name: Priscilla Perez Title: Legal Instruments Examiner Phone: 5752345934 Email: pperez@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

OPERATOR'S NAME:	BOPCO LP
LEASE NO.:	NM120898
WELL NAME & NO.:	901H – Poker Lake Unit 18 Brushy Draw
SURFACE HOLE FOOTAGE:	2310'/N & 540'/W
BOTTOM HOLE FOOTAGE	200'/S & 330'/W, sec. 19
LOCATION:	Section 18, T. 25 S., R. 30 E.
COUNTY:	Eddy County, New Mexico

H2S	Yes	No	
Potash	None	Secretary	R-111-P
Cave/Karst Potential	Low	Medium	High
Variance	None	Flex Hose	Other
Wellhead	Conventional	Multibowl	Both
Other	4 String Area	Capitan Reef	WIPP

Commercial Well Determination

If the well is not in an established participating area for the proposed target formation. A commercial well determination must be submitted to the BLM Carlsbad Office, after production has been established for at least six months.

Unit Wells

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.

A. Hydrogen Sulfide

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the Delaware formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

Possibility of water flows in the Castile and Salado. Possibility of lost circulation in the Red Beds, Rustler and Delaware. Abnormal pressures may be encountered penetrating the 3rd Bone Spring and all subsequent formations.

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B. CASING

- 1. The 13-3/8 inch surface casing shall be set at approximately 820 feet in a competent bed <u>below the Magenta Dolomite</u>, which is a <u>Member of the Rustler</u>, 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 will be a minimum of $\underline{8}$ <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. 9-5/8" Intermediate is to be kept 2/3rds liquid filled while running in hole to meet BLM minimum collapse safety factor.
- 3. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least <u>**500 feet** into previous casing</u> <u>string</u>. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).

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[•] Cement to surface. If cement does not circulate see B.1.a, c-d above.

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.

GENERAL REQUIREMENTS

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

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

□ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).

- b. When the operator proposes to set surface casing with Spudder Rig
- Notify the BLM when moving in and removing the Spudder Rig.
- Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
- BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

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

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8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

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

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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).

- a. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- b. The tests shall be done by an independent service company utilizing a test plug. The results of the test shall be reported to the appropriate BLM office.
- 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. 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.
- e. 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. This test shall be performed prior to the test at full stack pressure.
- f. <u>BOP/BOPE must be tested by an independent service company within 500</u> feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

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

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D. WASTE MATERIAL AND FLUIDS

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

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

Waste Minimization Plan (WMP)

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

EGF 032118

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	BOPCO LP
LEASE NO.:	NM120898
WELL NAME & NO.:	901H – Poker Lake Unit 18 Brushy Draw
SURFACE HOLE FOOTAGE:	2310'/N & 540'/W
BOTTOM HOLE FOOTAGE	200'/S & 330'/W, sec. 19
LOCATION:	Section 18, T. 25 S., R. 30 E.
COUNTY:	Eddy County, New Mexico

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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
Watershed
Surface Pipeline
Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
Production (Post Drilling)
Well Structures & Facilities
Pipelines
Electric Lines
Interim Reclamation
Final Abandonment & Reclamation

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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.

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V. SPECIAL REQUIREMENT(S)

Watershed

- The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed.
- Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion.
- Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

Surface Pipeline:

• A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating values and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

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)

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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.

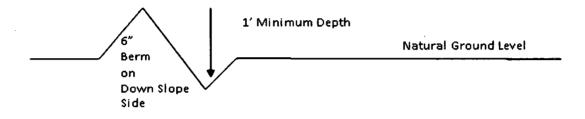
Drainage

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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: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards 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 cattle guards 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.

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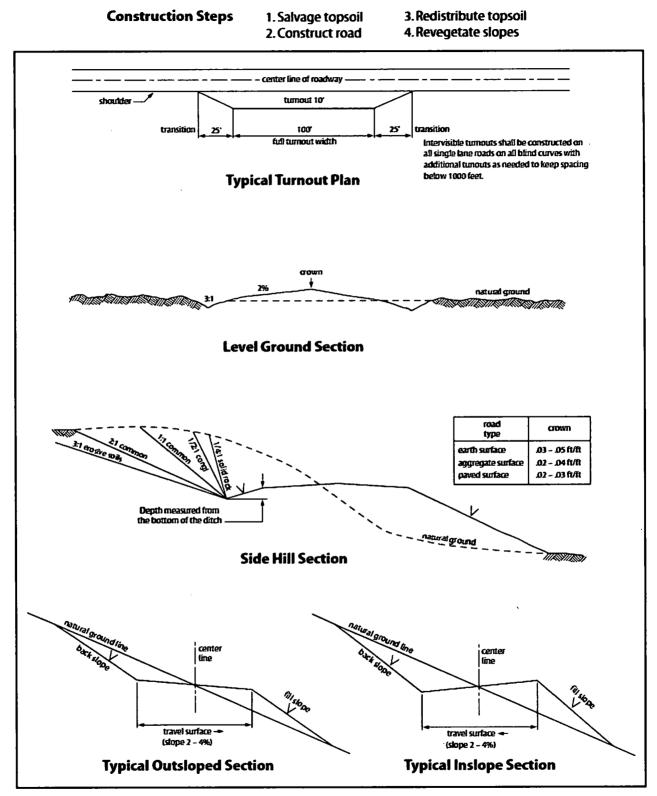


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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VII. 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 1 ½ 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

Page 8 of 20

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, <u>Shale Green</u> 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 20 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

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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.

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you 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. The 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. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq.</u> (1982) with regards 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 especially, 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. The 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, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to 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 agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil 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 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 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 the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-ofway.

6. The pipeline will be buried with a minimum cover of $\underline{36}$ inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be <u>30</u> feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (Blading is defined as the complete removal of brush and ground vegetation.)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed <u>30</u> feet. The trench and bladed area are included in this area. (Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.)

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• The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately ____6___ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. 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.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

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. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

(X) seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4
() seed mixture 2/LPC	() Aplomado Falcon Mixture

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.

14. 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. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. 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 before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (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 actions to prevent the loss of significant 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.

17. 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 associated roads, 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.

18. <u>Escape Ramps</u> - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.

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b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you 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. The 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. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards 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 especially, 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. The 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 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 agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006"

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Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. 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 the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. 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 actions to prevent the loss of significant 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.

11. Special Stipulations:

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- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

VIII. INTERIM RECLAMATION

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).

IX. 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).

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Seed Mixture 1 for Loamy 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 no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will 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 shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/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 shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The 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 lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

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

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Approval Date: 04/18/2018 -

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



Operator Certification

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 this 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.

NAME: Stephanie Rabadue

Signed on: 11/06/2017

Title: Regulatory Compliance Analyst

Street Address: 500 W. Illinois St, Ste 100

City: Midland

Zip: 79701

Phone: (432)620-6714

Email address: stephanie_rabadue@xtoenergy.com

State: TX

State:

Field Representative

Representative Name:

Street Address:

City:

Phone:

Email address:

Zip:



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



APD ID: 10400024300

Operator Name: BOPCO LP

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Type: OIL WELL

Well Number: 901H Well Work Type: Drill

Submission Date: 11/10/2017

Zip: 76102

Highilighted Octa reflects the most recent chenges

Show Final Text

Section 1 - General	1		
APD ID: 10400024300	Tie to previous NOS?	10400013153	Submission Date: 11/10/2017
BLM Office: CARLSBAD	User: Stephanie Rabae	due Tit	le: Regulatory Compliance Analyst
Federal/Indian APD: FED	is the first lease pene	trated for product	tion Federal or Indian? FED
Lease number: NMNM120898	Lease Acres: 161.16		
Surface access agreement in place	? Allotted?	Reservation :	:
Agreement in place? YES	Federal or Indian agre	ement: FEDERAL	-
Agreement number: NMNM071016X	ĸ		
Agreement name:			
Keep application confidential? NO			
Permitting Agent? NO	APD Operator: BOPC	O LP	
Operator letter of designation:	PLU_18_BD_Op_Rights_20171	110063547.pdf	

Operator Info

Operator Organization Name: BOPCO LP

Operator Address: 810 Houston Street

Operator PO Box:

Operator City: Fort Worth State: TX

Operator Phone: (817)885-8200

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO	Mater Development Plan name:							
Well in Master SUPO? NO	Master SUPO name:							
Well in Master Drilling Plan? NO	Master Drilling Plan name:							
Well Name: POKER LAKE UNIT 18 BRUSHY DRAW	Well Number: 901H	Well API Number:						
Field/Pool or Exploratory? Exploratory	Field Name: WILDCAT	Pool Name:						

Is the proposed well in an area containing other mineral resources? USEABLE WATER, NATURAL GAS, OIL

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Well Number: 90	1H
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Desc	ribe o	ther r	ninera	als:			•											
is the	e prop	osed	well i	n a He	elium	prod	uctio	n area?	N Use E	ixisting W	ell Pac	17 NO	Ne	ws	urface d	listurt	bance	?
Type of Well Pad: MULTIPLE WELL								-	ble Well Pa		ne: PLI	J Nu	mb	er: 1				
										18 BRUSHY DRAW Number of Legs: 1								
Well	Work	Type	: Drill															
Well	Type:	OIL V	VELL															
Desc	ribe V	Vell Ty	ype:															
Well	sub-T	ype: l	EXPLO	ORAT	ORY	(WILD	CAT))										
Desc	ribe s	ub-ty	pe:															
Dista	nce t	o towi	n:				Dist	tance to	nearest v	vell: 30 FT	-	Dist	ance t	o le	ase line:	330 I	FT	
Rese	rvoir	well s	pacin	ig ass	igned	l acre	s Mea	asurem	ent: 240 A	cres								
Well	plat:	PL	U_18_	_BD_9	901H_	C102	1_20 ⁻	1801040	155420.pdf									
Well	work	start	Date:	05/01	/2018				Durat	i on : 90 DA	AYS							
[•						7									
L	Sec	tion	3 - V	Vell	Loca	ation	la	ole										
Surv	ey Ty _l	pe: RE	ECTA	NGUL	AR													
Desc	ribe S	Survey	/ Туре	e :														
Datu	m:NA	D83							Vertic	al Datum:	NAVE	88						
Surv	ey nu	mber:																
	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	DM	DVT
SHL	231	FNL		FWL		30E		Lot	32.13109	-	EDD	NEW	NEW	F	NMNM	316	0	0
Leg	0							2	6	103.9276 64	Y	MEXI CO	MEXI CO		120898	3		
#1 KOP	231	FNL	540	FWL	255	30F	18	Lot	32.13109		EDD	ļ	NEW	F	NMNM	 -	986	986
Leg #1	0							2	6	103.9276 64			MEXI CO		120898	670 3	6	6
PPP Leg #1	231 0	FSL	330	FWL	25S	30E	18	Lot 3	32.12917 1	- 103.9283 37	EDD Y		NEW MEXI CO		NMLC0 065705 B		109 26	104 44

-

Operator Name: BOPCO LP

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	QW	TVD
EXIT Leg #1	330	FSL	330	FWL	25S	30E	19	Lot 4	32.10911 3	- 103.9282 79	EDD Y	MEXI			NMLC0 070341	- 728 1	183 00	104 44
BHL Leg #1	200	FSL	330	FWL	255	30E	19	Lot 4	32.10875 9	- 103.9282 78	EDD Y	MEXI			NMLC0 070341	- 728 1	183 53	104 44



Stephanie Rabadue Regulatory Analyst XTO Energy Inc. 500 W. Illinois St Ste 100 Midland, Texas 79701 (432) 620-6714 stephanie_rabadue@xtoenergy.com

July 01, 2017

Bureau of Land Management Carlsbad Field Office 620 E. Greene Street Carlsbad, NM 88220

RE: Operating Agreement/Rights for Poker Lake Unit 18 Brushy Draw

To Whom It May Concern:

This is to hereby certify that XTO Energy, Inc. is has operating rights over leases: NMNM120898, NMLC0065705B and NMLC0070341 through acreage trades and acquisitions.

Sincerely,

Stephanie Rabadue Regulatory Analyst XTO Energy, Inc Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

PLU_18_BD_901H_5MCM_20171110064454.pdf

BOP Diagram Attachment:

PLU_18_BD_901H_5MBOP_20171110064502.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	820	0	820			820	H-40	48	STC	3.88	4.61	DRY	6.44	DRY	6.44
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	3450	0	3450			3450	J-55	36	LTC	1.86	3.24	DRY	4.09	DRY	4.09
3	PRODUCTI ON	8.75	5.5 .	NEW	API	N	0	18353	0	10444			18353	P- 110	17	BUTT	1.69	1.12	DRY	2.62	DRY	2.62

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

PLU_18_BD_901H_Csg_20171110064543.pdf

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Casing Attachments

Casing ID:	2	String Type:INTERMEDIATE	
Inspection [Document:		
Spec Docum	nent:		
Tapered Str	ing Spec:		
Casing Desi	ign Assumpt	tions and Worksheet(s):	
PLU_1	8_BD_901H	L_Csg_20171110064552.pdf	
Casing ID:	2		
Casing ID:		String Type: PRODUCTION	
Inspection [Document:		
Spec Docur	nent:		

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

PLU_18_BD_901H_Csg_20171110064559.pdf

Section											
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	820	440	1.68	12.8	739.2	100	ExtendaCem-CZ	None
SURFACE	Tail				350	1.35	14.8	472.5	100	HalCem-C	2% CaCl
INTERMEDIATE	Lead	· · ·	0	3450	870	1.92	12.8	1670. 4	100	EconoCem	5% Salt, 5% Kol-Seal
INTERMEDIATE	Tail				250	1.33	14.8	332.5	100	HalCem-C	None
PRODUCTION	Lead		2950	9866	760	2.81	11	2135. 6	50	NeoCem	None

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
PRODUCTION	Tail		9866	1835 3	2100	1.4	13.2	2940	50	HalCem-H	.5% LAP-1, .25% CFR- 3, 5pps Kol-Seal, .25pps D-air 5000

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: The necessary mud products for weight addition and fluid loss control will be on location at all times. Use fibrous materials as needed to control seepage and lost circulation. Pump viscous sweeps as needed for hole cleaning. Pump speed will be recorded on a daily drilling report after mudding up.

Describe the mud monitoring system utilized: A Pason or Totco will be used to detect changes in loss or gain of mud volume.

		ulating Medic									
Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	На	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	820	OTHER : Fresh Water/Native	8.5	8.8							A mud test will be performed every 24 hours to determine: density, viscosity, strength, filtration, and pH as necessary. Use available solids control equipment to help keep mud weight down after mud up. Rig up solids control equipment to operate as a closed loop system.
820	3450	OTHER : Brine/Gel Sweeps	9.8	10.2		-					A mud test will be performed every 24 hours to determine: density, viscosity, strength, filtration, and pH as necessary. Use available solids control equipment to help keep mud weight down after mud up. Rig up solids

Circulating Medium Table

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Control equipment to operate as a closed loop system.
3450	1835 3	OIL-BASED MUD	8.8	9.2							A mud test will be performed every 24 hours to determine: density, viscosity, strength, filtration, and pH as necessary. Use available solids control equipment to help keep mud weight down after mud up. Rig up solids control equipment to operate as a closed loop system.

Section 6 - Test, Logging, Coring

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

Mud Logger: Mud Logging Unit (2 Man) on @ 3450'. Catch 20' samples from 3450' to TD

Open hole logging to include Density/Neutron/Sonic/Spectral Gamma from curve to intermediate casing shoe. List of open and cased hole logs run in the well:

CBL, DS, GR, MUDLOG, SONIC

Coring operation description for the well:

No coring is anticipated on this well.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4996

Anticipated Surface Pressure: 2698.32

Anticipated Bottom Hole Temperature(F): 160

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Well Number: 901H

PLU_18_BD_H2S_Plan_20171110065055.pdf PLU_18_BD_Pad_1_H2S_Dia_20171110065106.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

PLU_18_BD_901H_DD_20171110065128.pdf

Other proposed operations facets description:

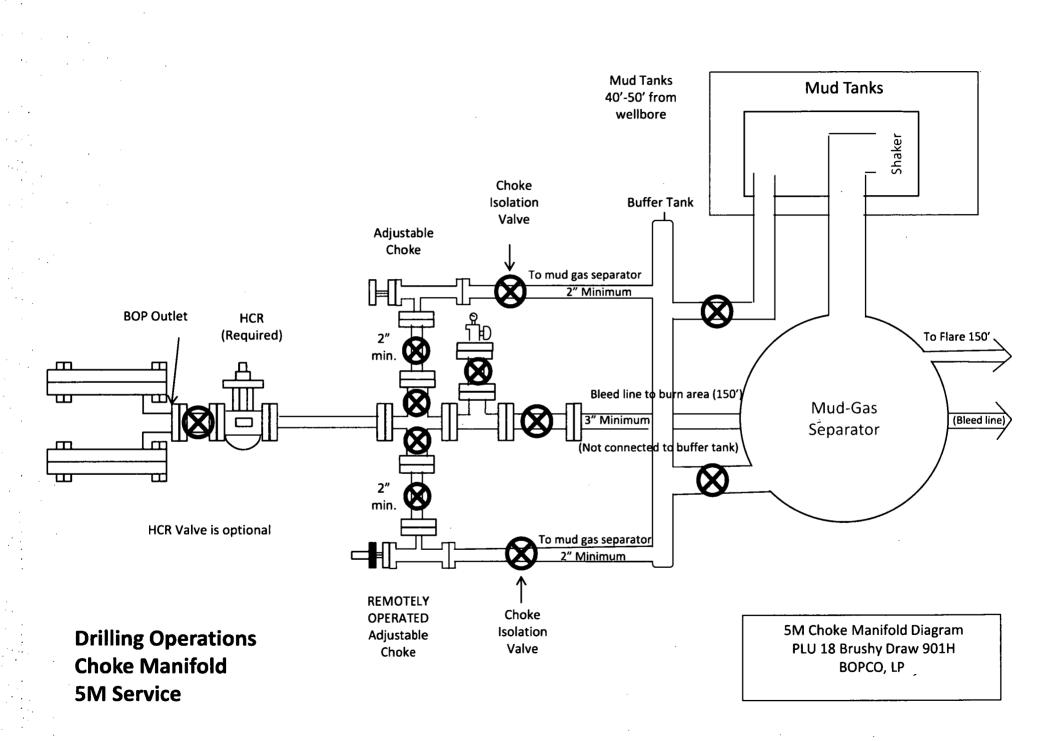
Other proposed operations facets attachment:

