

HOBBS OCD

NOV 06 2017

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

| | | |
|--|--|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 7. If Unit or CA Agreement, Name and No. |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 8. Lease Name and Well No. (319802) BARLOW 34 FED COM 706H |
| 2. Name of Operator EOG RESOURCES INCORPORATED (777) | | 9. API Well No. 30-025-44169 |
| 3a. Address 1111 Bagby Sky Lobby2 Houston TX 77002 | 3b. Phone No. (include area code) (713)651-7000 | 10. Field and Pool, or Exploratory RED HILLS / WC-025 S263327G |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface LOT 3 / 300 FSL / 1685 FWL / LAT 32.0010801 / LONG -103.5632921 At proposed prod. zone NESW / 2417 FSL / 1988 FWL / LAT 32.0138089 / LONG -103.5623119 | | 11. Sec., T. R. M. or Blk. and Survey or Area SEC 34 / T26S / R33E / NMP |
| 14. Distance in miles and direction from nearest town or post office* 35 miles | | 12. County or Parish LEA |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 300 feet | | 13. State NM |
| 16. No. of acres in lease 2174.12 | | 17. Spacing Unit dedicated to this well 160 |
| 18. Distance from proposed location* to nearest well, drilling, completed, 577 feet applied for, on this lease, ft. | | 20. BLM/BIA Bond No. on file FED: NM2308 |
| 19. Proposed Depth 12420 feet / 17105 feet | | 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3282 feet |
| 22. Approximate date work will start* 07/01/2017 | | 23. Estimated duration 25 days |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

| | | |
|--|---|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) Stan Wagner / Ph: (432)686-3689 | Date 03/14/2017 |
| Title Regulatory Specialist | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) Cody Layton / Ph: (575)234-5959 | Date 09/26/2017 |
| Title Supervisor Multiple Resources | | |
| Office CARLSBAD | | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

APPROVED WITH CONDITIONS

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11/07/17

Double sided
B.C

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.

Additional Operator Remarks

Location of Well

- I. SHL: LOT 3 / 300 FSL / 1685 FWL / TWSP: 26S / RANGE: 33E / SECTION: 34 / LAT: 32.0010801 / LONG: -103.5632921 (TVD: 0 feet, MD: 0 feet)
PPP: LOT 3 / 330 FSL / 1995 FWL / TWSP: 26S / RANGE: 33E / SECTION: 34 / LAT: 32.0011634 / LONG: -103.5622995 (TVD: 12377 feet, MD: 12499 feet)
BHL: NESW / 2417 FSL / 1988 FWL / TWSP: 26S / RANGE: 33E / SECTION: 27 / LAT: 32.0138089 / LONG: -103.5623119 (TVD: 12420 feet, MD: 17105 feet)

BLM Point of Contact

Name: Sipra Dahal

Title: Legal Instruments Examiner

Phone: 5752345983

Email: sdahal@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.



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

Application Data Report

10/16/2017

APD ID: 10400009092

Submission Date: 03/14/2017

Highlighted data
reflects the most
recent changes

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

APD ID: 10400009092

Tie to previous NOS?

Submission Date: 03/14/2017

BLM Office: CARLSBAD

User: Stan Wagner

Title: Regulatory Specialist

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM02965A

Lease Acres: 2174.12

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? NO

Permitting Agent? NO

APD Operator: EOG RESOURCES INCORPORATED

Operator letter of designation:

Operator Info

Operator Organization Name: EOG RESOURCES INCORPORATED

Operator Address: 1111 Bagby Sky Lobby2

Zip: 77002

Operator PO Box:

Operator City: Houston

State: TX

Operator Phone: (713)651-7000

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: BARLOW 34 FED COM

Well Number: 706H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: RED HILLS

Pool Name: WC-025 S263327G

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

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Describe other minerals:

Is the proposed well in a Helium production area? N

Use Existing Well Pad? NO

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name:

Number: 704H/705H/706H

Well Class: HORIZONTAL

BARLOW 34 FED COM

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 35 Miles

Distance to nearest well: 577 FT

Distance to lease line: 300 FT

Reservoir well spacing assigned acres Measurement: 160 Acres

Well plat: Barlow_706H_C_102_05-04-2017.pdf

Well work start Date: 07/01/2017

Duration: 25 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD |
|------------------|---------|--------------|----------|--------------|------|-------|---------|-------------------|----------------|----------------------|--------|-------------------|-------------------|------------|----------------|---------------|-----------|-----------|
| SHL Leg #1 | 300 | FSL | 168 5 | FWL | 26S | 33E | 34 | Lot 3 | 32.00108 01 | - 103.5632 921 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 02965A | 328 2 | 0 | 0 |
| KOP Leg #1 | 51 | FSL | 197 8 | FWL | 26S | 33E | 34 | Lot 3 | 32.00039 34 | - 103.5623 527 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 02965A | - 864 5 | 119 36 | 119 27 |
| PPP Leg #1 | 330 | FSL | 199 5 | FWL | 26S | 33E | 34 | Lot 3 | 32.00116 34 | - 103.5622 995 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 02965A | - 909 5 | 124 99 | 123 77 |

