

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION

APPLICATION OF TRACE DELAWARE  
TREATING SERVICES, LLC FOR  
AUTHORIZATION TO INJECT  
EDDY COUNTY, NEW MEXICO.

CASE NO 26074

**NOTICE OF SUPPLEMENTAL EXHIBITS**

In accordance with the Oil Conservation Division's request for further information at the May 7, 2026, hearing, Trace Delaware Treating Services, LLC is submitting the following supplemental exhibits:

1. Supplemental Self-Affirmed Statement of David A. White (**Exhibit D**):
  - a. **Attachment 1:** Preliminary Plugging and Abandonment Program;
  - b. **Attachment 2:** Preliminary Directional Drilling Plan and Anti-Collision Analysis;
  - c. **Attachment 3:** Bureau of Land Management Approved Right-Of-Way Grant for Heritage Amine Facility.

Respectfully submitted,

HARDY MCLEAN LLC

/s/ Dana S. Hardy

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*Attorneys for Trace Delaware Treating Services, LLC*

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**APPLICATION OF TRACE DELAWARE  
TREATING SERVICES LLC FOR AUTHORIZATION  
TO INJECT, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 26074**

**SUPPLEMENTAL SELF-AFFIRMED STATEMENT OF DAVID A. WHITE**

1. My name is David A. White, P.G., and I am employed by Geolex, Inc., as Vice President and Senior Geologist. I previously submitted a Self-Affirmed Statement in this matter.

2. I am submitting this supplemental statement to provide information requested by Technical Examiners, Phillip Goetze and Anthony Harris, at the May 7, 2026 hearing.

3. This submittal provides multiple attachments that address specific requests of the Technical Examiners. These requests are briefly summarized and addressed in the following sections.

*A. Please provide a preliminary Plug and Abandonment Program, at well abandonment conditions, and additional information regarding fluids necessary for unanticipated well interventions*

4. **Attachment 1** includes a preliminary plugging and abandonment program for the proposed Hatch AGI #1. In developing this preliminary plan, reservoir modeling and injection simulations were utilized to forecast evolving reservoir conditions and to estimate pressure conditions at the time of well abandonment. To ensure a conservative estimate for reservoir conditions, injection simulations assumed operation of the AGI well at the maximum requested injection rate of 12 million standard cubic feet per day and included the injection activities of off-setting saltwater disposal wells. The anticipated reservoir pressure gradient, under these conditions and at the time of abandonment, is approximately 0.48 psi/ft. Note that all tasks

**Trace Delaware Treating Services, LLC  
Case No. 26074  
Exhibit D**

described in the plugging program are preliminary. At the time of abandonment, a detailed plan will be developed based on actual conditions and will be submitted to NMOCD and BLM for review and approval.

5. Based on the results of geologic modeling and injection forecasts, kill-fluid densities are expected to range from approximately 9.3 to 9.8 pounds per gallon, owing to the minimal volume of injection currently approved within the project area. As described in the attached preliminary abandonment plan, freshwater gel drilling mud (with barite additives) can be utilized and has been preliminarily selected for well control and plugging. These materials are readily available from local vendors in the area of the Hatch AGI #1 well and currently do not pose any risk for requiring a long-lead acquisition time.

6. In the event of an unanticipated well-control event (unrelated to future plugging activities), recommended fluids (i.e., at elevated reservoir conditions) would include use of a weighted brine (with CaCl additives). Similar to plugging and abandonment fluids, described above, these fluids are currently readily available from local vendors in the area of the proposed Hatch AGI #1 well.

***B. Please provide a preliminary directional drilling plan and anti-collision analysis addressing off-setting production well crossings and associated collision risks***

7. **Attachment 2** includes a preliminary directional drilling plan and anti-collision analysis for the proposed Hatch AGI #1 well. To ensure adequate offset from nearby production wells is maintained, the Hatch AGI #1 well will be directionally drilled such that wellbore crossings occur above the West Shugart 31 Federal COM #001 well (API No. 30-015-31647) and below the West Shugart 31 Federal COM #005H well (API No. 30-015-38221). At each wellbore

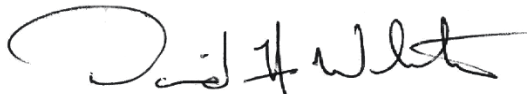
crossing, minimum separation factors of 8.994 and 10.052 will be maintained from the West Shugart 31 Federal COM #001 and West Shugart 31 Federal COM #005H wells, respectively.

**C. Please provide information on the right-of-way grant for the proposed treating facility**

8. **Attachment 3** includes the approved right-of-way grant for the proposed Heritage Amine Facility, approved by the Bureau of Land Management on June 2, 2026.

9. The attached exhibits were either prepared by me or under my direction and supervision or were compiled from company business records.

10. I understand this Supplemental Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my electronic signature below.

  
\_\_\_\_\_  
DAVID A. WHITE, P.G.

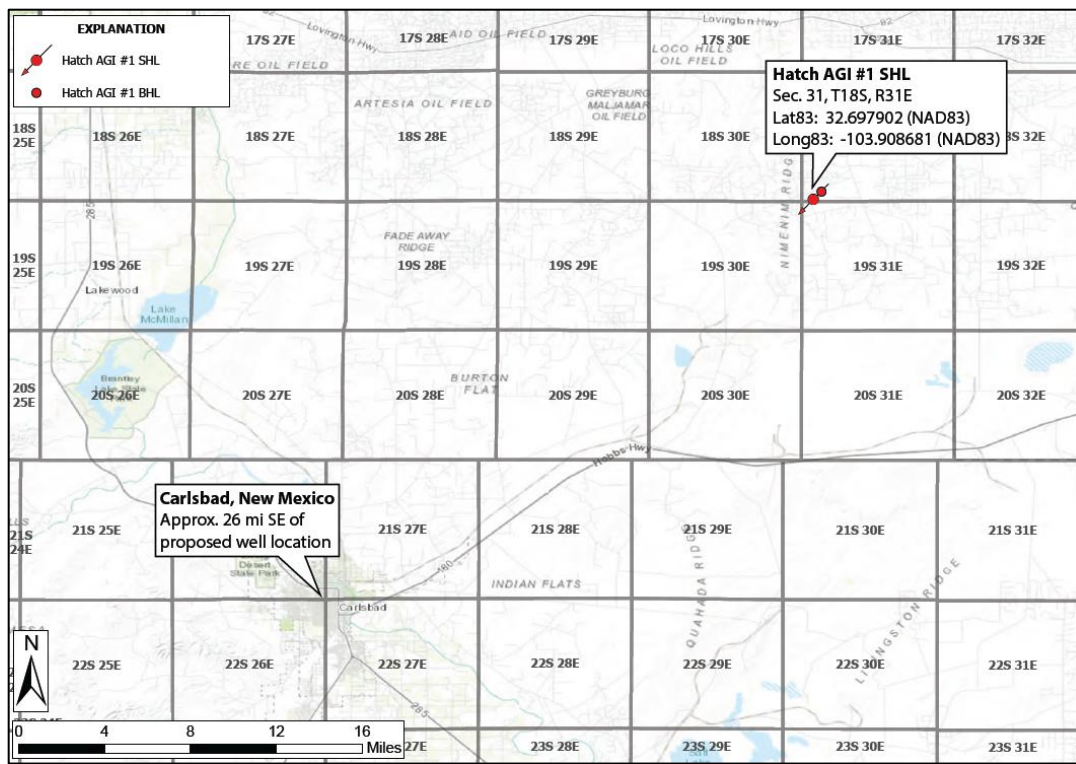
6/23/2026  
\_\_\_\_\_  
DATE

# **ATTACHMENT 1**



# TRACE DELAWARE TREATING SERVICES, LLC HATCH AGI #001

## PRELIMINARY PLUGGING & ABANDONMENT PLAN



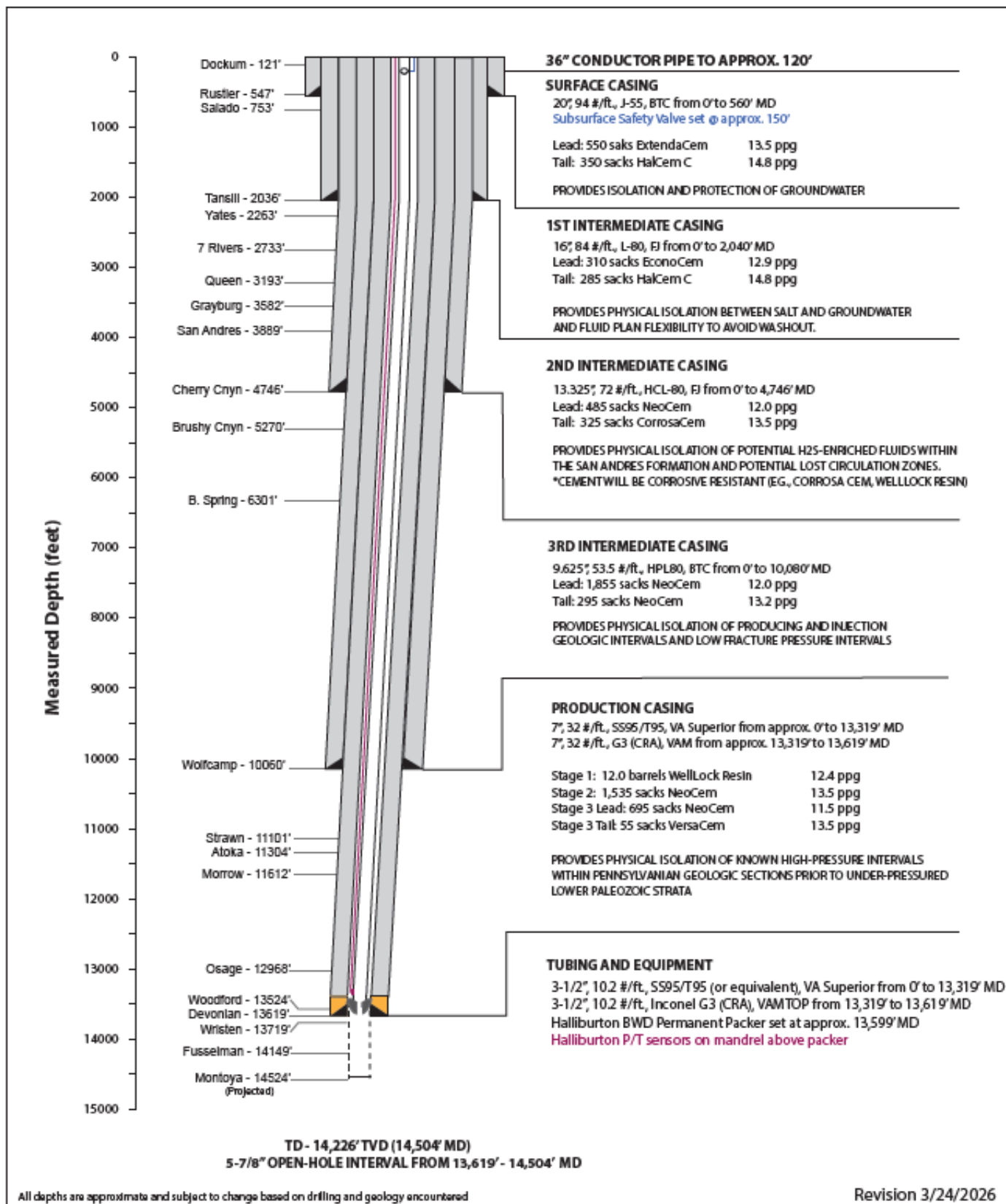
API: TBD

Surface Location: 458' FSL & 2527' FWL  
Section 31, Township 18 South, Range 31 East  
Eddy County, New Mexico

Prepared by:

Geolox, Inc.®  
500 Marquette Avenue NW, Suite 1350  
Albuquerque, NM 87102

**HATCH AGI #001**  
**PROPOSED WELL SCHEMATIC (Pending NMOCD Approval)**  
 Lat/Long: 32.697902, -103.908681





## PRELIMINARY PLUGGING & ABANDONMENT PROCEDURE HATCH AGI #001

Surface Location: 458' FSL & 2527' FWL  
Section 31, Township 18 South, Range 31 East  
Eddy County, New Mexico

**10 MPH SPEED LIMIT. BE AWARE OF LOW POWER LINES AND POWER POLES NEXT TO THE ROAD. DO NOT TRAVEL OFF THE ROAD OR LOCATION WITH ANY CARS OR EQUIPMENT**

**Directions:** From Artesia, NM (intersection of Main Street and Highway NM-285), drive east on Main Street (Highway NM-82) for approximately 31.4 miles. Turn right (south) on Shugart Road and continue for approximately 6.8 miles. Turn right (southwest) on Grubbs Road and continue for 0.5 miles. Grubbs road will turn west. Continue for an additional 2.5 miles and turn left on unmarked lease road. Signage indicating direction to Trace Facility and Hatch AGI #1 will be placed at designated lease roads. Continue approximately 1.25 miles to AGI facility entrance (on left).

### WELL SUMMARY DATA

<b>County</b>	Eddy	<b>Inj. Formation</b>	Dev-Fusselman
<b>API Number</b>	TBD	<b>NMOCD Order</b>	Pending
<b>AFE Number</b>	TBD	<b>Comp. Rig</b>	TBD
<b>AFE Days</b>	TBD	<b>KB Elevation</b>	TBD
<b>Lat/Long</b>	32.697902, -103.908681 (NAD83)	<b>Location</b>	458' FSL & 2527' FWL S31, T18S, R31E Eddy County, NM
<b>Elevation</b>	GL 3,534 FT.		

### KEY PERSONNEL

Name	Company	Title	Office	Cell	Email

**TO BE DETERMINED**



## PRELIMINARY CASING, TUBING, AND CEMENTING PROGRAM

String	OD (in)	Setting Depth (ft)	Stage Tool Depth (ft)	Cement	No. Sacks	Density (ppg)	TOC
Surface	20	560	N/A	ExtendaCem C HalCem C	550 Lead 350 Tail	13.5 Lead 14.8 Tail	TBD
1 <sup>st</sup> Int.	16	2,040	N/A	EconoCem HalCem C	310 Lead 285 Tail	12.9 Lead 14.8 Tail	TBD
2 <sup>nd</sup> Int.	13.325	4,746	N/A	NeoCem CorrosaCem	485 Lead 325 Tail	12.0 Lead 13.5 Tail	TBD
3 <sup>rd</sup> Int. (Stage 1)	9.625	10,080	7,180	NeoCem	1855 Lead 295 Tail	12.0 Lead 13.2 Tail	TBD
Prod. (Stage 1)	7	13,619	13,299	WellLock Resin	12 bbls	12.4	TBD
Prod. (Stage 2)	7	13,619	10,060	NeoCem	1,535	13.5	TBD
Prod. (Stage 3)	7	13,619	N/A	NeoCem VersaCem	695 Lead 55 Tail	11.5 Lead 13.5 Tail	TBD

### **GENERAL:**

**The comments, procedures, techniques, and equipment designs outlined are proprietary and any reproduction or use of contents for purposes not expressly authorized are prohibited.**

This program is intended as a guide to be closely followed if actual conditions agree reasonably well with pre-workover predictions. If actual conditions are substantially different, the project management team will take appropriate action to ensure safe and economical control of the well and shall then advise appropriate personnel of such actions as soon as job conditions permit.

### **SAFETY OF EVERYONE ON LOCATION IS TO BE TOP PRIORITY AT ALL TIMES**

Safety meetings will be held daily and prior to specific operations to discuss potential concerns and hazards associated with upcoming site activities.



**NOTIFICATION:**

Notice of the intent to complete plugging and abandonment operations will be provided to the Bureau of Land Management and the New Mexico Oil Conservation District Office, including the Underground Injection Control group, no later than 72 hours prior to the commencement of on-site operations. Notice will be made by phone to the NMOCD district office and via email ([ocd.engineer@emnrd.nm.gov](mailto:ocd.engineer@emnrd.nm.gov)). Notice will also be provided to BLM in accordance with the approved Application for Permit to Drill (APD).

Note that no on-site plugging and abandonment activities will commence until written notice, via appropriate NMOCD and BLM forms, has been submitted and the final plugging and abandonment plan has been approved by NMOCD and BLM personnel.

**CONFIRM APPROVAL OF NOTICE OF INTENT PRIOR TO THE MOBILIZATION**

NMOCD and BLM Notice shall include, at a minimum, the following information:

- Name of Person Reporting
- Operator Name and Well API number
- Brief Description of Operations and Operation Schedule
- Date and time of notification (if after hours)
- Contact information for relevant field personnel

**INCLUDE DATE AND TIME OF NOTIFICATION ON THE DAILY REPORT**

<b>NMOCD Hobbs District Office</b>	(505) 629-6116
<b>NMOCD Engineer Email:</b>	<a href="mailto:ocd.engineer@emnrd.nm.gov">ocd.engineer@emnrd.nm.gov</a>
<b>Underground Injection Control Group:</b>	TBD
<b>Bureau of Land Management</b>	TBD



**NEARBY OPERATORS AND RELEVANT PARTIES:**

Name	Company	Phone	Email

**TO BE DETERMINED**

**SUMMARY OF HATCH AGI #001 OPERATION AND ANTICIPATED ABANDONMENT CONDITIONS:**

The Hatch AGI #1 well has been constructed and operated as a dry acid gas injection (AGI) well for the purposes of permanently sequestering waste carbon dioxide (CO<sub>2</sub>) and hydrogen sulfide (H<sub>2</sub>S) resulting from operation of the Trace Delaware Heritage Treating Facility. As such, all plugging and abandonment activities will include on-site safety personnel, site control, H<sub>2</sub>S detection equipment, and emergency response equipment. The facility operates under an approved Hydrogen Sulfide Contingency Plan, which will govern the response to any H<sub>2</sub>S incident, and all personnel providing services in association with plugging and abandonment activities will be provided site-specific orientation and training to ensure an adequate understanding of facility alarm protocols and evacuation routes.

In total, the Hatch AGI #1 well has a daily allowable injection volume of twelve (12) million standard cubic feet per day (MMSCFD). As such, reservoir abandonment pressure is anticipated to be elevated over initial reservoir conditions following its operational lifespan (i.e., up to 30 year)

**ANTICIPATED RESERVOIR CONDITIONS AND WELL CONTROL FLUIDS**

In preparing this preliminary abandonment plan, geologic modeling and injection simulations have been utilized to estimate the abandonment reservoir pressure conditions and to inform a preliminary fluid program to ensure well control. Note that injection simulation to identify abandonment reservoir conditions currently assumes operation of the well at the maximum allowable injection rate of 12 MMSCFD, which may differ significantly in accordance with actual operating conditions and at the time of plugging and abandonment activities.



A general summary of anticipated reservoir conditions and necessary fluids for final plugging and abandonment is as follows:

Est. Abandonment Reservoir Pressure:	~6,525 psi
Est. Reservoir Pressure Gradient:	0.48 to psi/ft.
Required Kill Fluid Density:	9.3 to 9.8 ppg
Required Kill Fluid Type:	Kill-weight drilling mud
Mud Constituents:	Freshwater gel, with barite additives

\*NOTE: All fluids/additives required for well control and/or plugging and abandonment are readily available in the area of the Hatch AGI #1 well, however, preliminary coordination and planning is recommended to ensure the availability of the required acid-resistant cement products.