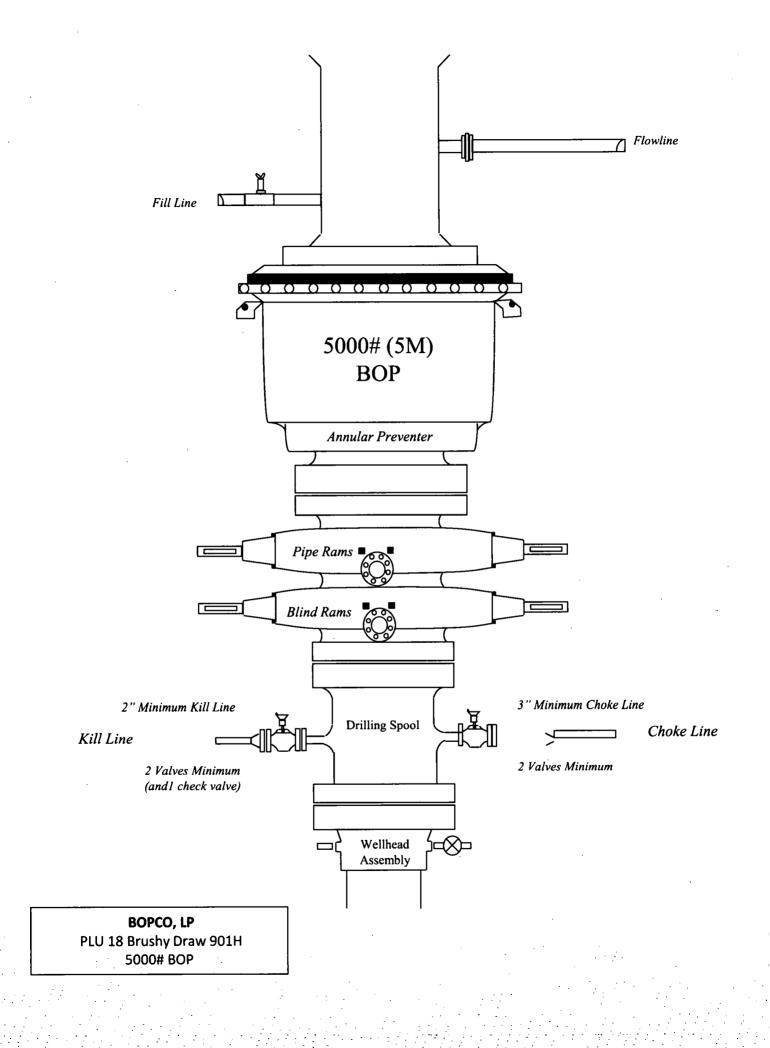
PLU_18_BD_901H_GCPE_20171110065138.pdf

PLU_18_BD_901H_GCPW_20171110065144.pdf

Other Variance attachment:

PLU_18_BD_FH_20171110065153.pdf





BOPCO, LP PLU 18 Brushy Draw 901H Projected TD: 18353' MD / 10444' TVD SHL: 2310' FNL & 540' FWL, SECTION 18, T25S, R30E BHL: 200' FSL & 330' FWL, SECTION 19, T25S, R30E Eddy County, NM

Hole Size	Depth	OD Csg	Weight	Collar	Grade	New/Used	SF Burst	SF Collapse	SF Tension
17-1/2"	0' - 820'	13-3/8"	48#	STC	H-40	New	4.61	3.88	6.44
12-1/4"	0' - 3450'	9-5/8"	36#	LTC	J-55	New	3.24	1.86	4.09
8-3/4" x 8-1/2"	0' – 18353'	5-1/2"	17#	BTC	P-110	New	1.12	1.5	2.53

Casing Worksheet

BOPCO, LP PLU 18 Brushy Draw 901H Projected TD: 18353' MD / 10444' TVD SHL: 2310' FNL & 540' FWL, SECTION 18, T25S, R30E BHL: 200' FSL & 330' FWL, SECTION 19, T25S, R30E Eddy County, NM

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Casing Worksheet

GENERAL OFFICES – MIDLAND, TEXAS

BOPCO, L.P. 6401 Holiday Hill Road Midland, Tx 79707 (432) 683-2277

HYDROGEN SULFIDE (H2S) CONTINGENCY PLAN

Assumed 100 ppm ROE = 3000'

100 ppm H2S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- · Use the "buddy system" to ensure no injuries occur during the response
- · Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - o Detection of H₂S, and
 - o Measures for protection against the gas,
 - o Equipment used for protection and emergency response.

Ignition of Gas source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO_2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = I	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = I	2 ppm	N/A	1000 ppm

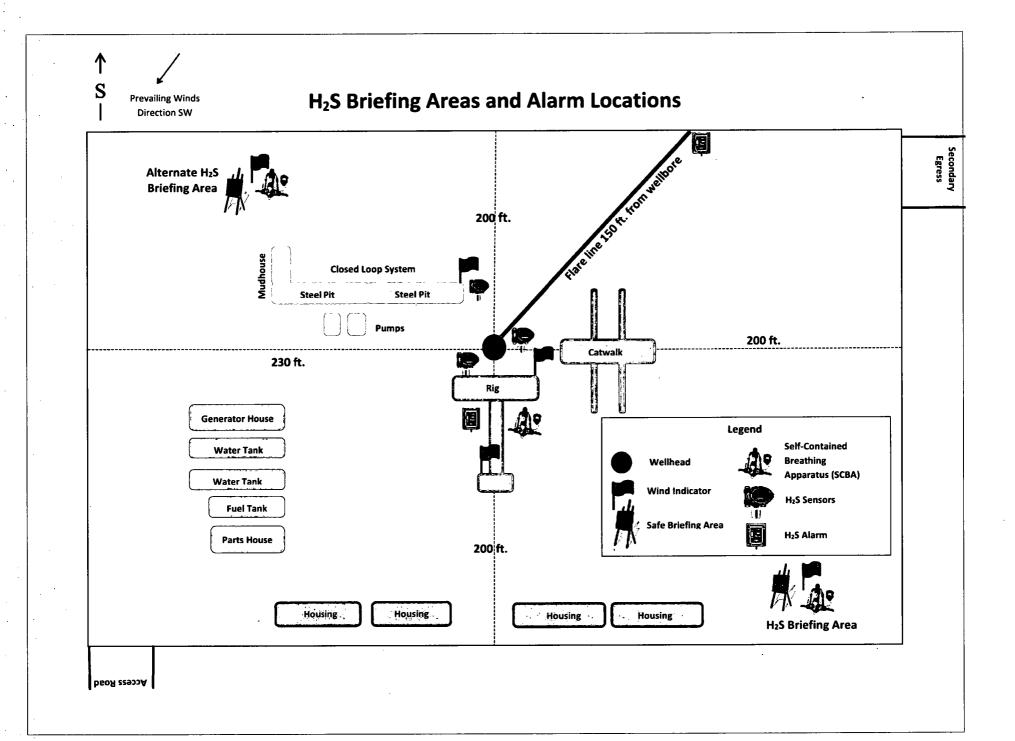
Contacting Authorities

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).

CARLSBAD OFFICE - EDDY & LEA COUNTIES

3104 E. Greene St., Carlsbad, NM 88220 Carlsbad, NM	575-887-7329
BOPCO, L.P. PERSONNEL: Kendall Decker, Drilling Manager Milton Turman, Drilling Superintendent Jeff Raines, Construction Foreman Toady Sanders, EH & S Manager Wes McSpadden, Production Foreman	903-521-6477 817-524-5107 432-557-3159 903-520-1601 575-441-1147
SHERIFF DEPARTMENTS: Eddy County Lea County	575-887-7551 575-396-3611
NEW MEXICO STATE POLICE:	575-392-5588
FIRE DEPARTMENTS: Carlsbad Eunice Hobbs Jal Lovington	911 575-885-2111 575-394-2111 575-397-9308 575-395-2221 575-396-2359
HOSPITALS: Carlsbad Medical Emergency Eunice Medical Emergency Hobbs Medical Emergency Jal Medical Emergency Lovington Medical Emergency	911 575-885-2111 575-394-2112 575-397-9308 575-395-2221 575-396-2359
AGENT NOTIFICATIONS: For Lea County: Bureau of Land Management – Hobbs New Mexico Oil Conservation Division – Hobbs	575-393-3612 575-393-6161
For Eddy County: Bureau of Land Management - Carlsbad New Mexico Oil Conservation Division - Artesia	575-234-5972 575-748-1283

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5D Plan Report

XTO Energy	
Field Name:	Eddy Co., NM (NAD 27 NME)
Site Name:	Poker Lake Unit 18
Well Name:	PLU 18 Brushy Draw 901H
Plan:	P1:V1

14 June 2017



Weatherford International Limited

5D 8.1.26 (64 bit) : 14 June 2017, 10:59:01 UTC-5

	Plan Sur	veys for PLU	18 Brush	y Drav	v 901H	
	Map Units: US ft		Com	ipany Nam	e: XTO Energy	
Field Name:	Vertical Reference	Datum (VRD):				
	Projected Coordina	ite System: NAD27 / N	ew Mexico Eas	t		
Eddy Co., NM (NAD 27 NME)	Comment:					
	Units: US ft	North Reference:	Grid	Converge	ence Angle: 0.22	
	n 1	Northing: 411606.	70 US ft	Latitude	: 32° 7' 51.50"	
Site:	Position:	Easting: 625696.9	0 US ft	Longitud	e: -103° 55' 38.1	9"
Poker Lake Unit 18	Elevation above Fi	eld Reference:3163.00) US ft			
		Position (Relative to S	ite Centre)	
	+N/-S: 0.10 US ft	Northing: 411606.	80 US ft	Latitude	: 32°7'51.50"	
Slot:	+E/-W: 30.00 US f	t Easting: 625726.9	0 US ft	Longitud	e: -103°55'37.84	•
PLU 18 Brushy	Slot TVD Reference	e: Ground Elevation				
Draw 901H		eld Reference: 3163.0	00 US ft			
	Comment:					
	Type:Main well		UWI:		Plan:P1:V1	
	File Number:	Comment:				
Well:	Closure Distance:8		Closure Azi		13°	
PLU 18 Brushy Draw 901H		osition of Origin (Rela +N/-S: 0.00 US ft	ative to Slot o +E/-W: 0.0		Az: 179.65°	
	Magnetic Paramet					
	Model: bggm2017	Fi eld Strength: 47909.9nT	Declination	: 7.18°	Dip: 59.88°	Date: 01/Aug/2017

•

Drill floor: Plan: P1:V1				
Rig Height (Drill Floor): 25.00us ft	Elevation above Field Reference: 3188.00us ft	Inclination: 0.00°	Azimuth: 0.00°	

Target set: Brushy	Draw 901H Targ	ets Comment:					
Target Name:	Shape:	τν̈́ρ (US ft)	N.Offset (US ft)	E.Offset (US ft)	Northing (USFt)	Easting (USFt)	Comment
FTP	Point	10444.00	-701.00	-205.90	410905.80	625521.00	
PBHL	Point	10444.00	-8127.50	-160.00	403479.30	625566.90	

Wellpath created using minimum curvature.

MD: 0.0	DOUSFt	Inclinati 0.00°	on:	Azimuth:	0.00°	TVD: 0.00USFt	North 0.00U	Offset: SFt		ost Offset 00USFt	:
alient Poi	ints: (Relativ	ve to Slot cent	tre)(TVD re	lative to Dril	Floor)						
MD (US fl)	Inc (°)	Az (°)	TVD (US ft)	VŚ (US ft)	N.Offse (US ft)		T.Face (°)	B.Rate (°/100US ft)	T.Rate ' (°/100US ft)	DLS (°/100US ft)	Comment
0.00	0.00	0.00	0.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9866.05	0.00	0.00	9866.05	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	KOP-Build @ 10° DLS
10730.82	86.48	198.93	10437.92	2 507.58	-508.67	7 -174.47	198.93	10.00	0.00	10.00	Build/Turn @ 10° DL

.

Salient Poin	nts: (Relative	to Slot cen	tre)(TVD rela	tive to Drill	Floor)	·					
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Offset (US ft)	E.Offset (US ft)	T.Face (°)	B.Rate (°/100US ft)	T.Rate (°/100US ft)	DLS (°/100US (t)	Comment
10926.76	90.00	179.65	10444.00	699.71	-701.00	-205.90	279.96	1.80	-9.84	10.00	Landing Pt- FTP
18353.40	90.00	179.65	10444.00	8126.36	-8127.50	-160.00	0.00	0.00	0.00	0.00	PBHL 901H
			ot centre)(TV								
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Offset (US ft)	E.Offset (US ft)	T.Face . (°)	B.Rate (°/100US ft)	T.Rate (°/100US - ft)	DLS (°/100US ft)	Comment
0.00	0.00	0.00	0.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00 400.00	0.00 0.00	0.00 0.00	300.00 400.00	-0.00 -0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00	0.00	0.00 0.00	
500.00	0.00	0.00	500.00	-0.00	0.00	0.00	0.00	0.00 0.00	0.00 0.00	0.00	
600.00	0.00	0.00	600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
751.00	0.00	0.00	751.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	Rustler :
800.00	0.00	0.00	800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
830.00	0.00	0.00	830.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	Top Salt :
900.00	0.00	0.00	900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1000.00	0.00	0.00	1000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1100.00	0.00	0.00	1100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1200.00 1300.00	0.00 0.00	0.00 0.00	1200.00 1300.00	-0.00 -0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	、0.00 0.00	
1400.00	0.00	0.00	1400.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1500.00	0.00	0.00	1500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1600.00	0.00	0.00	1600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1700.00	0.00	0.00	1700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1800.00	0.00	0.00	1800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1900.00	0.00	0.00	1900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	0.00	0.00	2000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2100.00	0.00	0.00	2100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2200.00 2300.00	0.00 0.00	0.00 0.00	2200.00 2300.00	-0.00 -0.00	0.00	0.00	0.00	0.00	0.00	0.00 0.00	
2300.00	0.00	0.00	2300.00	-0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00	
2500.00	0.00	0.00	2500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2600.00	0.00	0.00	2600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2700.00	0.00	0.00	2700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2800.00	0.00	0.00	2800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2900.00	0.00	0.00	2900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3000.00	0.00	0.00	3000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3100.00	0.00	0.00	3100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3200.00 3238.00	0.00 0.00	0.00 0.00	3200.00 3238.00	-0.00 -0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	Base Salt :
3300.00	0.00	0.00	3300.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	base sait :
3400.00	0.00	0.00	3400.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3455.00	0.00	0.00	3455.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	Delaware :
3500.00	0.00	0.00	3500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3600.00	0.00	0.00	3600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3700.00	0.00	0.00	3700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3800.00	0.00	0.00	3800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3900.00	0.00	0.00	3900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4000.00	0.00	0.00	4000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4100.00 4200.00	0.00 0.00	0.00 0.00	4100.00 4200.00	-0.00 -0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	
4200.00	0.00	0.00	4200.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4386.00	0.00	0.00	4386.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	Cherry Canyon :
4400.00	0.00	0.00	4400.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Weatherford International Limited

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5D 8.1.26 (64 bit) : 14 June 2017, 10:59:01 UTC-5

Interpolateo	Points: (Re	lative to Slo	ot centre)(TVI) relative to	Drill Floor)						
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Offset (US ft)	E.Offset (US ft)	T.Face (°)	B.Rate (°/100US ft)	T.Rate (°/100US ft)	DLS (°/100US ft)	Comment
4600.00	0.00	0.00	4600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4700.00	0.00	0.00	4700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4800.00	0.00	0.00	4800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4900.00	0.00	0.00	4900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5000.00	0.00	0.00	5000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5100.00	0.00	0.00	5100,00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5200.00	0.00	0.00	5200.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5300.00	0.00	0.00	5300.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5400.00	0.00	0.00	5400.00	-0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	
5500.00	0.00	0.00	5500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5600.00	0.00	0.00	5600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5700.00	0.00	0.00	5700.00	-0.00 -0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5800.00	0.00	0.00	5800.00 5900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5900.00	0.00	0.00				0.00	0.00	0.00	. 0.00	0.00	
6000.00 6037.00	0.00 0.00	0.00 0.00	6000.00 6037.00	-0.00 -0.00	0.00 0.00	0.00	0.00	0.00	0.00	0.00	Brushy Canyon :
6100.00	0.00	0.00	6100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6200.00	0.00	0.00	6200.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6300.00	0.00	0.00	6300.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6400.00	0.00	0.00	6400.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6500.00	0.00	0.00	6500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6600.00	0.00	0.00	6600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6700.00	0.00	0.00	6700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6800.00	0.00	0.00	6800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6900.00	0.00	0.00	6900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7000.00	0.00	0.00	7000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7100.00	0.00	0.00	7100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7200.00	0.00	0.00	7200.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7213.00	0.00	0.00	7213.00	-0.00	0.00 .	0.00	0.00	0.00	0.00	0.00	Bone Spring :
7300.00	0.00	0.00	7300.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7400.00	0.00 ·	0.00	7400.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7500.00	0.00	0.00	7500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7600.00	0.00	0.00	7600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7700.00	0.00	0.00	7700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7800.00	0.00	0.00	7800.00	-0.00	0.00	0.00	0.00	0.00	0.00	. 0.00	
7900.00	0.00	0.00	7900.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8000.00	0.00	0.00	8000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8100.00	0.00	0.00	8100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8200.00 8212.00	0.00 0.00	0.00 0.00	8200.00 8212.00	-0.00 -0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	1st Bone Springs Ss
8300.00	0.00	0.00	8300.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8400.00	0.00	0.00	8400.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8500.00	0.00	0.00	8500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8600.00	0.00	0.00	8600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8700.00	0.00	0.00	8700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8800.00	0.00	0.00	8800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8900.00	0.00	0.00	8900.00	-0.00	0.00	0.00	0.00	. 0.00	0.00	0.00	
9000.00	0.00	0.00	9000.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9046.00	0.00	0.00	9046.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	2nd Bone Springs Ss
9100.00	0.00	0.00	9100.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9200.00	0.00	0.00	9200.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9276.00	0.00	0.00	9276.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	3rd Bone Springs Lm :
9300.00	0.00	0.00	9300.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Weatherford International Limited