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD |
|-------------------|----------|--------------|----------|--------------|------|-------|---------|-------------------|----------------|----------------------|--------|-------------------|-------------------|------------|----------------|---------------|-----------|-----------|
| EXIT Leg #1 | 231 7 | FSL | 198 9 | FWL | 26S | 33E | 27 | Aliquot NESW | 32.01353 35 | - 103.5623 125 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 121490 | - 913 8 | 170 05 | 124 20 |
| BHL Leg #1 | 241 7 | FSL | 198 8 | FWL | 26S | 33E | 27 | Aliquot NESW | 32.01380 89 | - 103.5623 119 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 121490 | - 913 8 | 171 05 | 124 20 |



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

Drilling Plan Data Report

10/16/2017

APD ID: 10400009092

Submission Date: 03/14/2017

Highlighted data
reflects the most
recent changes

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|--------------|------------------|-----------|---------------------|----------------|-------------|-------------------|---------------------|
| 1 | PERMIAN | 3282 | 0 | 0 | ANHYDRITE | NONE | No |
| 2 | RUSTLER | 2477 | 805 | 805 | ANHYDRITE | NONE | No |
| 3 | TOP SALT | 2147 | 1135 | 1135 | SALT | NONE | No |
| 4 | BASE OF SALT | -1483 | 4765 | 4765 | SALT | NONE | No |
| 5 | LAMAR | -1728 | 5010 | 5010 | LIMESTONE | NONE | No |
| 6 | BELL CANYON | -1753 | 5035 | 5035 | SANDSTONE | NATURAL GAS,OIL | No |
| 7 | CHERRY CANYON | -2798 | 6080 | 6080 | SANDSTONE | NATURAL GAS,OIL | No |
| 8 | BRUSHY CANYON | -4378 | 7660 | 7660 | SANDSTONE | NATURAL GAS,OIL | No |
| 9 | BONE SPRING LIME | -5933 | 9215 | 9215 | LIMESTONE | NONE | No |
| 10 | BONE SPRING 1ST | -6873 | 10155 | 10155 | SANDSTONE | NATURAL GAS,OIL | No |
| 11 | BONE SPRING 2ND | -7378 | 10660 | 10660 | SANDSTONE | NATURAL GAS,OIL | No |
| 12 | BONE SPRING 3RD | -8448 | 11730 | 11730 | SANDSTONE | NATURAL GAS,OIL | No |
| 13 | WOLFCAMP | -8918 | 12200 | 12200 | SHALE | NATURAL GAS,OIL | Yes |

Section 2 - Blowout Prevention

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Pressure Rating (PSI): 10M

Rating Depth: 12420

Equipment: The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (10,000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil and Gas order No. 2.

Requesting Variance? YES

Variance request: Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line). Variance is requested to wave the centralizer requirements for the 7-5/8" FJ casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation. Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

Testing Procedure: Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes. Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

Choke Diagram Attachment:

10M_Choke_Manifold_06-15-2017.pdf

BOP Diagram Attachment:

10M_BOPE_06-15-2017.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 | 14.75 | 10.75 | NEW | API | N | 0 | 830 | 0 | 830 | -9095 | -9925 | 830 | J-55 | 40.5 | STC | 1.125 | 1.25 | BUOY | 1.6 | BUOY | 1.6 |
| 2 | INTERMEDIATE | 9.875 | 7.625 | NEW | API | N | 0 | 1000 | 0 | 1000 | -9095 | -10095 | 1000 | HCP-110 | 29.7 | LTC | 1.125 | 1.25 | BUOY | 1.6 | BUOY | 1.6 |
| 3 | INTERMEDIATE | 9.875 | 7.625 | NEW | API | N | 1000 | 3000 | 1000 | 3000 | -10095 | -12095 | 2000 | P-110 | 29.7 | OTHER - SLIJ II | 1.125 | 1.25 | BUOY | 1.6 | BUOY | 1.6 |
| 4 | PRODUCTION | 6.75 | 5.5 | NEW | API | N | 0 | 10800 | 0 | 10800 | -9095 | -19895 | 10800 | P-110 | 20 | OTHER - DW/C-15 MS | 1.125 | 1.25 | BUOY | 1.6 | BUOY | 1.6 |
| 5 | INTERMEDIATE | 8.75 | 7.625 | NEW | API | N | 3000 | 11300 | 3000 | 11300 | -12095 | -20395 | 8300 | HCP-110 | 29.7 | OTHER - Flushmax III | 1.125 | 1.25 | BUOY | 1.6 | BUOY | 1.6 |
| 6 | PRODUCTION | 6.75 | 5.5 | NEW | API | N | 10800 | 17105 | 10800 | 12420 | -19895 | -21515 | 6305 | P-110 | 23 | OTHER - VAM SFC | 1.125 | 1.25 | BUOY | 1.6 | BUOY | 1.6 |