**TRACE DELAWARE TREATING SERVICES, LLC**  
**PRELIMINARY PLUGGING AND ABANDONMENT PROCEDURE**  
**(HATCH AGI #1)**

1. Prior to conducting operations, review recent well conditions (i.e., pressure, temperature, etc.) with on-site operator to identify any potential anomalies/issues relevant to well plugging and abandonment activities. Inspect well for indications of leaks and well site to confirm safe operations can be completed.
2. Rig up safety personnel and equipment, including emergency equipment (e.g., escape packs, first aid, windsocks, etc.) and deploy H<sub>2</sub>S sensors and alarms around well and at critical locations where H<sub>2</sub>S may be present. Coordinate with on-site safety and facility personnel to identify and/or designate muster areas and evacuation routes.
3. Conduct pre-job safety meeting with relevant project personnel identifying and confirming locations of safety equipment and evacuation procedures, operations plan and relevant hazards, and stop-work authority.
4. Move in and rig up workover unit, tanks, pumping equipment, and additional required equipment. Confirm no significant changes in shut-in well conditions prior to commencing workover activities.
5. Begin pumping kill-weight fluid (i.e., freshwater gel with barite additives) with a target density of 9.3 to 9.8 pounds per gallon (ppg). Note that fluid density is currently based on model estimates for abandonment reservoir pressure and may differ from actual abandonment conditions.
6. Install back-pressure valve to ensure control of well during ND of tree and NU of BOP.
7. ND dry acid gas injection tree and NU BOP and associated equipment.
8. POOH and lay down existing 3 ½" injection tubing string and related equipment. Note that the current well installation includes down-hole pressure and temperature monitoring and a subsurface safety valve, which are physically connected to a surface control panel via signal transmission and hydraulic lines clamped to the outside of the 3 ½" tubing. Remove cable clamps for each joint and recover lines during removal of injection tubing.
9. RIH with 3 1/2" work string tubing and seal assembly and sting into Halliburton corrosion-resistant alloy (CRA) permanent injection packer.
10. Pump approximately 420 sacks of 12.4 ppg acid gas resistant cement to plug and isolate the open-hole injection zone (from approx. 13,619 to 14,504 ft. MD) **NOTE: In the event the expected pump pressures are not observed, and formation intrusion is suspected, additional cement may be required to ensure adequate plugging of the injection reservoir interval.**



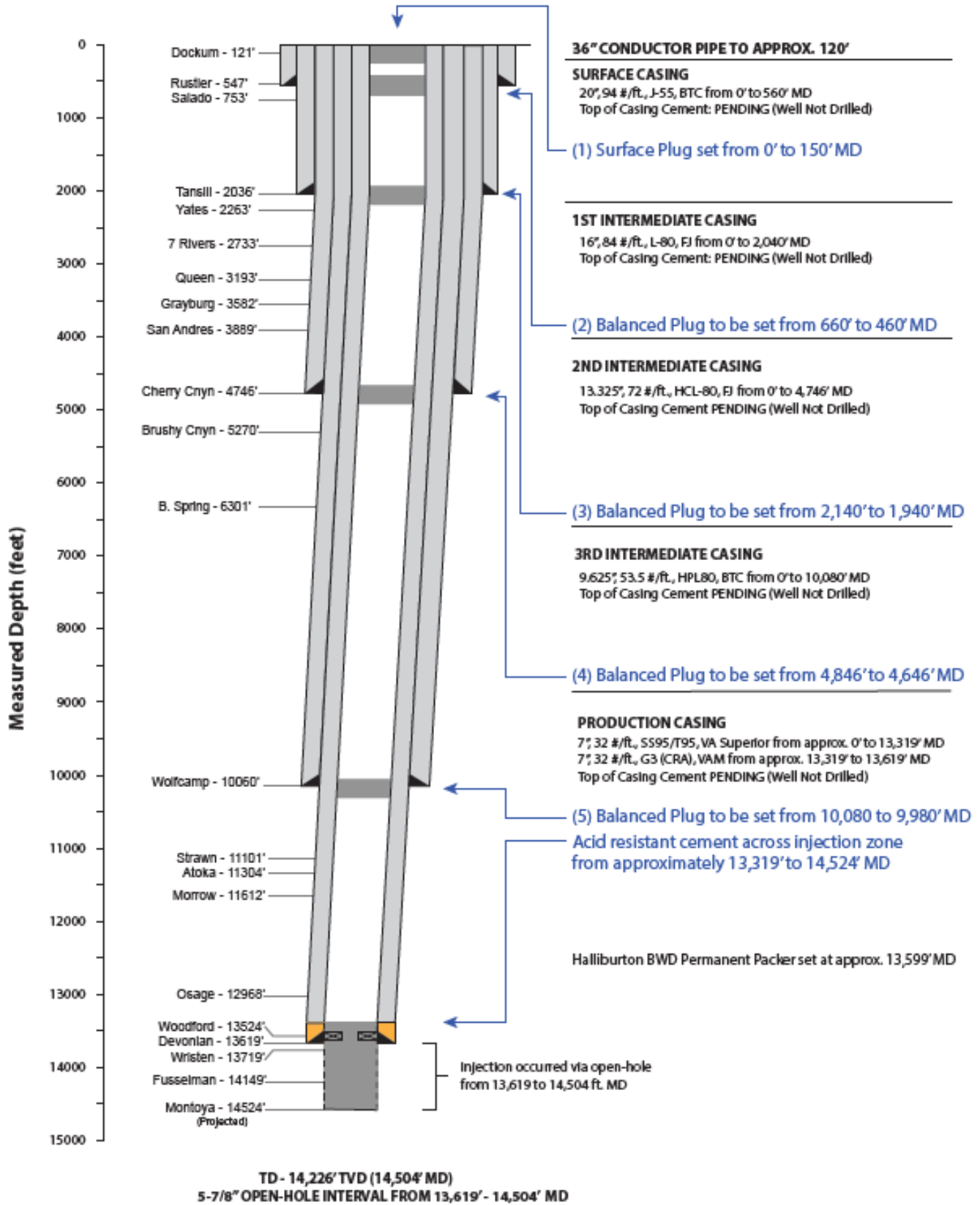
11. Wait no less than four (4) hours to allow adequate cement setting time to elapse. Note that actual setting time, for all cement plugs, will be dependent on the results of cement lab analyses and recommendations of the cementing company.
12. RIH and tag cement plug overlying injection reservoir to confirm adequate placement, pull off plug, close BOP, and pressure test casing to 1,000 psig for a period of no less than 30 minutes.
13. Following a successful pressure test, pick up and spot additional 20 sacks of acid resistant cement above packer.
14. POOH with 1,000 ft. of work-string tubing and circulate hole clean. Shut down for no less than four (4) hours and/or in accordance with cement lab instruction, to accommodate required cement setting time.
15. RIH and tag cement plug overlying permanent packer.
16. POOH with work-string tubing to approximately 11,900 ft. Spot a balanced cement plug using approximately 30 sacks of 14.8 ppg Class C cement from 9,980 to 10,180 ft.
17. POOH with eight (8) joints of tubing and circulate hole clean. Shut down for no less than four (4) hours and/or in accordance with cement lab instructions.
18. RIH and tag cement plug to ensure proper placement at 9,960 ft.
19. POOH with work-string tubing to approximately 4,846 ft. Spot a balanced cement plug using approximately 30 sacks of 14.8 ppg Class C cement from 4,846 to 4,646 ft.
20. POOH with eight (8) joints of tubing and circulate hole clean. Shut down for no less than four (4) hours and/or in accordance with cement lab instructions.
21. RIH and tag cement plug to ensure proper placement at 4,646 ft.
22. POOH with work-string tubing to approximately 2,136 ft. Spot a balanced cement plug using approximately 30 sacks of 14.8 ppg Class C cement from 2,140 to 1,940 ft.
23. POOH with eight (8) joints of tubing and circulate hole clean. Shut down for no less than four (4) hours and/or in accordance with cement lab instructions.
24. RIH and tag cement plug to ensure proper placement at 1,936 ft.
25. POOH with work-string tubing to approximately 1,350 ft. Spot a balanced cement plug using approximately 30 sacks of 14.8 ppg Class C cement from 660 to 460 ft.



26. POOH with eight (8) joints of tubing and circulate hole clean. Shut down for no less than four (4) hours and/or in accordance with cement lab instructions.
27. RIH and tag cement plug to ensure proper placement at 1,150 ft.
28. Spot cement plug at surface utilizing 15 sacks of Class C cement.
29. Cut off casing strings and weld on cap. Install above-ground plugged well marker and scribe with relevant well information.

All steps will be documented by company representative at the site and a final report of plugging and abandonment activities will be prepared and submitted to the New Mexico Oil Conservation Division and BLM, via the relevant and applicable agency forms.

## HATCH AGI #1 PROPOSED PLUGGING & ABANDONMENT SCHEMATIC



All depths are approximate and subject to change based on drilling and geology encountered

# **ATTACHMENT 2**



## **Trace Midstream**

**Eddy Co NM (Nad 83 NME)**

**Hatch**

**Hatch AGI 1**

**OH**

**Plan: Plan 1 06-23-26**

## **Standard Planning Report**

**23 June, 2026**





Planning Report



<b>Database:</b>	USADB	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Company:</b>	Trace Midstream	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site:</b>	Hatch	<b>North Reference:</b>	Grid
<b>Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan 1 06-23-26		

<b>Project</b>	Eddy Co NM (Nad 83 NME)		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		
<b>Map Zone:</b>	New Mexico Eastern Zone		

<b>Site</b>	Hatch				
<b>Site Position:</b>		<b>Northing:</b>	617,888.82 usft	<b>Latitude:</b>	32° 41' 52.4400 N
<b>From:</b>	Lat/Long	<b>Easting:</b>	671,968.61 usft	<b>Longitude:</b>	103° 54' 31.2480 W
<b>Position Uncertainty:</b>	0.00 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	0.229 °

<b>Well</b>	Hatch AGI 1					
<b>Well Position</b>	<b>+N/-S</b>	0.00 usft	<b>Northing:</b>	617,888.82 usft	<b>Latitude:</b>	32° 41' 52.4400 N
	<b>+E/-W</b>	0.00 usft	<b>Easting:</b>	671,968.61 usft	<b>Longitude:</b>	103° 54' 31.2480 W
<b>Position Uncertainty</b>		1.00 usft	<b>Wellhead Elevation:</b>		<b>Ground Level:</b>	3,534.30 usft

<b>Wellbore</b>	OH				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	HDGM	8/23/2026	6.650	60.333	47,358.00000000

<b>Design</b>	Plan 1 06-23-26				
<b>Audit Notes:</b>					
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.00	
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Direction (°)</b>	
	0.00	0.00	0.00	38.90	

<b>Plan Survey Tool Program</b>	<b>Date</b>	6/23/2026			
<b>Depth From (usft)</b>	<b>Depth To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>	
1	0.00	14,483.11	Plan 1 06-23-26 (OH)	MWD+HRGM_r5_1	
				OWSG MWD + HRGM	

<b>Plan Sections</b>										
<b>Measured Depth (usft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Dogleg Rate (°/100usft)</b>	<b>Build Rate (°/100usft)</b>	<b>Turn Rate (°/100usft)</b>	<b>TFO (°)</b>	<b>Target</b>
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000	
2,140.00	0.00	0.00	2,140.00	0.00	0.00	0.00	0.00	0.00	0.000	
2,735.43	11.91	38.90	2,731.16	47.98	38.72	2.00	2.00	6.53	38.902	
14,483.11	11.91	38.90	14,226.00	1,934.53	1,561.05	0.00	0.00	0.00	0.000	BHL - HAGI 1



Planning Report



<b>Database:</b>	USADB	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Company:</b>	Trace Midstream	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site:</b>	Hatch	<b>North Reference:</b>	Grid
<b>Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan 1 06-23-26		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,140.00	0.00	0.00	2,140.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>KOP, Begin 2.00°/100' Build</b>										
2,200.00	1.20	38.90	2,200.00	0.49	0.39	0.63	2.00	2.00	0.00	0.00
2,300.00	3.20	38.90	2,299.92	3.48	2.81	4.47	2.00	2.00	0.00	0.00
2,400.00	5.20	38.90	2,399.64	9.18	7.40	11.79	2.00	2.00	0.00	0.00
2,500.00	7.20	38.90	2,499.05	17.58	14.19	22.59	2.00	2.00	0.00	0.00
2,600.00	9.20	38.90	2,598.03	28.68	23.14	36.85	2.00	2.00	0.00	0.00
2,700.00	11.20	38.90	2,696.44	42.46	34.26	54.56	2.00	2.00	0.00	0.00
2,735.43	11.91	38.90	2,731.16	47.98	38.72	61.66	2.00	2.00	0.00	0.00
<b>Hold 11.91° Inc at 38.90° Azm</b>										
2,800.00	11.91	38.90	2,794.33	58.35	47.09	74.98	0.00	0.00	0.00	0.00
2,900.00	11.91	38.90	2,892.18	74.41	60.04	95.62	0.00	0.00	0.00	0.00
3,000.00	11.91	38.90	2,990.03	90.47	73.00	116.25	0.00	0.00	0.00	0.00
3,100.00	11.91	38.90	3,087.88	106.53	85.96	136.89	0.00	0.00	0.00	0.00
3,200.00	11.91	38.90	3,185.72	122.59	98.92	157.52	0.00	0.00	0.00	0.00
3,300.00	11.91	38.90	3,283.57	138.65	111.88	178.16	0.00	0.00	0.00	0.00
3,400.00	11.91	38.90	3,381.42	154.70	124.84	198.79	0.00	0.00	0.00	0.00
3,500.00	11.91	38.90	3,479.27	170.76	137.80	219.43	0.00	0.00	0.00	0.00
3,600.00	11.91	38.90	3,577.11	186.82	150.75	240.06	0.00	0.00	0.00	0.00
3,700.00	11.91	38.90	3,674.96	202.88	163.71	260.70	0.00	0.00	0.00	0.00
3,800.00	11.91	38.90	3,772.81	218.94	176.67	281.33	0.00	0.00	0.00	0.00
3,900.00	11.91	38.90	3,870.66	235.00	189.63	301.97	0.00	0.00	0.00	0.00
4,000.00	11.91	38.90	3,968.51	251.06	202.59	322.60	0.00	0.00	0.00	0.00
4,100.00	11.91	38.90	4,066.35	267.12	215.55	343.24	0.00	0.00	0.00	0.00
4,200.00	11.91	38.90	4,164.20	283.18	228.51	363.87	0.00	0.00	0.00	0.00
4,300.00	11.91	38.90	4,262.05	299.23	241.46	384.51	0.00	0.00	0.00	0.00
4,400.00	11.91	38.90	4,359.90	315.29	254.42	405.14	0.00	0.00	0.00	0.00
4,500.00	11.91	38.90	4,457.74	331.35	267.38	425.78	0.00	0.00	0.00	0.00
4,600.00	11.91	38.90	4,555.59	347.41	280.34	446.41	0.00	0.00	0.00	0.00
4,700.00	11.91	38.90	4,653.44	363.47	293.30	467.05	0.00	0.00	0.00	0.00
4,800.00	11.91	38.90	4,751.29	379.53	306.26	487.68	0.00	0.00	0.00	0.00
4,900.00	11.91	38.90	4,849.14	395.59	319.22	508.32	0.00	0.00	0.00	0.00
5,000.00	11.91	38.90	4,946.98	411.65	332.18	528.95	0.00	0.00	0.00	0.00
5,100.00	11.91	38.90	5,044.83	427.71	345.13	549.59	0.00	0.00	0.00	0.00
5,200.00	11.91	38.90	5,142.68	443.76	358.09	570.23	0.00	0.00	0.00	0.00
5,300.00	11.91	38.90	5,240.53	459.82	371.05	590.86	0.00	0.00	0.00	0.00
5,400.00	11.91	38.90	5,338.37	475.88	384.01	611.50	0.00	0.00	0.00	0.00
5,500.00	11.91	38.90	5,436.22	491.94	396.97	632.13	0.00	0.00	0.00	0.00
5,600.00	11.91	38.90	5,534.07	508.00	409.93	652.77	0.00	0.00	0.00	0.00
5,700.00	11.91	38.90	5,631.92	524.06	422.89	673.40	0.00	0.00	0.00	0.00
5,800.00	11.91	38.90	5,729.77	540.12	435.84	694.04	0.00	0.00	0.00	0.00
5,900.00	11.91	38.90	5,827.61	556.18	448.80	714.67	0.00	0.00	0.00	0.00
6,000.00	11.91	38.90	5,925.46	572.24	461.76	735.31	0.00	0.00	0.00	0.00
6,100.00	11.91	38.90	6,023.31	588.29	474.72	755.94	0.00	0.00	0.00	0.00
6,200.00	11.91	38.90	6,121.16	604.35	487.68	776.58	0.00	0.00	0.00	0.00
6,300.00	11.91	38.90	6,219.00	620.41	500.64	797.21	0.00	0.00	0.00	0.00
6,400.00	11.91	38.90	6,316.85	636.47	513.60	817.85	0.00	0.00	0.00	0.00
6,500.00	11.91	38.90	6,414.70	652.53	526.55	838.48	0.00	0.00	0.00	0.00
6,600.00	11.91	38.90	6,512.55	668.59	539.51	859.12	0.00	0.00	0.00	0.00
6,700.00	11.91	38.90	6,610.40	684.65	552.47	879.75	0.00	0.00	0.00	0.00
6,800.00	11.91	38.90	6,708.24	700.71	565.43	900.39	0.00	0.00	0.00	0.00
6,900.00	11.91	38.90	6,806.09	716.77	578.39	921.02	0.00	0.00	0.00	0.00
7,000.00	11.91	38.90	6,903.94	732.82	591.35	941.66	0.00	0.00	0.00	0.00