5D 8.1.26 (64 bit) : 14 June 2017, 10:59:01 UTC-5

Interpolated	Points: / Pr	lative to Slo	t centre)/TVI) relative to	Drill Floor)						
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Ofíset (US ft)	E.Offset (US ft)	T.Face (°)	B.Rate (°/100US ft)	T.Rate (°/100US ft)	DLS (°/100US ft)	Comment
9500.00	0.00	0.00	9500.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9600.00	0.00	0.00	9600.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9700.00	0.00	0.00	9700.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9800.00	0.00	0.00	9800.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9866.05	0.00	0.00	9866.05	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	KOP-Build @ 10º DLS
9900.00	3.40	198.93	9899.98	0.95	-0.95	-0.33	198.93	10.00	0.00	10.00	
10000.00	13.40	198.93	9998.78	14.71	-14.74	-5.06	0.00	10.00	-0.00	10.00	
10100.00	23.40	198.93	10093.55	44.46	-44.56	-15.28	0.00	10.00	0.00	10.00	
10124.69	25.86	198.93	10116.00	54.17	-54.29	-18.62	0.00	10.00	0.00	10.00	3rd Bone Springs Ss :
10200.00	33.40	198.93	10181.41	89.29	-89.48	-30.69	0.00	10.00	-0.00	10.00	
10300.00	43.40	198.93	10259.68	147.84	-148.16	-50.82	0.00	10.00	-0.00	10.00	
10400.00	53.40	198.93	10326.00	218.33	-218.80	-75.05	0.00	10.00	0.00	10.00	
10500.00	63.40	198.93	10378.34	298.61	-299.25 ·	-102.65	0.00	10.00	0.00	10.00	
10600.00	73.40	198.93	10415.11	386.26	-387.09	-132.77	0.00	10.00	0.00	10.00	
10700.00	83.40	198.93	10435.20	478.60	-479.63	-164.51	0.00	10.00	-0.00	10.00	
10730.82	86.48	198.93	10437.92	507.58	-508.67	-174.47	0.00	10.00	0.00	10.00	Build/Turn @ 10° DLS
10800.00	87.70	192.11	10441.44	573.99	-575.19	-192.95	279.96	1.76	-9.86	10.00	
10900.00	89.51	182.28	10443.89	672.97	-674.25	-205.45	280.30	1.81	-9.84	10.00	_
10926.76	90.00	179.65	10444.00	699.71	-701.00	-205.90	280.55	1.83	-9.83	10.00	Landing Pt- FTP
11000.00	90.00	179.65	10444.00	772.96	-774.24	-205.45	0.00	0.00	0.00	0.00	
11100.00	90.00	179.65	10444.00	872.96	-874.24	-204.83	0.00	0.00	0.00	0.00	
11200.00	90.00	179.65	10444.00	972.96	-974.24	-204.21	0.00	0.00	0.00	0.00	
11300.00	90.00	179.65	10444.00	1072.96	-1074.24	-203.59	0.00	0.00	0.00	0.00	
11400.00	90.00	179.65	10444.00	1172.96	-1174.24	-202.98	0.00	0.00	0.00	0.00	
11500.00	90.00	179.65	10444.00	1272.96	-1274.23	-202.36	0.00	0.00	0.00	0.00	
11600.00	90.00	179.65	10444.00	1372.96	-1374.23	-201.74	0.00	0.00	0.00	0.00	
11700.00	90.00	179.65	10444.00	1472.96	-1474.23	-201.12	0.00	0.00	0.00	0.00	
11800.00	90.00	179.65	10444.00	1572.96	-1574.23	-200.50	0.00	0.00	0.00	0.00	
11900.00	90.00	179.65	10444.00	1672.96	-1674.23	-199.88	0.00	0.00	0.00	0.00	
12000.00	90.00	179.65	10444.00	1772.96	-1774.22	-199.27	0.00	0.00	0.00	0.00	
12100.00	90.00	179.65	10444.00	1872.96	-1874.22	-198.65	0.00	0.00	0.00	0.00	
12200.00	90.00	179.65	10444.00	1972.96	-1974.22	-198.03	0.00	0.00	0.00	0.00	
12300.00	90.00	179.65	10444.00	2072.96	-2074.22	-197.41	0.00	0.00	0.00	0.00	
12400.00	90.00	179.65	10444.00	2172.96	-2174.22	-196.79	0.00	0.00	0.00	0.00	
12500.00	90.00	179.65	10444.00	2272.96	-2274.21	-196.18	0.00	0.00	0.00	0.00	
12600.00	90.00	179.65	10444.00	2372.96	-2374.21	-195.56	0.00	0.00	0.00	0.00	
12700.00	90.00	179.65	10444.00	2472.96	-2474.21	-194.94	0.00	0.00	0.00	0.00	
12800.00	90.00	179.65	10444.00	2572.96	-2574.21	-194.32	0.00	0.00	0.00	0.00	
12900.00	90.00	179.65	10444.00	2672.96	-2674.21	-193.70	0.00	0.00	0.00	0.00	
13000.00	90.00	179.65	10444.00	2772.96	-2774.20	-193.09	0.00	0.00	0.00	0.00	
13100.00	90.00	179.65	10444.00	2872.96	-2874.20	-192.47	0.00	0.00	0.00	0.00	
13200.00	90.00	179.65	10444.00	2972.96	-2974.20	-191.85	0.00	0.00	0.00	0.00	
13300.00	90.00	179.65	10444.00	3072.96	-3074.20	-191.23	0.00	0.00	0.00	0.00	
13400.00	90.00	179.65	10444.00	3172.96	-3174.20	-190.61	0.00	0.00	0.00	0.00	
13500.00	90.00	179.65	10444.00	3272.96	-3274.20	-190.00	0.00	0.00	0.00	0.00	
13600.00	90.00	179.65	10444.00	3372.96	-3374.19	-189.38	0.00	0.00	0.00	0.00	
13700.00	90.00	179.65	10444.00	3472.96	-3474.19	-188.76	0.00	0.00	0.00	0.00	
13800.00	90.00	179.65	10444.00	3572.96	-3574.19	-188.14	0.00	0.00	0.00	0.00	
13900.00	90.00	179.65	10444.00	3672.96	-3674.19	-187.52	0.00	0.00	0.00	0.00	
14000.00	90.00	179.65	10444.00	3772.96	-3774.19	-186.91	0.00	0.00	0.00	0.00	
14100.00	90.00	179.65	10444.00	3872.96	-3874.18	-186.29	0.00	0.00	0.00	0.00	
14200.00	90.00	179.65	10444.00	3972.96	-3974.18	-185.67	0.00	0.00	0.00	0.00	
14300.00	90.00	179.65	10444.00	4072.96	-4074.18	-185.05	0.00	0.00	0.00	0.00	
14400.00	90.00	179.65	10444.00	4172.96	-4174.18	-184.43	0.00	0.00	0.00	0.00	
14500.00	90.00	179.65	10444.00	4272.96	-4274.18	-183.82	0.00	0.00	0.00	0.00	

. Weatherford International Limited

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Interpolated	Points: (Re	elative to Sid	ot centre)(TVI	D relative to	Drill Floor)						
MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	VS (US ft)	N.Offset (US ft)	E.Offset (US ft)	T.Face (°)	B.Rate (°/100US ft)	T.Rate (°/100US ft)	DLS (°/100US ft)	Comment
14600.00	90.00	179.65	10444.00	4372.96	-4374.17	-183.20	0.00	0.00	0.00	0.00	
14700.00	90.00	179.65	10444.00	4472.96	-4474.17	-182.58	0.00	0.00	0.00	0.00	
14800.00	90.00	179.65	10444.00	4572.96	-4574.17	-181.96	0.00	0.00	0.00	0.00	
14900.00	90.00	179.65	10444.00	4672.96	-4674.17	-181.34	0.00	0.00	0.00	0.00	
15000.00	90.00	179.65	10444.00	4772.96	-4774.17	-180.73	0.00	0.00	0.00	0.00	
15100.00	90.00	179.65	10444.00	4872.96	-4874.16	-180.11	0.00	0.00	0.00	0.00	
15200.00	90.00	179.65	10444.00	4972.96	-4974.16	-179.49	0.00	0.00	0.00	0.00	
15300.00	90.00	179.65	10444.00	5072.96	-5074.16	-178.87	0.00	0.00	0.00	0.00	
15400.00	90.00	179.65	10444.00	5172.96	-5174.16	-178.25	0.00	0.00	0.00	0.00	
15500.00	90.00	179.65	10444.00	5272.96	-5274.16	-177.64	0.00	0.00	0.00	0.00	
15600.00	90.00	179.65	10444.00	5372.96	-5374.15	-177.02	0.00	0.00	0.00	0.00	
15700.00	90.00	179.65	10444.00	5472.96	-5474.15	-176.40	0.00	0.00	0.00	0.00	
15800.00	90.00	179.65	10444.00	5572.96	-5574.15	-175.78	0.00	0.00	0.00	0.00	
15900.00	90.00	179.65	10444.00	5672.96	-5674.15	-175.16	0.00	0.00	0.00	0.00	
16000.00	90.00	179.65	10444.00	5772.96	-5774.15	-174.55	0.00	0.00	0.00	0.00	
16100.00	90.00	179.65	10444.00	5872.96	-5874.15	-173.93	0.00	0.00	0.00	0.00	
16200.00	90.00	179.65	10444.00	5972.96	-5974.14	-173.31	0.00	0.00	0.00	0.00	
16300.00	90.00	179.65	10444.00	6072.96	-6074.14	-172.69	0.00	0.00	0.00	0.00	
16400.00	90.00	179.65	10444.00	6172.96	-6174.14	-172.07	0.00	0.00	0.00	0.00	
16500.00	90.00	179.65	10444.00	6272.96	-6274.14	-171.45	0.00	0.00	0.00	0.00	
16600.00	90.00	179.65	10444.00	6372.96	-6374.14	-170.84	0.00	0.00	0.00	0.00	
16700.00	90.00	179.65	10444.00	6472.96	6474.13	-170.22	0.00	0.00	0.00	0.00	
16800.00	90.00	179.65	10444.00	6572.96	-6574.13	-169.60	0.00	0.00	0.00	0.00	
16900.00	90.00	179.65	10444.00	6672.96	-6674.13	-168.98	0.00	0.00	0.00	0.00	
17000.00	90.00	179.65	10444.00	6772.96	-6774.13	-168.36	0.00	0.00	0.00	0.00	
17100.00	90.00	179.65	10444.00	6872.96	-6874.13	-167.75	0.00	0.00	0.00	0.00	
17200.00	90.00	179.65	10444.00	6972.96	-6974.12	-167.13	0.00	0.00	0.00	0.00	
17300.00	90.00	179.65	10444.00	7072.96	-7074.12	-166.51	0.00	0.00	0.00	0.00	
17400.00	90.00	179.65	10444.00	717 2.96	-7174.12	-165.89	0.00	0.00	0.00	0.00	
17500.00	90.00	179.65	10444.00	7272.96	-7274.12	-165.27	0.00	0.00	0.00	0.00	
17600.00	90.00	179.65	10444.00	7372.96	-7374.12	-164.66	0.00	0.00	0.00	0.00	
17700.00	90.00	179.65	10444.00	7472.96	-7474.11	-164.04	0.00	0.00	0.00	0.00	
17800.00	90.00	179.65	10444.00	7572.96	-7574.11	-163.42	0.00	0.00	0.00	0.00	
17900.00	90.00	179.65	10444.00	7672.96	-7674.11	-162.80	0.00	0.00	0.00	0.00	
18000.00	90.00	179.65	10444.00	7772.96	-7774.11	-162.18	0.00	0.00	0.00	0.00	
18100.00	90.00	179.65	10444.00	7872.96	-7874.11	-161.57	0.00	0.00	0.00	0.00	
18200.00	90.00	179.65	10444.00	7972.96	-7974.11	-160.95	0.00	0.00	0.00	0.00	
18300.00	90.00	179.65	10444.00	8072.96	-8074.10	-160.33	0.00	0.00	0.00	0.00	
18353.40	90.00	179.65	10444.00	8126.36	-8127.50	-160.00	0.00	0.00	0.00	0.00	PBHL 901H

ormation Points: (Rela	ative to Slot centre)(TVD relative to Dril	ll Floor)			
Name	MD (US ft)	Inc (°)	Az (°)	TVD (US ft)	TVD below Slot (US ft)	Comment
Wolfcamp	N/A	0.00	0.00	10464.00	10464.00	
Rustler	751.00	0.00	0.00	751.00	751.00	
Top Salt	830.00	0.00	0.00	830.00	830.00	
Base Salt	3238.00	0.00	0.00	3238.00	3238.00	
Delaware	3455.00	· 0.00	0.00	3455.00	3455.00	
Cherry Canyon	4386.00	0.00	0.00	4386.00	4386.00	
Brushy Canyon	6037.00	0.00	0.00	6037.00	6037.00	
Bone Spring	7213.00	0.00	0.00	7213.00	7213.00	
st Bone Springs Ss	8212.00	0.00	0.00	8212.00	8212.00	
nd Bone Springs Ss	9046.00	0.00	0.00	9046.00	9046.00	
rd Bone Springs Lm	9276.00	0.00	0.00	9276.00	9276.00	
rd Bone Springs Ss	10124.69	25.86	198.93	10116.00	10116.00	

6

Weatherford International Limited

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

Date: 10/25/17

Original

Operator & OGRID No.: BOPCO, LP [260737]

Amended - Reason for Amendment:_

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility - Name of facility: PLU 18 Brushy Draw West CTB

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location	Footages	Expected	Flared or	Comments
		(ULSTR)		MCF/D	Vented	
PLU 18 Brushy Draw 104H		F-18-25S-30E	2310' FNL & 2150' FWL	3960	Flared/Sold	
PLU 18 Brushy Draw 124H		F-18-25S-30E	2310' FNL & 2120' FWL	2530	Flared/Sold	
PLU 18 Brushy Draw 123H		F-18-25S-30E	2310' FNL & 2090' FWL	3960	Flared/Sold	
PLU 18 Brushy Draw 703H		F-18-25S-30E	2310' FNL & 1365' FWL	2530	Flared/Sold	
PLU 18 Brushy Draw 903H		E-18-25S-30E	2310' FNL & 1335' FWL	2300	Flared/Sold	
PLU 18 Brushy Draw 122H		E-18-25S-30E	2310' FNL & 1305' FWL	3960	Flared/Sold	
PLU 18 Brushy Draw 102H		E-18-25S-30E	2310' FNL & 1275' FWL	2530	Flared/Sold	
PLU 18 Brushy Draw 121H		E-18-25S-30E	2310' FNL & 570' FWL	3960	Flared/Sold	
A-10 SE Brushy Diage 2001		E-18-25S-30E	2310' FNL & 540' FWL	2300	Flared/Sold	
PLU 18 Brushy Draw 701H		E-18-25S-30E	2310' FNL & 510' FWL	2530	Flared/Sold	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to <u>Enlink</u> and will be connected to <u>Enlink</u> low/high pressure gathering system located in <u>Loving</u> County, Texas. It will require <u>1880'</u> of pipeline to connect the facility to low/high pressure gathering system. <u>BOPCO</u> provides (periodically) to <u>Enlink</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>BOPCO</u> and <u>Enlink</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Enlink</u> Processing Plant located in <u>Block 27</u>, <u>Sec. 4</u>, <u>Loving</u> County, Texas. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>Enlink</u> system at that time. Based on current information, it is <u>BOPCO's</u> belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

GATES E & S NORTH AMERICA, INC DU-TEX 134 44TH STREET CORPUS CHRISTI, TEXAS 78405

PHONE: 361-887-9807 FAX: 361-887-0812 EMAIL: crpe&s@gates.com WEB: www.gates.com

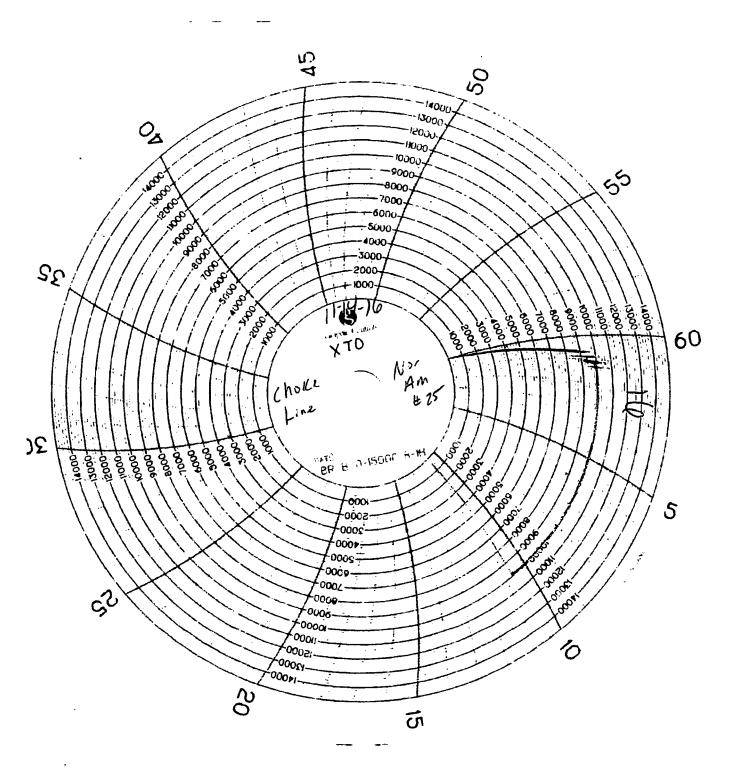
GRADE D PRESSURE TEST CERTIFICATE

Customer ;	AUSTIN DISTRIBUTING	Test Date:	6/8/2014
Customer Ref. :	PENDING	Hose Serial No.:	D-06081-1-1
invorce No. :	201709	Created By:	NORIA
·····			
Product Description:		FD3.042.0R41/16.5KFLGE/E	LE
Product Description:	4 1/16 m.5K FLG		
	4 1/16 m.5K FLG 4774-6001	FD3.0-12.0R41/16.5KFLGE/E End Fitting 2 : Assembly Code :	4 1/16 in.5K FLG L33090011513D-060814-1

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 7,500 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

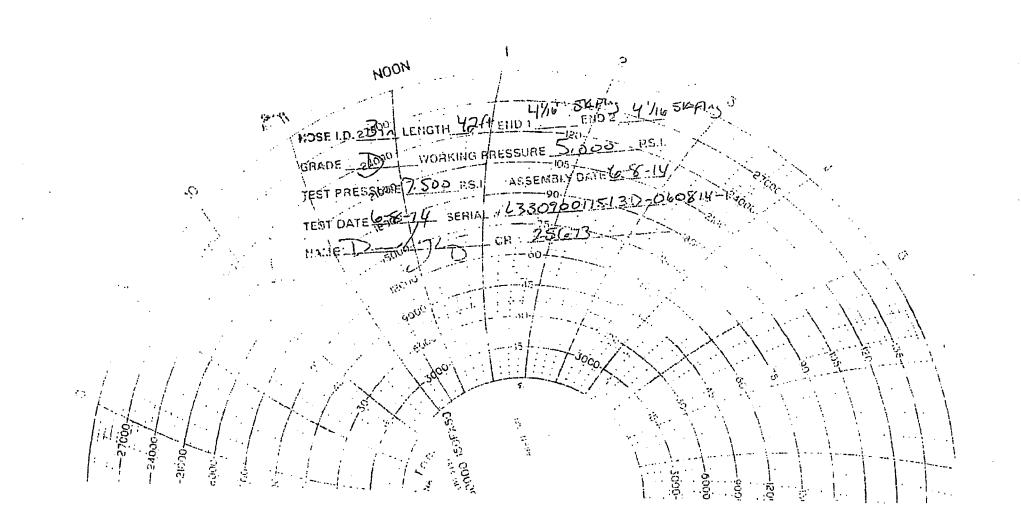
Quality: Date : Signature :	QUALITY 1.11, 6/8/201471.77 ///////////////////////////////////	Technical Supervisor : Date : Signature :	PRODUCTION 5/8/2014

Form PTC - 01 Rev.0 2



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

APD ID: 10400024300

Operator Name: BOPCO LP

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Type: OIL WELL

Well Number: 901H Well Work Type: Drill

Submission Date: 11/10/2017

Highlighted data reflects the most recent changes

04/19/2018

SUPO Data Report

Sit of

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? NO

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

PLU_18_BD_Road_20171110063624.pdf

New road type: RESOURCE

Length: 5356

Width (ft.): 30

Max slope (%): 2

Max grade (%): 3

Army Corp of Engineers (ACOE) permit required? NO

Feet

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along with access road route. **New road access plan or profile prepared?** NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Surface material will be native caliche. The average grade of all roads will be approximately 3%.

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Approximately 6 inches of topsoil (root zone) will be stripped from the proposed access road prior to any further construction activity. The topsoil that was stripped will be spread along the edge of the road and within the ditch. The topsoil will be seeded with the proper seed mix designated by the BLM.

Access other construction information: Construction, reclamation, and/or routine maintenance will not be conducted during periods when the soil conditions for construction could lead to impacts to the surrounding environment, or when watershed damage is likely to occur as a result of these activities.