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Casing ID: 3 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Casing Attachments

Casing ID: 4 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Casing ID: 5 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Casing ID: 6 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Section 4 - Cement

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|-----------|
| INTERMEDIATE | Lead | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | | | | | | |
|------------|------|--|---|---|---|---|---|---|---|---|---|
| PRODUCTION | Lead | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|------------|------|--|---|---|---|---|---|---|---|---|---|

| | | | | | | | | | | | |
|--------------|------|--|---|---|---|---|---|---|---|---|---|
| INTERMEDIATE | Lead | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|--------------|------|--|---|---|---|---|---|---|---|---|---|

| | | | | | | | | | | | |
|--------------|------|--|-----------|-----------|------|------|------|------|----|---------|---|
| SURFACE | Lead | | 0 | 830 | 325 | 1.73 | 13.5 | 562 | 25 | Class C | Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl2 + 0.25 lb/sk Cello-Flake (TOC @ Surface) |
| SURFACE | Tail | | 830 | 830 | 200 | 1.34 | 14.8 | 268 | 25 | Class C | Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate |
| INTERMEDIATE | Lead | | 0 | 1130 0 | 2250 | 1.38 | 14.8 | 3105 | 25 | Class C | Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead. (TOC @ surface) |
| INTERMEDIATE | Tail | | 1130 0 | 1130 0 | 550 | 1.2 | 14.4 | 660 | 25 | Class H | 50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P pumped conventionally |
| PRODUCTION | Lead | | 1080 0 | 1710 5 | 850 | 1.26 | 14.1 | 1071 | 25 | Class H | Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 10,800') |

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

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: (A) A Kelly cock will be kept in the drill string at all times. (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times. (C) H2S monitoring and detection equipment will be utilized from surface casing point to TD.

Describe the mud monitoring system utilized: An electronic pit volume totalizer (PVT) will be utilized on the circulating system to monitor pit volume, flow rate, pump pressure and stroke rate.

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|--------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 830 | 1130 0 | SALT SATURATED | 8.8 | 10 | | | | | | | |
| 1130 0 | 1710 5 | OIL-BASED MUD | 10 | 14 | | | | | | | |
| 0 | 830 | WATER-BASED MUD | 8.6 | 8.8 | | | | | | | |

Section 6 - Test, Logging, Coring

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

Open-hole logs are not planned for this well.

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

DS

Coring operation description for the well:

None

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 7427

Anticipated Surface Pressure: 4694.6

Anticipated Bottom Hole Temperature(F): 181

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

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Barlow_34_Fed_Com_706H_H2S_Plan_Summary_03-14-2017.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Barlow_34_Fed_Com_706H_Planning_Report_03-14-2017.pdf

Barlow_34_Fed_Com_706H_Wall_Plot_03-14-2017.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Barlow_34_Fed_Com_706H_5.500in_20.00_VST_P110EC_DWC_C_IS_MS_Spec_Sheet_03-14-2017.pdf

Barlow_34_Fed_Com_706H_5.500in_20.00_VST_P110EC_VAM_SFC_Spec_Sheet_03-14-2017.pdf

Barlow_34_Fed_Com_706H_7.625in_29.70_P_110_FlushMax_III_Spec_Sheet_03-14-2017.pdf

Barlow_34_Fed_Com_706H_7.625in_29.7_P110EC_VAM_SLIJ_II_03-14-2017.pdf

Barlow_34_Fed_Com_706H_BLM_Plan_03-14-2017.pdf

Barlow_34_Fed_Com_706H_Proposed_Wellbore_03-14-2017.pdf

Barlow_34_Fed_Com_706H_Rig_Layout_03-14-2017.pdf

Other Variance attachment:

Barlow_34_Fed_Com_706H_Co_Flex_Hose_Certification_03-14-2017.PDF

Barlow_34_Fed_Com_706H_Co_Flex_Hose_Test_Chart_03-14-2017.pdf

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: 6" of Compacted Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: An adequate amount of topsoil/root zone will be stripped by dozer from the proposed well location and stockpiled along the side of the well location as depicted on the well site diagram / survey plat.

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: No drainage crossings

Road Drainage Control Structures (DCS) description: N/A

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:

BARLOW_34_FED_COM_706H_radius_map_03-09-2017.pdf

Existing Wells description:

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Estimated Production Facilities description:

Production Facilities description: Barlow 34 Fed Com central tank battery is located in NW/4 of section 34.