Planning Report



<b>Database:</b>	USADB	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Company:</b>	Trace Midstream	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site:</b>	Hatch	<b>North Reference:</b>	Grid
<b>Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan 1 06-23-26		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
7,100.00	11.91	38.90	7,001.79	748.88	604.31	962.29	0.00	0.00	0.00
7,200.00	11.91	38.90	7,099.64	764.94	617.26	982.93	0.00	0.00	0.00
7,300.00	11.91	38.90	7,197.48	781.00	630.22	1,003.56	0.00	0.00	0.00
7,400.00	11.91	38.90	7,295.33	797.06	643.18	1,024.20	0.00	0.00	0.00
7,500.00	11.91	38.90	7,393.18	813.12	656.14	1,044.84	0.00	0.00	0.00
7,600.00	11.91	38.90	7,491.03	829.18	669.10	1,065.47	0.00	0.00	0.00
7,700.00	11.91	38.90	7,588.87	845.24	682.06	1,086.11	0.00	0.00	0.00
7,800.00	11.91	38.90	7,686.72	861.29	695.02	1,106.74	0.00	0.00	0.00
7,900.00	11.91	38.90	7,784.57	877.35	707.97	1,127.38	0.00	0.00	0.00
8,000.00	11.91	38.90	7,882.42	893.41	720.93	1,148.01	0.00	0.00	0.00
8,100.00	11.91	38.90	7,980.27	909.47	733.89	1,168.65	0.00	0.00	0.00
8,200.00	11.91	38.90	8,078.11	925.53	746.85	1,189.28	0.00	0.00	0.00
8,300.00	11.91	38.90	8,175.96	941.59	759.81	1,209.92	0.00	0.00	0.00
8,400.00	11.91	38.90	8,273.81	957.65	772.77	1,230.55	0.00	0.00	0.00
8,500.00	11.91	38.90	8,371.66	973.71	785.73	1,251.19	0.00	0.00	0.00
8,600.00	11.91	38.90	8,469.50	989.77	798.68	1,271.82	0.00	0.00	0.00
8,700.00	11.91	38.90	8,567.35	1,005.82	811.64	1,292.46	0.00	0.00	0.00
8,800.00	11.91	38.90	8,665.20	1,021.88	824.60	1,313.09	0.00	0.00	0.00
8,900.00	11.91	38.90	8,763.05	1,037.94	837.56	1,333.73	0.00	0.00	0.00
9,000.00	11.91	38.90	8,860.90	1,054.00	850.52	1,354.36	0.00	0.00	0.00
9,100.00	11.91	38.90	8,958.74	1,070.06	863.48	1,375.00	0.00	0.00	0.00
9,200.00	11.91	38.90	9,056.59	1,086.12	876.44	1,395.63	0.00	0.00	0.00
9,300.00	11.91	38.90	9,154.44	1,102.18	889.39	1,416.27	0.00	0.00	0.00
9,400.00	11.91	38.90	9,252.29	1,118.24	902.35	1,436.90	0.00	0.00	0.00
9,500.00	11.91	38.90	9,350.13	1,134.30	915.31	1,457.54	0.00	0.00	0.00
9,600.00	11.91	38.90	9,447.98	1,150.35	928.27	1,478.17	0.00	0.00	0.00
9,700.00	11.91	38.90	9,545.83	1,166.41	941.23	1,498.81	0.00	0.00	0.00
9,800.00	11.91	38.90	9,643.68	1,182.47	954.19	1,519.44	0.00	0.00	0.00
9,900.00	11.91	38.90	9,741.53	1,198.53	967.15	1,540.08	0.00	0.00	0.00
10,000.00	11.91	38.90	9,839.37	1,214.59	980.10	1,560.72	0.00	0.00	0.00
10,100.00	11.91	38.90	9,937.22	1,230.65	993.06	1,581.35	0.00	0.00	0.00
10,200.00	11.91	38.90	10,035.07	1,246.71	1,006.02	1,601.99	0.00	0.00	0.00
10,300.00	11.91	38.90	10,132.92	1,262.77	1,018.98	1,622.62	0.00	0.00	0.00
10,400.00	11.91	38.90	10,230.76	1,278.83	1,031.94	1,643.26	0.00	0.00	0.00
10,500.00	11.91	38.90	10,328.61	1,294.88	1,044.90	1,663.89	0.00	0.00	0.00
10,600.00	11.91	38.90	10,426.46	1,310.94	1,057.86	1,684.53	0.00	0.00	0.00
10,700.00	11.91	38.90	10,524.31	1,327.00	1,070.81	1,705.16	0.00	0.00	0.00
10,800.00	11.91	38.90	10,622.16	1,343.06	1,083.77	1,725.80	0.00	0.00	0.00
10,900.00	11.91	38.90	10,720.00	1,359.12	1,096.73	1,746.43	0.00	0.00	0.00
11,000.00	11.91	38.90	10,817.85	1,375.18	1,109.69	1,767.07	0.00	0.00	0.00
11,100.00	11.91	38.90	10,915.70	1,391.24	1,122.65	1,787.70	0.00	0.00	0.00
11,200.00	11.91	38.90	11,013.55	1,407.30	1,135.61	1,808.34	0.00	0.00	0.00
11,300.00	11.91	38.90	11,111.39	1,423.36	1,148.57	1,828.97	0.00	0.00	0.00
11,400.00	11.91	38.90	11,209.24	1,439.41	1,161.52	1,849.61	0.00	0.00	0.00
11,500.00	11.91	38.90	11,307.09	1,455.47	1,174.48	1,870.24	0.00	0.00	0.00
11,600.00	11.91	38.90	11,404.94	1,471.53	1,187.44	1,890.88	0.00	0.00	0.00
11,700.00	11.91	38.90	11,502.79	1,487.59	1,200.40	1,911.51	0.00	0.00	0.00
11,800.00	11.91	38.90	11,600.63	1,503.65	1,213.36	1,932.15	0.00	0.00	0.00
11,900.00	11.91	38.90	11,698.48	1,519.71	1,226.32	1,952.78	0.00	0.00	0.00
12,000.00	11.91	38.90	11,796.33	1,535.77	1,239.28	1,973.42	0.00	0.00	0.00
12,100.00	11.91	38.90	11,894.18	1,551.83	1,252.23	1,994.05	0.00	0.00	0.00
12,200.00	11.91	38.90	11,992.02	1,567.89	1,265.19	2,014.69	0.00	0.00	0.00
12,300.00	11.91	38.90	12,089.87	1,583.94	1,278.15	2,035.33	0.00	0.00	0.00
12,400.00	11.91	38.90	12,187.72	1,600.00	1,291.11	2,055.96	0.00	0.00	0.00



Planning Report



<b>Database:</b>	USADB	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Company:</b>	Trace Midstream	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site:</b>	Hatch	<b>North Reference:</b>	Grid
<b>Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan 1 06-23-26		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
12,500.00	11.91	38.90	12,285.57	1,616.06	1,304.07	2,076.60	0.00	0.00	0.00	
12,600.00	11.91	38.90	12,383.42	1,632.12	1,317.03	2,097.23	0.00	0.00	0.00	
12,700.00	11.91	38.90	12,481.26	1,648.18	1,329.99	2,117.87	0.00	0.00	0.00	
12,800.00	11.91	38.90	12,579.11	1,664.24	1,342.94	2,138.50	0.00	0.00	0.00	
12,900.00	11.91	38.90	12,676.96	1,680.30	1,355.90	2,159.14	0.00	0.00	0.00	
13,000.00	11.91	38.90	12,774.81	1,696.36	1,368.86	2,179.77	0.00	0.00	0.00	
13,100.00	11.91	38.90	12,872.65	1,712.41	1,381.82	2,200.41	0.00	0.00	0.00	
13,200.00	11.91	38.90	12,970.50	1,728.47	1,394.78	2,221.04	0.00	0.00	0.00	
13,300.00	11.91	38.90	13,068.35	1,744.53	1,407.74	2,241.68	0.00	0.00	0.00	
13,400.00	11.91	38.90	13,166.20	1,760.59	1,420.70	2,262.31	0.00	0.00	0.00	
13,500.00	11.91	38.90	13,264.05	1,776.65	1,433.65	2,282.95	0.00	0.00	0.00	
13,600.00	11.91	38.90	13,361.89	1,792.71	1,446.61	2,303.58	0.00	0.00	0.00	
13,700.00	11.91	38.90	13,459.74	1,808.77	1,459.57	2,324.22	0.00	0.00	0.00	
13,800.00	11.91	38.90	13,557.59	1,824.83	1,472.53	2,344.85	0.00	0.00	0.00	
13,900.00	11.91	38.90	13,655.44	1,840.89	1,485.49	2,365.49	0.00	0.00	0.00	
14,000.00	11.91	38.90	13,753.28	1,856.94	1,498.45	2,386.12	0.00	0.00	0.00	
14,100.00	11.91	38.90	13,851.13	1,873.00	1,511.41	2,406.76	0.00	0.00	0.00	
14,200.00	11.91	38.90	13,948.98	1,889.06	1,524.36	2,427.39	0.00	0.00	0.00	
14,300.00	11.91	38.90	14,046.83	1,905.12	1,537.32	2,448.03	0.00	0.00	0.00	
14,400.00	11.91	38.90	14,144.68	1,921.18	1,550.28	2,468.66	0.00	0.00	0.00	
14,483.11	11.91	38.90	14,226.00	1,934.53	1,561.05	2,485.82	0.00	0.00	0.00	
<b>TD at 14483.11</b>										

Design Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
BHL - HAGI 1	0.00	0.00	14,226.00	1,934.53	1,561.05	619,823.35	673,529.66	32° 42' 11.5200 N	103° 54' 12.8880 W	
- hit/miss target										
- Shape										
- plan hits target center										
- Point										

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment	
2,140.00	2,140.00	0.00	0.00	KOP, Begin 2.00°/100' Build	
2,735.43	2,731.16	47.98	38.72	Hold 11.91° Inc at 38.90° Azm	
14,483.11	14,226.00	1,934.53	1,561.05	TD at 14483.11	



## **Trace Midstream**

**Eddy Co NM (Nad 83 NME)**

**Hatch**

**Hatch AGI 1**

**OH**

**Plan 1 06-23-26**

## **Anticollision Report**

**23 June, 2026**





Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

<b>Reference</b>	Plan 1 06-23-26		
<b>Filter type:</b>	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
<b>Interpolation Method:</b>	MD Interval 100.00usft	<b>Error Model:</b>	ISCWSA
<b>Depth Range:</b>	Unlimited	<b>Scan Method:</b>	Closest Approach 3D
<b>Results Limited by:</b>	Maximum centre distance of 1,648.31usft	<b>Error Surface:</b>	Pedal Curve
<b>Warning Levels Evaluated at:</b>	2.00 Sigma	<b>Casing Method:</b>	Not applied

<b>Survey Tool Program</b>	<b>Date</b>	6/23/2026		
<b>From (usft)</b>	<b>To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Description</b>
0.00	14,483.11	Plan 1 06-23-26 (OH)	MWD+HRGM_r5_1	OWSG MWD + HRGM

Site Name	Reference Measured Depth (usft)	Offset Measured Depth (usft)	Distance Between Centers (usft)	Distance Between Ellipses (usft)	Separation Factor	Warning
<b>Summary</b>						
<b>Offset Well - Wellbore - Design</b>						
Hatch - Offset Wells (Nad 27)						
West Shugart 31 Federal Com 1 - ST01 - Surveys	8,767.50	10,323.61	687.32	611.33	9.046 CC, ES	
West Shugart 31 Federal Com 1 - ST01 - Surveys	8,800.00	10,325.53	688.08	611.58	8.994 SF	
Hatch - Offset Wells (Nad 83)						
Donnelly Kenwood B Fed 1 - OH - Asm Inc Only	2,532.04	2,503.70	323.04	241.63	3.968 CC	
Donnelly Kenwood B Fed 1 - OH - Asm Inc Only	2,800.00	2,764.46	327.78	238.18	3.658 ES	
Donnelly Kenwood B Fed 1 - OH - Asm Inc Only	3,500.00	3,449.00	379.43	267.53	3.391 SF	
West Shugart 31 Federal Com 5H - OH - Surveys	8,984.30	9,901.16	681.12	613.36	10.052 CC, ES, SF	

Reference		Offset		Semi Major Axis		Offset Wellbore Center		Distance			Offset Site Error:	Warning	
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	+N/-S (usft)	+E/-W (usft)	Between Centers (usft)	Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning
<b>Offset Design</b> West Shugart 31 Federal Com 1 - ST01 - Surveys Survey Program: 100-GYD_G003_GC+DROP+OH, 7280-MWD+LRGM_r5_1, 8628-													
0.00	0.00	0.00	0.00	1.00	1.00	-33.97	1,315.76	-886.34	1,586.52				
100.00	100.00	98.06	98.06	1.32	1.00	-33.95	1,315.62	-885.86	1,586.12	1,583.80	2.32	683.964	
200.00	200.00	199.85	199.84	1.79	1.02	-33.93	1,315.32	-884.78	1,585.28	1,582.46	2.81	563.616	
300.00	300.00	299.15	299.14	2.17	1.06	-33.90	1,315.00	-883.71	1,584.41	1,581.18	3.23	490.932	
400.00	400.00	393.68	393.66	2.49	1.12	-33.88	1,314.80	-882.86	1,583.73	1,580.13	3.60	439.607	
500.00	500.00	492.13	492.10	2.78	1.19	-33.86	1,314.78	-882.10	1,583.28	1,579.33	3.96	399.967	
600.00	600.00	592.38	592.36	3.04	1.28	-33.83	1,314.83	-881.28	1,582.88	1,578.57	4.30	367.883	
700.00	700.00	694.11	694.08	3.28	1.38	-33.80	1,314.88	-880.36	1,582.40	1,577.76	4.64	341.072	
800.00	800.00	796.72	796.68	3.51	1.49	-33.77	1,314.88	-879.22	1,581.79	1,576.82	4.97	318.203	
900.00	900.00	893.56	893.52	3.73	1.60	-33.73	1,314.95	-878.08	1,581.19	1,575.90	5.29	298.874	
1,000.00	1,000.00	991.63	991.58	3.94	1.72	-33.70	1,315.18	-876.97	1,580.76	1,575.16	5.60	282.030	
1,100.00	1,100.00	1,092.77	1,092.72	4.13	1.84	-33.66	1,315.44	-875.85	1,580.36	1,574.44	5.92	267.029	
1,200.00	1,200.00	1,193.38	1,193.32	4.32	1.97	-33.62	1,315.64	-874.71	1,579.90	1,573.67	6.23	253.694	
1,300.00	1,300.00	1,294.22	1,294.15	4.51	2.10	-33.58	1,315.79	-873.56	1,579.39	1,572.86	6.53	241.718	
1,400.00	1,400.00	1,393.59	1,393.51	4.68	2.23	-33.55	1,315.90	-872.47	1,578.87	1,572.04	6.84	230.982	
1,500.00	1,500.00	1,492.70	1,492.62	4.86	2.37	-33.51	1,316.09	-871.34	1,578.41	1,571.27	7.13	221.285	
1,600.00	1,600.00	1,592.51	1,592.42	5.03	2.50	-33.47	1,316.37	-870.14	1,577.97	1,570.55	7.43	212.443	
1,700.00	1,700.00	1,692.42	1,692.33	5.19	2.64	-33.42	1,316.70	-868.86	1,577.55	1,569.83	7.72	204.353	

CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Offset Design												West Shugart 31 Federal Com 1 - ST01 - Surveys	Offset Site Error:	0.00 usft
Survey Program:												100-GYD_G003_GC+DROP+OH, 7280-MWD+LRGM_r5_1, 8628-	Offset Well Error:	1.00 usft
Reference		Offset		Semi Major Axis			Offset Wellbore Center		Distance			Separation Factor	Warning	
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	+N/-S (usft)	+E/-W (usft)	Between Centers (usft)	Between Ellipses (usft)	Minimum Separation (usft)			
1,800.00	1,800.00	1,791.58	1,791.47	5.35	2.78	-33.37	1,317.11	-867.54	1,577.16	1,569.15	8.01	196.951		
1,900.00	1,900.00	1,892.37	1,892.25	5.51	2.92	-33.32	1,317.57	-866.12	1,576.77	1,568.48	8.30	190.074		
2,000.00	2,000.00	1,989.03	1,988.90	5.66	3.05	-33.27	1,318.08	-864.79	1,576.45	1,567.88	8.58	183.839		
2,100.00	2,100.00	2,090.35	2,090.21	5.81	3.19	-33.22	1,318.68	-863.46	1,576.22	1,567.37	8.86	177.936		
2,200.00	2,200.00	2,186.41	2,186.26	5.90	3.33	-72.09	1,319.31	-862.18	1,575.85	1,566.79	9.06	173.904		
2,300.00	2,299.92	2,285.46	2,285.30	6.13	3.47	-72.19	1,320.14	-860.93	1,574.68	1,565.34	9.34	168.550		
2,400.00	2,399.64	2,379.43	2,379.26	6.38	3.60	-72.41	1,321.11	-859.74	1,572.63	1,563.01	9.62	163.531		
2,500.00	2,499.05	2,468.70	2,468.51	6.65	3.73	-72.74	1,322.48	-858.80	1,570.07	1,560.18	9.89	158.821		
2,600.00	2,598.03	2,559.69	2,559.48	6.93	3.85	-73.19	1,324.47	-858.00	1,567.19	1,557.03	10.16	154.234		
2,700.00	2,696.44	2,651.47	2,651.22	7.23	3.97	-73.76	1,326.81	-857.43	1,563.86	1,553.41	10.44	149.723		
2,800.00	2,794.33	2,745.03	2,744.74	7.44	4.10	-74.39	1,329.46	-857.19	1,560.35	1,549.67	10.68	146.112		
2,900.00	2,892.18	2,842.03	2,841.71	7.72	4.23	-75.04	1,332.24	-857.15	1,557.14	1,546.16	10.99	141.746		
3,000.00	2,990.03	2,940.66	2,940.30	8.01	4.36	-75.72	1,334.96	-857.31	1,554.19	1,542.89	11.30	137.510		
3,100.00	3,087.88	3,039.28	3,038.88	8.33	4.49	-76.39	1,337.70	-857.34	1,551.39	1,539.77	11.63	133.432		
3,200.00	3,185.72	3,138.40	3,137.96	8.65	4.63	-77.07	1,340.42	-857.48	1,548.85	1,536.89	11.96	129.516		
3,300.00	3,283.57	3,239.03	3,238.56	8.99	4.77	-77.76	1,342.97	-857.54	1,546.32	1,534.02	12.30	125.732		
3,400.00	3,381.42	3,337.91	3,337.40	9.34	4.90	-78.44	1,345.49	-857.58	1,544.02	1,531.38	12.64	122.139		
3,500.00	3,479.27	3,441.43	3,440.91	9.71	5.05	-79.17	1,347.80	-857.65	1,541.72	1,528.73	13.00	118.637		
3,600.00	3,577.11	3,544.82	3,544.28	10.08	5.19	-79.91	1,349.61	-857.70	1,539.28	1,525.93	13.35	115.277		
3,700.00	3,674.96	3,645.52	3,644.97	10.46	5.33	-80.64	1,351.10	-857.67	1,536.84	1,523.13	13.71	112.087		
3,800.00	3,772.81	3,748.03	3,747.46	10.84	5.48	-81.37	1,352.62	-857.40	1,534.49	1,520.41	14.08	109.018		
3,900.00	3,870.66	3,848.93	3,848.35	11.24	5.62	-82.09	1,353.89	-856.82	1,532.01	1,517.57	14.44	106.084		
4,000.00	3,968.51	3,948.75	3,948.17	11.64	5.77	-82.81	1,355.14	-856.27	1,529.77	1,514.96	14.81	103.298		
4,100.00	4,066.35	4,050.28	4,049.69	12.04	5.91	-83.56	1,355.92	-855.81	1,527.51	1,512.33	15.18	100.612		
4,200.00	4,164.20	4,148.31	4,147.71	12.45	6.06	-84.29	1,356.55	-855.36	1,525.42	1,509.86	15.55	98.074		
4,300.00	4,262.05	4,246.26	4,245.66	12.87	6.20	-85.02	1,357.14	-855.00	1,523.61	1,507.68	15.93	95.657		
4,400.00	4,359.90	4,343.91	4,343.31	13.28	6.34	-85.75	1,357.65	-854.67	1,522.04	1,505.73	16.30	93.351		
4,500.00	4,457.74	4,437.90	4,437.30	13.71	6.48	-86.47	1,358.10	-854.56	1,520.85	1,504.17	16.68	91.185		
4,600.00	4,555.59	4,531.26	4,530.66	14.13	6.61	-87.18	1,358.64	-854.82	1,520.30	1,503.24	17.05	89.144		
4,700.00	4,653.44	4,628.78	4,628.18	14.56	6.73	-87.94	1,359.06	-855.37	1,520.12	1,502.68	17.44	87.173		
4,705.85	4,659.16	4,634.45	4,633.85	14.59	6.74	-87.99	1,359.08	-855.41	1,520.12	1,502.66	17.46	87.061		
4,800.00	4,751.29	4,725.28	4,724.67	14.99	6.86	-88.70	1,359.37	-856.06	1,520.27	1,502.45	17.82	85.297		
4,900.00	4,849.14	4,819.54	4,818.93	15.43	6.97	-89.45	1,359.55	-857.02	1,520.86	1,502.65	18.21	83.524		
5,000.00	4,946.98	4,910.36	4,909.74	15.86	7.09	-90.19	1,359.68	-858.41	1,522.10	1,503.50	18.59	81.867		
5,100.00	5,044.83	5,001.75	5,001.11	16.30	7.20	-90.94	1,359.80	-860.32	1,524.07	1,505.09	18.98	80.300		
5,200.00	5,142.68	5,108.53	5,107.87	16.74	7.34	-91.81	1,359.75	-862.54	1,526.23	1,506.84	19.39	78.697		
5,300.00	5,240.53	5,210.28	5,209.60	17.18	7.46	-92.65	1,359.45	-864.29	1,528.29	1,508.48	19.80	77.169		
5,400.00	5,338.37	5,310.00	5,309.31	17.63	7.59	-93.46	1,359.09	-865.81	1,530.46	1,510.25	20.22	75.704		
5,500.00	5,436.22	5,410.19	5,409.49	18.07	7.71	-94.28	1,358.62	-867.21	1,532.78	1,512.15	20.63	74.286		
5,600.00	5,534.07	5,507.67	5,506.95	18.52	7.84	-95.07	1,358.16	-868.50	1,535.36	1,514.31	21.05	72.935		
5,700.00	5,631.92	5,610.56	5,609.84	18.97	7.97	-95.90	1,357.55	-869.73	1,538.05	1,516.57	21.48	71.598		
5,800.00	5,729.77	5,712.67	5,711.94	19.42	8.10	-96.72	1,356.69	-870.70	1,540.73	1,518.82	21.92	70.301		
5,900.00	5,827.61	5,811.47	5,810.73	19.87	8.22	-97.52	1,355.63	-871.58	1,543.55	1,521.20	22.35	69.060		
6,000.00	5,925.46	5,908.89	5,908.13	20.32	8.34	-98.32	1,354.31	-872.55	1,546.62	1,523.83	22.79	67.869		
6,100.00	6,023.31	6,000.00	5,999.23	20.78	8.46	-99.07	1,352.97	-873.79	1,550.26	1,527.04	23.22	66.766		
6,200.00	6,121.16	6,097.77	6,096.98	21.23	8.59	-99.88	1,351.51	-875.35	1,554.41	1,530.75	23.67	65.675		

CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Offset Design													Offset Site Error:	0.00 usft
Survey Program: 100-GYD_G003_GC+DROP+OH, 7280-MWD+LRGM_r5_1, 8628-													Offset Well Error:	1.00 usft
Reference		Offset		Semi Major Axis			Offset Wellbore Center		Distance			Separation Factor	Warning	
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	+N/-S (usft)	+E/-W (usft)	Between Centers (usft)	Between Ellipses (usft)	Minimum Separation (usft)			
6,300.00	6,219.00	6,194.32	6,193.51	21.69	8.71	-100.67	1,350.19	-876.81	1,558.86	1,534.74	24.12	64.630		
6,400.00	6,316.85	6,296.31	6,295.48	22.14	8.85	-101.49	1,349.03	-878.10	1,563.52	1,538.94	24.59	63.590		
6,500.00	6,414.70	6,401.76	6,400.92	22.60	8.98	-102.32	1,347.82	-878.96	1,568.09	1,543.02	25.07	62.553		
6,600.00	6,512.55	6,498.62	6,497.76	23.06	9.11	-103.08	1,346.54	-879.58	1,572.72	1,547.19	25.54	61.586		
6,700.00	6,610.40	6,596.85	6,595.99	23.52	9.24	-103.85	1,345.44	-880.13	1,577.65	1,551.63	26.01	60.646		
6,800.00	6,708.24	6,689.40	6,688.54	23.97	9.36	-104.54	1,345.04	-880.48	1,582.99	1,556.50	26.48	59.776		
6,900.00	6,806.09	6,785.22	6,784.36	24.43	9.50	-105.23	1,345.26	-880.82	1,588.82	1,561.86	26.96	58.931		
7,000.00	6,903.94	6,883.25	6,882.39	24.89	9.63	-105.93	1,345.52	-881.21	1,594.95	1,567.50	27.45	58.106		
7,100.00	7,001.79	6,983.86	6,982.99	25.36	9.77	-106.63	1,345.85	-881.49	1,601.24	1,573.29	27.95	57.292		
7,200.00	7,099.64	7,089.66	7,088.76	25.82	10.02	-107.37	1,347.91	-880.33	1,607.11	1,578.55	28.57	56.261		
7,300.00	7,197.48	7,211.42	7,210.49	26.28	10.37	-108.07	1,349.63	-878.15	1,612.23	1,582.94	29.29	55.048		
7,400.00	7,295.33	10,264.03	8,755.43	26.74	42.79	168.13	414.27	516.24	1,528.56	1,490.50	38.06	40.160		
7,500.00	7,393.18	10,266.06	8,755.39	27.21	42.84	167.96	413.50	518.12	1,439.98	1,400.71	39.27	36.672		
7,600.00	7,491.03	10,268.08	8,755.36	27.67	42.89	167.80	412.73	519.98	1,352.98	1,312.32	40.67	33.270		
7,700.00	7,588.87	10,270.07	8,755.32	28.13	42.94	167.63	411.96	521.82	1,267.90	1,225.60	42.30	29.974		
7,800.00	7,686.72	10,272.05	8,755.29	28.60	42.99	167.47	411.19	523.64	1,185.14	1,140.93	44.21	26.805		
7,900.00	7,784.57	10,274.01	8,755.26	29.06	43.04	167.30	410.43	525.44	1,105.23	1,058.78	46.45	23.794		
8,000.00	7,882.42	10,275.96	8,755.23	29.53	43.09	167.14	409.66	527.23	1,028.84	979.78	49.06	20.972		
8,100.00	7,980.27	10,277.88	8,755.20	29.99	43.14	166.98	408.89	529.00	956.79	904.72	52.07	18.374		
8,200.00	8,078.11	10,279.80	8,755.17	30.46	43.19	166.82	408.13	530.75	890.16	834.66	55.50	16.039		
8,300.00	8,175.96	10,281.69	8,755.14	30.93	43.23	166.66	407.37	532.48	830.24	770.94	59.30	14.001		
8,400.00	8,273.81	10,283.57	8,755.12	31.39	43.28	166.51	406.60	534.20	778.58	715.24	63.34	12.292		
8,500.00	8,371.66	10,285.43	8,755.09	31.86	43.33	166.35	405.84	535.90	736.94	669.54	67.40	10.934		
8,600.00	8,469.50	10,303.00	8,754.90	32.33	43.77	164.89	398.40	551.81	707.45	636.13	71.31	9.920		
8,700.00	8,567.35	10,303.00	8,754.90	32.80	43.77	164.89	398.40	551.81	690.81	616.51	74.30	9.298		
8,767.50	8,633.40	10,323.61	8,754.87	33.11	44.30	163.18	390.77	570.94	687.32	611.33	75.98	9.046	CC, ES	
8,800.00	8,665.20	10,325.53	8,754.86	33.26	44.35	163.02	390.06	572.72	688.08	611.58	76.50	8.994	SF	
8,900.00	8,763.05	10,331.45	8,754.85	33.73	44.51	162.52	387.87	578.21	699.93	622.64	77.29	9.056		
9,000.00	8,860.90	10,337.37	8,754.84	34.20	44.66	162.03	385.67	583.71	725.44	648.52	76.92	9.431		
9,100.00	8,958.74	10,391.13	8,754.84	34.67	46.02	157.57	367.32	634.17	763.14	686.99	76.15	10.022		
9,200.00	9,056.59	10,396.62	8,754.84	35.14	46.15	157.12	365.61	639.39	811.14	736.82	74.32	10.914		
9,300.00	9,154.44	10,401.85	8,754.82	35.61	46.28	156.68	363.97	644.37	868.02	795.80	72.22	12.019		
9,400.00	9,252.29	10,406.86	8,754.80	36.08	46.40	156.27	362.40	649.12	932.14	862.08	70.06	13.305		
9,500.00	9,350.13	10,411.65	8,754.78	36.55	46.52	155.87	360.89	653.66	1,002.12	934.15	67.97	14.743		
9,600.00	9,447.98	10,416.23	8,754.75	37.02	46.63	155.50	359.43	658.01	1,076.82	1,010.78	66.05	16.303		
9,700.00	9,545.83	10,430.00	8,754.63	37.49	46.96	154.36	355.03	671.05	1,155.39	1,090.99	64.40	17.941		
9,800.00	9,643.68	10,430.00	8,754.63	37.96	46.96	154.36	355.03	671.05	1,236.94	1,174.11	62.83	19.686		
9,900.00	9,741.53	10,430.00	8,754.63	38.43	46.96	154.36	355.03	671.05	1,321.03	1,259.57	61.46	21.493		
10,000.00	9,839.37	10,435.01	8,754.57	38.90	47.09	153.95	353.42	675.80	1,407.20	1,346.88	60.32	23.329		
10,100.00	9,937.22	10,441.77	8,754.48	39.37	47.25	153.39	351.27	682.20	1,495.06	1,435.70	59.35	25.189		
10,200.00	10,035.07	10,448.25	8,754.39	39.84	47.41	152.86	349.22	688.35	1,584.33	1,525.80	58.53	27.068		

CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Offset Design													Donnelly Kenwood B Fed 1 - OH - Asm Inc Only	Offset Site Error:	0.00 usft
Survey Program:													100-INC-ONLY_r5_1	Offset Well Error:	1.00 usft
Reference		Offset		Semi Major Axis			Offset Wellbore Center		Distance			Separation Factor	Warning		
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	+N/-S (usft)	+E/-W (usft)	Between Centers (usft)	Between Ellipses (usft)	Minimum Separation (usft)				
0.00	0.00	0.00	0.00	1.00	1.00	-47.50	218.65	-238.60	325.24						
100.00	100.00	67.70	67.70	1.32	2.28	-47.50	218.65	-238.60	323.63	320.04	3.60	90.001			
200.00	200.00	169.20	169.17	1.79	5.20	-47.45	219.02	-238.60	323.89	316.90	6.99	46.352			
240.00	240.00	207.78	207.70	1.94	6.33	-47.50	218.65	-238.60	323.63	315.36	8.27	39.117			
300.00	300.00	269.27	269.18	2.17	8.16	-47.45	219.02	-238.60	323.89	313.56	10.33	31.364			
340.00	340.00	307.84	307.70	2.30	9.31	-47.50	218.65	-238.60	323.63	312.03	11.60	27.892			
400.00	400.00	369.34	369.18	2.49	11.14	-47.45	219.02	-238.60	323.89	310.26	13.63	23.760			
440.00	440.00	407.90	407.70	2.60	12.29	-47.50	218.65	-238.60	323.63	308.74	14.90	21.724			
500.00	500.00	469.40	469.19	2.78	14.13	-47.45	219.02	-238.60	323.89	306.98	16.91	19.156			
540.00	540.00	507.96	507.70	2.88	15.28	-47.50	218.65	-238.60	323.63	305.47	18.17	17.816			
600.00	600.00	569.47	569.19	3.04	17.12	-47.45	219.02	-238.60	323.89	303.72	20.16	16.064			
640.00	640.00	608.02	607.70	3.14	18.28	-47.50	218.65	-238.60	323.63	302.22	21.41	15.113			
700.00	700.00	669.53	669.20	3.28	20.12	-47.45	219.02	-238.60	323.89	300.48	23.40	13.841			
731.55	731.55	703.73	703.39	3.36	21.14	-47.51	218.58	-238.60	323.61	299.12	24.49	13.212			
800.00	800.00	769.60	769.20	3.51	23.11	-47.45	219.02	-238.60	323.89	297.26	26.62	12.165			
831.55	831.55	803.80	803.39	3.58	24.14	-47.51	218.58	-238.60	323.61	295.90	27.71	11.676			
900.00	900.00	869.67	869.21	3.73	26.11	-47.45	219.02	-238.60	323.88	294.05	29.84	10.855			
931.55	931.55	903.87	903.40	3.79	27.13	-47.51	218.58	-238.60	323.61	292.69	30.92	10.465			
1,000.00	1,000.00	969.73	969.21	3.94	29.10	-47.45	219.02	-238.60	323.88	290.84	33.04	9.803			
1,031.45	1,031.45	1,003.82	1,003.29	4.00	30.13	-47.51	218.58	-238.60	323.61	289.49	34.12	9.484			
1,100.00	1,100.00	1,069.80	1,069.22	4.13	32.10	-47.45	219.02	-238.60	323.88	287.65	36.23	8.939			
1,131.45	1,131.45	1,103.89	1,103.30	4.19	33.12	-47.51	218.58	-238.60	323.61	286.30	37.31	8.673			
1,200.00	1,200.00	1,169.86	1,169.22	4.32	35.10	-47.45	219.02	-238.60	323.88	284.46	39.42	8.216			
1,231.45	1,231.45	1,203.96	1,203.30	4.38	36.12	-47.51	218.58	-238.60	323.61	283.11	40.50	7.991			
1,300.00	1,300.00	1,269.93	1,269.23	4.51	38.10	-47.45	219.02	-238.60	323.88	281.28	42.60	7.602			
1,331.45	1,331.45	1,304.02	1,303.31	4.56	39.12	-47.51	218.58	-238.60	323.61	279.93	43.68	7.409			
1,400.00	1,400.00	1,370.00	1,369.23	4.68	41.09	-47.45	219.02	-238.60	323.88	278.11	45.78	7.075			
1,431.45	1,431.45	1,404.09	1,403.31	4.74	42.11	-47.51	218.58	-238.60	323.61	276.76	46.85	6.907			
1,500.00	1,500.00	1,470.06	1,469.24	4.86	44.09	-47.45	219.02	-238.60	323.88	274.94	48.95	6.617			
1,531.42	1,531.42	1,504.12	1,503.29	4.91	45.11	-47.51	218.57	-238.60	323.61	273.59	50.02	6.470			
1,600.00	1,600.00	1,570.13	1,569.24	5.03	47.09	-47.45	219.02	-238.60	323.88	271.77	52.11	6.215			
1,631.35	1,631.35	1,604.11	1,603.22	5.08	48.11	-47.51	218.57	-238.60	323.61	270.43	53.18	6.085			
1,700.00	1,700.00	1,670.19	1,669.25	5.19	50.09	-47.45	219.01	-238.60	323.88	268.61	55.28	5.859			
1,731.30	1,731.30	1,704.12	1,703.17	5.24	51.10	-47.51	218.57	-238.60	323.61	267.27	56.34	5.744			
1,800.00	1,800.00	1,770.26	1,769.25	5.35	53.08	-47.45	219.01	-238.60	323.88	265.45	58.43	5.543			
1,831.24	1,831.24	1,804.12	1,803.11	5.40	54.10	-47.51	218.57	-238.60	323.61	264.12	59.49	5.439			
1,900.00	1,900.00	1,870.33	1,869.26	5.51	56.08	-47.45	219.01	-238.60	323.88	262.29	61.59	5.259			
1,931.15	1,931.15	1,904.09	1,903.01	5.55	57.09	-47.51	218.58	-238.60	323.61	260.97	62.64	5.166			
2,000.00	2,000.00	1,970.39	1,969.26	5.66	59.08	-47.45	219.01	-238.60	323.88	259.14	64.74	5.003			
2,031.12	2,031.12	2,004.13	2,002.99	5.71	60.09	-47.51	218.57	-238.60	323.61	257.82	65.79	4.919			
2,100.00	2,100.00	2,070.46	2,069.27	5.81	62.08	-47.45	219.01	-238.60	323.88	255.99	67.89	4.771			
2,174.45	2,174.45	2,143.39	2,142.15	5.87	64.26	-86.50	218.65	-238.60	323.60	253.47	70.13	4.614			
2,200.00	2,200.00	2,170.52	2,169.27	5.90	65.08	-86.47	219.01	-238.60	323.84	252.88	70.96	4.564			
2,300.00	2,299.92	2,270.47	2,269.16	6.13	68.07	-87.16	219.01	-238.60	323.63	249.53	74.10	4.368			
2,400.00	2,399.64	2,370.20	2,368.83	6.38	71.06	-88.47	219.01	-238.60	323.35	246.12	77.23	4.187			
2,500.00	2,499.05	2,469.57	2,468.13	6.65	74.04	-90.38	219.02	-238.60	323.23	242.89	80.34	4.023			

CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Offset Design													Offset Site Error:	0.00 usft
Survey Program: 100-INC-ONLY_r5_1													Offset Well Error:	1.00 usft
Reference		Offset		Semi Major Axis			Offset Wellbore Center		Distance			Separation Factor	Warning	
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	+N/-S (usft)	+E/-W (usft)	Between Centers (usft)	Between Ellipses (usft)	Minimum Separation (usft)			
2,532.04	2,530.82	2,503.70	2,502.26	6.74	75.06	-91.24	218.58	-238.60	323.04	241.63	81.41	3.968	CC	
2,600.00	2,598.03	2,568.45	2,566.95	6.93	77.00	-92.87	219.03	-238.60	323.64	240.19	83.45	3.878		
2,700.00	2,696.44	2,666.73	2,665.17	7.23	79.94	-95.92	219.04	-238.60	325.01	238.46	86.55	3.755		
2,800.00	2,794.33	2,764.46	2,762.84	7.44	82.87	-99.37	219.05	-238.60	327.78	238.18	89.60	3.658	ES	
2,900.00	2,892.18	2,862.17	2,860.49	7.72	85.80	-102.81	219.06	-238.60	331.83	239.11	92.72	3.579		
3,000.00	2,990.03	2,959.91	2,958.17	8.01	88.73	-106.15	219.07	-238.60	337.10	241.24	95.86	3.516	SF	
3,100.00	3,087.88	3,057.67	3,055.87	8.33	91.66	-109.39	219.08	-238.60	343.52	244.50	99.03	3.469		
3,200.00	3,185.72	3,155.46	3,153.60	8.65	94.59	-112.51	219.08	-238.60	351.04	248.83	102.21	3.434		
3,300.00	3,283.57	3,253.27	3,251.36	8.99	97.52	-115.49	219.08	-238.60	359.59	254.17	105.42	3.411		
3,400.00	3,381.42	3,351.12	3,349.14	9.34	100.45	-118.33	219.09	-238.60	369.10	260.45	108.65	3.397		
3,500.00	3,479.27	3,449.00	3,446.97	9.71	103.38	-121.10	218.65	-238.60	379.43	267.53	111.90	3.391		
3,600.00	3,577.11	3,546.91	3,544.81	10.08	106.32	-123.65	218.65	-238.60	390.65	275.48	115.18	3.392		
3,700.00	3,674.96	3,644.82	3,642.66	10.46	109.25	-126.06	218.65	-238.60	402.62	284.16	118.46	3.399		
3,800.00	3,772.81	3,655.00	3,652.81	10.84	109.55	-126.30	218.65	-238.60	424.43	307.92	116.51	3.643		
3,900.00	3,870.66	3,655.00	3,652.81	11.24	109.55	-126.30	218.65	-238.60	466.99	357.25	109.73	4.256		
4,000.00	3,968.51	3,655.00	3,652.81	11.64	109.55	-126.30	218.65	-238.60	525.37	424.12	101.24	5.189		
4,100.00	4,066.35	3,655.00	3,652.81	12.04	109.55	-126.30	218.65	-238.60	594.93	502.02	92.91	6.403		
4,200.00	4,164.20	3,655.00	3,652.81	12.45	109.55	-126.30	218.65	-238.60	672.22	586.69	85.53	7.860		
4,300.00	4,262.05	3,655.00	3,652.81	12.87	109.55	-126.30	218.65	-238.60	754.86	675.60	79.25	9.525		
4,400.00	4,359.90	3,655.00	3,652.81	13.28	109.55	-126.30	218.65	-238.60	841.28	767.26	74.02	11.366		
4,500.00	4,457.74	3,655.00	3,652.81	13.71	109.55	-126.30	218.65	-238.60	930.42	860.76	69.66	13.358		
4,600.00	4,555.59	3,655.00	3,652.81	14.13	109.55	-126.30	218.65	-238.60	1,021.57	955.56	66.02	15.474		
4,700.00	4,653.44	3,655.00	3,652.81	14.56	109.55	-126.30	218.65	-238.60	1,114.25	1,051.28	62.97	17.695		
4,800.00	4,751.29	3,655.00	3,652.81	14.99	109.55	-126.30	218.65	-238.60	1,208.09	1,147.69	60.40	20.003		
4,900.00	4,849.14	3,655.00	3,652.81	15.43	109.55	-126.30	218.65	-238.60	1,302.85	1,244.63	58.21	22.380		
5,000.00	4,946.98	3,655.00	3,652.81	15.86	109.55	-126.30	218.65	-238.60	1,398.34	1,341.99	56.35	24.815		
5,100.00	5,044.83	3,655.00	3,652.81	16.30	109.55	-126.30	218.65	-238.60	1,494.42	1,439.67	54.75	27.295		
5,200.00	5,142.68	3,655.00	3,652.81	16.74	109.55	-126.30	218.65	-238.60	1,590.98	1,537.61	53.37	29.810		

CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Offset Design West Shugart 31 Federal Com 5H - OH - Surveys													Offset Site Error:	0.00 usft
Survey Program: 20-MWD+LRGM_r5_1													Offset Well Error:	1.00 usft
Reference		Offset		Semi Major Axis			Offset Wellbore Center		Distance			Separation Factor	Warning	
Measured Depth (usft)	Vertical Depth (usft)	Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Highside Toolface (°)	+N/-S (usft)	+E/-W (usft)	Between Centers (usft)	Between Ellipses (usft)	Minimum Separation (usft)			
7,500.00	7,393.18	9,985.99	8,744.73	27.21	38.76	-42.90	1,726.47	793.23	1,630.62	1,589.39	41.23	39.545		
7,600.00	7,491.03	9,981.31	8,744.39	27.67	38.64	-42.51	1,726.26	797.89	1,540.46	1,498.18	42.28	36.431		
7,700.00	7,588.87	9,976.51	8,744.05	28.13	38.52	-42.11	1,726.05	802.67	1,451.58	1,408.12	43.45	33.404		
7,800.00	7,686.72	9,971.58	8,743.71	28.60	38.40	-41.70	1,725.82	807.59	1,364.22	1,319.45	44.76	30.476		
7,900.00	7,784.57	9,966.52	8,743.36	29.06	38.28	-41.28	1,725.59	812.63	1,278.68	1,232.45	46.23	27.659		
8,000.00	7,882.42	9,961.31	8,743.00	29.53	38.15	-40.85	1,725.35	817.82	1,195.38	1,147.50	47.88	24.966		
8,100.00	7,980.27	9,955.97	8,742.64	29.99	38.01	-40.40	1,725.10	823.15	1,114.79	1,065.06	49.73	22.416		
8,200.00	8,078.11	9,950.47	8,742.28	30.46	37.88	-39.94	1,724.84	828.63	1,037.56	985.76	51.80	20.030		
8,300.00	8,175.96	9,944.81	8,741.91	30.93	37.74	-39.47	1,724.57	834.27	964.49	910.40	54.09	17.831		
8,400.00	8,273.81	9,938.99	8,741.53	31.39	37.60	-38.98	1,724.28	840.07	896.59	840.01	56.58	15.846		
8,500.00	8,371.66	9,932.99	8,741.15	31.86	37.45	-38.48	1,723.99	846.04	835.14	775.92	59.21	14.104		
8,600.00	8,469.50	9,926.82	8,740.76	32.33	37.30	-37.96	1,723.68	852.20	781.64	719.78	61.85	12.637		
8,700.00	8,567.35	9,920.46	8,740.37	32.80	37.14	-37.43	1,723.36	858.54	737.82	673.52	64.30	11.474		
8,800.00	8,665.20	9,913.90	8,739.98	33.26	36.98	-36.88	1,723.02	865.08	705.50	639.21	66.28	10.644		
8,900.00	8,763.05	9,907.26	8,739.58	33.73	36.81	-36.32	1,722.67	871.69	686.29	618.79	67.50	10.167		
8,984.30	8,845.53	9,901.16	8,739.25	34.13	36.66	-35.81	1,722.35	877.78	681.12	613.36	67.76	10.052 CC, ES, SF		
9,000.00	8,860.90	9,899.92	8,739.19	34.20	36.63	-35.70	1,722.29	879.01	681.30	613.57	67.73	10.060		
9,100.00	8,958.74	9,891.15	8,738.77	34.67	36.42	-34.97	1,721.83	887.76	690.82	623.90	66.92	10.324		
9,200.00	9,056.59	9,880.50	8,738.34	35.14	36.16	-34.08	1,721.27	898.39	714.24	649.01	65.23	10.950		
9,300.00	9,154.44	9,867.27	8,737.94	35.61	35.83	-32.97	1,720.56	911.59	750.23	687.27	62.95	11.917		
9,400.00	9,252.29	9,850.42	8,737.63	36.08	35.42	-31.56	1,719.67	928.41	797.03	736.62	60.41	13.194		
9,500.00	9,350.13	9,828.24	8,737.57	36.55	34.88	-29.72	1,718.48	950.56	852.79	794.94	57.85	14.742		
9,600.00	9,447.98	9,804.77	8,737.90	37.02	34.31	-27.79	1,717.20	973.99	915.76	860.30	55.46	16.512		
9,700.00	9,545.83	9,785.05	8,738.35	37.49	33.83	-26.18	1,716.08	993.68	984.59	931.24	53.34	18.457		
9,800.00	9,643.68	9,764.03	8,738.93	37.96	33.32	-24.48	1,714.83	1,014.65	1,058.12	1,006.62	51.51	20.544		
9,900.00	9,741.53	9,741.58	8,739.67	38.43	32.77	-22.69	1,713.41	1,037.05	1,135.42	1,085.48	49.94	22.735		
10,000.00	9,839.37	9,717.90	8,740.60	38.90	32.20	-20.82	1,711.84	1,060.66	1,215.74	1,167.11	48.63	25.000		
10,100.00	9,937.22	9,698.78	8,741.42	39.37	31.74	-19.33	1,710.52	1,079.72	1,298.54	1,250.99	47.55	27.309		
10,200.00	10,035.07	9,679.22	8,742.30	39.84	31.27	-17.82	1,709.15	1,099.20	1,383.38	1,336.72	46.66	29.646		
10,300.00	10,132.92	9,659.22	8,743.25	40.31	30.79	-16.31	1,707.72	1,119.13	1,469.92	1,423.97	45.94	31.995		
10,400.00	10,230.76	9,638.75	8,744.26	40.79	30.30	-14.78	1,706.23	1,139.52	1,557.85	1,512.49	45.36	34.344		
10,500.00	10,328.61	9,618.75	8,745.30	41.26	29.83	-13.32	1,704.74	1,159.44	1,646.95	1,602.05	44.90	36.682		

CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

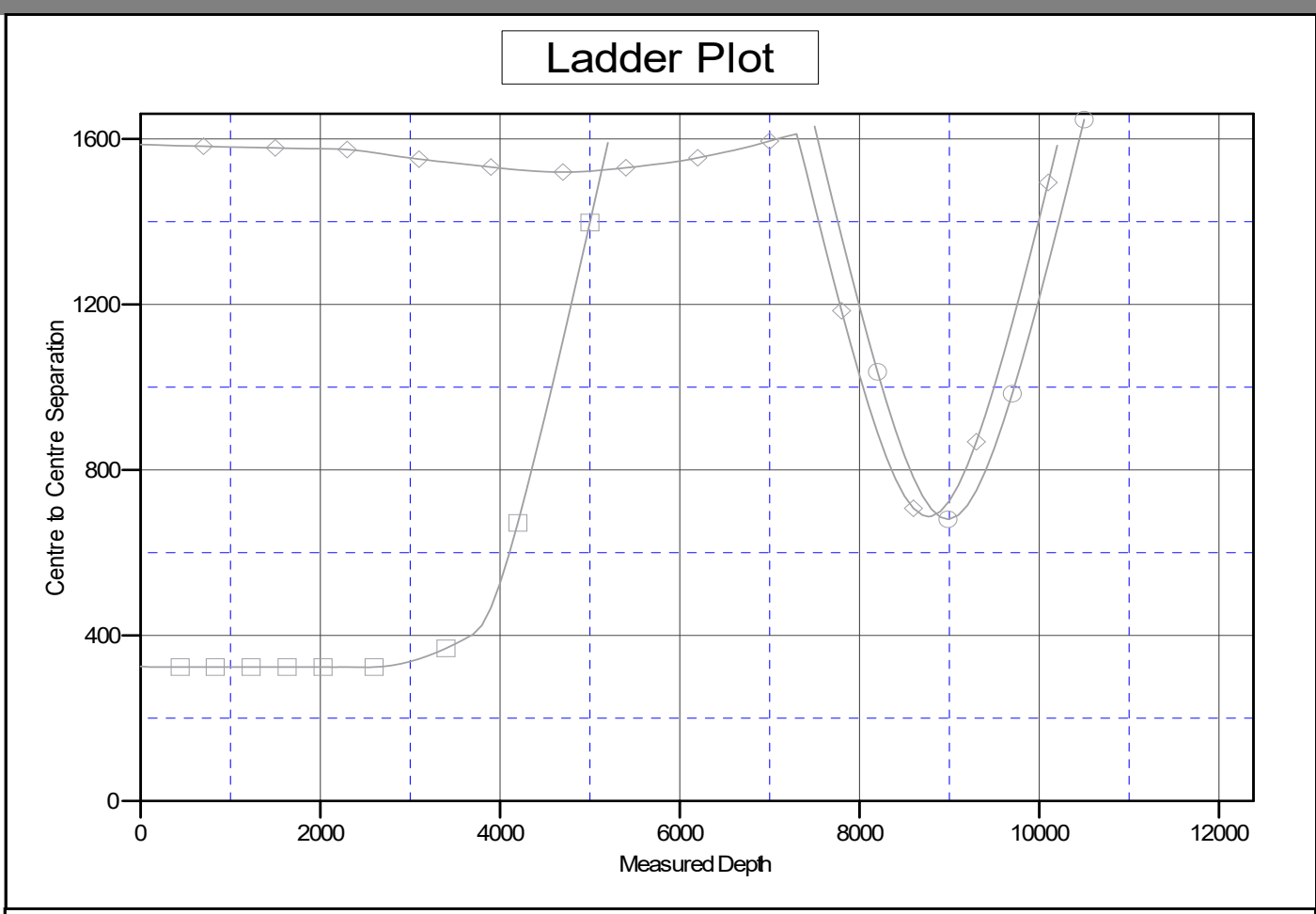


Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Reference Depths are relative to RKB @ 3559.30usft (TBD)      Coordinates are relative to: Hatch AGI 1  
 Offset Depths are relative to Offset Datum      Coordinate System is US State Plane 1983, New Mexico Eastern Zone  
 Central Meridian is 104° 19' 60.0000 W °      Grid Convergence at Surface is: 0.229°



**LEGEND**

Donnelly Kenwood B Fed 1, OH, Asm, Inc Only V0	West Shugart 31F Federal Com 1, ST 01, Surveys V0	West Shugart 31F Federal Com 5H, OH, Surveys V0
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CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

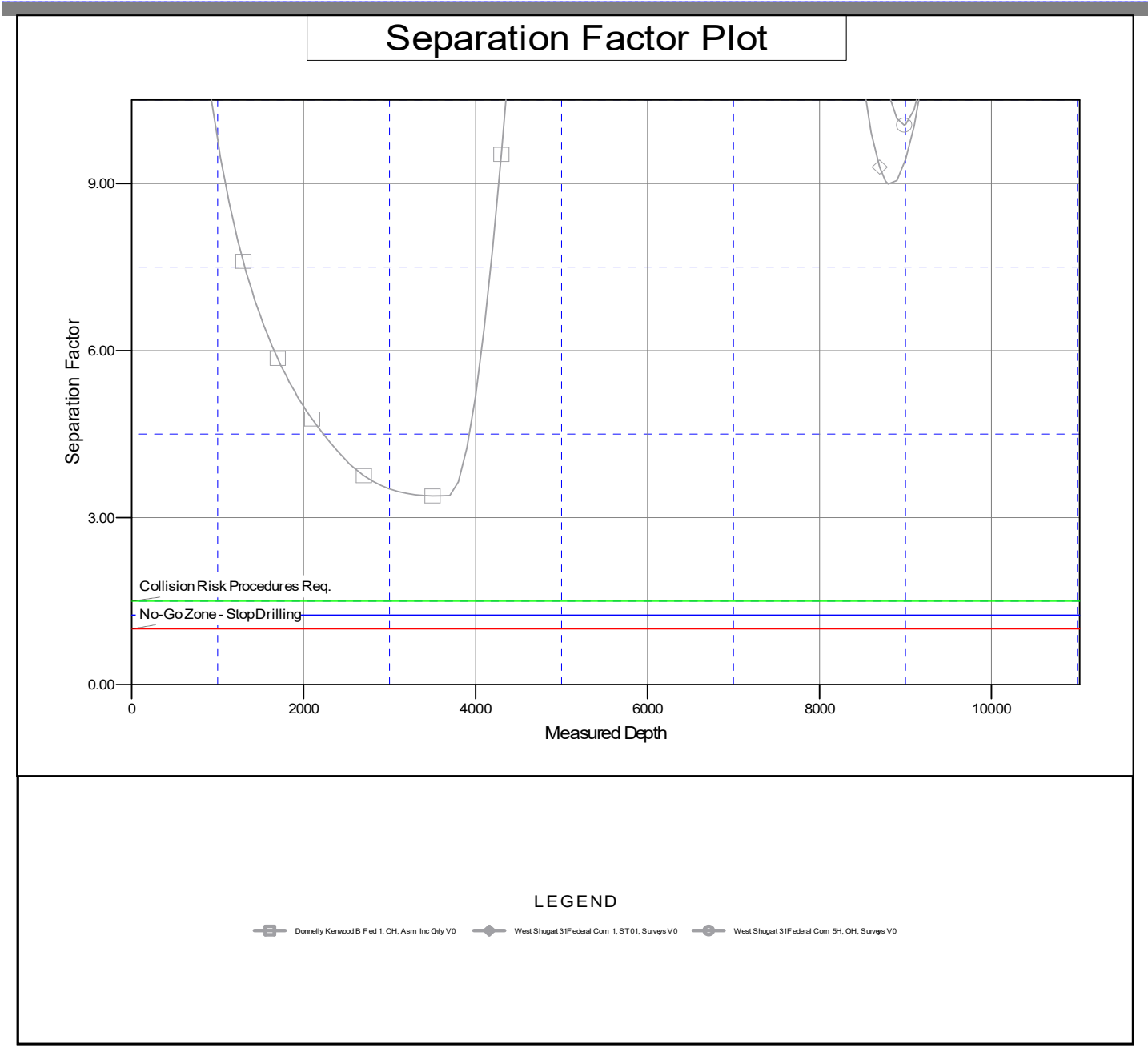


Anticollision Report



<b>Company:</b>	Trace Midstream	<b>Local Co-ordinate Reference:</b>	Well Hatch AGI 1
<b>Project:</b>	Eddy Co NM (Nad 83 NME)	<b>TVD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Reference Site:</b>	Hatch	<b>MD Reference:</b>	RKB @ 3559.30usft (TBD)
<b>Site Error:</b>	0.00	<b>North Reference:</b>	Grid
<b>Reference Well:</b>	Hatch AGI 1	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Well Error:</b>	1.00	<b>Output errors are at</b>	2.00 sigma
<b>Reference Wellbore</b>	OH	<b>Database:</b>	USADB
<b>Reference Design:</b>	Plan 1 06-23-26	<b>Offset TVD Reference:</b>	Offset Datum

Reference Depths are relative to RKB @ 3559.30usft (TBD)      Coordinates are relative to: Hatch AGI 1  
 Offset Depths are relative to Offset Datum      Coordinate System is US State Plane 1983, New Mexico Eastern Zone  
 Central Meridian is 104° 19' 60.0000 W °      Grid Convergence at Surface is: 0.229°



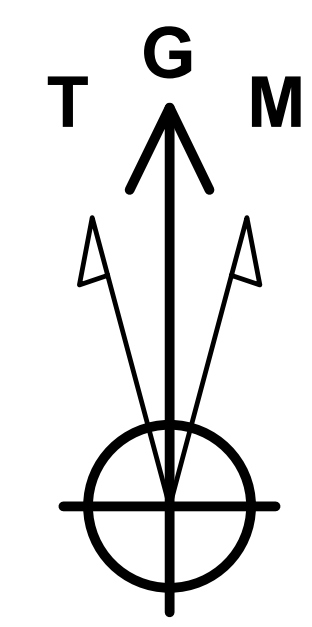
CC - Min center to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



**Project: Eddy Co NM (Nad 83 NME)**  
**Site: Hatch**  
**Well: Hatch AGI 1**  
**Wellbore: OH**  
**Design: Plan 1 06-23-26**  
**Rig: TBD**