Access miscellaneous information: The Poker Lake Unit 18 Brushy Draw area is accessed by existing U.S. Hwy 285 and Longhorn Road. Go Northeast on Longhorn Road (paved). Road bend Southeast and back to Northeast approximately 4.25 miles. Turn left and go Northeast on Pipeline Road #1 (Gravel) approximately 7.0 miles. Turn left on gravel road for approximately 1 mile. Road curves West, then East. Turn left again for approximately .70 miles to another left turn heading South for approximately .45 miles to PLU 18 Brushy Draw pads. Transportation Plan identifying existing roads that will be used to access the project area is included from Frank's Surveying marked as, 'Vicinity Map.' There are no existing access roads to the proposed Poker Lake Unit 18 Brushy Draw well locations. All equipment and vehicles will be confined to the routes shown on the Vicinity Map as provided by Frank's Surveying. Maintenance of the access roads will continue until abandonment and reclamation of the well pads is completed.

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: The access road and associated drainage structures will be constructed and maintained with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and gas Exploration and Development, The Gold Book, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to Federal jurisdiction.

Road Drainage Control Structures (DCS) description: No drainage control structures were identified at onsite. Drainage control structures will be applied for as-needed and be in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and gas Exploration and Development, The Gold Book, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to Federal jurisdiction. **Road Drainage Control Structures (DCS) attachment:**

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

PLU_18_BD_1_Mile_20171110063639.pdf

Existing Wells description:

Well Number: 901H

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Two 400' x 400' pads were staked with the BLM for construction and use as Central Tank Batteries (CTB). The Western most facility is the PLU 18 BD West CTB and the Eastern most facility is the PLU 18 BD East CTB. The pads are located in Section 18-T25S-R30E NMPM, Eddy County, New Mexico. Plats of the proposed facilities are attached. Only the area necessary to maintain facilities will be disturbed. Due to air permitting timeframes and anticipated reserves, two facilities are anticipated to be necessary for full area development. Flares will also be located on the facility (see below for flare details). A 3160-5 sundry notification will be submitted after construction possessing a site-security diagram and layout of the facility with associated equipment. In the event the wells are found productive, 4" composite flexpipe or steel flowlines with a maximum safety pressure rating of 750psi (operating pressure: 125psi) will be laid on the surface within proposed lease road corridors from the proposed wells to the PLU 18 BD East CTB and the PLU 18 BD West CTB where the oil, gas, and water will be metered and appropriately separated. The distance of proposed lines per well will be approximately 3465' or less per well based on the location of the well pad in conjunction with the facility location. All flowlines will follow proposed lease road corridors. A plat of the proposed flowline route for the lease is attached. Additional lines will be buried within the lease road corridor for gas lift, fuel gas, and water. The distance of proposed lines per pad will be approximately 3465' or less per well based on the location of the well pad in conjunction with the facility location. All lines will follow proposed lease road corridors. A plat of the proposed flowline route for the lease is attached. Routing is the same as the surface flowlines. A gas purchaser has been identified. Two 110' corridors are requested to connect with the Poker Lake Unit Row 5 MSO corridor extending from the PLU 18 BD East CTB and the PLU 18 BD West CTB. BOPCO, L.P. will be installing the line with anticipated risers located on the CTB. The gas purchaser will be responsible for permitting their own gas lines and compressor station, where applicable, through private, state, and federal lands. PLU 18 BD East GSL Approx.Length: 197', PLU 18 BD West GSL Approx. Length: 1846'. Produced water will be hauled from location to a commercial disposal facility as needed. Once wells are drilled and completed, a 3160-5 sundry notification will be submitted to BLM in compliance with Onshore Order 7. There will 2 flares associated with the Poker Lake Unit 18 Brushy Draw project. The flare stacks will be 50'x50'. One will be located on the PLU 18 BD East Central Tank Battery. One will be located on the PLU 18 BD West Central Tank Battery. Both will be sized and rated appropriately based on anticipated reserves and recovering of gas throughout the development area with 150' of distance between all facility equipment, road and well pad locations for safety purposes. All permanent (on site six months or longer) aboveground structures constructed or installed on location and not subject to safety requirements will be painted earth-tone colors such as 'shale green' that reduce the visual impacts of the built environment. Containment berms will be constructed completely around any production facilities designed to hold fluids. The containment berms will be constructed of compacted subsoil, be sufficiently impervious, hold 1 ½ times the capacity of the largest tank and away from cut or fill areas. Approx. 9575' of electrical poles and lines will be placed within existing and proposed lease roads corridors. All electrical lines will be primary 12,740 volt to properly run expected production **Production Facilities map:**

PLU_18_BD_East_Fac_20171110063652.pdf PLU_18_BD_West_Fac_20171110063700.pdf PLU_18_BD_GS_20171110063715.pdf PLU_18_BD_FL1_20180219114614.pdf PLU_18_BD_OHE1_20180219114623.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Dperator Name: BOPCO LP		
Well Name: POKER LAKE UNIT 18 BRUSHY DRAW Well N	Well Number: 901H	
Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURF CASING	Water source type: OTHER ACE	
Describe type: Fresh Water; Section 27, T25S-R30E	Source longitude:	
Source latitude:		
Source datum:		
Water source permit type: PRIVATE CONTRACT		
Source land ownership: FEDERAL		
Water source transport method: TRUCKING		
Source transportation land ownership: FEDERAL		
Water source volume (barrels): 335000	Source volume (acre-feet): 43.179188	
Source volume (gal): 14070000		
Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURF CASING	Water source type: OTHER ACE	
Describe type: Fresh Water; Section 6, T25S-R29E	Source longitude:	
Source latitude:		
Source datum:		
Water source permit type: PRIVATE CONTRACT		
Source land ownership: FEDERAL		
Water source transport method: TRUCKING		
Source transportation land ownership: FEDERAL		
Water source volume (barrels): 335000	Source volume (acre-feet): 43.179188	
Source volume (gal): 14070000		

Water source and transportation map:

PLU_18_BD_901H_Wtr_20171110063745.pdf

Water source comments: The well will be drilled using a combination of water mud systems as outlined in the Drilling Program. The water will be obtained from a 3rd party vendor and hauled to the anticipated pit in Section 7 by transport truck using the existing and proposed roads depicted in the attached exhibits. No water well will be drilled on the location. Water for drilling, completion and dust control will be purchased from the following company: Texas Pacific Water Resources Water for drilling, completion and dust control will be supplied by Texas Pacific Water Resources for sale to BOPCO, L.P. from Section 27, T25S-R30E, Eddy County, New Mexico. In the event that Texas Pacific Water Resources does not have the appropriate water for BOPCO at time of drilling and completion, then BOPCO water will come from Intrepid Potash Company with the location of the water being in Section 6, T25S-R29E, Eddy County, New Mexico. Anticipated water usage for drilling includes an estimated 35,000 barrels of water to drill a horizontal well in a combination of fresh water and brine as detailed in the mud program in the drilling plans. These volumes are calculated for ~1.5bbls per foot of hole drilled with excess to accommodate any lost circulation or wash out that may occur. Actual water volumes used during operations will depend on the depth of the well, length of horizontal sections, and the losses that may occur during the operation. Temporary water flowlines will be permitted via ROW approval letter and proper grants as-needed based on drilling and completion schedules as needed. Well completion is expected to require approximately 300,000 barrels of water per horizontal well. Actual water volumes used during operations will depend on the depth of the well and length of horizontal sections. New water well? NO

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

'ell Longitude:	Well datum:	
Est thickness of aquifer:		
Well casing type:		
Well casing inside diameter	Well casing inside diameter (in.):	
Used casing source:		
Drill material:		
Grout depth:	Grout depth:	
Casing top depth (ft.):	Casing top depth (ft.):	
Completion Method:	Completion Method:	
	Well casing type: Well casing inside diameter Used casing source: Drill material: Grout depth: Casing top depth (ft.):	

Section 6 - Construction Materials

Construction Materials description: Construction, reclamation, and/or routine maintenance will not be conducted during periods when the soil conditions for construction could lead to impacts to the surrounding environment, or when watershed damage is likely to occur as a result of these activities. Any construction material that may be required for surfacing of the drill pad and access road will be from a contractor having a permitted source of materials within the general area. No construction materials will be removed from federal lands without prior approval from the appropriate surface management agency. All roads and well pads will be constructed of 6" rolled and compacted caliche. Anticipated Caliche Locations: Pit 1: Federal Caliche Pit, Section 17-T25S-R30E Pit 2: Federal Caliche Pit, Section 34-T25S-R29E **Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: CHEMICALS

Waste content description: Chemicals and Hazardous Waste

Amount of waste: 0 gallons

Waste disposal frequency : One Time Only

Safe containment description: BOPCO, L.P. and its contractors will comply with all applicable Federal, State and local laws and regulations, existing or hereafter enacted promulgated, with regard to any hazardous material, as defined in this paragraph, that will be used, produced, transported or stored on the oil and gas lease. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the CERCLA of 1980, as amended, 42 U.S.C 9601 et seq., and its regulation. The definition of hazardous substances under CERLCA includes any 'hazardous waste" as defined in the RCRA of 1976, as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous material also includes any nuclear or nuclear by-product material as defined by the Atomic Energy Act of 1954, as amended, 42 U.C.S. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101 (14) U.S.C. 9601 (14) nor does the term include natural

Page 5 of 15

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

gas. No hazardous substances or wastes will be stored on the location after completion of the well. Chemicals brought to location will be on the Toxic Substance Control Act (TSCA) approved inventory list. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in Notice to Lessees (NTL) 3A will be reported to the BLM Carlsbad Field Office. Major events will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. **Safe containmant attachment:**

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Disposal type description:

Disposal location description: All drilling wastes identified as hazardous substances by the Comprehensive Environmental Response Compensation Liability Act (CERCLA) removed from the location and not reused at another drilling location will be disposed of at a hazardous waste facility approved by the U.S. Environmental Protection Agency (EPA).

Waste type: DRILLING

Waste content description: Cuttings

Amount of waste: 2100 pounds

Waste disposal frequency : One Time Only

Safe containment description: The well will be drilled utilizing a closed-loop mud system. Drill cuttings will be held in roll-off style mud boxes.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Disposal type description:

Disposal location description: R360 Environmental Solutions 4507 W. Carlsbad Hwy Hobbs, NM 88240

Waste type: SEWAGE

Waste content description: Human Waste

Amount of waste: 250 gallons

Waste disposal frequency : Weekly

Safe containment description: Portable, self-contained toilets will be provided for human waste disposal. Upon completion of drilling and completion activities, or as required, the toilet holding tanks will be pumped and the contents thereof disposed of in an approved sewage disposal facility. All state and local laws and regulations pertaining to the disposal of human and solid waste will be complied with. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Disposal type description:

Disposal location description: A licensed 3rd party contractor will be used to haul and dispose of human waste.

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Waste type: GARBAGE

Waste content description: Garbage, junk, and non-flammable waste materials

Amount of waste: 250 pounds

Waste disposal frequency : Weekly

Safe containment description: All garbage, junk and non-flammable waste materials will be contained in a self-contained, portable dumpster or trash cage, to prevent scattering and will be removed and deposited in an approve sanitary landfill. Immediately after drilling all debris and other waste materials on and around the well location not contained in the trash cage will be cleaned up and removed from the location. No potentially adverse materials or substances will be left on the location. Immediately after removal of the drilling rig, all debris and other waste materials or substances will be left on location. Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY Disposal type description:

Disposal location description: A licensed 3rd party contractor will be used to haul and dispose of human waste.

Waste type: DRILLING

Waste content description: Drilling & Produced Fluids

Amount of waste: 500 barrels

Waste disposal frequency : One Time Only

Safe containment description: These will be contained in steel mud pits and then taken to a NMOCD approved commercial disposal facility. Water produced from the well during completion will be held temporarily in steel tanks and then taken to a NMOCD approved commercial disposal facility. Oil produced during operations will be stored in tanks until sold. **Safe containmant attachment:**

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY Disposal type description:

Disposal location description: R360 Environmental Solutions 4507 W. Carlsbad Hwy Hobbs, NM 88240

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings locationThe well will be drilled utilizing a closed-loop mud system. Drill cuttings will be held in roll-
off style mud boxes and taken to a New Mexico Oil Conservation Division (NMOCD) approved disposal site.Cuttings area length (ft.)Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

PLU_18_BD_901H_Well_20171110063818.pdf PLU_18_BD_901H_Topo_20171110065530.pdf **Comments:** This is a multi-well pad.

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: PLU 18 BRUSHY DRAW

Multiple Well Pad Number: 1

Recontouring attachment:

PLU_18_BD_Pad_1_Rec_20171110063837.pdf

PLU_18_BD_Pad_2_Rec_20171110063844.pdf

PLU_18_BD_Pad_3_Rec_20171110063853.pdf

Drainage/Erosion control construction: All compacted areas to be seeded will be ripped to a minimum depth of 18 inches with a minimum furrow spacing of 2 feet, followed by recontouring the surface and then evenly spreading the stockpiled topsoil. Prior to seeding, the seedbed will be sacrificed to a depth of no less than 4-6 inches.

Drainage/Erosion control reclamation: Erosion features are equal to or less than surrounding area and erosion control is sufficient so that water naturally infiltrates into the soil and gullying, headcutting, slumping, and deep or excessive rills (greater than 3 inches) are not observed.

Operator Name: BOPCO LP Well Name: POKER LAKE UNIT 18 BRUSHY DRAW Well Number: 901H						
Well pad proposed disturbance (acres): 14.14	Well pad interim reclamation (acres):	Well pad long term disturbance (acres): 12.993				
Road proposed disturbance (acres): 3.68	Road interim reclamation (acres): 0.001	Road long term disturbance (acres): 3.68				
Powerline proposed disturbance (acres): 0.001	Powerline interim reclamation (acres) 0.001	: Powerline long term disturbance (acres): 0.001				

Pipeline proposed disturbance
(acres): 5.11Pipeline interim reclamation (acres):
5.11Pipeline long term disturbance
(acres): 0.001Other proposed disturbance (acres):
7.35Other interim reclamation (acres):
0.001Other long term disturbance (acres):
7.35Total proposed disturbance: 30.281Total interim reclamation: 6.26Total long term disturbance: 24.025

Reconstruction method: The original stock piled topsoil will be spread over the areas being reclaimed and the original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors as close as possible to the original topography. The location will then be ripped and seeded.

Topsoil redistribution: The original stock piled topsoil will be spread over the areas being reclaimed and the original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors as close as possible to the original topography. The location will then be ripped and seeded.

Soil treatment: A self-sustaining, vigorous, diverse, native (or otherwise approved) plan community will be established on the site with a density sufficient to control erosion and invasion by non-native plants and to re-establish wildlife habitat or forage production. At a minimum, the established plant community will consist of species included in the seed mix and/or desirable species occurring in the surrounding natural vegetation.

Existing Vegetation at the well pad: Soils are classified as Simona Gravelly Fine Sandy Loam and Simona-Bippus Complex. Simona soils are found on alluvial fans and plans and form in mixed alluvium and/or Aeolian sands. Bippus soils are found on alluvial fans and floodplains and form in mixed alluvium. The Simona-Bippus soils are dominant to the east and the Simona Gravelly Fine Sandy Loams are dominant to the West. Dominant vegetation species include: mesquite, sumac snakeweed, and various forbs and grasses. Ground cover is minimal, offering 90 percent visibility. No truck traffic will be operated during periods or in areas of saturated ground when surface rutting could occur. The access road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route. There is no permanent or live water in the immediate or within the project area.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Soils are classified as Simona Gravelly Fine Sandy Loam and Simona-Bippus Complex. Simona soils are found on alluvial fans and plans and plans and form in mixed alluvium and/or Aeolian sands. Bippus soils are found on alluvial fans and floodplains and form in mixed alluvium. The Simona-Bippus soils are dominant to the east and the Simona Gravelly Fine Sandy Loams are dominant to the West. Dominant vegetation species include: mesquite, sumac snakeweed, and various forbs and grasses. Ground cover is minimal, offering 90 percent visibility. No truck traffic will be operated during periods or in areas of saturated ground when surface rutting could occur. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route. There is no permanent or live water in the immediate or within the project area.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Soils are classified as Simona Gravelly Fine Sandy Loam and Simona-Bippus Complex. Simona soils are found on alluvial fans and plans and form in mixed alluvium and/or Aeolian sands. Bippus soils are found on alluvial fans and floodplains and form in mixed alluvium. The Simona-Bippus soils are dominant to the east and the Simona Gravelly Fine Sandy Loams are dominant to the West. Dominant vegetation species include: mesquite, sumac snakeweed, and various forbs and grasses. Ground cover is minimal, offering 90 percent visibility. No truck traffic will be operated during periods or in areas of saturated ground when surface rutting could occur. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be Operator Name: BOPCO LP Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route. There is no permanent or live water in the immediate or within the project area. Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Soils are classified as Simona Gravelly Fine Sandy Loam and Simona-Bippus Complex. Simona soils are found on alluvial fans and plans and form in mixed alluvium and/or Aeolian sands. Bippus soils are found on alluvial fans and floodplains and form in mixed alluvium. The Simona-Bippus soils are dominant to the east and the Simona Gravelly Fine Sandy Loams are dominant to the West. Dominant vegetation species include: mesquite, sumac snakeweed, and various forbs and grasses. Ground cover is minimal, offering 90 percent visibility. No truck traffic will be operated during periods or in areas of saturated ground when surface rutting could occur. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route. There is no permanent or live water in the immediate or within the project area.

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Type

Seed Table	
Seed type:	Seed source:
Seed name:	
Source name:	Source address:
Source phone:	
Seed cultivar:	
Seed use location:	
PLS pounds per acre:	Proposed seeding season:
Seed Summary	Total pounds/Acre:

Pounds/Acre

Well Number: 901H

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Jeffery

Phone: (432)620-4349

Last Name: Raines

Email: jeffery_raines@xtoenergy.com

Seedbed prep: Initial seedbed preparation will consist of recontouring to the appropriate interim or final reclamation standard. All compacted areas to be seeded will be ripped to a minimum depth of 18 inches with a minimum furrow spacing of 2 feet, followed by recontouring the surface and then evenly spreading the stockpiled topsoil. Prior to seeding, the seedbed will be scarified to a depth of no less than 4-6 inches. If the site is to be broadcast seeded, the surface will be left rough enough to trap seed and snow, control erosion, and increase water infiltration.

Seed BMP: If broadcast seeding is to be used and is delayed, final seedbed preparation will consist of contour cultivating to a depth of 4-6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting in order to break the soil crust and create seed germination micro-sites.

Seed method: Seeding will be conducted no more than two weeks following completion of final seedbed preparation. A certified weed-free seed mix designed by the BLM to meet reclamation standards will be used. If the site is harrowed or dragged, seed will be covered by no more than 0.25 inch of soil.

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Weed control for all phases will be through the use of approved pesticides and herbicides according to applicable State, Federal, and Local laws. Weed treatment plan attachment:

Monitoring plan description: Monitoring of invasive and noxious weeds will be visual and as-needed. If it is determined additional methods are required to monitor invasive and noxious weeds, appropriate BLM authorities will be contacted with a plan of action for approval prior to implementation. **Monitoring plan attachment:**

Success standards: 100% compliance with applicable regulations.