Production Facilities map:

Barlow_34_Fed_Com_infrastructure_03-09-2017.pdf

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: OTHER

Water source type: RECYCLED

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: WATER RIGHT

Source land ownership: FEDERAL

Water source transport method: PIPELINE,TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 0

Source volume (acre-feet): 0

Source volume (gal): 0

Water source and transportation map:

Barlow_34_Fed_Com_Water_Source_and_Caliche_Map_03-09-2017.pdf

Water source comments:

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Section 6 - Construction Materials

Construction Materials description: Caliche will be supplied from pits shown on the attached caliche source map. Caliche utilized for the drilling pad will be obtained either from an existing approved mineral pit, or by benching into a hill, which will allow the pad to be level with existing caliche from the cut, or extracted by "Flipping" the well location. A mineral material permit will be obtained from BLM prior to excavating any caliche on Federal Lands. Amount will vary for each pad. The procedure for "Flipping" a well location is as follows: * -An adequate amount of topsoil/root zone (usually top 6 inches of soil) will be stripped from the proposed well location and stockpiled along the side of the well location as depicted on the well site diagram/survey plat. -An area will be used within the proposed well site dimensions to excavate caliche. Subsoil will be removed and stockpiled within the surveyed well pad dimensions. -Once caliche/surfacing mineral is found, the mineral material will be excavated and stock piled within the approved drilling pad dimensions. -Then, subsoil will be pushed back in the excavated hole and caliche will be spread accordingly across the entire well pad and road (if available). -Neither caliche, nor subsoil will be stock piled outside of the well pad dimensions. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat. * In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or federal land.

Construction Materials source location attachment:

Barlow_34_Fed_Com_Water_Source_and_Caliche_Map_03-09-2017.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill fluids and produced oil and water from the well during drilling and completion operations will be stored safely and disposed of properly in an NMOCD approved disposal facility. Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly. Human waste and grey water will be properly contained of and disposed of properly. After drilling and completion operations; trash, chemicals, salts, frac sand, and other waste material will be removed and disposed of properly at a state approved disposal facility.

Amount of waste: 0 barrels

Waste disposal frequency : Daily

Safe containment description: Steel Tanks

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to NMOCD approved disposal facility

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?



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

PWD Data Report

10/16/2017

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:

PWD disturbance (acres):

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:

Describe 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:

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Closed Loop System. Drill cuttings will be disposed of into steel tanks and taken to an NMOCD approved disposal facility.

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:

BARLOW_34_FED_COM_706H_pad_site_03-09-2017.pdf

BARLOW_34_FED_COM_706H_well_site_03-09-2017.pdf

Barlow_34_Fed_Com_706H_Rig_Layout_03-14-2017.pdf

Comments: Exhibit 2A-Wellsite & Exhibit 2B-Padsite Rig Layout Exhibit 4

Section 10 - Plans for Surface Reclamation

Type of disturbance: NEW

Recontouring attachment:

BARLOW_34_FED_COM_706H_interim_reclamation_03-09-2017.pdf

Drainage/Erosion control construction: Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.

Drainage/Erosion control reclamation: The interim reclamation will be monitored periodically to ensure that vegetation has reestablished and that erosion is controlled.

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Wellpad long term disturbance (acres): 3.133609

Wellpad short term disturbance (acres): 4.499541

Access road long term disturbance (acres): 1.544353

Access road short term disturbance (acres): 1.544353

Pipeline long term disturbance (acres): 0.0005815103

Pipeline short term disturbance (acres): 0.0016153053

Other long term disturbance (acres): 0

Other short term disturbance (acres): 0

Total long term disturbance: 4.6785436

Total short term disturbance: 6.0455093

Reconstruction method: In areas planned for interim reclamation, all the surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. Areas planned for interim reclamation will be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.

Topsoil redistribution: Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts and fills. To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 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.

Soil treatment: Re-seed according to BLM standards. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, and that erosion is controlled.

Existing Vegetation at the well pad: Grass, forbs, and small woody vegetation, such as mesquite will be excavated as the topsoil is removed. Large woody vegetation will be stripped and stored separately and respreads evenly on the site following topsoil respreading. Topsoil depth is defined as the top layer of soil that contains 80% of the roots. In areas to be heavily disturbed, the top 6 inches of soil material, will be stripped and stockpiled on the perimeter of the well location and along the perimeter of the access road to control run-on and run-off, to keep topsoil viable, and to make redistribution of topsoil more efficient during interim reclamation. Stockpiled topsoil should include vegetative material. Topsoil will be clearly segregated and stored separately from subsoils.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: All disturbed areas, including roads, pipelines, pads, will be recontoured to the contour existing prior to the initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: All disturbed areas, including roads, pipelines, pads, will be recontoured to the contour existing prior to the initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: All disturbed areas, including roads, pipelines, pads, will be recontoured to the contour existing prior to the initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

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

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Seed harvest description:

Seed harvest description attachment:

Seed Management

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 | |
|--------------|-------------|
| Seed Type | Pounds/Acre |

Total pounds/Acre:

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Stan

Last Name: Wagner

Phone: (432)686-3689

Email: stan_wagner@eogresources.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, erosion is controlled, and free of noxious weeds. Weeds will be treated if found.