**PHOENIX**  
**TECHNOLOGY SERVICES**



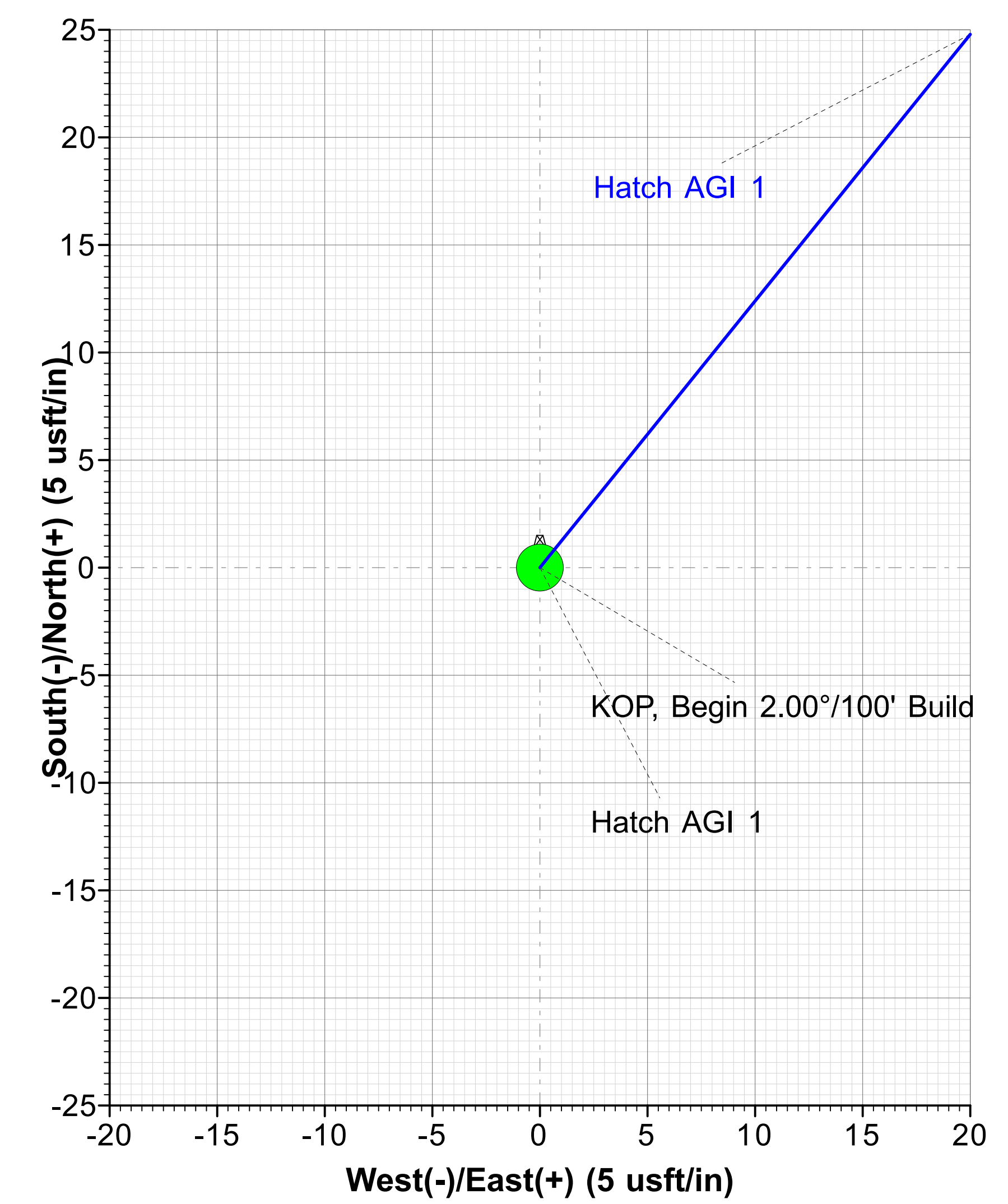
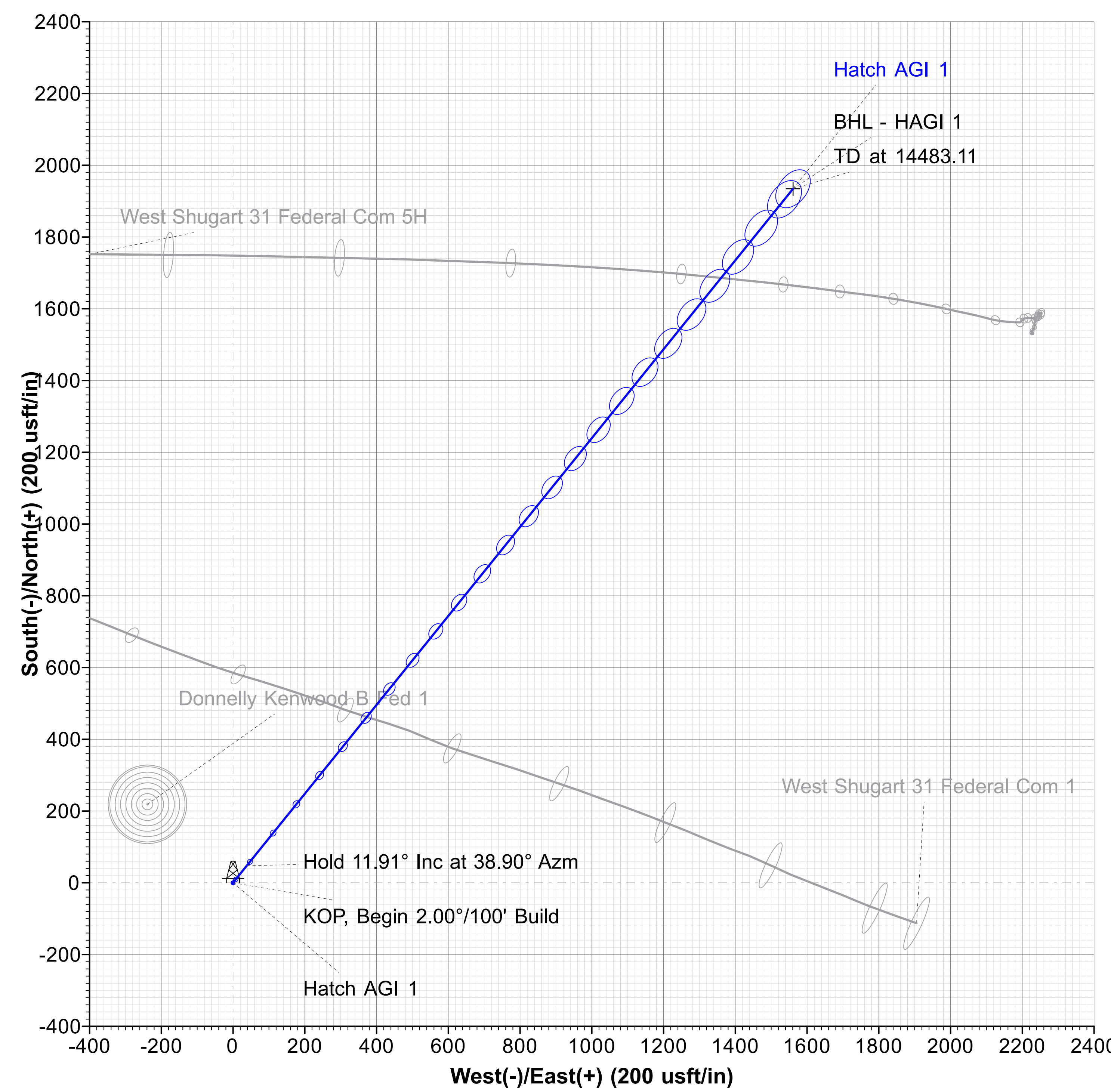
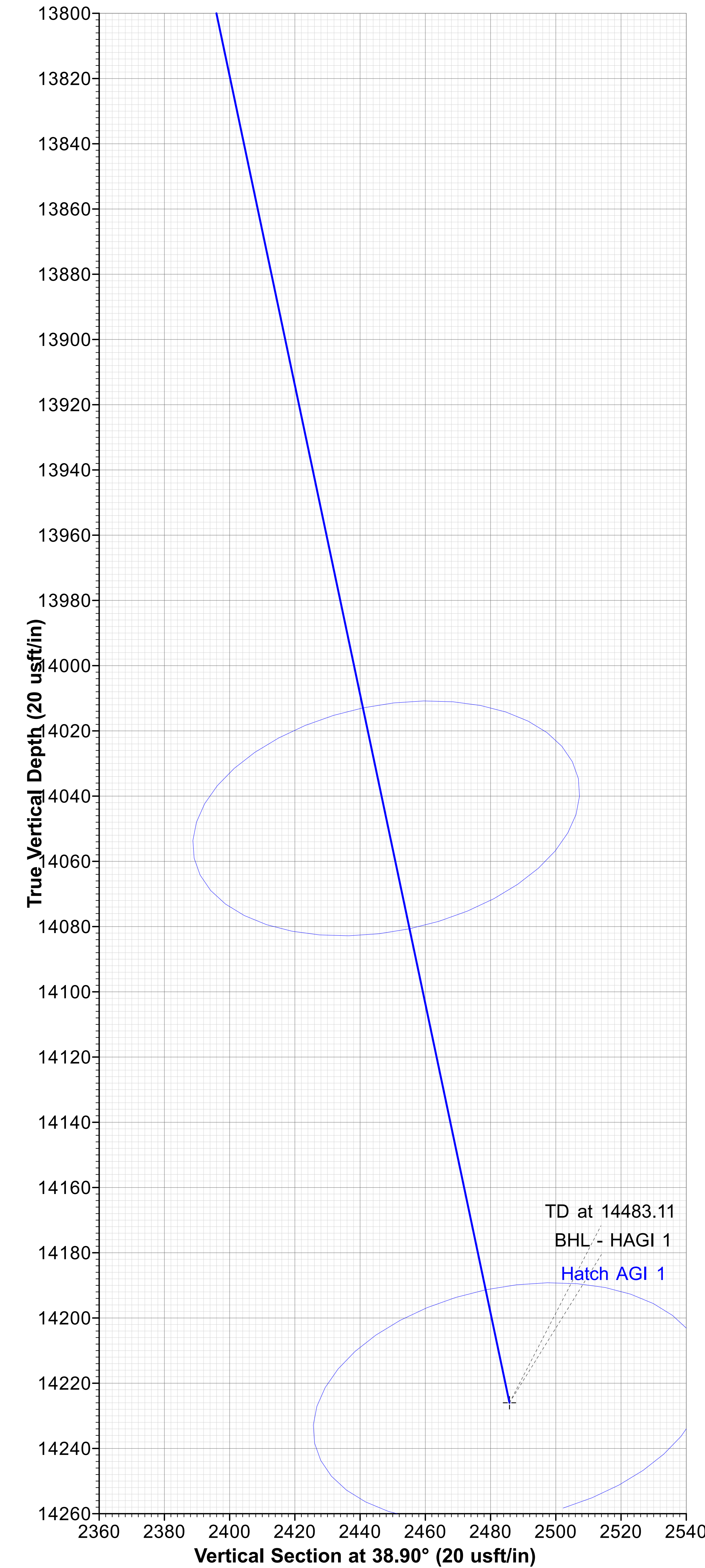
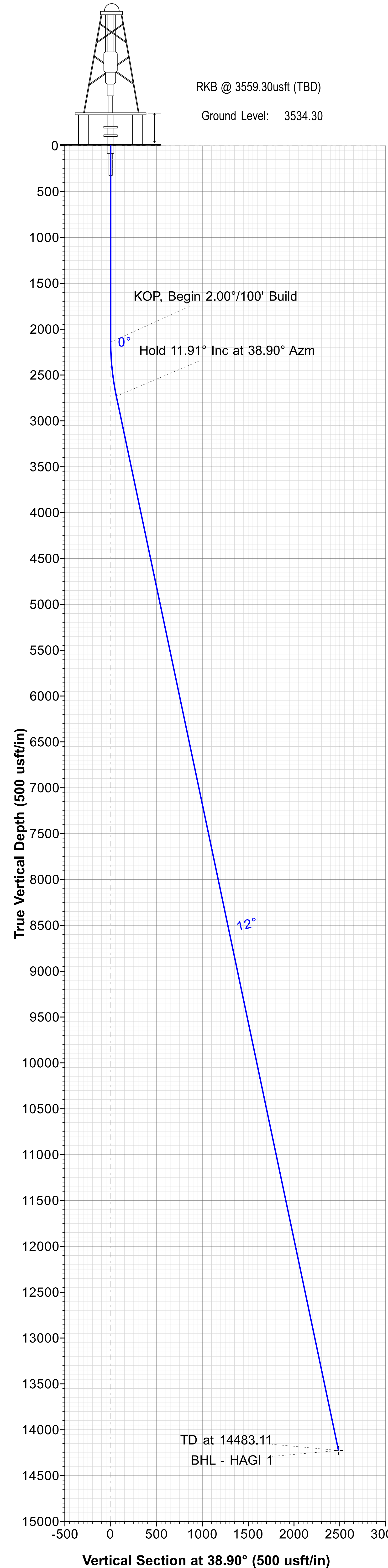
**Azimuths to Grid North**  
 True North: -0.23°  
 Magnetic North: 6.42°

**Magnetic Field**  
 Strength: 47358.0nT  
 Dip Angle: 60.33°  
 Date: 8/23/2026  
 Model: HDGM

WELL DETAILS						
			Ground Level:	3534.30		
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	
0.00	0.00	617888.82	671968.62	32° 41' 52.4400 N	103° 54' 31.2480 W	

SECTION DETAILS											
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Target	Annotation
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000	0.00		
2	2140.00	0.00	0.00	2140.00	0.00	0.00	0.00	0.000	0.00		KOP, Begin 2.00°/100' Build
3	2735.43	11.91	38.90	2731.16	47.98	38.72	2.00	38.902	61.66		Hold 11.91° Inc at 38.90° Azm
4	14483.11	11.91	38.90	14226.00	1934.53	1561.05	0.00	0.000	2485.82	BHL - HAGI 1	TD at 14483.11

Map System: US State Plane 1983  
 Datum: North American Datum 1983  
 Ellipsoid: GRS 1980  
 Zone Name: New Mexico Eastern Zone  
 Local Origin: Well Hatch AGI 1, Grid North  
 Latitude: 32° 41' 52.4400 N  
 Longitude: 103° 54' 31.2480 W  
 Grid East: 671968.62  
 Grid North: 617888.82  
 Scale Factor: 1.000  
 Geomagnetic Model: HDGM  
 Sample Date: 23-Aug-26  
 Magnetic Declination: 6.650°  
 Dip Angle from Horizontal: 60.333°  
 Magnetic Field Strength: 47358.0000000nT  
 To convert a Magnetic Direction to a Grid Direction, Add 6.421°  
 To convert a Magnetic Direction to a True Direction, Add 6.650° East  
 To convert a True Direction to a Grid Direction, Subtract 0.229°



# **ATTACHMENT 3**

United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
Right-Of-Way Grant  
Serial Number: NMNM106771963  
Project Name: Heritage Site

1. A right-of-way is hereby granted pursuant to Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185).

2. Nature of Interest:

a. By this instrument, the holder:

Trace Delaware Treating Service, LLC.  
840 Gessner, Suite 530  
Houston, TX 77024

receives a right to construct, operate, maintain, and terminate a 9.91 acre site across public lands located in Eddy County, New Mexico described as follows:

**T. 18 S., R. 31 E., NMPM**

sec. 31: SE $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ .

b. The right-of-way or permit area granted herein 9.91 acres, more or less.

c. This instrument shall terminate on 12/31/2055 unless prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

3. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2880.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 90 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

- c. Each grant issued for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter, not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.
- d. The stipulations, plans, maps, or designs set forth in Exhibit A (COA), and B (plat), attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.
- e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.
- f. The holder shall perform all operations in a good and workman like manner so as to ensure protection of the environment and the health and safety of the public.
- g. In the event that the public land underlying the right-of-way (ROW) encompassed in this grant, or a portion thereof, is conveyed out of Federal ownership and administration of the ROW or the land underlying the ROW is not being reserved to the United States in the patent/deed and/or the ROW is not within a ROW corridor being reserved to the United States in the patent/deed, the United States waives any right it has to administer the right-of-way, or portion thereof, within the conveyed land under Federal laws, statutes, and regulations, including the regulations at 43 CFR Part [2800][2880], including any rights to have the holder apply to BLM for amendments, modifications, or assignments and for BLM to approve or recognize such amendments, modifications, or assignments. At the time of conveyance, the patentee/grantee, and their successors and assigns, shall succeed to the interests of the United States in all matters relating to the right-of-way, or portion thereof, within the conveyed land and shall be subject to applicable State and local government laws, statutes, and ordinances. After conveyance, any disputes concerning compliance with the use and the terms and conditions of the ROW shall be considered a civil matter between the patentee/grantee and the ROW Holder.

IN WITNESS THEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.



(Signature of Holder)



(Signature of Authorized Officer)

PERMIT SPECIALIST

(Title)

AFM RESOURCES - ACTING

(Title)

05.29.26

(Date)

06/02/2026

(Effective Date of Grant)

Surface Use Conditions of Approval (COAs) DOI-BLM-NM-P020-2026-0614-EA  
Carlsbad Field Office – Exhibit AHatch AGI, Heritage Amine Facility, and Breslin Cryogenics  
Processing Plant

## UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT – CARLSBAD FIELD OFFICE

**Applicant:** Trace Delaware Treating  
Services, LLC

**Location:** Eddy County, New Mexico

**Project Title:** Hatch AGI, Heritage Amine  
Facility, and Breslin Cryogenics Processing  
Plant

**Lease Number:** NMNM0560354;  
NMNM0560352; and NMNM099038

**Project Type:**

**NEPA #:** DOI-BLM-NM-P020-2026-0614-  
EA

### SURFACE USE CONDITIONS OF APPROVAL

*Failure of the operator to comply with these requirements may result in the assessment of penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5.*

**Well Name with Location (with SHL & BHL<sup>1</sup>)**

Hatch AGI # 1

SHL: 460 feet FSL and 2615 feet FEL, Section 31, T. 18 S., R. 31 E.

BHL: 2,384 feet FSL and 1,044 feet FEL, Section 31, T. 18 S., R. 31 E.

### APPLICATION FACILITIES

#### 1. CONSTRUCTION NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at [BLM\\_NM\\_CFO\\_Construction\\_Reclamation@blm.gov](mailto:BLM_NM_CFO_Construction_Reclamation@blm.gov) 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 COAs on the well site and they shall be made available upon request by the Authorized Officer.

#### 2. ACCESS ROAD(S)

##### ROAD WIDTH & GRADE

The road will have a driving surface of 24 feet (all roads shall have a minimum driving surface of 12 feet, unless local conditions dictate a different width). The maximum grade is 10% unless the box below is checked. The maximum width of surface disturbance from construction will be 30 feet.

<sup>1</sup> SHL is an abbreviation for Surface Hole Location. BHL is an abbreviation for Bottom Hole Location.

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- The segments of road where the grade is more than 10% for greater than 300 feet shall be designed by a professional engineer.

**CROWNING & DITCHING**

Crowning with materials onsite and ditching on one side of the road on the uphill side will be required. The road cross-section will conform to the cross-section diagrams in turnout diagram. If conditions dictate, ditching may be required for both sides of the road; if local conditions permit, a flat-bladed road may be considered (if these conditions exist, check the appropriate box below). The crown shall have a grade of approximately 2% (i.e., 1" crown on a 12' wide road.)

- Ditching will be required on both sides of the roadway as shown on the attached plat or as staked in the field.
- Flat blading is authorized on segment(s) delineated on the attached plat.

**DRAINAGE**

Drainage control shall be ensured over the entire road using borrow ditches, out-sloping, in-sloping, natural rolling topography, lead-off (turnout) ditches, culverts, and/or drainage dips.

Culvert pipes shall be used for cross drains where drainage dips or low water crossings are not feasible. The minimum culvert diameter must be 18 inches. **Due to flash floods, increased overland flow, and related debris, the BLM strongly recommends the operator increases the culvert diameter to 24 inches or larger.** Flared culvert, rock armoring, and gravel are recommended for culvert stability. Culvert location and required diameter are shown on the attached map. If culverts or drainage crossings are needed, they should be designed for a **25-year or greater storm frequency**, without development of a static head at the pipe inlet. *Any culvert pipe installed shall be of sufficient diameter to pass the anticipated flow of water.*

All lead-off and turnout ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval for lead-off ditches shall be determined according to the following table, but may be amended depending upon existing soil types and centerline road slope:

Percent Slope	Spacing Interval
0% – 4%	400' – 150'
4% – 6%	250' – 125'
6% – 8%	200' – 100'
8% – 10%	150' – 075'

Turnout ditches and drainage leadoffs will not be constructed in such a manner as to increase or decrease the natural flow of water into or out of cave or karst features.

**LEAD-OFF**

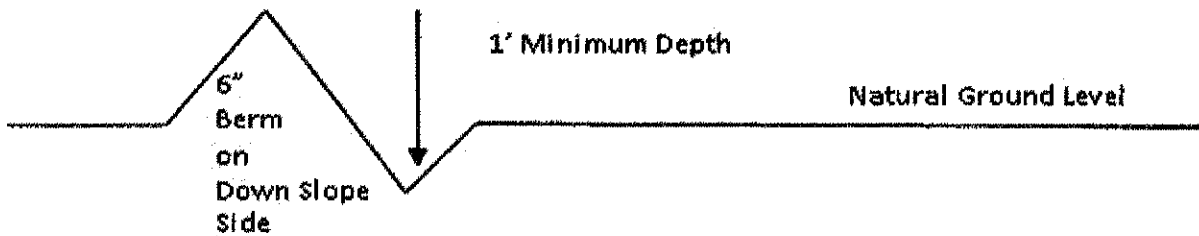
A typical lead-off ditch has a minimum depth of 1 foot below and a berm 1 foot above natural ground level. The berm will be on the down-slope side of the lead-off ditch. The ditch end will tie into vegetation whenever possible.

For this road the spacing interval for lead-off ditches shall be at:

- 400-foot intervals.
- 2500-foot intervals.

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- Locations staked in the field as per spacing intervals above.
- Locations delineated on the attached plat.



On road slopes exceeding 2%, drainage dips shall drain water into an adjacent lead off ditch. Drainage dip location and spacing shall be determined by the formula:

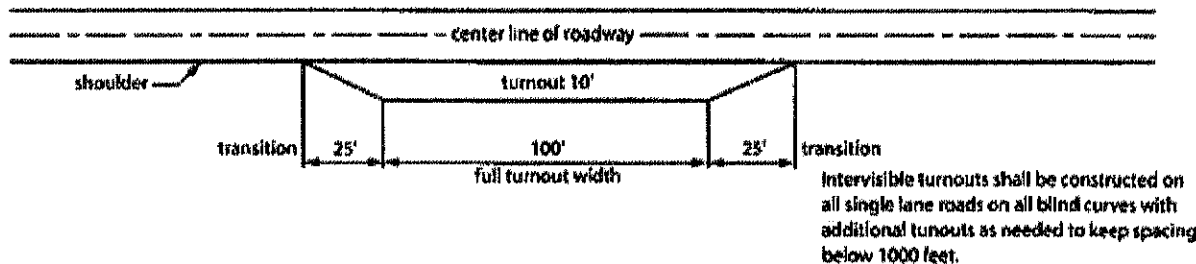
$$\text{Spacing Interval} = \text{Road Slope in \%} + 100'$$

**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:

$$400 \text{ ft road with } 4\% \text{ slope} = \frac{400'}{4\%} + 100' = 200' \text{ leadoff ditch interval}$$

**TURNOUTS**

Unless otherwise approved by the Authorized Officer, vehicle turnouts will be required. Turnouts will be located at 1000-foot intervals, or the turnouts will be intervisible, whichever is less. Turnouts will conform to the following diagram:



Additional options can be found within the fourth edition of the **Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (The Gold Book)**.

**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. When surfacing

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is required, surfacing materials will be compacted to a minimum thickness of **6 inches** with caliche material. The width of surfacing shall be no less than the driving surface.

### **EROSION CONTROL & ROAD MAINTENANCE**

The holder shall maintain the road in a safe, usable condition. A maintenance program shall include, but not be limited to blading, ditching, culvert installation, culvert cleaning, drainage installation, cattleguard maintenance, and surfacing.

If, during any phase of the construction, operation, maintenance, or termination of the road, any oil or other pollutant should be discharged, 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 the holder, regardless of fault.

Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the Authorized Officer may take such measures as deemed necessary to control and cleanup 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 the holder of any liability or responsibility.

### **PUBLIC ACCESS**

The holder will not restrict public access along this road without specific written approval being granted by the Authorized Officer. Gates or cattle guards on public lands will not be locked or closed to public use unless closure is specifically determined to be necessary and is authorized in writing by the Authorized Officer.