Pit closure description: There will be no reserve pit as each well will be drilled utilizing a closed-loop mud system. The closed-loop system will meet with the NMOCD requirements 19.15.17. **Pit closure attachment:**

Section 11 - Surface Ownership

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

Operator Name: BOPCO LP Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

DOD Local Office:	
NPS Local Office:	
State Local Office:	
Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USFS Forest/Grassland:	USFS Ranger District:
Disturbance type: EXISTING ACCESS ROAD	

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT, STATE GOVERNMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office: NEW MEXICO STATE LAND OFFICE

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: BOPCO LP

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Disturbance type: OTHER	
Describe: Flowline	
Surface Owner: BUREAU OF LAND MANAGEMENT	
Other surface owner description:	
BIA Local Office:	
BOR Local Office:	
COE Local Office:	
DOD Local Office:	
NPS Local Office:	
State Local Office:	
Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USES Equat/Organized USES	Pangar District

USFS Forest/Grassland: USFS Ranger District:

Disturbance type: PIPELINE **Describe:** Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: **BOR Local Office:** COE Local Office: **DOD Local Office:** NPS Local Office: **State Local Office:** Military Local Office: **USFWS Local Office:** Other Local Office: **USFS Region: USFS Forest/Grassland: USFS Ranger District:** **Operator Name: BOPCO LP**

Well Name: POKER LAKE UNIT 18 BRUSHY DRAW

Well Number: 901H

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: TRANSMISSION LINE Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: Military Local Office: USFWS Local Office: USFS Region: USFS Forest/Grassland:

USFS Ranger District:

Well Number: 901H

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS,288100 ROW - O&G Pipeline,288101 ROW - O&G Facility Sites,288103 ROW - Salt Water Disposal Pipeline/Facility,288104 ROW - Salt Water Disposal ApIn/Fac-FLPMA,289001 ROW- O&G Well Pad,FLPMA (Powerline)

ROW Applications

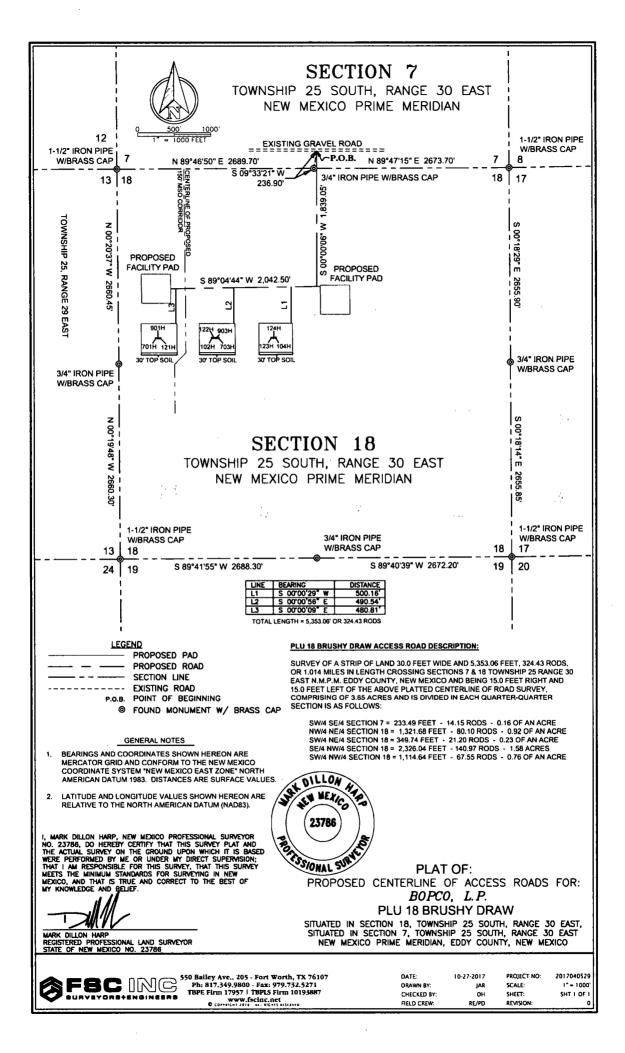
SUPO Additional Information:

Use a previously conducted onsite? NO

Previous Onsite information:

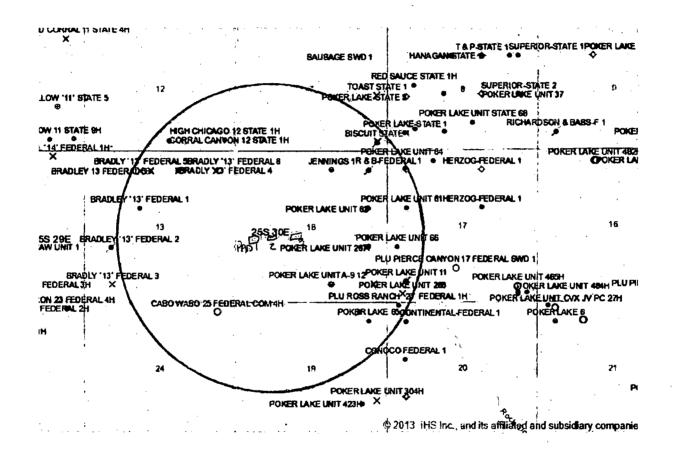
Other SUPO Attachment

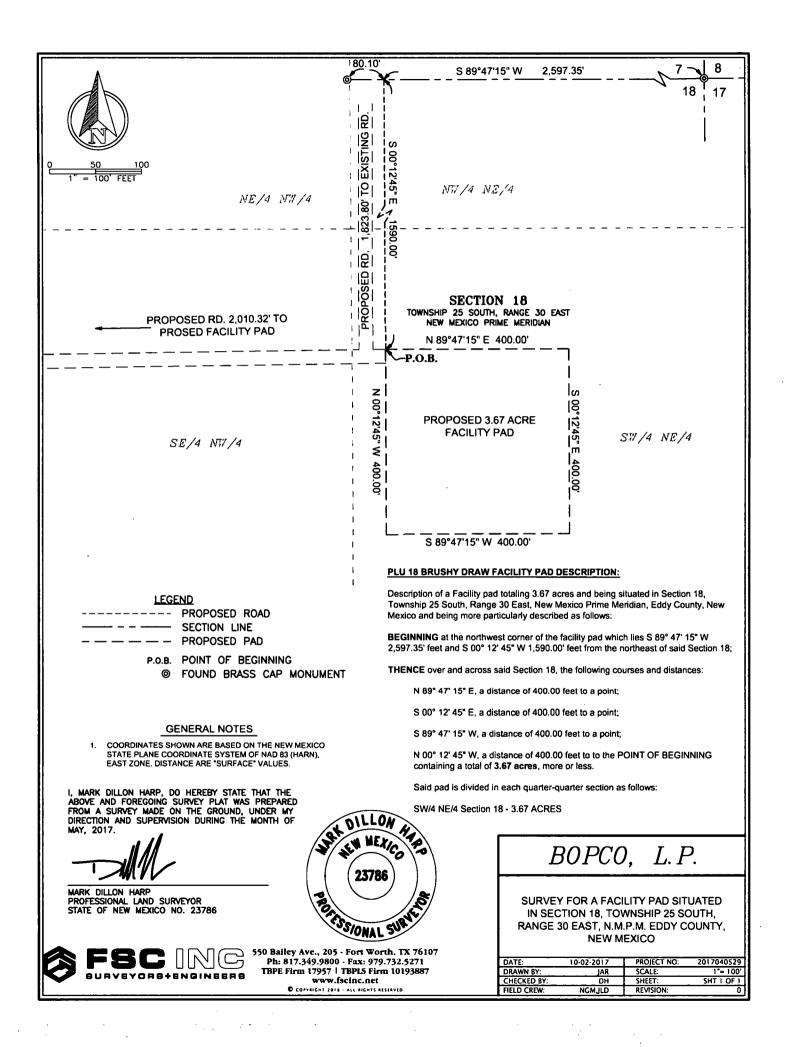
PLU_18_BD_SUPO_20171110064045.pdf PLU_18_BD_Well_List_20171110064055.pdf PLU_18_BD_Lse_WSL_20171110064124.pdf

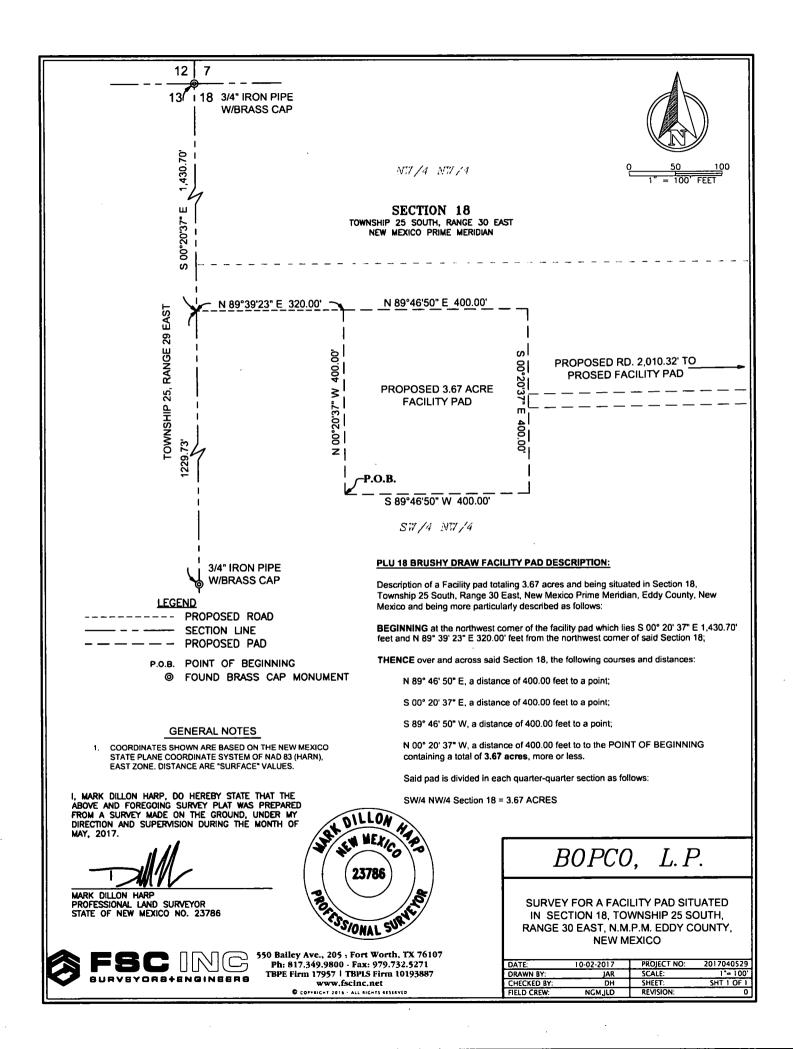


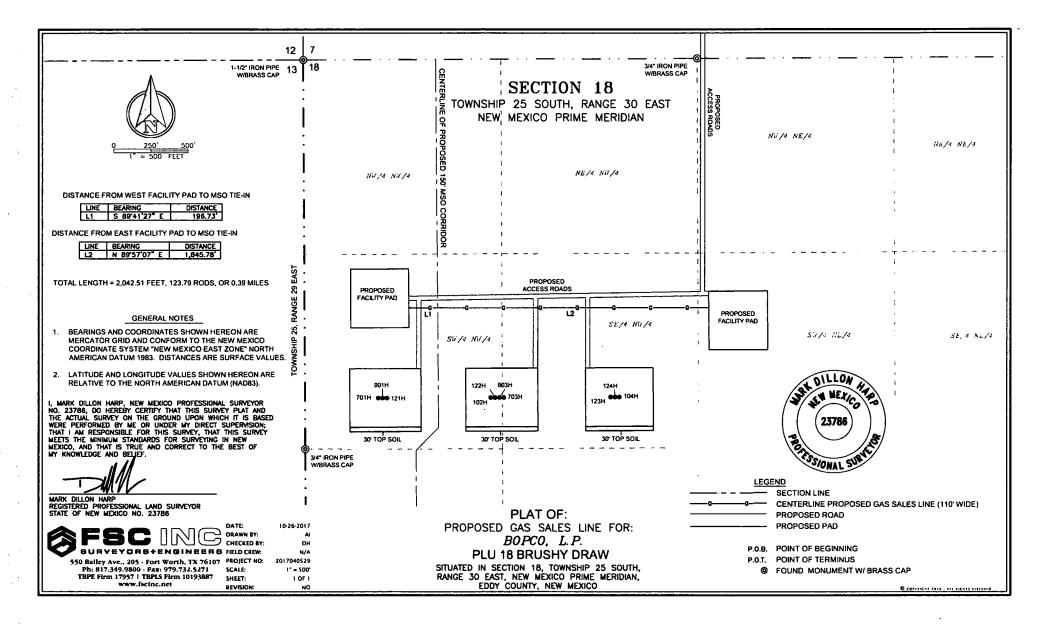
Poker Lake Unit 18 Brushy Draw Lease

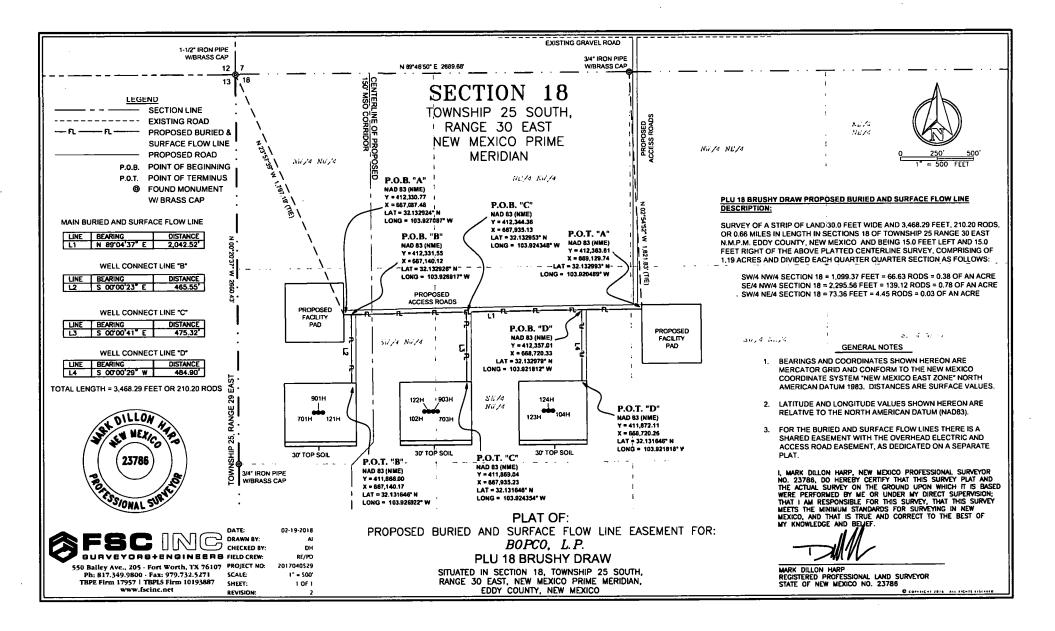
1-Mile Radius Map

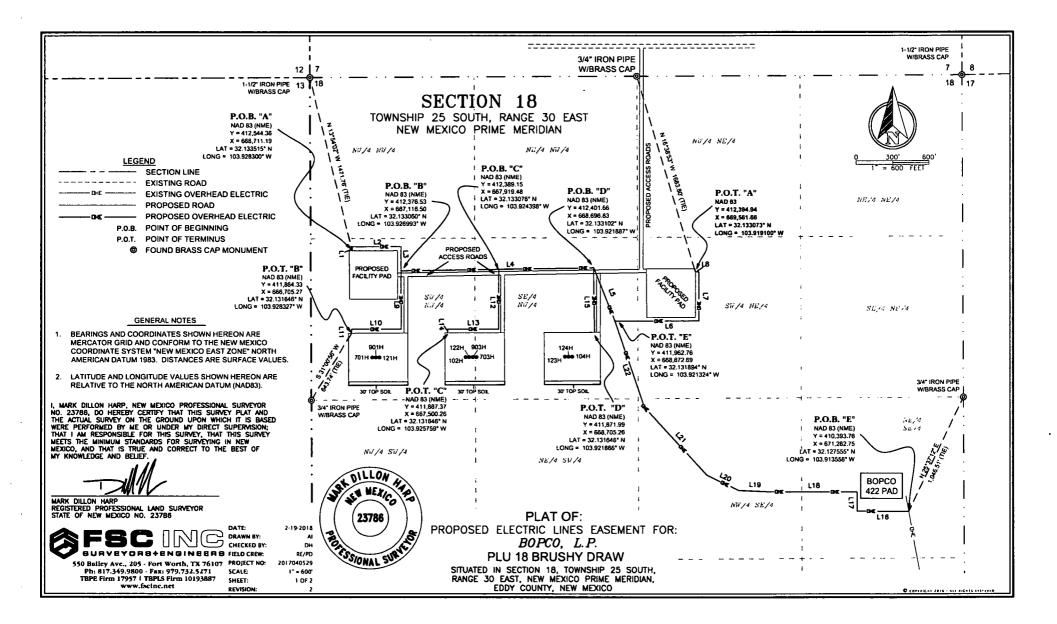












LINE	BEARING	DISTANCE
L1	N 00'00'01" W	31.31
12	N 89'59'59'E	404.88'
L3	S 00707'22" E	199.15
L4	N 89'05'20" E	1580.54
1.5	S 21'50'04" E	472.82
L6	N 89'49'09" E	688.72
17	N 00'14'06" W	405.29
LØ	S 89'45'54" W	30.07
L9	S 00'07'22" E	480.10
L10	S 89'59'41" W	412.26
L11	S 00'00'19 E	32.06
L12_	S 00'00'33" E	492.07
L13	S 89'58'32" W	419.30
<u><u><u><u></u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u></u></u>	5 00'01'28 E	29.52
L15	S 00'54'40" E	529.73
1.16	S 89 49 14 W	423.30
L17	N 00703'51" W	160.12
L18	N 89'49'11" W	708.24
L19	N 8726'22" W	265.41
L20_	N 64'08'07" W	286.07
121	N 42'26'33 W	760.57
122	N 18'51'27" W	750.33

TOTAL LENGTH = 9,561.86 FEET OR 579.51 RODS

PLU 18 BRUSHY DRAW PROPOSED ELECTRIC LINES DESCRIPTION:

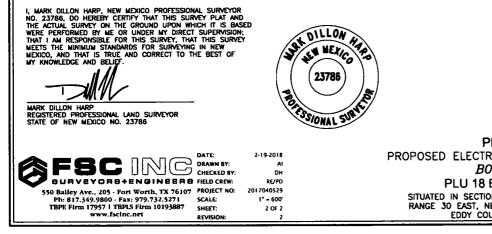
SURVEY OF A STRIP OF LAND 30.0 FEET WIDE AND 9,561.86 FEET, 579.51 RODS. OR 1.81 MILES IN LENGTH IN SECTION 18 OF TOWNSHIP 25 SOUTH, RANGE 30 EAST, N.M.P.M. EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND 15.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY, COMPRISING OF 5.54 ACRES AND DIVIDED EACH QUARTER QUARTER SECTION AS FOLLOWS:

NE/4 SE/4 SECTION 18 = 1.039.71 FEET = 63.01 RODS = 0.71 OF AN ACRE NW/4 SE/4 SECTION 18 = 1.640.58 FEET = 99.43 RODS = 1.13 ACRES SW/4 NE/4 SECTION 18 = 1.026.93 FEET = 62.24 RODS = 0.71 OF AN ACRE SE/4 NW/4 SECTION 18 = 3.437.36 FEET = 208.33 RODS = 1.59 ACRES SW/4 NW/4 SECTION 18 = 2.417.28 FEET = 146.50 RODS = 1.40 ACRES