Weed treatment plan attachment:

Monitoring plan description: Reclamation will be completed within 6 months of well plugging. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, erosion is controlled, and free of noxious weeds.

Monitoring plan attachment:

Success standards: N/A

Pit closure description: NA

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Pit closure attachment:

Section 11 - Surface Ownership

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:

Fee Owner: Oliver Kiehne

Fee Owner Address: P.O. Box 135 Orla, TX 79770

Phone: (575)399-9281

Email:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: surface use agreement

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Operator Name: EOG RESOURCES INCORPORATED

Well Name: BARLOW 34 FED COM

Well Number: 706H

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS

ROW Applications

SUPO Additional Information: An onsite meeting was conducted 2/16/17. Poly lines are planned to transport water for operations. Will truck if necessary. See attached SUPO Plan.

Use a previously conducted onsite? NO

Previous Onsite information:

Other SUPO Attachment

Barlow_34_Fed_Com_infrastructure_03-09-2017.pdf

BARLOW_34_FED_COM_704H_706H_cut_fill_03-09-2017.PDF

BARLOW_34_FED_COM_706H_COMBINED_03-09-2017.PDF

Barlow_34_Fed_Com_706H_deficiency_response_05-23-2017.pdf

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe 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:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

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:

Injection well name:

Injection well API number:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

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:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



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

Bond Info Data Report

10/16/2017

Bond Information

Federal/Indian APD: FED

BLM Bond number: NM2308

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

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:

NOTE: The BLM will return your APD package to you, unless you correct all deficiencies identified above (item 1) within 45 calendar days.

- The BLM will not refund an APD processing fee or apply it to another APD for any returned APD.

Extension Requests:

- If you know you will not be able to meet the 45-day timeframe for reasons beyond your control, you must submit a written request through email/standard mail for extension prior to the 45th calendar day from this notice, **07/02/2017**.
- The BLM will consider the extension request if you can demonstrate your diligence (providing reasons and examples of why the delay is occurring beyond your control) in attempting to correct the deficiencies and can provide a date by which you will correct the deficiencies. If the BLM determines that the request does not warrant an extension, the BLM will return the APD as incomplete after the 45 calendar days have elapsed.
 - The BLM will determine whether to grant an extension beyond the required 45 calendar days and will document this request in the well file. If you fail to submit deficiencies by the date defined in the extension request, the BLM will return the APD.

APDs remaining Incomplete:

- If the APD is still not complete, the BLM will notify you and allow 10 additional business days to submit a written request to the BLM for an extension. The request must describe how you will address all outstanding deficiencies and the timeframe you request to complete the deficiencies.
 - The BLM will consider the extension request if you can prove your diligence (providing reasons and examples of why the delay is occurring) in attempting to correct the deficiencies and you can provide a date by which you will correct the deficiencies. If the BLM determines that the request does not warrant an additional extension, the BLM will return the APD as incomplete.

If you have any questions, please contact Alana Baker at (575) 234-5922.

Sincerely,

Cody Layton
Assistant Field Manager
Lands and Minerals

cc: Official File

ADDENDUM - Deficient

Surface Comments

- New and Reconstructed Roads Deficiency:

Please identify how much road is needed from existing lease road. Be sure to differentiate between what will be built for the 701-703H wells and how that road would be utilized. Please make sure plat and SUPO reflect same information.

Corrected plats & SUPO

Attached

Engineering Comments

- BOP requirements are not met

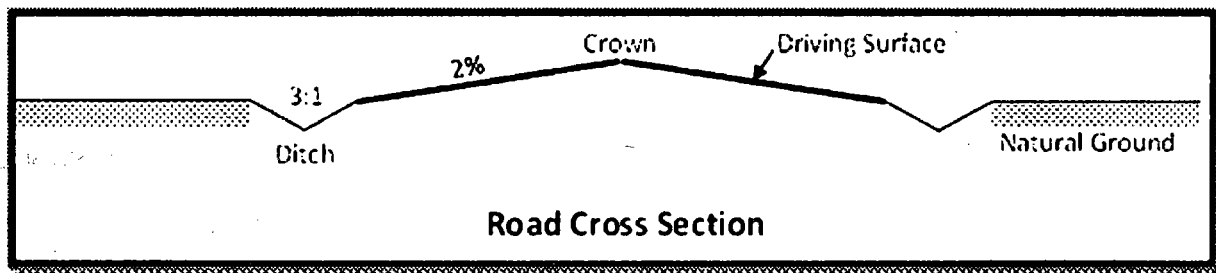
1. BOP Schematic must have a 10M Annular. Please resubmit with correction.

Attached

- Engineering Review: Other identified drilling plan deficiencies

Not a deficiency but cannot approve APD without a waste minimization plan. Please attach state submitted gas capture plan (this will be a sufficient substitute for waste minimization plan).