### **RECLAMATION**

When the road is abandoned, it will be ripped at least sixteen inches deep, including turnouts. The caliche may be reclaimed for re-use before ripping, if so desired. Alternately, the caliche can be plowed under with a grader, or other soil turning device, and the plowed surface disked before seeding. All culverts or other structures will be removed. All fill material will be replaced into the cut areas; barrow and lead-off ditches, drainage dips, or other erosion control earthwork will be filled or smoothed; and the abandoned road returned to the natural contours, as closely as possible. Water breaks at least eight inches high will be constructed. Traffic barriers will be installed at all vehicular access points to prevent further use of the road.

The Authorized Officer for the BLM, Carlsbad Field Office (505-234-5972) will be contacted for full reclamation of the access road upon abandonment of the wells being served by the access road.

### **3. WELL PAD(S)**

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from encountering soil and water. 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 enclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. 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

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Mitigation of tank battery and mud pit spills can be accomplished using special construction features, the use of permanent non-permeable pit liners to prevent leaching, appropriate berms constructed around the facilities, and leak detection systems. Upon completion of drilling, if it is determined that the well is a producer, access roads and the drill pad for this well must be surfaced with 6-inches of compacted caliche.

Consistent with 43 CFR 9212.1-3 and lease rights granted, the operator shall comply with fire prevention orders issued during times of very high fire danger.

Operators shall contact a BLM Surface Protection Specialist prior to surface abandonment operations for site specific objectives. Once the site is no longer in service or use, the site must undergo final abandonment. At final abandonment, the site 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 the abandonment of the site. All pads and 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. 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.

**Closed-Loop System:** Tanks are required for drilling operations: No reserve pits will be used for drill cuttings. The operator shall properly dispose of drilling contents at an authorized disposal site.

**Open-Topped Tanks:** 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.

**Open-Vent Exhaust Stack Enclosures:** 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. The recommended enclosure 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:** 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. 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.

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**Exclosure Fencing (Cellars & Pits):** 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 well cellar 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.) The operator will also install and maintain mesh netting for all open well cellars to prevent access to smaller wildlife before and after drilling operations until the well cellar is free of fluids and the operator. Use a maximum netting mesh size of 1 ½ inches. The netting must not have holes or gaps.

**Flares:** The flare line(s) discharge shall be located not less than 150 feet from the well head, having straight lines unless turns are targeted with running tees, and shall be positioned in a manner to compensate for wind changes, and shall be anchored. The flare system shall have an effective method for ignition. Where noncombustible gas is likely or expected to be vented, the system shall be provided supplemental fuel for ignition and to maintain a continuous flare. Flares shall be fitted with a device to prevent oil from being emitted into the air or off location. A fuel break shall be maintained around the flare site to prevent ignition of wildfires. All flammable products and debris shall be cleared and vegetation will be mowed (or trimmed where mowing is not practical) to a height not to exceed 4 inches. The fuel-break area will extend from the flare stack a total distance equal to 3 times the height of the flare stack.

#### **PAD CONSTRUCTION**

Material from the pits should be used for the construction of the pad. Roads and the drill pad for this well must be surfaced with 6-inches of compacted caliche upon completion of well if it is determined to be a producer.

**Topsoil:** The operator shall strip the topsoil (the A horizon) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the permit. **No more than the top 6 inches of topsoil shall be removed.** 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 (the B horizon and below) 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.

**Well Pad & Surfacing:** Any surfacing material used to surface the well pad will be removed at the time of interim and final reclamation.

#### **PRODUCTION (POST-DRILLING)**

**Placement of Production Facilities:** Production facilities must 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

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

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

**Containment Structures:** Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

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## SPECIAL STIPULATIONS

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### 1. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural resource (historic or prehistoric site or object) discovered by the operator, or any person working on the operator's behalf, on the public or federal land shall be immediately reported to the Authorized Officer. The operator shall suspend all operations in the immediate area (within 100 ft) 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, in conjunction with a BLM Cultural Resource Specialist, to determine appropriate actions to prevent the loss of significant scientific values. The operator shall be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the operator.

Traditional Cultural Properties (TCPs) are protected by NHPA as codified in 36 CFR 800 for possessing traditional, religious, and cultural significance tied to a certain group of individuals. Though there are currently no designated TCPs within the project area or within a mile of the project area, it is possible for a TCP to be designated after the approval of this project. **If a TCP is designated in the project area after the project's approval, the BLM Authorized Officer will**

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**notify the operator of the following conditions and the duration for which these conditions are required.**

1. Temporary halting of all construction, drilling, and production activities to lower noise.
2. Temporary shut-off of all artificial lights at night.

The operator is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA), specifically NAGPRA Subpart B regarding discoveries, to protect human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered during project work. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and a BLM-CFO Authorized Officer will be notified immediately. The BLM will then be required to be notified, in writing, within 24 hours of the discovery. The written notification should include the geographic location by county and state, the contents of the discovery, and the steps taken to protect said discovery. You must also include any potential threats to the discovery and a confirmation that all activity within 100 ft of the discovery has ceased, and work will not resume until written certification is issued. All work on the entire project must halt for a minimum of 3 days and work cannot resume until an Authorized Officer grants permission to do so.

Any paleontological resource discovered by the operator, or any person working on the operator's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. The operator will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the operator.

## **2. RANGELAND RESOURCES**

### **CATTLEGUARDS**

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s). Any existing cattleguard(s) on the access road 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 cattleguard(s) that are in place and are utilized during lease operations. A gate shall be constructed on one side of the cattleguard and fastened securely to H-braces.

### **FENCE REQUIREMENT**

Where entry is granted across a fence line, the fence must be braced and tied off on both sides of the passageway prior to cutting. Once the work is completed, the fence will be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

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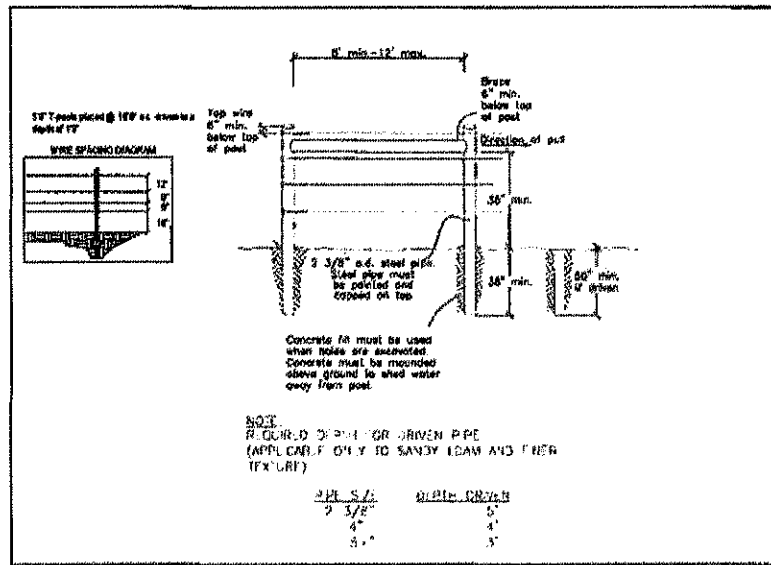


Figure 1: Pipe H-Brace Specifications

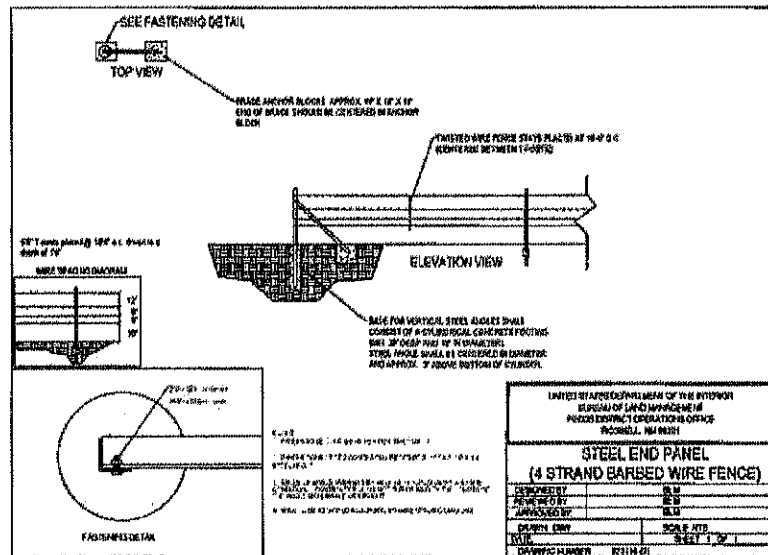


Figure 2: Angle Iron Brace Specifications

**ESCAPE RAMPS**

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 alive at least 100 yards from the trench.

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- b. For trenches left open for eight (8) hours or more (or overnight), 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. Before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them alive at least 100 yards from the trench.
- c. Holder shall ensure safe passage for livestock and wildlife during construction of the welded pipe on surface prior to laying in the trench every quarter of a mile or at grazing permittees reasonable discretion.

#### **LIVESTOCK WATERING REQUIREMENT**

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action. *Any damage to structures that provide water to livestock throughout the life of the project, caused by operations from the project, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.*

#### **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 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.

#### **African Rue (*Peganum Harmala*)**

If African Rue is present within the proposed project, the following stipulations apply:

**Spraying:** The spraying of African Rue must be completed by a licensed or certified applicator. In order to attempt to kill or remove African Rue the proper mix of chemical is needed. The mix consists of 2% Arsenal (Imazapyr) and 2% Roundup (Glyphosate) along with a nonionic surfactant. Any other chemicals or combinations shall be approved by the BLM Noxious Weeds Coordinator prior to treatment. African Rue shall be sprayed in connection to any dirt working activities or disturbances to the site being sprayed. Spraying of African Rue shall be done on immature plants at initial growth through flowering and mature plants between budding and flowering stages. Spraying shall not be conducted after flowering when plant is fruiting. This will ensure optimal intake of chemical and decrease chances of developing herbicide resistance. After spraying, the operator or necessary parties must contact the Carlsbad Field Office to inspect the effectiveness of the application treatment to the plant species. No ground disturbing activities can take place until the inspection by the authorized officer is complete. *The operator may contact the Environmental Protection Department or the BLM Noxious Weed Coordinator at (575) 234-5972 or [BLM NM CFO NoxiousWeeds@blm.gov](mailto:BLM_NM_CFO_NoxiousWeeds@blm.gov).*

**Management Practices:** In addition to spraying for African Rue, good management practices should be followed. All equipment should be washed off using a power washer in a designated containment area. The containment area shall be bermed to allow for containment of the seed to prevent it from entering any open areas of the nearby landscape. The containment area shall be excavated near or adjacent to the well pad at a depth of three

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feet and just large enough to get equipment inside it to be washed off. This will allow all seeds to be in a centrally located area that can be treated later if the need arises.

### **3. HYDROLOGY**

#### **GENERAL CONSTRUCTION**

- Any water erosion that may occur due to the construction of surface site and during the life of the surface site will be quickly corrected and proper measures will be taken to prevent future erosion.
  - Erosion control structures such as curled (plastic free and weed free) wood/straw fiber wattles/logs, silt fences, diversion berms, or other soil erosion controls to slow water migration across disturbed areas should be installed during construction and reclamation or as needed.
  - Regular monitoring of any erosion control structures placed in or along the surface site is recommended, both following precipitation events and regularly during monsoon season (June – September.)
- Any spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

#### **ACCESS ROAD(S)**

- The submitter is responsible for maintenance of the road.
- When crossing ephemeral drainages, low water crossings or culverts should be installed as appropriate.
  - Low water crossings should be adequately armored with gabions, rock aprons and/or riprap.
  - If culverts are employed, they should be of installed at adequate depth and be of adequate size for the potential streamflow volume expected in a 100-year flood event. To reduce the erosion around culvert entrances, gabions, rock aprons and/or riprap should be placed on both the inflow and outflow sides. A flared culvert is also recommended to further reduce erosion around culvert entrances.
  - As appropriate, rock check dams should be installed above and/or below the drainage crossing to further reduce erosion potential.
- Turnout ditches/drainage leadoffs should be installed along the project boundary at every 5-foot change in elevation. Turnout ditches and drainage leadoffs should not be constructed in such a manner as to alter the natural flow of water into or out of naturally occurring drainage features.
- Water bars should be placed within the project boundary to divert and dissipate surface runoff.

#### **SURFACE SITE AND/OR PAD**

- The entire surface site/pad(s) will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. No waterflow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- Topsoil shall not be used to construct the berm. The compacted berm should be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche).
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.

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- Any water erosion that may occur due to the construction of the well pad during the life of the well will be immediately corrected and proper measures will be taken to prevent future erosion.
- Stockpiling of topsoil is required. The topsoil shall be stockpiled in an appropriate location with wattles (recommended minimum 9” height) surrounding the stockpiled soil to prevent soil loss due to water/wind erosion. The wattles are to be maintained throughout the life of the project.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state-approved facility.

**Tank Battery**

- Tank battery locations will be lined and bermed. Tank battery berms should be large enough to contain 1 ½ times the content of the largest tank or 24-hour production, whichever is greater. The displaced volume from all tanks within the berms MUST be subtracted from total volume of containment in calculating holding capacity. Liners should be permanently installed, at least 20 mm thick with a 4 oz. felt backing to prevent tears or punctures.
- 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.

**EPHEMERAL STREAMS**

**Access Road(s)**

- A low water crossing such as an unvented rock or concrete ford should be installed at the following drainage crossing. The low water crossings should be adequately armored with gabions, rock aprons and/or riprap. Geotextile fabric is recommended due to poor soil stability and potential for flash flooding.

Water Feature Name	Approximate Start Location	Approximate End Location	Map Reference
Unnamed Ephemeral Stream	103.9116598°W 32.6974231°N	103.9110258°W 32.6976596°N	Figure 2.2: Location of Proposed Access Road, area between L2, L3, L4

**Surface Site and/or Pad (s)**

- For each of the proposed surface sites and/or pads (Amine, Breslin, and Hatch), erosion control measures will be employed on the exterior of the pad berm in any location where the fill sides are 6 feet or greater in height and on any cut/fill slopes which have a slope greater than or equal to 3:1. In these locations, erosion control structures such as (plastic-free and weed-free) wood/straw fiber wattles/logs, erosion control mats (coco fiber, straw, or similar), and/or rock armor will be placed on the downslope side of disturbed areas for sediment control during construction and maintained until soils and vegetation have stabilized.

Water Feature Name	Project Component	Description	Map Reference
Unnamed Ephemeral Stream	Amine, Breslin, and Hatch	Where fill sides are 6 feet or greater in height OR Where cut/fill slopes are greater than or equal to 3:1	Figure 2.3: Location of Proposed Amine Facility Figure 2.4: Location of Proposed Breslin Cryogenics Processing Plant

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			Figure 2.5: Location of Well Pad
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- Monitoring of erosion control structures should be done at least annually and will occur following precipitation events (within 36 hours of receiving >1 inch/day as observed at location or nearest weather station). If monitoring efforts identify additional or unanticipated erosional impacts or need for repairs, operator will contact BLM CFO (575-234-5972) to evaluate impacts with Natural Resource Specialist and Hydrologist and assess need for repairs and any modifications to or removal of structures

**4. CAVE / KARST**

**GENERAL CONSTRUCTION**

- No blasting
- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction, and no additional construction shall occur until clearance has been issued by the Authorized Officer.
- All linear surface disturbance activities will avoid sinkholes, and other karst features to lessen the possibility of encountering near surface voids during construction, minimize changes to runoff, and prevent untimely leaks and spills from entering the karst drainage system.
- This is a sensitive area, and all spills or leaks will be reported to the BLM immediately for their immediate and proper treatment, as defined in NTL 3A for Major Undesirable Events.

**ACCESS ROAD CONSTRUCTION**

- Turnout ditches and drainage leadoffs will not be constructed in such a manner as to alter the natural flow of water into or out of cave or karst features.
- Special restoration stipulations or realignment may be required if subsurface features are discovered during construction.

**BURIED PIPELINE / CABLE CONSTRUCTION**

- Rerouting of the buried line(s) may be required if a subsurface void is encountered during construction to minimize the potential subsidence/collapse of the feature(s) as well as the possibility of leaks/spills entering the karst drainage system.

**SURFACE SITE CONSTRUCTION**

- The pad will be constructed and leveled by adding the necessary fill and caliche. No blasting will be used for any construction or leveling activities.
- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.

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- The integrity of the berm shall be maintained around the surface pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised (i.e. an access road crossing the berm cannot be lower than the berm height).
- Following a rain event, all fluids will be vacuumed off the pad and hauled off-site and disposed of at a proper disposal facility.

#### **PRODUCTION MITIGATION**

- Tank battery locations and facilities will be bermed and lined with a 20-mil thick permanent liner that has a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Secondary containment holding capacity must be large enough to contain 1 ½ times the content of the largest tank or 24-hour production, whichever is greater (displaced volume from all tanks within the berms MUST be subtracted from total volume of containment in calculating holding capacity).
- Implementation of a leak detection system to provide an early alert to operators when a leak has occurred.
- Automatic shut off, check valves, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

#### **RESIDUAL AND CUMULATIVE MITIGATION**

The operator will perform annual pressure monitoring on all casing annuli. If the test results indicate a casing failure has occurred, contact a BLM Engineer immediately, and take remedial action to correct the problem.

#### **PLUGGING AND ABANDONMENT MITIGATION**

Upon well abandonment in high cave karst areas, additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

### **5. RECREATION**

#### **RECREATION AREA WITHIN 0.25 MILES**

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### **6. WILDLIFE**

#### **LESSER PRAIRIE CHICKEN**

**Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:** Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle

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use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 dB measured at 30 ft. from the source of the noise.

**Timing Limitation Exceptions:** The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

**Ground-level Abandoned Well Marker to Avoid Raptor Perching:** Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. **For more installation details, contact the Carlsbad Field Office at [BLM NM CFO Construction Reclamation@blm.gov](mailto:BLM_NM_CFO_Construction_Reclamation@blm.gov).**

## 7. SPECIAL STATUS PLANT SPECIES

### SPECIAL STATUS PLANT SPECIES (SSPS) HABITAT STIPULATIONS

Vehicles and equipment will be kept on existing roads and approved surfaces only and will avoid travel across undisturbed surfaces. Workers will be instructed not to park off the roads or in undisturbed areas. **Alterations to project design and additions of project components will require SSPS surveys and re-analysis of impacts if those project elements intersect SSPS suitable habitat.**

### SPECIAL STATUS PLANT SPECIES OCCUPIED HABITAT STIPULATIONS

Prior to initiating project construction activities, a barricade for the protection of **X** occupied habitat will be installed according to the following standards:

#### Barricade Type:

- Temporary Fencing
- Permanent Fencing
- Natural Obstacles
- Other: \_\_\_\_\_

**Barricade Specifications:** Four-strand wire (bottom wire smooth) fence with 2 end posts and 1 mid-length stress panel; 0.1 mi (166 meters) length or other approved methods.

## 8. VISUAL RESOURCE MANAGEMENT

### VRM IV

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

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### **NIGHT SKIES**

**DOWNFACING:** All permanent lighting will be pointed straight down at the ground to prevent light spill beyond the edge of approved surface disturbance.

**SHIELDING:** All permanent lighting will use full cutoff luminaires, which are fully shielded (i.e., not emitting direct or indirect light above an imaginary horizontal plane passing through the lowest part of the light source.)

**LIGHTING COLOR:** Lighting shall be 3,500 Kelvin or less (Warm White) except during drilling, completion, and workover operations. No bluish-white lighting shall be used in permanent outdoor lighting.

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## **RECLAMATION**

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Stipulations required by the Authorized Officer on specific actions may differ from the following general guidelines.

### **1. ROAD AND SITE RECLAMATION**

Any roads constructed during the life of the well will have the caliche removed or linear burial. If contaminants are indicated then testing will be required for chlorides and applicable contamination anomalies for final disposal determination (disposed of in a manner approved by the Authorized Officer within Federal, State and Local statutes, regulations, and ordinances) and seeded to the specifications listed below.