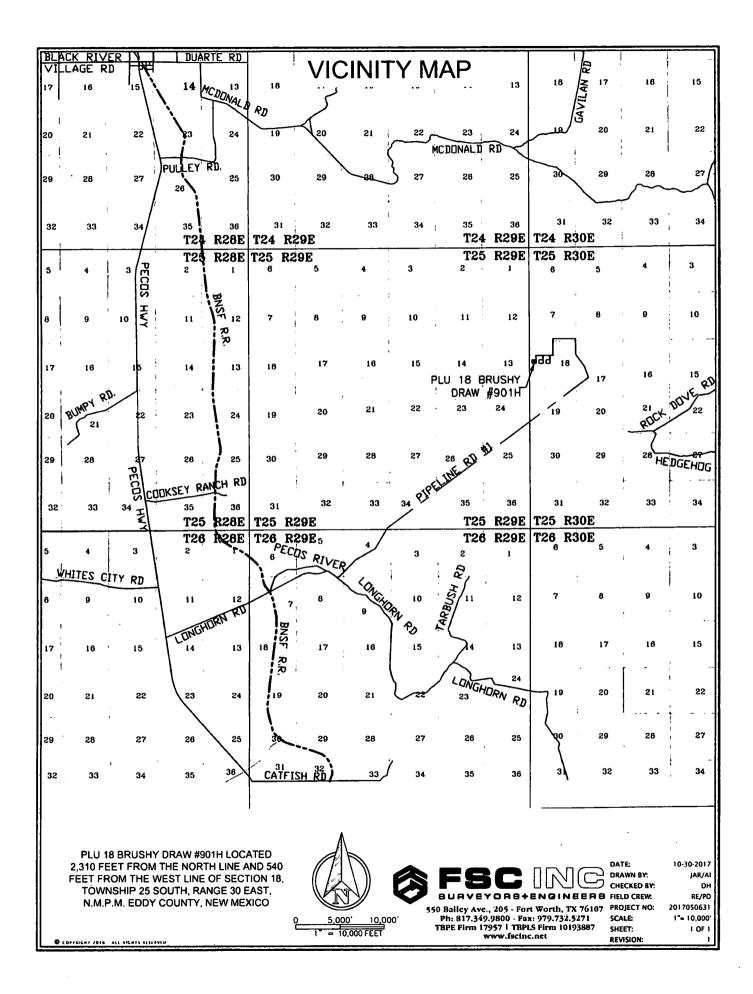
CONTRICKT 2010 - ALL RIGHTS HENERALD

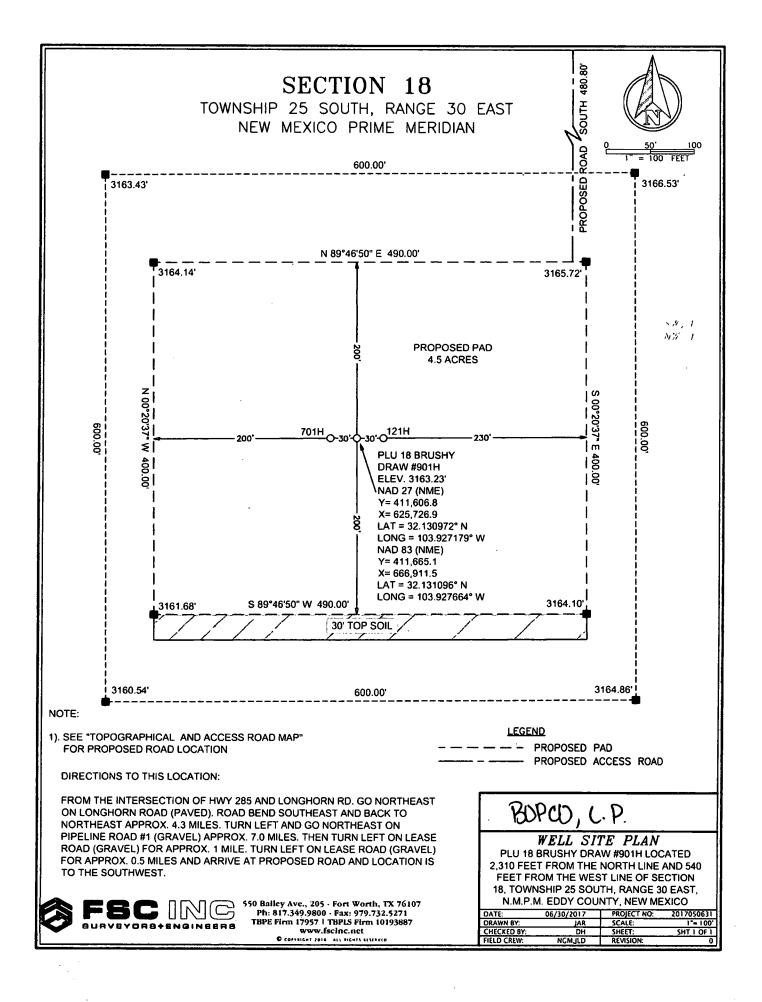
GENERAL NOTES

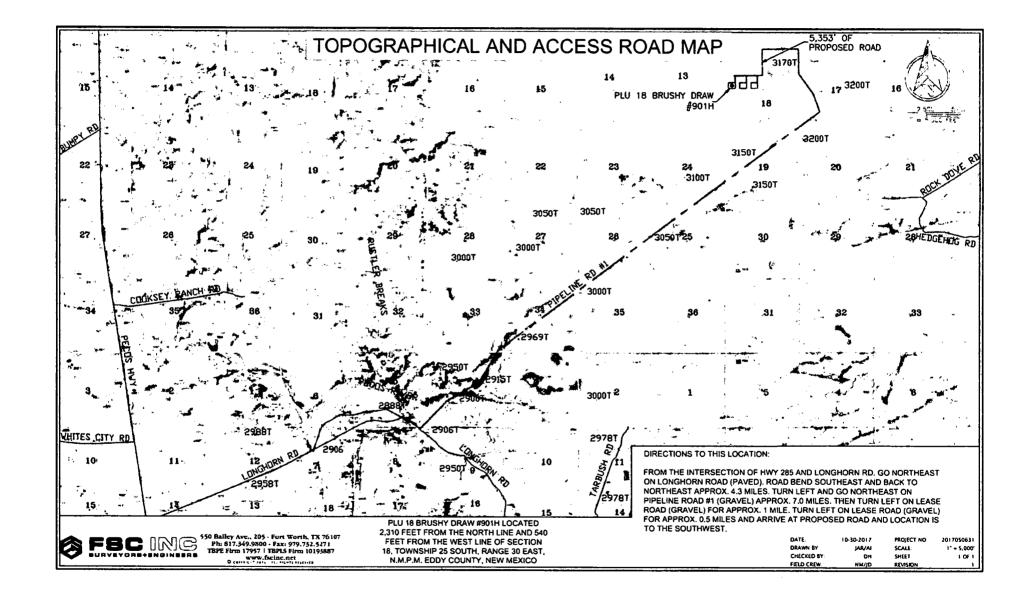
- 1. BEARINGS AND COORDINATES SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM 'NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.
- 2. LATITUDE AND LONGITUDE VALUES SHOWN HEREON ARE RELATIVE TO THE NORTH AMERICAN DATUM (NAD83).

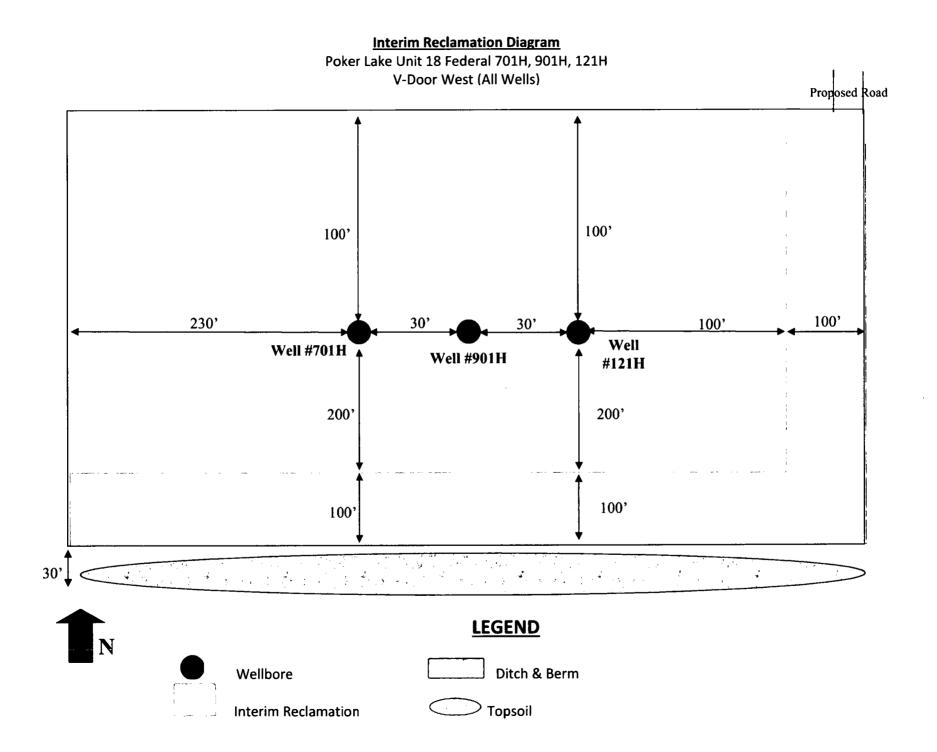


PLAT OF: PROPOSED ELECTRIC LINES EASEMENT FOR: BOPCO, L.P. PLU 18 BRUSHY DRAW SITUATED IN SECTION 18, TOWNSHIP 25 SOUTH, RANGE 30 EAST, NEW MEXICO PRIME MERIDIAN, EDDY COUNTY, NEW MEXICO

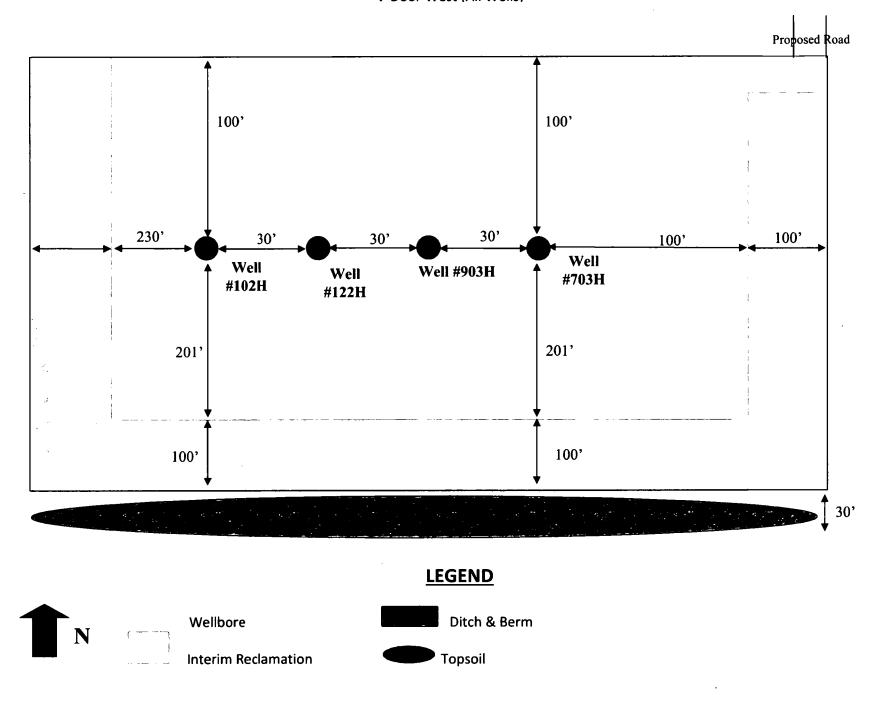


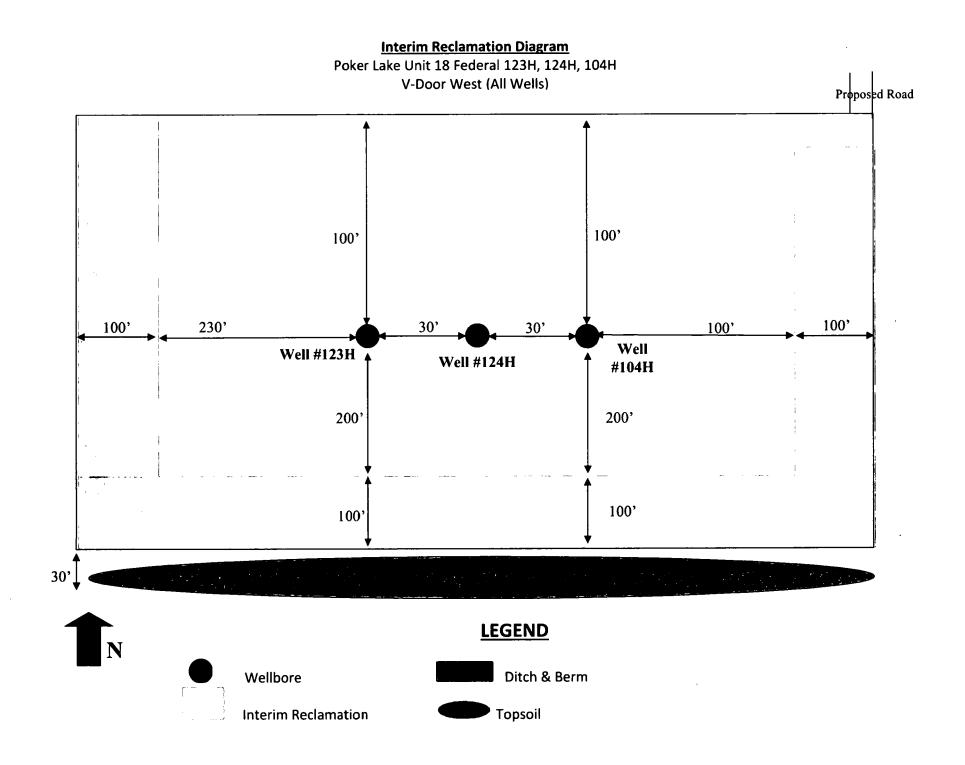






Interim Reclamation Diagram Poker Lake Unit 18 Federal 703H, 903H, 102H, 122H V-Door West (All Wells)





Well Site Locations

The results of the Poker Lake Unit 18 Brushy Draw Development Program will develop economic quantities of oil and gas in the 'Poker Lake Unit 18 Brushy Draw' area with multiple primary formations targeted. Well locations are determined based on cross-section variations and details. Locations will be selected to minimize the likelihood of encountering faults and/or drilling hazards while still targeting suitably productive zones.

If drilling results in an unproductive well, the well will be plugged and abandoned as soon as practical after the conclusion of production testing. Productive wells may be shut-in temporarily for BLM authorization for production activities and facilities.

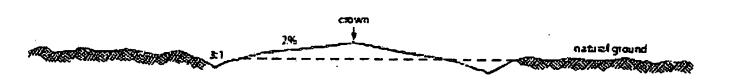
Surface Use Plan

1. Existing Roads

- A. The Poker Lake Unit 18 Brushy Draw area is accessed by existing U.S. Hwy 285 and Longhorn Road. Go Northeast on Longhorn Road (paved). Road bend Southeast and back to Northeast approximately 4.25 miles. Turn left and go Northeast on Pipeline Road #1 (Gravel) approximately 7.0 miles. Turn left on gravel road for approximately 1 mile. Road curves West, then East. Turn left again for approximately .70 miles to another left turn heading South for approximately .45 miles to PLU 18 Brushy Draw pads. Transportation Plan identifying existing roads that will be used to access the project area is included from Frank's Surveying marked as, 'Vicinity Map.'
- B. There are no existing access roads to the proposed Poker Lake Unit 18 Brushy Draw well locations. All equipment and vehicles will be confined to the routes shown on the Vicinity Map as provided by Frank's Surveying. Maintenance of the access roads will continue until abandonment and reclamation of the well pads is completed.

2. New or Upgraded Access Roads

- A. **New Roads**. There is a total of 5356' or 1.014 miles of proposed and staked access roads in the Poker Lake Unit 18 Brushy Draw lease area.
- B. Well Pads. The well pads selected for development will determine which existing roads will be upgraded and which new roads will be built. The lease flow diagram shows the location of proposed roads that will need to be constructed to access the well pads.
- C. Anticipated Traffic. After well completion, travel to each well site will included one lease operator truck and two oil trucks per day until the Central Tank Battery is completed. Upon completion of the Central Tank Battery, one lease operator truck will continue to travel to each well site to monitor the working order of the wells and to check well equipment for proper operation. Two oil trucks will continue to travel to the Central Tank Battery only for oil hauling. Additional traffic will include one maintenance truck periodically throughout the year for pad upkeep and weed removal. Well service trips will include only the traffic necessary to work on the wells or provide chemical treatments periodically and as needed throughout the year.
- D. **Routing**. All equipment and vehicles will be confined to the travel routes laid out in the vicinity map provided by Frank's Surveying unless otherwise approved by the BLM and applied for by BOPCO, L.P.
- E. **Road Dimensions.** The maximum width of the driving surface of new roads will be 14 feet. The roads will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1 foot deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.



Level Ground Section

- F. **Surface Material**. Surface material will be native caliche. The average grade of all roads will be approximately 3%.
- G. Fence Cuts: No.
- H. Fences: No.
- I. Cattle Guards: No.
- J. Turnouts: No.
- K. Culverts: No.
- L. Cuts and Fills: Not significant.
- M. **Topsoil**. Approximately 6 inches of topsoil (root zone) will be stripped from the proposed access road prior to any further construction activity. The topsoil that was stripped will be spread along the edge of the road and within the ditch. The topsoil will be seeded with the proper seed mix designated by the BLM.
- N. **Maintenance**. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along with access road route.
- O. Drainage. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, The Gold Book, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

3. Location of Existing Wells

A. See attached 1-mile radius well map.

4. Ancillary Facilities

A. Ancillary Facilities. No off-pad ancillary facilities are planned during the exploration phase including, but not limited to: campsites, airstrips or staging areas.

5. Location of Proposed Production Facilities

- Production Facilities. Two 400' x 400' pads were staked with the BLM for construction and use as Central Tank Batteries (CTB). The Western most facility is the PLU 18 BD West CTB and the Eastern most facility is the PLU 18 BD East CTB. The pads are located in Section 18-T25S-R30E NMPM, Eddy County, New Mexico. Plats of the proposed facilities are attached. Only the area necessary to maintain facilities will be disturbed. Due to air permitting timeframes and anticipated reserves, two facilities are anticipated to be necessary for full area development. A 3160-5 sundry notification will be submitted after construction possessing a site-security diagram and layout of the facility with associated equipment.
- B. Flowlines. In the event the wells are found productive, 4" composite flexpipe or steel flowlines with a maximum safety pressure rating of 750psi (operating pressure: 125psi) will be laid on the surface within proposed lease road corridors from the proposed wells to the PLU 18 BD East CTB and the PLU 18 BD West CTB where the oil, gas, and water will be metered and appropriately separated. High pressure gas lines will be buried beneath the surface flowlines per well pad within the proposed lease road corridors for gas lift, fuel gas, and water. Oil will be hauled from the location by truck following existing and proposed lease roads. The distance of proposed flowlines per well will be approximately

3465' or less per well based on the location of the well pad in conjunction with the facility location. All flowlines will follow proposed lease road corridors. A plat of the proposed flowline route for the lease is attached.