Attached



- f. The access road will be constructed with a ditch on each side of the road.
- g. The maximum grade for the access road will be 2 percent.
- h. No turnouts will be constructed on the proposed access road.
- i. No cattleguards will be installed for this proposed access road.
- j. Since the proposed access road crosses lease boundaries, a right-of-way will be required for this access road. A right-of-way grant will be applied for through the BLM. The access road will not be constructed until an approved BLM right-of-way grant is acquired.
- k. No culverts will be constructed for this proposed access road.
- l. No low water crossings will be constructed for the access road.
- m. Since the access road is on level ground, no lead-off ditches will be constructed for the proposed access road.
- n. Newly constructed or reconstructed roads, on surface under the jurisdiction of the Bureau of Land Management, will be constructed as outlined in the BLM "Gold Book" and to meet the standards of the anticipated traffic flow and all anticipated weather requirements as needed. Construction will include ditching, draining, crowning and capping or sloping and dipping the roadbed as necessary to provide a well-constructed and safe road.

3. Location of Existing Wells

- a. Barlow 34 Fed Com 706H radius map of the APD depicts all known wells within a one mile radius of the proposed well.
- b. There is no other information regarding wells within a one mile radius.

4. Location of Existing and/or Proposed Production Facilities

- a. All permanent, lasting more than 6 months, above ground structures including but not limited to pumpjacks, storage tanks, barrels, pipeline risers, meter housing, etc. that are not subject to safety requirements will be painted a non-reflective paint color, Shale Green, from the BLM Standard Environmental Colors chart, unless another color is required in the APD Conditions of Approval.
- b. If any type of production facilities are located on the well pad, they will be strategically placed to allow for maximum interim reclamation, recontouring, and revegetation of the well location.
- c. A production facility is proposed to be installed off the proposed well location. Production from the well will be processed at this production facility. Barlow 34 Fed Com infrastructure sketch depicts the location of the production facilities.
- d. The proposed production facility will have a secondary containment structure that is constructed to hold the capacity of 1-1/2 times the largest tank, plus freeboard to account for precipitation, unless more stringent

protective requirements are deemed necessary.

e. There is no other diagram that depicts production facilities.

f. A pipeline to transport production will be installed from the proposed well to the existing production facility.

i. We plan to install a 4 inch buried poly pipeline from the proposed well to the offsite production facility. The proposed length of the pipeline will be 1226 feet. The working pressure of the pipeline will be about 125 psi. A 50 feet wide work area will be needed to install the buried pipeline. In areas where blading is allowed, topsoil will be stockpiled and separated from the excavated trench mineral material. Final reclamation procedures will match the procedures in Plans for Surface Reclamation. When the excavated soil is backfilled, it will be compacted to prevent subsidence. No berm over the pipeline will be evident.

ii. Barlow 34 Fed Com infrastructure depicts the proposed production pipeline route from the well to the existing production facility.

iii. The proposed pipeline does not cross lease boundaries, so a right of way grant will not need to be acquired from the BLM.

If any plans change regarding the production facility or other infrastructure (pipeline, electric line, etc.), we will submit a sundry notice or right of way (if applicable) prior to installation or construction.

Additional Pipeline(s)

We propose to install 3 additional pipeline(s):

1. Buried gas lift pipeline:

a. We plan to install a 3 inch buried flex steel pipeline from the proposed well to the central tank battery. The proposed length of the pipeline will be 1226 feet. The working pressure of the pipeline will be about 125 psi. A 50 feet wide work area will be needed to install the buried pipeline. We will need an extra 10 foot wide area near corners to safely install the pipeline. In areas where blading is allowed, topsoil will be stockpiled and separated from the excavated trench mineral material. Final reclamation procedures will match the procedures in Plans for Surface Reclamation. When the excavated soil is backfilled, it will be compacted to prevent subsidence. No berm over the pipeline will be evident.

b. Barlow 34 Fed Com infrastructure map depicts the proposed gas lift pipeline route.

c. The proposed pipeline does not cross lease boundaries, so a right of way grant will not need to be acquired from the BLM.

2. Buried produced water pipeline:

a. We plan to install a 12 inch buried poly pipeline from the central tank battery to the water disposal tie-in. The proposed length of the pipeline will be 3506 feet. The working pressure of the pipeline will be about 125 psi. A 50 feet wide work area will be needed to install the buried pipeline. We will need an extra 10 foot wide area near corners to safely install the pipeline. In areas where blading is allowed, topsoil will be stockpiled and separated from the excavated trench mineral material. Final reclamation procedures will match the procedures in Plans for Surface Reclamation. When the excavated soil is backfilled, it will be compacted to prevent subsidence. No berm over the pipeline will be evident.

b. Barlow 34 Fed Com infrastructure depicts the proposed produced water pipeline route.

c. The proposed pipeline does not cross lease boundaries, so a right of way grant will not need to

be acquired from the BLM.

3. Buried gas sales pipeline:

- a. We plan to install a 16 inch buried steel pipeline from the central tank battery to the gas sales tie-in. The proposed length of the pipeline will be 3799 feet. The working pressure of the pipeline will be about 125 psi. A 50 feet wide work area will be needed to install the buried pipeline. We will need an extra 10 foot wide area near corners to safely install the pipeline. In areas where blading is allowed, topsoil will be stockpiled and separated from the excavated trench mineral material. Final reclamation procedures will match the procedures in Plans for Surface Reclamation. When the excavated soil is backfilled, it will be compacted to prevent subsidence. No berm over the pipeline will be evident.
- b. Barlow 34 Fed Com infrastructure depicts the proposed gas sales pipeline route.
- c. The proposed pipeline does not cross lease boundaries, so a right of way grant will not need to be acquired from the BLM.

Electric Line(s)

- a. We plan to install an overhead electric line for the proposed well. The proposed length of the electric line will be 8893 feet. Barlow 34 Fed Com infrastructure depicts the location of the proposed electric line route. The electric line will be construction to provide protection from raptor electrocution.
- b. The proposed electric line does not cross lease boundaries, so a right of way grant will not need to be acquired from the BLM.

5. Location and Types of Water

- a. The source and location of the water supply are as follows: Water will be supplied from the frac pond as shown on the attached water source map. This location will be drilled using a combination of water mud systems (outlined in the drilling program). The water will be obtained from commercial water stations in the area or recycled treated water and hauled to location by trucks or poly pipelines using existing and proposed roads depicted on the proposed existing access road maps. In these cases where a poly pipeline is used to transport fresh water for drilling purposes, proper authorizations will be secured by the contractor.
- b. Barlow 27 Fed Com water source and caliche depicts the proposed route for a 12 inch poly temporary (<90 days) water pipeline supplying water for drilling operations.

6. Construction Material

- a. Caliche will be supplied from pits shown on the attached caliche source map. Caliche utilized for the drilling pad will be obtained either from an existing approved mineral pit, or by benching into a hill, which will allow the pad to be level with existing caliche from the cut, or extracted by "Flipping" the well location. A mineral material permit will be obtained from BLM prior to excavating any caliche on Federal Lands. Amount will vary for each pad. The procedure for "Flipping" a well location is as follows:

*

- An adequate amount of topsoil/root zone (usually top 6 inches of soil) will be stripped from the proposed well location and stockpiled along the side of the well location as depicted on the well site diagram/survey plat.
- An area will be used within the proposed well site dimensions to excavate caliche. Subsoil will be removed and stockpiled within the surveyed well pad dimensions.
- Once caliche/surfacing mineral is found, the mineral material will be excavated and stock piled within the approved drilling pad dimensions.
- Then, subsoil will be pushed back in the excavated hole and caliche will be spread accordingly across the entire well pad and road (if available).

-Neither caliche, nor subsoil will be stock piled outside of the well pad dimensions. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat.

*

In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or federal land.

7. Methods for Handling Waste

- a. Drilling fluids and produced oil and water from the well during drilling and completion operations will be stored safely and disposed of properly in an NMOCD approved disposal facility.
- b. Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility. All trash on and around the well site will be collected for disposal.
- c. Human waste and grey water will be properly contained and disposed of properly at a state approved disposal facility.
- d. After drilling and completion operations, trash, chemicals, salts, frac sand and other waste material will be removed and disposed of properly at a state approved disposal facility.
- e. The well will be drilled utilizing a closed loop system. Drill cutting will be properly disposed of into steel tanks and taken to an NMOCD approved disposal facility.

8. Ancillary Facilities

- a. No ancillary facilities will be needed for this proposed project.

9. Well Site Layout

- a. The following information is presented in the well site survey plat or diagram:
 - i. reasonable scale (near 1":50')
 - ii. well pad dimensions
 - iii. well pad orientation
 - iv. drilling rig components
 - v. proposed access road
 - vi. elevations of all points
 - vii. topsoil stockpile
 - viii. reserve pit location/dimensions if applicable
 - ix. other disturbances needed (flare pit, stinger, frac farm pad, etc.)
 - x. existing structures within the 600' x 600' archaeological surveyed area (pipelines, electric lines, well pads, etc)
- b. The proposed drilling pad was staked and surveyed by a professional surveyor. The attached survey plat of the well site depicts the drilling pad layout as staked.
- c. A title of a well site diagram is Barlow 27 Fed Com 706H_rig layout. This diagram depicts the rig layout.
- d. Topsoil Salvaging

i. Grass, forbs, and small woody vegetation, such as mesquite will be excavated as the topsoil is removed. Large woody vegetation will be stripped and stored separately and respread evenly on the site following topsoil resspreading. Topsoil depth is defined as the top layer of soil that contains 80% of the roots. In areas to be heavily disturbed, the top 6 inches of soil material, will be stripped and stockpiled on the perimeter of the well location and along the perimeter of the access road to control run-on and run-off, to keep topsoil viable, and to make redistribution of topsoil more efficient during interim reclamation. Stockpiled topsoil should include vegetative material. Topsoil will be clearly segregated and stored separately from subsoils. Contaminated soil will not be stockpiled, but properly treated and handled prior to topsoil salvaging.

10. Plans for Surface Reclamation

Reclamation Objectives

- i. The objective of interim reclamation is to restore vegetative cover and a portion of the landform sufficient to maintain healthy, biologically active topsoil; control erosion; and minimize habitat and forage loss, visual impact, and weed infestation, during the life of the well or facilities.
- ii. The long-term objective of final reclamation is to return the land to a condition similar to what existed prior to disturbance. This includes restoration of the landform and natural vegetative community, hydrologic systems, visual resources, and wildlife habitats. To ensure that the long-term objective will be reached through human and natural processes, actions will be taken to ensure standards are met for site stability, visual quality, hydrological functioning, and vegetative productivity.
- iii. The BLM will be notified at least 3 days prior to commencement of any reclamation procedures.
- iv. If circumstances allow, interim reclamation and/or final reclamation actions will be completed no later than 6 months from when the final well on the location has been completed or plugged. We will gain written permission from the BLM if more time is needed.
- v. Interim reclamation will be performed on the well site after the well is drilled and completed. Barlow 34 Fed Com 706H_interim reclamation depicts the location and dimensions of the planned interim reclamation for the well site.

Interim Reclamation Procedures (If performed)

1. Within 30 days of well completion, the well location and surrounding areas will be cleared of, and maintained free of, all materials, trash, and equipment not required for production.
2. In areas planned for interim reclamation, all the surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads.
3. The areas planned for interim reclamation will then be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.
4. Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts & fills. To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 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.

5. Proper erosion control methods will be used on the area to control erosion, runoff and siltation of the surrounding area.
6. The interim reclamation will be monitored periodically to ensure that vegetation has reestablished and that erosion is controlled.

Final Reclamation (well pad, buried pipelines, etc.)

1. Prior to final reclamation procedures, the well pad, road, and surrounding area will be cleared of material, trash, and equipment.
2. All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads.
3. All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be recontoured to the contour existing prior to initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.
4. After all the disturbed areas have been properly prepared, the areas will be seeded with the proper BLM seed mixture, free of noxious weeds. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 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.
5. Proper erosion control methods will be used on the entire area to control erosion, runoff and siltation of the surrounding area.
6. All unused equipment and structures including pipelines, electric line poles, tanks, etc. that serviced the well will be removed.
7. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, and that erosion is controlled.

11. Surface Ownership

- a. The surface ownership of the proposed project is federal.

12. Other Information

- a. An onsite meeting was conducted 2/16/17.
We plan to use a 12-inch lay flat hose to transport water.
We are asking for 4 associated pipelines all depicted on the attached Barlow 34 Fed Com Infrastructure Sketch:
One 3-inch flex steel gas lift line per well
One 4-inch poly production flowline per well
One 12-inch produced water disposal from the CTB to the existing disposal line.
One 16-inch gas sales line from the CTB to the gas sales tie-in.

13. Maps and Diagrams

- Barlow 34 Fed Com 706H_vicinity map - Existing Road
- Barlow 34 Fed Com 706H_radius map - Wells Within One Mile
- Barlow 34 Fed Com infrastructure sketch - Production Facilities Diagram
- Barlow 34 Fed Com infrastructure - Production Pipeline

Barlow 34 Fed Com infrastructure map - gas lift Pipeline
Barlow 34 Fed Com infrastructure - produced water Pipeline
Barlow 34 Fed Com infrastructure - gas sales Pipeline
Barlow 34 Fed Com infrastructure - Electric Line
Barlow 34 Fed Com water source and caliche - Drilling Water Pipeline
Barlow 34 Fed Com 706H_rig layout - Well Site Diagram
Barlow 34 Fed Com 706H_interim reclamation - Interim Reclamation

BLM APD Waste Minimization Plan Checklist

Well Name: Barlow 34 Fed Com 706H (APD)

Well Location: 300' FSL & 1685' FWL, Lot 3 34-26S-33E, Lea County

Production Facility Name: Barlow 34 Fed Com Central Tank Battery

Production Facility Location: CTB Located in NW/ 4 of section 34. Gas is gathered at CTB and piped through EOG gathering system to Regency Field Services gas pipeline tie-in.

Anticipated Well Completion Date: Estimated 04/01/2018

- Initial Production Volumes: Estimated ~3000 – 7000 MCFPD initial rate.

In accordance with 3162.3-1(j)(3), one or more third-party, midstream processors have been notified of our development plan. Information provided includes anticipated completion dates and gas production rates.

NMOCD gas capture plan attached.