### **2. EROSION CONTROL**

Install erosion control berms, windrows, and hummocks. Windrows must be level and constructed perpendicular to down-slope drainage; steeper slopes will require greater windrow density. Topsoil between windrows must be ripped to at least 12", unless bedrock is encountered. Any large boulders pulled up during ripping must be deep buried on location. Ripping must be perpendicular to down-slope. The surface must be left rough to catch and contain rainfall on-site. Any trenches resulting from erosion caused by run-off shall be addressed immediately.

### **3. INTERIM RECLAMATION**

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

Within six (6) months of well completion, operators must work with BLM surface protection specialists ([BLM\\_NM\\_CFO\\_Construction\\_Reclamation@blm.gov](mailto:BLM_NM_CFO_Construction_Reclamation@blm.gov)) to devise the best strategies to reduce the size of the location. Interim reclamation must allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche and any other surface material is required. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. 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

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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 Notice, Subsequent Report of Reclamation (Form 3160-5).

#### **4. FINAL ABANDONMENT & RECLAMATION**

Prior to surface abandonment, the operator shall submit a Notice of Intent Sundry Notice and reclamation plan.

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 will 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. After earthwork and seeding is completed, the operator is required to submit a Sundry Notice, Subsequent Report of Reclamation.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives ([BLM NM CFO Construction Reclamation@blm.gov](mailto:BLM_NM_CFO_Construction_Reclamation@blm.gov)).

#### **5. SEEDING REQUIREMENTS**

##### **SEEDING TECHNIQUES**

Seeds shall be hydro-seeded, mechanically drilled, or broadcast, with the broadcast-seeded area raked, ripped or dragged to aid in covering the seed. The seed mixture shall be evenly and uniformly planted over the disturbed area.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided within. Seeding will 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.

##### **SOIL SPECIFIC SEED MIXTURE**

The Applicant 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 will 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 will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed land application will be accomplished by mechanical planting using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will

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be evenly and uniformly planted over the disturbed area. Smaller/heavier seeds tend to drop the bottom of the drill and are planted first; the operator shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory BLM or Soil Conservation

District stand is established as determined by the Authorized Officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding or until several months of precipitation have occurred, enabling a full four months of growth, with one or more seed generations being established.

**Pounds of Pure Live Seed = Pounds of Seed \* Percent Purity \* Percent Germination**

**SEED MIXTURE 2 FOR SANDY SITES**

Species to be planted in **Pounds of Pure Live Seed** per acre:

<u>Species</u>	<u>lb/acre</u>
Sand Dropseed ( <i>Sporobolus cryptandrus</i> )	1.0
Sand Love Grass ( <i>Eragrostis trichodes</i> )	1.0
Plains Bristlegrass ( <i>Setaria macrostachya</i> )	2.0

**SEED MIXTURE 3 FOR SHALLOW SITES**

Species to be planted in **Pounds of Pure Live Seed** per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass ( <i>Setaria macrostachya</i> )	1.0
Green Sprangletop ( <i>Leptochloa dubia</i> )	2.0
Sideoats Grama ( <i>Bouteloua curtipendula</i> )	5.0

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**GENERAL PROVISIONS**

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1. The BLM shall administer compliance and monitor construction of the disturbance. Notify the Carlsbad Office at [BLM NM CFO Construction Reclamation@blm.gov](mailto:BLM_NM_CFO_Construction_Reclamation@blm.gov) at least 3-working days prior to commencing construction of the access road and/or well pad.
2. The failure of the operator to comply with these requirements may result in the assessment of liquidated damages or penalties. A copy of these stipulations and survey plat and / or map will be on location during construction, drilling and reclamation activity. BLM personnel may request a copy of your permit during construction to ensure compliance with all stipulations.
3. The holder / operator shall conduct all activities associated with the construction, operation, and termination of the right-of-way within the authorized limits of the right-of-way.
4. 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.
5. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR § 2803 & 2883. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from fire or soil movement

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(including landslides and slumps as well as wind and water caused movement of particles) caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder, including but not limited to, construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including but not limited to:
  - i. Land clearing.
  - ii. Earth-disturbing and earth-moving work.
  - iii. Blasting.
  - iv. 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 of in which the damage of injury occurred. This section shall not impose strict liability for damage or injury resulting primarily from the negligent acts of the United States.

If, during any phase of the construction, operation, maintenance, or termination of the site or related pipeline(s), any oil or other pollutant should be discharged from site facilities, the pipeline(s) or from containers or vehicles impacting Federal lands, the control and total removal, disposal, and cleanup of such oil or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the Authorized Officer may take such measures as deemed necessary to control and cleanup 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 the holder of any liability or responsibility.

6. The operator will notify the Bureau of Land Management (BLM) authorized officer and nearest Fish and Wildlife Service (FWS) Law Enforcement office within 24 hours, if the operator discovers a dead or injured federally protected species (i.e., migratory bird species, bald or golden eagle, or species listed by the FWS as threatened or endangered) in or adjacent to a pit, trench, tank, exhaust stack, or fence. (If the operator is unable to contact the FWS Law Enforcement office, the operator must contact the nearest FWS Ecological Services office.)
7. 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 U.S.C. §§ 2601) regarding any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this grant (40 CFR § 702-799.) Additionally, any release of toxic substances (leaks, spills, etc.) more than the reportable quantity established by 40 CFR § 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 because of a reportable release

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- 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.
8. 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 or the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901) 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). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
  9. Sites shall always be maintained in an orderly, sanitary condition. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations. All trash, debris and other waste materials shall be contained in trash cages or bins to prevent scattering. Burial on site is not permitted. Waste materials, both liquid and solid, shall be disposed of promptly at an appropriate, authorized waste disposal facility in accordance with all applicable State and Federal laws. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, petroleum products, brines, chemicals, oil drums, ashes, and equipment.
  10. The BLM serial number assigned to this right-of-way grant shall be posted at the points of origin and completion of the right-of-way (or entry to and exit from public lands), all major road crossings, 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. These signs will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the term of the right-of-way.
  11. A sales contract for removal of mineral material (caliche, sand, gravel, fill dirt) from an authorized pit, site, or on location must be obtained from the BLM prior to commencing construction. **Removal of any additional material from this location for construction or improvement of other well pads and other access or lease roads must first be purchased from BLM.** Removal of any material from the project boundary for use on other leases or roads must first be purchased from BLM.
  12. The operator shall minimize disturbance to existing fences and other improvements on public lands. The operator is required to promptly repair improvements to at least their former state. Functional use of these improvements will be always maintained. The operator 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.
  13. In those areas where erosion control structures are required to stabilize soil conditions, the holder shall install such structures as are suitable for specific soil conditions being encountered and which are in accordance with sound management practices. Any earthwork will require prior approval by the Authorized Officer.
  14. Any vegetation, soil, and rocks left because of construction, drilling, or maintenance activity will be randomly scattered over the project area and will not be left in rows, piles, or berms, unless otherwise approved by the authorized officer. The backfilled soil shall be compacted, and a 6-inch berm will be left over the ditch line to allow for

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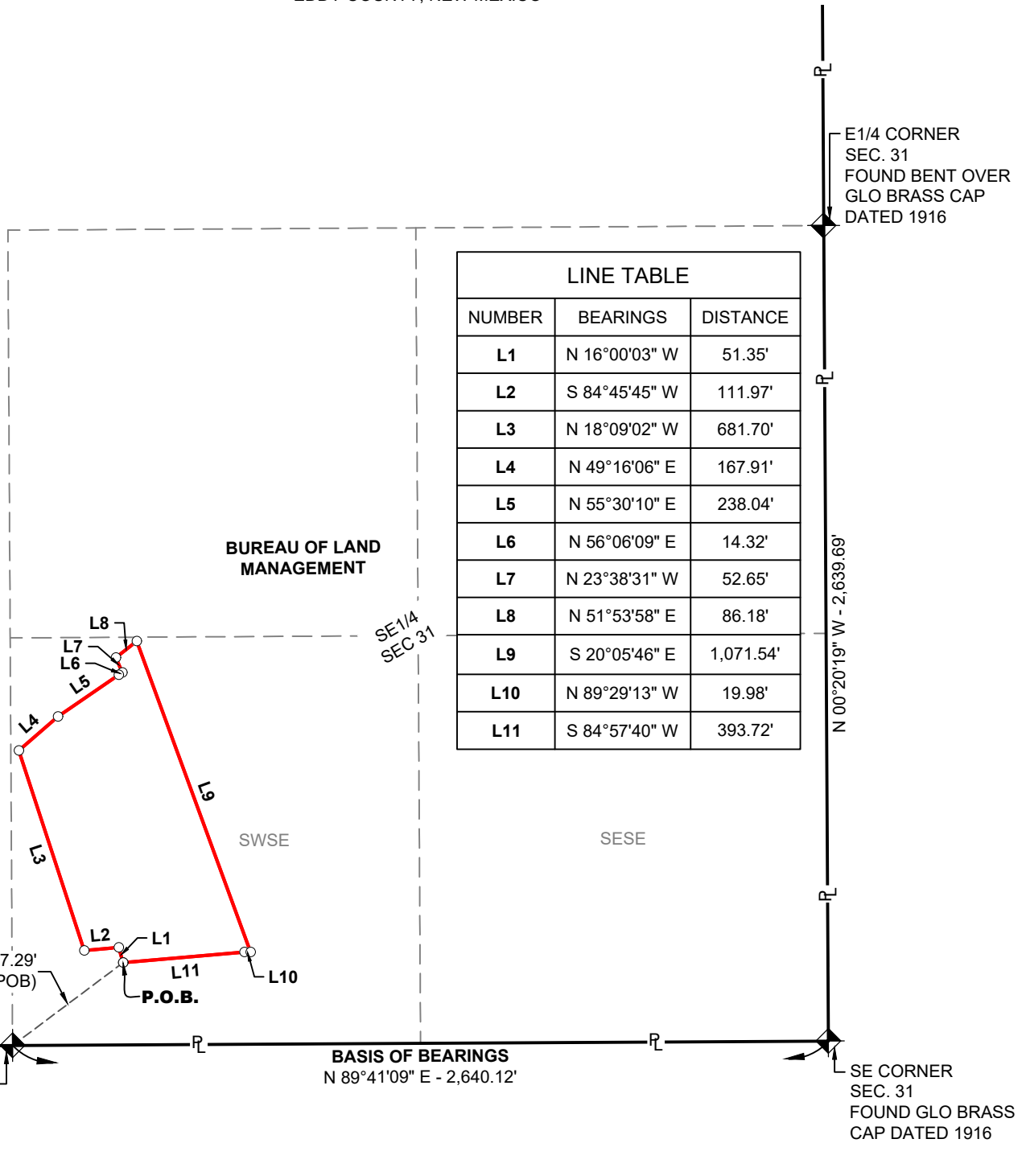
settling back to grade. The holder shall stockpile an adequate amount of topsoil where blading occurs. The topsoil to be stripped is approximately 6-inches in depth. The topsoil will be segregated from other spoil piles. Following backfilling and recontouring, the topsoil will be evenly distributed over the bladed area for the preparation of seeding. The entire corridor shall be recontoured to match the surrounding landscape.

15. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer. All surface structures shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facilities or this grant, whichever comes first. This will not apply where the facilities extend to serving an active, adjoining facility. 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. 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.

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# EXHIBIT "A"

IN A PART OF THE SE1/4 OF SECTION 31, TOWNSHIP 18 SOUTH, RANGE 31 EAST, NEW MEXICO P.M.  
EDDY COUNTY, NEW MEXICO



LINE TABLE		
NUMBER	BEARINGS	DISTANCE
L1	N 16°00'03" W	51.35'
L2	S 84°45'45" W	111.97'
L3	N 18°09'02" W	681.70'
L4	N 49°16'06" E	167.91'
L5	N 55°30'10" E	238.04'
L6	N 56°06'09" E	14.32'
L7	N 23°38'31" W	52.65'
L8	N 51°53'58" E	86.18'
L9	S 20°05'46" E	1,071.54'
L10	N 89°29'13" W	19.98'
L11	S 84°57'40" W	393.72'

N 53°08'24" E - 447.29'  
(POC TO POB)

T18S  
T19S

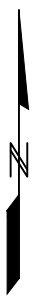
**P.O.C.**  
S1/4 CORNER  
SEC. 31  
FOUND GLO BRASS  
CAP DATED 1916

**BASIS OF BEARINGS**  
N 89°41'09" E - 2,640.12'

E1/4 CORNER  
SEC. 31  
FOUND BENT OVER  
GLO BRASS CAP  
DATED 1916

SE CORNER  
SEC. 31  
FOUND GLO BRASS  
CAP DATED 1916

Z:\Shared\Projects\00000 - Oil and Gas Projects\082824 - Trace Midstream - Site Acquisition\04 - Drawings\04 - Plats\AGIS-S31-T18S-R30E\_SS\_2\_Rev1.dwg



Graphic Scale in Feet



## LEGEND

- P.O.B.** POINT OF BEGINNING
- P.O.C.** POINT OF COMMENCEMENT
- ANGLE POINT
- ◆ FOUND MONUMENT
- - - SECTION LINE
- - - INTERIOR SECTION LINE
- PROPOSED SURFACE SITE
- PROPERTY LINE

THE TOTAL AREA OF THE PROPOSED SURFACE SITE SHOWN HEREON THIS BUREAU OF LAND MANAGEMENT PROPERTY IS 431,479 SQUARE FEET OR ±9.91 ACRES.

- NOTES:
- THIS EXHIBIT AND LEGAL DESCRIPTION WERE PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT AND THEREFORE ENCOMPASS ENERGY SERVICES HAS NOT RESEARCHED OR SHOWN ANY OTHER EASEMENTS, RIGHTS-OF-WAY, VARIANCES AND OR AGREEMENTS OF RECORD. ALL OWNERSHIP INFORMATION WAS PROVIDED BY THE CLIENT.
  - THIS EXHIBIT AND LEGAL DESCRIPTION ARE NOT A LAND DIVISION PLAT, OR AN IMPROVEMENT SURVEY PLAT.
  - SEE ATTACHED LEGAL DESCRIPTION WHICH BY THIS REFERENCE IS MADE PART HEREOF.
  - BEARING AND DISTANCES SHOWN ARE GRID VALUES DERIVED FROM GPS OBSERVATIONS IN U.S. SURVEY FEET.

**TRACE DELAWARE TREATING SERVICES, LLC.**

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**PROPOSED SURFACE SITE**

**LANDOWNER: BUREAU OF LAND MANAGEMENT**

IN A PART OF THE SE1/4 OF SECTION 31, TOWNSHIP 18 SOUTH,  
RANGE 31 EAST, NEW MEXICO P.M., EDDY COUNTY, NEW MEXICO

SCALE: 1" = 500'	DRAWN BY: JLS 05/13/2026	CHECKED BY: TC 05/13/2026	REV: 1
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ENCOMPASS ENERGY SERVICES 2750 S. WADSWORTH BLVD., SUITE C-202 DENVER, CO, 80227 OFFICE NUMBER: 303-955-6080	DWG NO. AGIS-S31-T18S-R30E_SS_2_REV1	SHEET 1 OF 2
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**PARCEL DESCRIPTION**

AN AREA OF LAND FOR SURFACE APPURTENANCES ON A PARCEL OF LAND OWNED BY THE BUREAU OF LAND MANAGEMENT AND IS LOCATED IN A PART OF THE SE1/4 OF SECTION 31, TOWNSHIP 18 SOUTH, RANGE 31 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, COUNTY OF EDDY, STATE OF NEW MEXICO;

**SITE DESCRIPTION**

**COMMENCING** AT THE S1/4 CORNER OF SAID SECTION 31 (AS MONUMENTED BY A FOUND GLO BRASS CAP DATED 1916), FROM WHICH THE SE CORNER OF SAID SECTION 31 (AS MONUMENTED BY A FOUND GLO BRASS CAP DATED 1916) BEARS N 89°41'09" E A DISTANCE OF 2,640.12 FEET, FORMING THE **BASIS OF BEARINGS** USED IN THIS DESCRIPTION;

**THENCE**, N 53°08'24" E A DISTANCE OF 447.29 FEET TO THE MOST SOUTHERLY CORNER OF SAID AREA OF LAND, SAID CORNER BEING THE **POINT OF BEGINNING**;

**THENCE**, ALONG THE PERIMETER OF SAID AREA OF LAND THE FOLLOWING ELEVEN (11) COURSES:

- 1) N 16°00'03" W A DISTANCE OF 51.35 FEET;
- 2) S 84°45'45" W A DISTANCE OF 111.97 FEET;
- 3) N 18°09'02" W A DISTANCE OF 681.70 FEET;
- 4) N 49°16'06" E A DISTANCE OF 167.91 FEET;
- 5) N 55°30'10" E A DISTANCE OF 238.04 FEET;
- 6) N 56°06'09" E A DISTANCE OF 14.32 FEET;
- 7) N 23°38'31" W A DISTANCE OF 52.65 FEET;
- 8) N 51°53'58" E A DISTANCE OF 86.18 FEET;
- 9) S 20°05'46" E A DISTANCE OF 1,071.54 FEET;
- 10) N 89°29'13" W A DISTANCE OF 19.98 FEET;
- 11) S 84°57'40" W A DISTANCE OF 393.72 FEET TO THE **POINT OF BEGINNING**, CONTAINING AN AREA OF 431,479 SQUARE FEET OR 9.91 ACRES, MORE OR LESS.

**SURVEYOR'S STATEMENT:**

I, MARVIN G. LOVLEIN, A NEW MEXICO PROFESSIONAL SURVEYOR, HEREBY STATE THAT THIS LEGAL DESCRIPTION AND ACCOMPANYING EXHIBIT WERE PREPARED FROM AN ACTUAL GROUND SURVEY PERFORMED UNDER MY SUPERVISION, THAT THIS LEGAL DESCRIPTION AND EXHIBIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF AND THAT THE FIELD SURVEY ON WHICH IT IS BASED MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO AND THAT THIS LEGAL DESCRIPTION AND EXHIBIT ARE NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT.



MARVIN G. LOVLEIN, NM PS #30272  
FOR AND ON BEHALF OF ENCOMPASS ENERGY SERVICES, LLC

**NOTES:**

- 1. THIS LEGAL DESCRIPTION AND EXHIBIT WERE PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT AND THEREFORE ENCOMPASS ENERGY SERVICES HAS NOT RESEARCHED OR SHOWN ANY OTHER EASEMENTS, RIGHTS-OF-WAY, VARIANCES AND OR AGREEMENTS OF RECORD. ALL OWNERSHIP INFORMATION WAS PROVIDED BY THE CLIENT.
- 2. THIS LEGAL DESCRIPTION AND EXHIBIT ARE NOT A LAND DIVISION PLAT, OR AN IMPROVEMENT SURVEY PLAT.
- 3. SEE ATTACHED EXHIBIT WHICH BY THIS REFERENCE IS MADE PART HEREOF.
- 4. BEARING AND DISTANCES SHOWN ARE GRID VALUES DERIVED FROM GPS OBSERVATIONS IN U.S. SURVEY FEET.

<b>TRACE DELAWARE TREATING SERVICES, LLC.</b>			
<b>PROPOSED SURFACE SITE</b>			
<b>LANDOWNER: BUREAU OF LAND MANAGEMENT</b>			
IN A PART OF THE SE1/4 OF SECTION 31, TOWNSHIP 18 SOUTH, RANGE 31 EAST, NEW MEXICO P.M., EDDY COUNTY, NEW MEXICO			
SCALE: NONE	DRAWN BY: JLS 05/13/2026	CHECKED BY: TC 05/13/2026	REV: 1
ENCOMPASS ENERGY SERVICES 2750 S. WADSWORTH BLVD. SUITE C-202 DENVER, CO, 80227 OFFICE NUMBER: 303-955-6080		DWG NO. AGIS-S31-T18S-R30E_SS_2_REV1	SHEET 2 OF 2

Z:\Shared\Projects\00000 - Oil and Gas Projects\68234 - Trace Midstream - Site Acquisition\04 - Drawings\04 - Plats\AGIS-S31-T18S-R30E\_SS\_2\_Rev1.dwg