- C. Gas Pipeline. A gas purchaser has been identified. Two 110' corridors are requested to connect with the Poker Lake Unit Row 5 MSO corridor extending from the PLU 18 BD East CTB and the PLU 18 BD West CTB. BOPCO, L.P. will be installing the line with anticipated risers located on the CTB. The gas purchaser will be responsible for permitting their own gas lines and compressor station, where applicable, through private, state, and federal lands. PLU 18 BD East GSL Approximate Length: 197'. PLU 18 BD West GSL Approximate Length: 1846'.
- D. Disposal Facilities. Produced water will be hauled from location to a commercial disposal facility as needed. Once wells are drilled and completed, a 3160-5 sundry notification will be submitted to BLM in compliance with Onshore Order 7.
- E. Flare. There will 2 flares associated with the Poker Lake Unit 18 Brushy Draw project. The flare stacks will be 50'x50'. One will be located on the PLU 18 BD East Central Tank Battery. One will be located on the PLU 18 BD West Central Tank Battery. Both will be sized and rated based on anticipated reserves and recovery of gas throughout the development area with 150' of distance between all facility equipment, road and well pad locations for safety purposes.
- F. **Aboveground Structures**. All permanent (on site six months or longer) aboveground structures constructed or installed on location and not subject to safety requirements will be painted earth-tone colors such as 'shale green' that reduce the visual impacts of the built environment.
- G. Containment Berms. Containment berms will be constructed completely around any production facilities designed to hold fluids. The containment berms will be constructed of compacted subsoil, be sufficiently impervious, hold 1 ½ times the capacity of the largest tank and away from cut or fill areas.
- H. Electrical. All electrical poles and lines will be placed within existing and proposed lease roads corridors. All lines will be primary 12,740 volt to properly run expected production equipment. Approx. 12466' of electrical will be run from the anticipated tie-in point with a request for 30' ROW construction and maintenance buffer. This distance is a max. approximation and may vary based on lease road corridors, varying elevations and terrain in the area. A plat of the proposed electrical is attached.

6. Location and Types of Water Supply

The well will be drilled using a combination of water mud systems as outlined in the Drilling Program. The water will be obtained from a 3rd party vendor and hauled to the anticipated pit in Section 7 by transport truck using the existing and proposed roads depicted in the attached exhibits. No water well will be drilled on the location.

Water for drilling, completion and dust control will be purchased from the following company: Texas Pacific Water Resources

Water for drilling, completion and dust control will be supplied by Texas Pacific Water Resources for sale to BOPCO, L.P. from Section 27, T25S-R30E, Eddy County, New Mexico. In the event that Texas Pacific Water Resources does not have the appropriate water for BOPCO at time of drilling and completion, then BOPCO water will come from Intrepid Potash Company with the location of the water being in Section 6, T25S-R29E, Eddy County, New Mexico.

Anticipated water usage for drilling includes an estimated 35,000 barrels of water to drill a horizontal well in a combination of fresh water and brine as detailed in the mud program in the drilling plans. These volumes are calculated for ~1.5bbls per foot of hole drilled with excess to accommodate any lost circulation or wash out that may occur. Actual water volumes used during operations will depend on the depth of the well, length of horizontal sections, and the losses that may occur during the operation.

Temporary water flowlines will be permitted via ROW approval letter and proper grants as-needed based on drilling and completion schedules as needed. Well completion is expected to require approximately 300,000 barrels of water per horizontal well. Actual water volumes used during operations will depend on the depth of the well and length of horizontal sections.

7. Construction Activities

- A. Construction, reclamation, and/or routine maintenance will not be conducted during periods when the soil conditions for construction could lead to impacts to the surrounding environment, or when watershed damage is likely to occur as a result of these activities.
- B. Any construction material that may be required for surfacing of the drill pad and access road will be from a contractor having a permitted source of materials within the general area. No construction materials will be removed from federal lands without prior approval from the appropriate surface management agency. All roads and well pads will be constructed of 6" rolled and compacted caliche.
- C. Anticipated Caliche Locations:
 - a. Pit 1: Federal Caliche Pit, Section 17-T25S-R30E
 - b. Pit 2: Federal Caliche Pit, Section 34-T25S-R29E

8. Methods for Handling Waste

- **Cuttings**. The well will be drilled utilizing a closed-loop mud system. Drill cuttings will be held in roll-off style mud boxes and taken to a New Mexico Oil Conservation Division (NMOCD) approved disposal site.
- **Drilling Fluids**. These will be contained in steel mud pits and then taken to a NMOCD approved commercial disposal facility.
- Produced Fluids. Water produced from the well during completion will be held temporarily in steel tanks and then taken to a NMOCD approved commercial disposal facility. Oil produced during operations will be stored in tanks until sold.
- Sewage. Portable, self-contained toilets will be provided for human waste disposal. Upon completion of drilling and completion activities, or as required, the toilet holding tanks will be pumped and the contents thereof disposed of in an approved sewage disposal facility. All state and local laws and regulations pertaining to the disposal of human and solid waste will be complied with. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- Garbage and Other Waste Materials. All garbage, junk and non-flammable waste materials will be contained in a self-contained, portable dumpster or trash cage, to prevent scattering and will be removed and deposited in an approve sanitary landfill. Immediately after drilling all debris and other waste materials on and around the well location not contained in the trash cage will be cleaned up and removed from the location. No potentially adverse materials or substances will be left on the location.
- **Debris**. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned and removed from the well location. No potential adverse materials or substances will be left on location.
- Hazardous Materials.
 - i. All drilling wastes identified as hazardous substances by the Comprehensive Environmental Response Compensation Liability Act (CERCLA) removed from the location and not reused at another drilling location will be disposed of at a hazardous waste facility approved by the U.S. Environmental Protection Agency (EPA).
 - ii. BOPCO, L.P. and its contractors will comply with all applicable Federal, State and local laws and regulations, existing or hereafter enacted promulgated, with regard to any hazardous material, as defined in this paragraph, that will be used, produced, transported or stored on the oil and gas lease. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the CERCLA of 1980, as amended, 42 U.S.C 9601 et seq., and its regulation. The definition of hazardous substances under CERLCA includes any 'hazardous waste" as defined in the RCRA of 1976, as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous

material also includes any nuclear or nuclear by-product material as defined by the Atomic Energy Act of 1954, as amended, 42 U.C.S. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101 (14) U.S.C. 9601 (14) nor does the term include natural gas.

- iii. No hazardous substances or wastes will be stored on the location after completion of the well.
- iv. Chemicals brought to location will be on the Toxic Substance Control Act (TSCA) approved inventory list.
- v. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in Notice to Lessees (NTL) 3A will be reported to the BLM Carlsbad Field Office. Major events will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days.

9. Well Site Layout

- A. Rig Plat Diagrams: There are 3 multi-well pads in the Poker Lake Unit 18 Brushy Draw lease anticipated. This will allow enough space for cuts and fills, topsoil storage, and storm water control. Interim reclamation of these pads is anticipated after the drilling and completion of all wells on the pad. From West to East:
 - 1. Pad 1 is a 3-well pad expected to be 375'x550'.
 - 2. Pad 2 is a 3-well pad expected to be 390'x550'.
 - 3. Pad 3 is a 3-well pad expected to be 490'x400'.
- B. **Closed-Loop System**: There will be no reserve pit as each well will be drilled utilizing a closed loop mud system. The closed loop system will meet the NMOCD requirements 19.15.17.
- C. V-Door Orientation: These wells were staked with multiple v-door orientations. The following list is from West to East in accordance to the staked section and as agreed upon with Fernando Banos, BLM Natural Resource Specialist, present at on-site inspection.
 - 1. Pad 1 has a V-Door Orientation of West.
 - 2. Pad 2 has a V-Door Orientation of West.
 - 3. Pad 3 has a V-Door Orientation of West.
- D. A 600' x 600' area has been staked and flagged around each well pad. A plat for the well has been attached.
- E. All equipment and vehicles will be confined to the approved disturbed areas of this APD (i.e., access road, well pad and topsoil storage areas).

10. Plans for Surface Reclamation:

BOPCO, L.P. requests a variance from interim reclamation until all drilling and completion activities have been finished on the pads as these are multi-well pads where drilling and completion will be consecutive with the other wells on the pad. Once activities are completed, BOPCO, L.P. will coordinate interim reclamation with the appropriate BLM personnel or use the following plan:

Non-Commercial Well (Not Productive), Interim & Final Reclamation:

Definition: Reclamation includes disturbed areas where the original landform and a natural vegetative community will be restored and it is anticipated the site will not be disturbed for future development.

Reclamation Standards:

The portions of the pad not essential to production facilities or space required for workover operations will be reclaimed and seeded as per BLM requirements for interim reclamation. (See Interim Reclamation plats attached).

All equipment and trash will be removed, and the surfacing material will be removed from the well pad and road and transported to the original caliche pit or used to maintain other roads. The location will then be ripped and seeded.

The original stock piled topsoil will be spread over the areas being reclaimed and the original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors as close as possible to the original topography. The location will then be ripped and seeded

A self-sustaining, vigorous, diverse, native (or otherwise approved) plan community will be established on the site with a density sufficient to control erosion and invasion by non-native plants and to re-establish wildlife habitat or forage production. At a minimum, the established plant community will consist of species included in the seed mix and/or desirable species occurring in the surrounding natural vegetation.

Erosion features are equal to or less than surrounding area and erosion control is sufficient so that water naturally infiltrates into the soil and gullying, headcutting, slumping, and deep or excessive rills (greater than 3 inches) are not observed.

The site will be free of State-or County-listed noxious weeds, oil field debris and equipment, and contaminated soil. Invasive and non-native weeds will be controlled.

Seeding:

- <u>Seedbed Preparation</u>: Initial seedbed preparation will consist of recontouring to the appropriate interim or final reclamation standard. All compacted areas to be seeded will be ripped to a minimum depth of 18 inches with a minimum furrow spacing of 2 feet, followed by recontouring the surface and then evenly spreading the stockpiled topsoil. Prior to seeding, the seedbed will be scarified to a depth of no less than 4-6 inches. If the site is to be broadcast seeded, the surface will be left rough enough to trap seed and snow, control erosion, and increase water infiltration.
- If broadcast seeding is to be used and is delayed, final seedbed preparation will consist of contour cultivating to a depth of 4-6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting in order to break the soil crust and create seed germination micro-sites.
- <u>Seed Application</u>. Seeding will be conducted no more than two weeks following completion of final seedbed preparation. A certified weed-free seed mix designed by the BLM to meet reclamation standards will be used.
- If the site is harrowed or dragged, seed will be covered by no more than 0.25 inch of soil.

11. Surface Ownership

- A. Within the Poker Lake Unit 18 project area: 100% of the surface is under the administrative jurisdiction
- of the Bureau of Land Management.
- B. The surface is multiple-use with the primary uses of the region for grazing and for the production of oil and gas.

12. Other Information

Changes from Notice of Staking / Onsite

 Well Numbers. The 1000 and 1200 series well numbers have changed from 4-digit to 3-digit due to NMOCD requirements from the original Notice of Staking. This was done by dropping the 3rd '0' out of the well number. The 700 and 900 wells, being originally 3-digits, remain unchanged.

See reference table for appropriate well number changes.

Notice of Staking Well Number	APD Well Number
1002H	102H
1004H	104H
1201H	121H
1202H	122H

1203H	123H
1204H	124H

Surveying

- Well Sites. Well pad locations have been staked. Surveys of the proposed access roads and well pad locations have been completed by Frank Surveying, a registered professional land surveyor. Center stake surveys with access roads have been completed on State and Federal lands with Fernando Banos, Bureau of Land Management Natural Resource Specialist in attendance.
- Cultural Resources Archaeology: A Class III Cultural Resources Examination has been completed on all wells by Boone Archaeological Services and the results will be forwarded to the BLM Office. A copy of the report is also included as an attachment to this APD.
- Dwellings and Structures. There are no dwellings or structures within 2 miles of this location.

Soils and Vegetation

- Environmental Setting. Soils are classified as Simona Gravelly Fine Sandy Loam and Simona-Bippus Complex. Simona soils are found on alluvial fans and plans and form in mixed alluvium and/or Aeolian sands. Bippus soils are found on alluvial fans and floodplains and form in mixed alluvium. The Simona-Bippus soils are dominant to the east and the Simona Gravelly Fine Sandy Loams are dominant to the West. Dominant vegetation species include: mesquite, sumac snakeweed, and various forbs and grasses. Ground cover is minimal, offering 90 percent visibility.
- **Traffic.** No truck traffic will be operated during periods or in areas of saturated ground when surface rutting could occur. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route.
- Water. There is no permanent or live water in the immediate or within the project area.

13. Bond Coverage

Bond Coverage is Nationwide. Bond Number: COB000050

Operator's Representatives:

The BOPCO, L.P. representatives for ensuring compliance of the surface use plan are listed below:

Surface:

Jimie Scott Contract Construction Lead XTO Energy, Incorporated 500 W. Illinois St., Suite 100 Midland, Texas 79701 432-488-9955 james_scott@xtoenergy.com

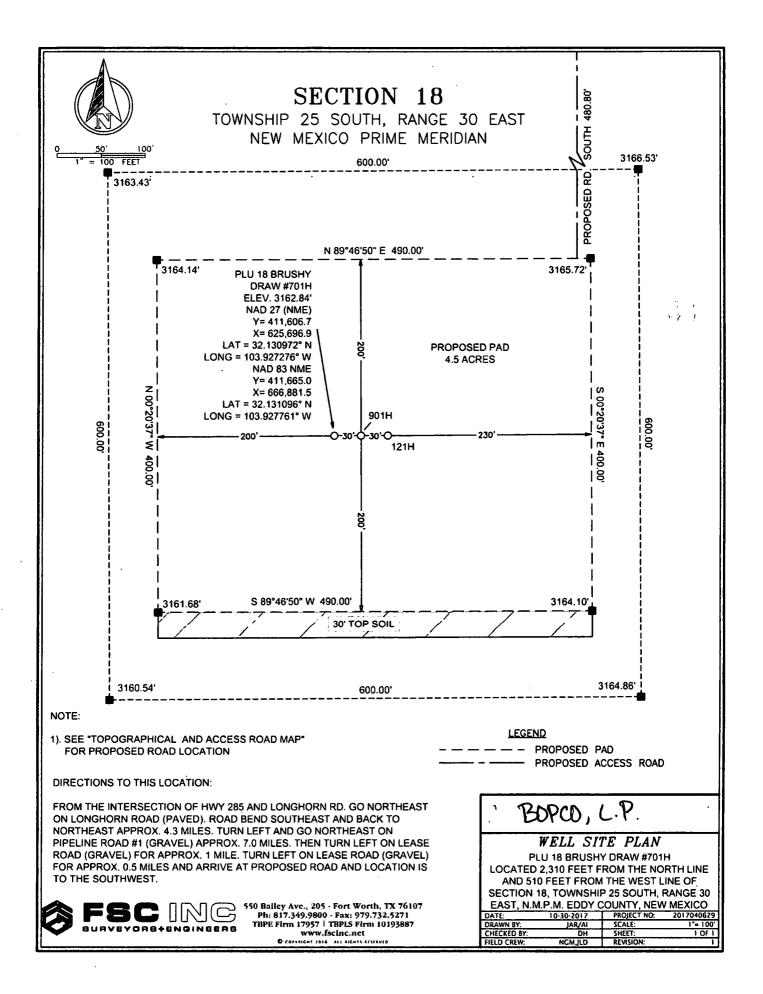
Jeff Raines Construction Superintendent XTO Energy, Incorporated 500 W. Illinois St., Suite 100 Midland, Texas 79701 432-620-4349 jeff_raines@xtoenergy.com

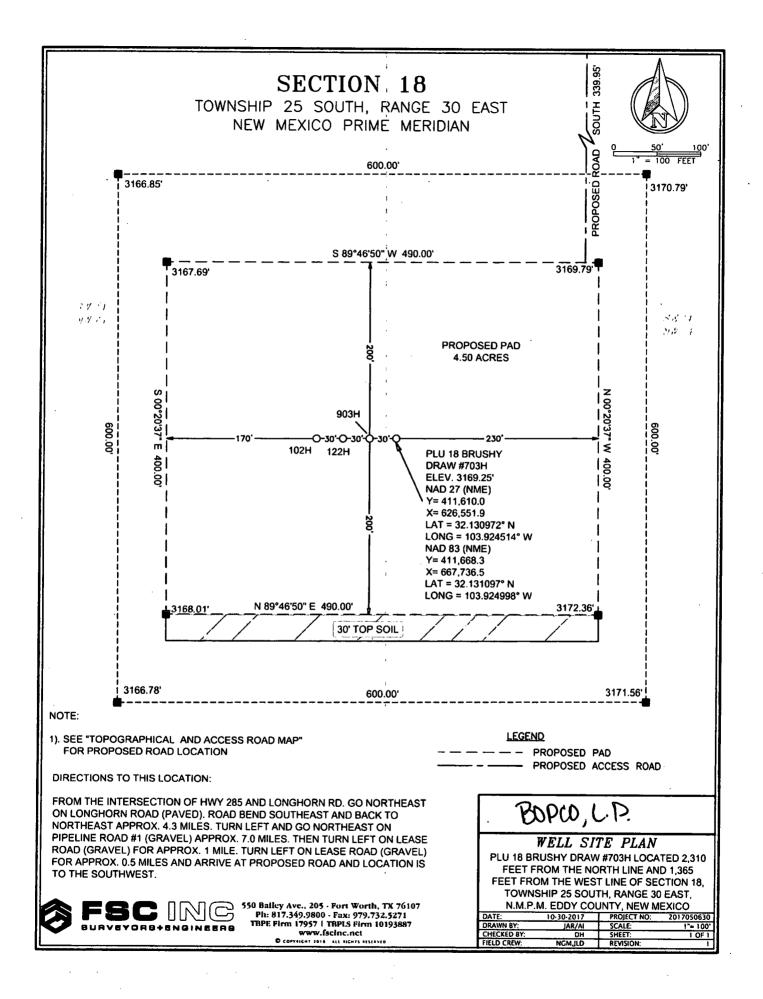
Poker Lake Unit 18 Brushy Draw List List of Proposed Wells; Changes from Notice of Staking BOPCO, L.P.							
<u>Pad Number</u>	New Well Name & Number	Original Number	<u>Section</u>	<u>Township</u>	<u>Range</u>	Surface Owner	<u>V-Door</u>
1	Poker Lake Unit 18 Brushy Draw 701H		18	25S	30E	Bureau of Land Mgmt	West
	Poker Lake Unit 18 Brushy Draw 901H		18	255	30E	Bureau of Land Mgmt	West
· · · · ·	Poker Lake Unit 18 Brushy Draw 121H	12 0 1H	18	25S	30E	Bureau of Land Mgmt	West
2	Poker Lake Unit 18 Brushy Draw 102H	10 0 2H	18	255	30E	Bureau of Land Mgmt	West
	Poker Lake Unit 18 Brushy Draw 122H	12 0 2H	18	255	30E	Bureau of Land Mgmt	West
	Poker Lake Unit 18 Brushy Draw 903H	· · · · · · · · · · · · · · · · · · ·	18	255	30E	Bureau of Land Mgmt	West
	Poker Lake Unit 18 Brushy Draw 703H		18	255	30E	Bureau of Land Mgmt	West
3	Poker Lake Unit 18 Brushy Draw 123H	12 0 3H	18	25S	30E	Bureau of Land Mgmt	West
	Poker Lake Unit 18 Brushy Draw 124H	12 0 4H	18	255	30E	Bureau of Land Mgmt	West
	Poker Lake Unit 18 Brushy Draw 104H	10 0 4H	18	25S	30E	Bureau of Land Mgmt	West

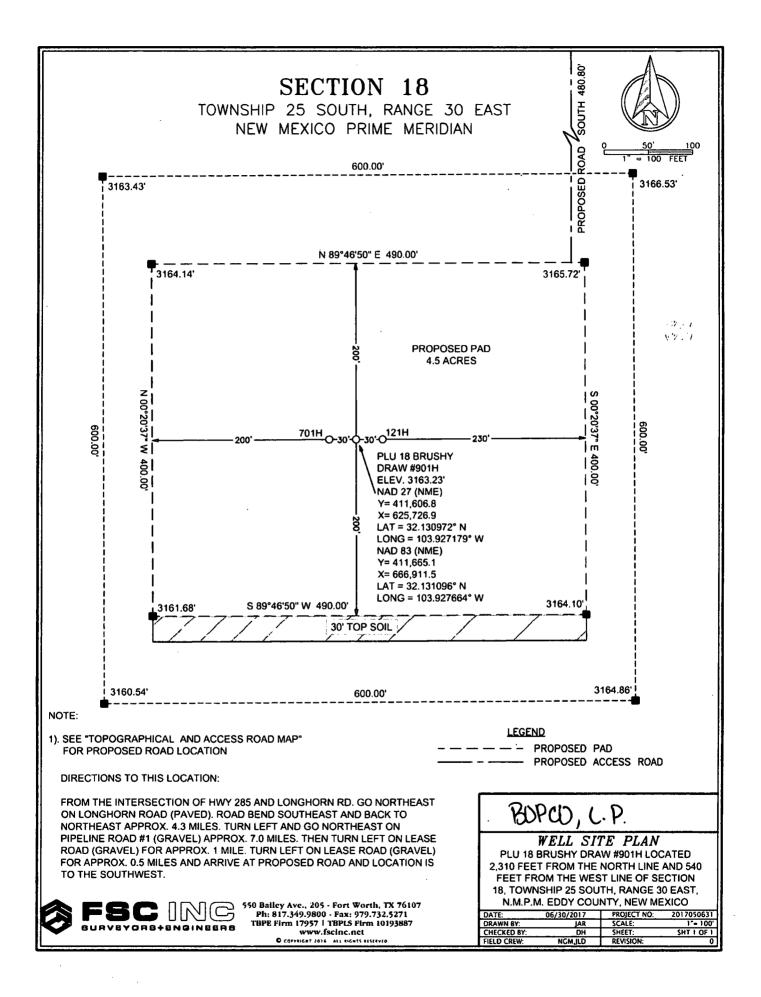
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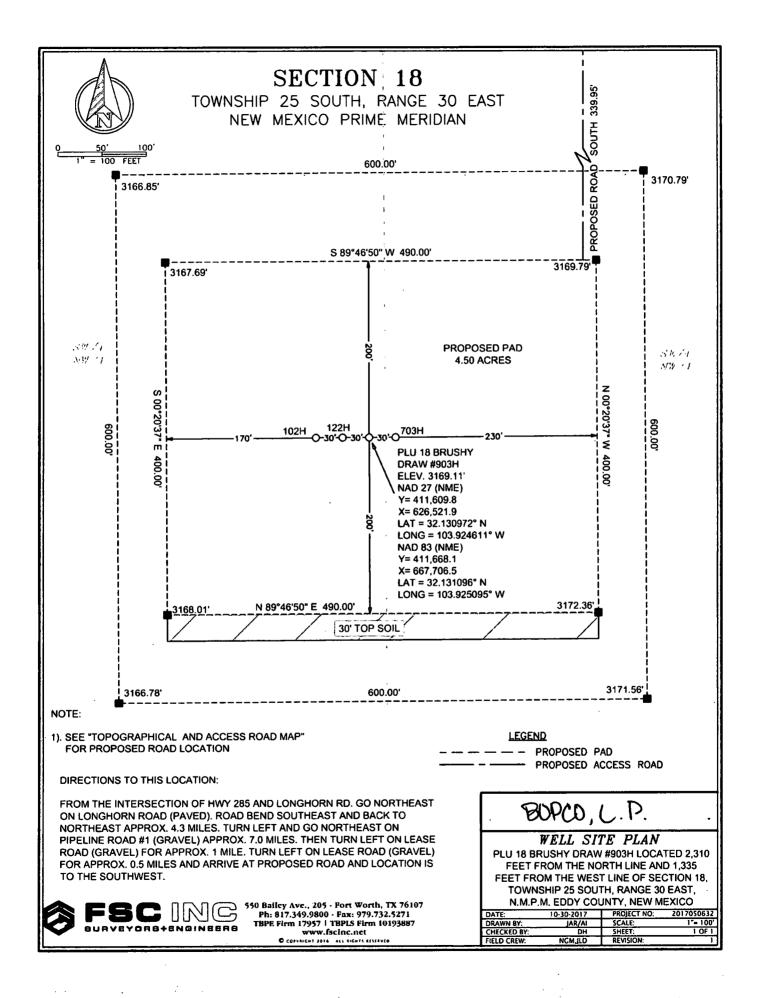
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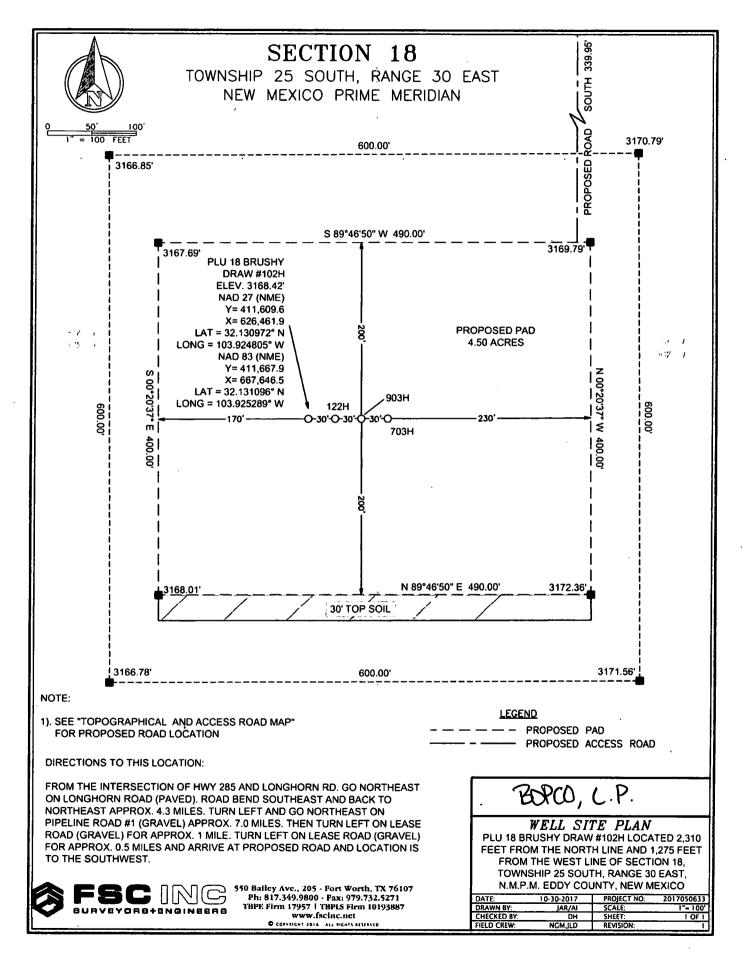
* Bold Indicates Portion Changed



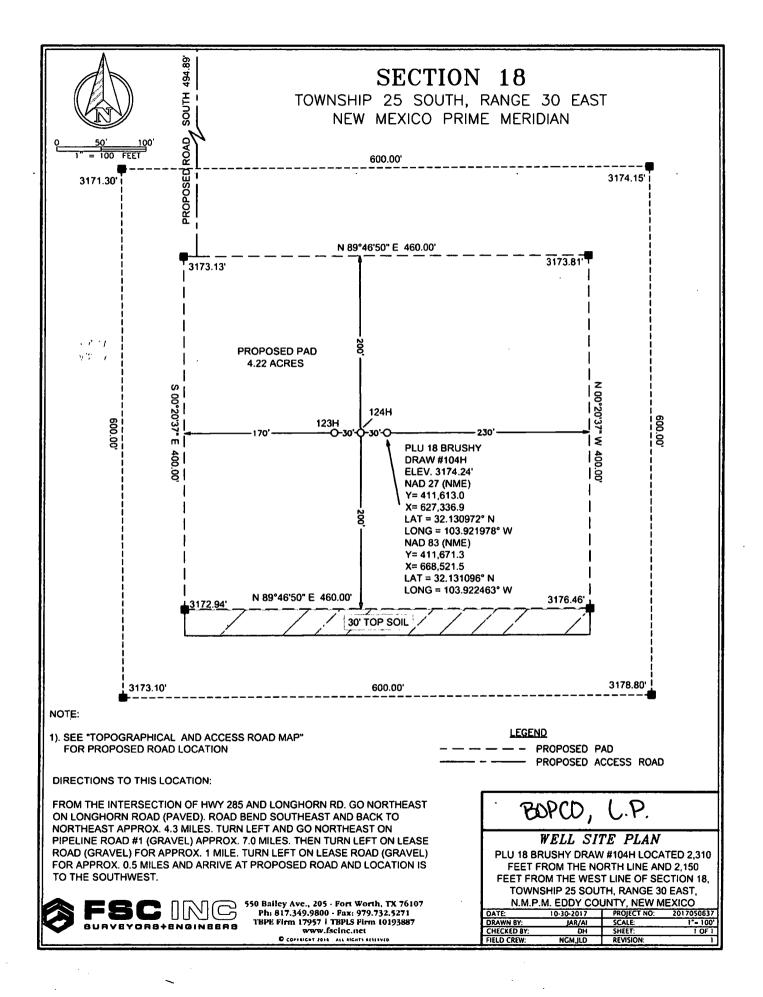


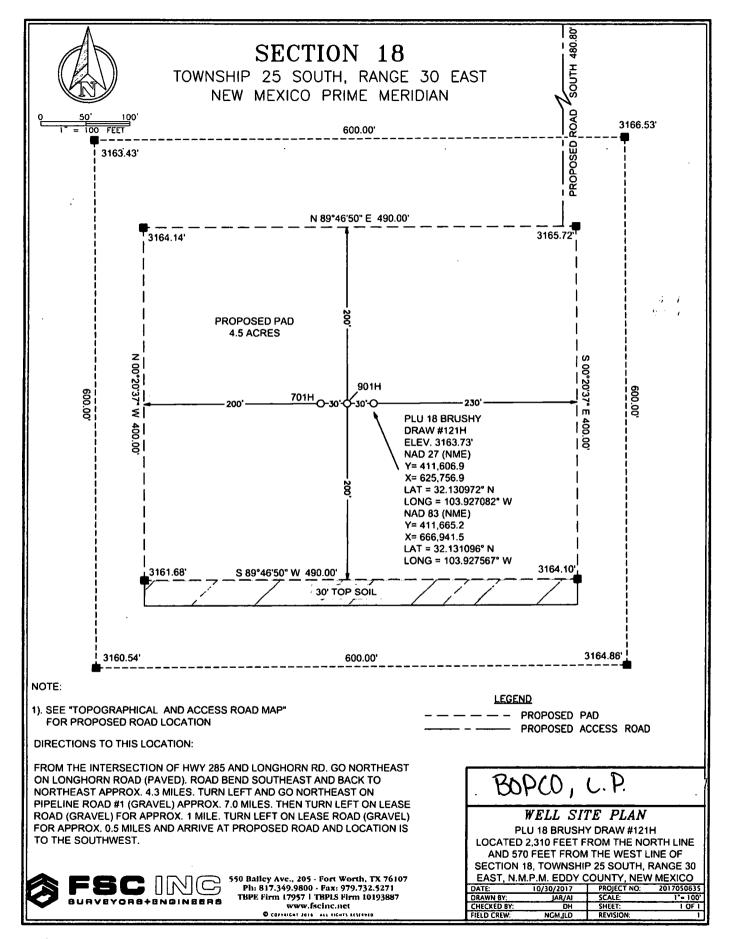




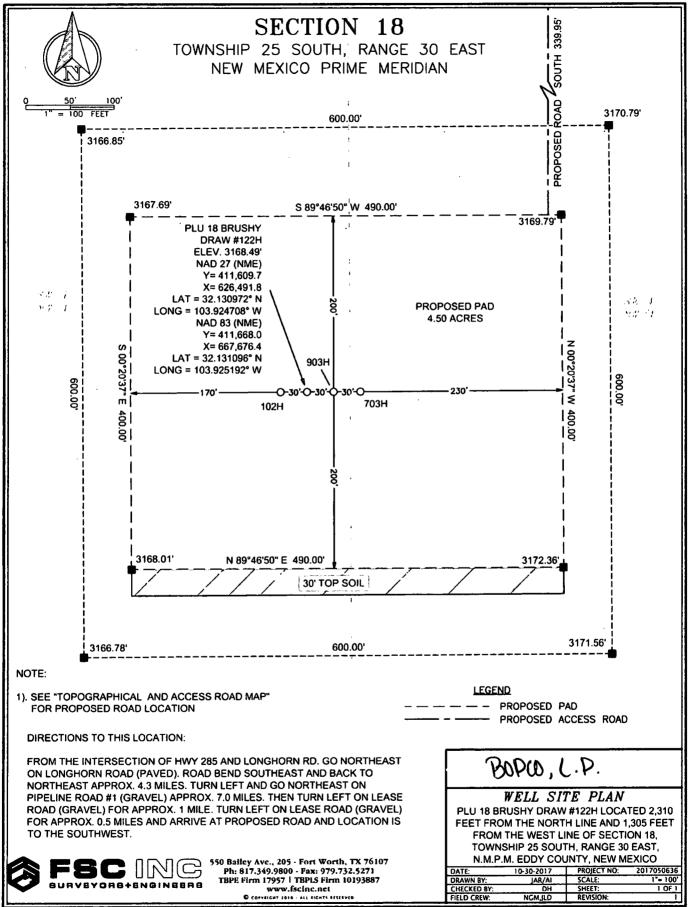


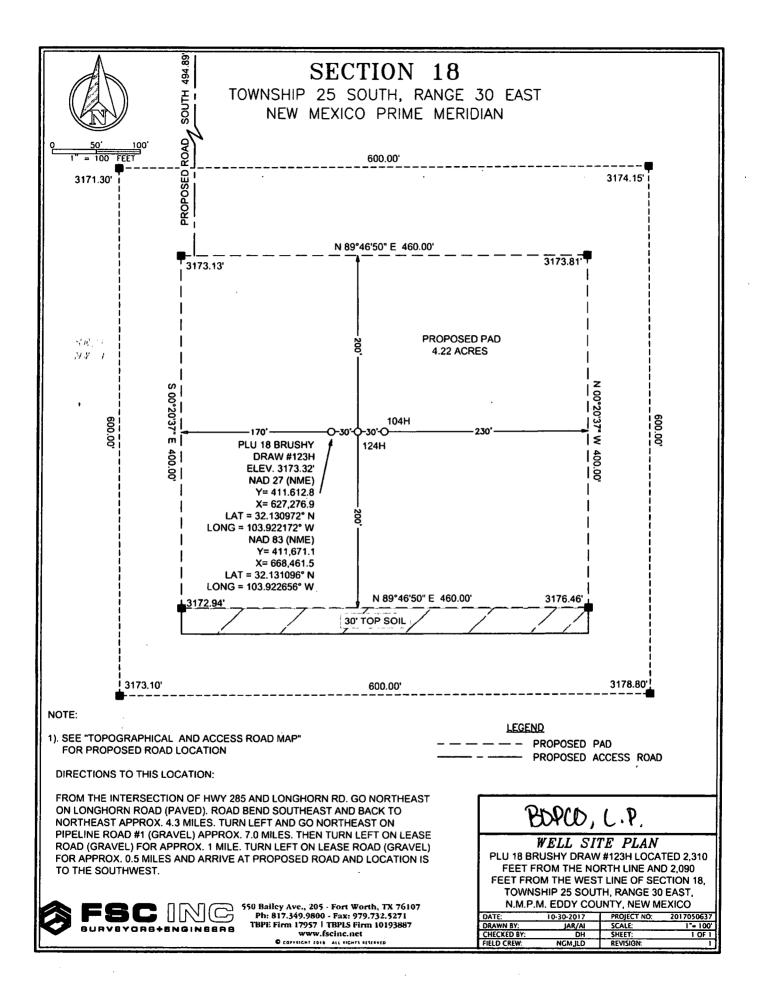
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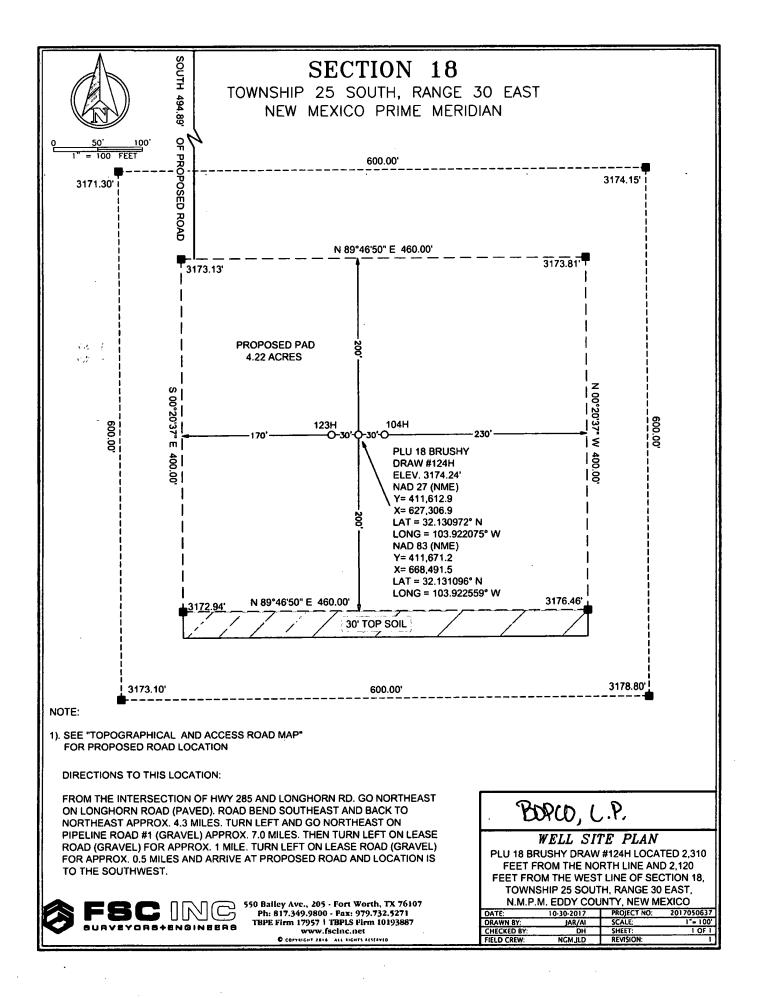




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U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO **Produced Water Disposal (PWD) Location:** PWD surface owner: Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: Pit liner description: Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount: Additional bond information attachment:

PWD disturbance (acres):

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):



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

Bond Information

Federal/Indian APD: FED

BLM Bond number: COB000050

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Bond Info Data Report

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04/19/2018

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: