

District I

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

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

August 1, 2011

Permit 277970

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address BREITBURN OPERATING LP 1111 Bagby St. Suite 1600 Houston, TX 77002		2. OGRID Number 370080
		3. API Number 30-025-47121
4. Property Code 327257	5. Property Name MNR 35 STATE COM	6. Well No. 001H

7. Surface Location

UL - Lot N	Section 35	Township 22S	Range 37E	Lot Idn N	Feet From 444	N/S Line S	Feet From 2144	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

8. Proposed Bottom Hole Location

UL - Lot P	Section 36	Township 22S	Range 37E	Lot Idn P	Feet From 444	N/S Line S	Feet From 93	E/W Line E	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-----------------	---------------	---------------

9. Pool Information

BRUNSON;DRINKARD-ABO, SOUTH	7900
-----------------------------	------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3302
16. Multiple N	17. Proposed Depth 6509	18. Formation Drinkard	19. Contractor	20. Spud Date 3/16/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1180	764	0
Int1	12.25	9.625	40	4500	1500	0
Prod	8.75	5.5	20	14581	3045	3500

Casing/Cement Program: Additional Comments

Surface casing grade is J-55 See WBD for further details
--

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	TBD
Double Ram	5000	3500	TBD

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.	OIL CONSERVATION DIVISION	
Signature:		
Printed Name: Electronically filed by Charlotte Nash	Approved By: Paul F Kautz	
Title: Regulatory	Title: Geologist	
Email Address: charlotte.nash@mavresources.com	Approved Date: 4/30/2020	Expiration Date: 4/30/2022
Date: 3/5/2020	Phone: 713-632-8730	Conditions of Approval Attached

DISTRICT I
1825 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 7900	Pool Name BRUNSON;DRINKARD-ABO, SOUTH
Property Code 327257	Property Name MNR 35 State Comm	Well Number 001H
OGRD No. 370080	Operator Name BREITBURN OPERATING, LP	Elevation 3302.4'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	22-S	37-E		444	SOUTH	2144	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	22-S	37-E		444	SOUTH	93	EAST	LEA
Dedicated Acres 240	Joint or Infill N	Consolidation Code P	Order No.						

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

NAD 83 NME <u>SURFACE LOCATION & OVS</u> Y=490349.0 N X=911324.0 E LAT.=32.342352° N LONG.=103.135347° W		NAD 83 NME <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=490451.0 N X=919647.0 E LAT.=32.342373° N LONG.=103.108400° W		OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Charlotte Nash</u> Date: 2-25-2020 Printed Name: Charlotte Nash E-mail Address: charlotte.nash@mavresources.com
Y=492512.6 N X=909152.9 E		Y=492647.4 N X=919711.2 E		SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JANUARY 21, 2020 Date of Survey Signature & Seal of Professional Surveyor CHAD L. HARCROW NEW MEXICO LICENSED PROFESSIONAL SURVEYOR 17777 2/25/20 Certificate No. CHAD HARCROW 17777 W.O. #20-300 DRAWN BY: AH
Y=489880.1 N X=909186.1 E PP 444' FSL & 2217' FWL Y=490349.9 N X=911397.6 E LAT.=32.342352° N LONG.=103.135109° W		Y=490008.5 N X=919745.5 E LTP 444' FSL & 178' FEL Y=490450.0 N X=919562.0 E LAT.=32.342373° N LONG.=103.108675° W		
445' FSL & 2485' FEL Y=490357.0 N X=911975.0 E LAT.=32.342354° N LONG.=103.133240° W GRID AZ. TO FTP 89°17'52"		GRID AZ. = 89°17'52" HORZ. DIST. = 8323.6'		

District I

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

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

GAS CAPTURE PLAN

Date: 4/30/2020

☒ Original

Operator & OGRID No.: [370080] BREITBURN OPERATING LP

☐ Amended - Reason for
Amendment: _____

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

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

Well(s)/Production Facility – Name of facility

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

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
MNR 35 STATE COM #001H	30-025-47121	N-35-22S-37E	0444S 2144W	550	None	Gas captured via facilities on pad and sold thru lines

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to TARGA MIDSTREAM SERVICES LLC and will be connected to TARGA MIDSTREAM SERVICES LLC Low Pressure gathering system located in Lea County, New Mexico. It will require 400' of pipeline to connect the facility to Low Pressure gathering system. BREITBURN OPERATING LP provides (periodically) to TARGA MIDSTREAM SERVICES LLC a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, BREITBURN OPERATING LP and TARGA MIDSTREAM SERVICES LLC have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at TARGA MIDSTREAM SERVICES LLC Processing Plant located in Sec. 03, Twn. 23S, Rng. 37E, Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

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

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

Alternatives to Reduce Flaring

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

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

District I

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

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Comments

Permit 277970

PERMIT COMMENTS

Operator Name and Address: BREITBURN OPERATING LP [370080] 1111 Bagby St. Suite 1600 Houston, TX 77002	API Number: 30-025-47121
	Well: MNR 35 STATE COM #001H

Created By	Comment	Comment Date
pkautz	As of 04/28/2020 BREITBURN OPERATING LP [370080] is still out of compliance with extra bonding required for 30-025-41530 and 30-021-20667	4/28/2020

District I

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

District II

811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions

Permit 277970

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: BREITBURN OPERATING LP [370080] 1111 Bagby St. Suite 1600 Houston, TX 77002	API Number: 30-025-47121
	Well: MNR 35 STATE COM #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.



LEA COUNTY, NEW MEXICO (NAD83 NM-E)
MNR STATE COMM
00IH

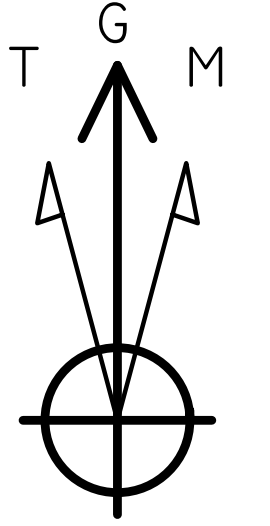
P0

WELL DETAILS:

+N/-S	+E/-W	NORTHING	EASTING	LATITUDE	LONGITUDE
0.00	0.00	490349.00	911324.00	32.342352	-103.135347

SECTION DETAILS

MD	INC	AZI	TVD	+N/-S	+E/-W	DLEG	TFACE	VSECT	TARGET
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1180.00	0.00	0.00	1180.00	0.00	0.00	0.00	0.00	0.00	
5930.57	0.00	0.00	5930.57	0.00	0.00	0.00	0.00	0.00	
6831.57	90.10	89.30	6503.52	7.03	573.91	10.00	89.30	573.96	
14580.70	90.10	89.30	6490.00	101.99	8322.45	0.00	0.00	8323.08	BHL[MNR/IH]



To CONVERT A MAGNETIC DIRECTION TO A GRID DIRECTION, ADD 5.84°
To CONVERT A TRUE DIRECTION TO A GRID DIRECTION, SUBTRACT 0.64°

AZIMUTHS TO GRID NORTH
TRUE NORTH: -0.64°
MAGNETIC NORTH: 5.84°
MAGNETIC FIELD
STRENGTH: 48067.2NT
DIP ANGLE: 60.18°
DATE: 2/11/2020
MODEL: HDGMLFILE



PROJECT DETAILS: LEA COUNTY, NEW MEXICO (NAD83 NM-E)
GEODETIC SYSTEM: US STATE PLANE 1983
DATUM: NORTH AMERICAN DATUM 1983
ELLIPSOID: GRS 1980
ZONE: NEW MEXICO EASTERN ZONE

SYSTEM DATUM: MEAN SEA LEVEL

MAP SYSTEM: US STATE PLANE 1983
DATUM: NORTH AMERICAN DATUM 1983
ELLIPSOID: GRS 1980
ZONE NAME: NEW MEXICO EASTERN ZONE
LOCAL ORIGIN: WELL 00IH, GRID NORTH
LATITUDE: 32.342352
LONGITUDE: -103.135347
GRID EAST: 911324.00
GRID NORTH: 490349.00
SCALE FACTOR: 1.000

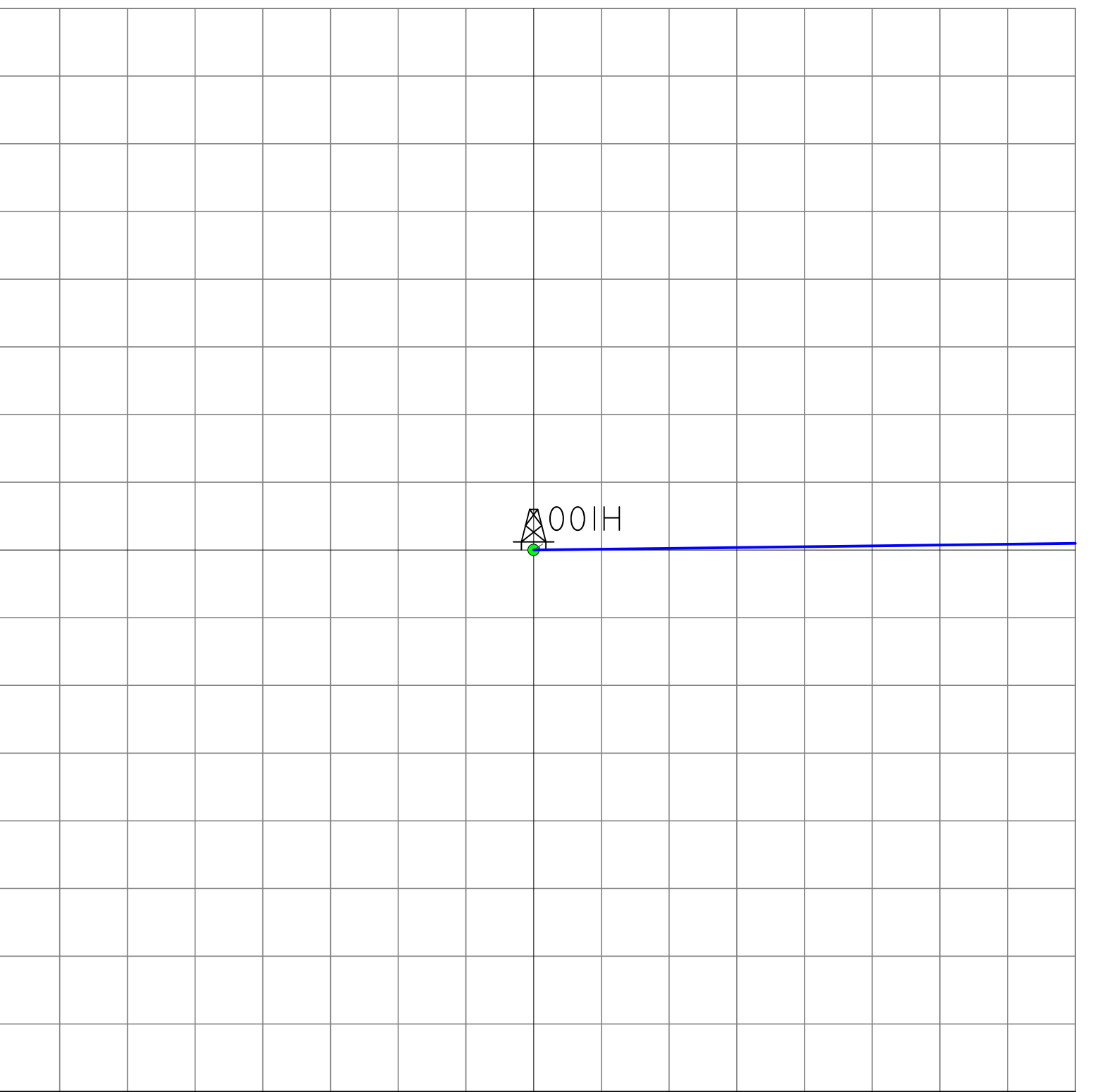
GEOMAGNETIC MODEL: HDGM_FILE
SAMPLE DATE: 11-FEB-20
MAGNETIC DECLINATION: 6.48°
DIP ANGLE FROM HORIZONTAL: 60.18°
MAGNETIC FIELD STRENGTH: 48067.20000000NT
To CONVERT A MAGNETIC DIRECTION TO A GRID DIRECTION, ADD 5.84°
To CONVERT A MAGNETIC DIRECTION TO A TRUE DIRECTION, ADD 6.48° EAST
To CONVERT A TRUE DIRECTION TO A GRID DIRECTION, SUBTRACT 0.64°

FORMATION TOP DETAILS

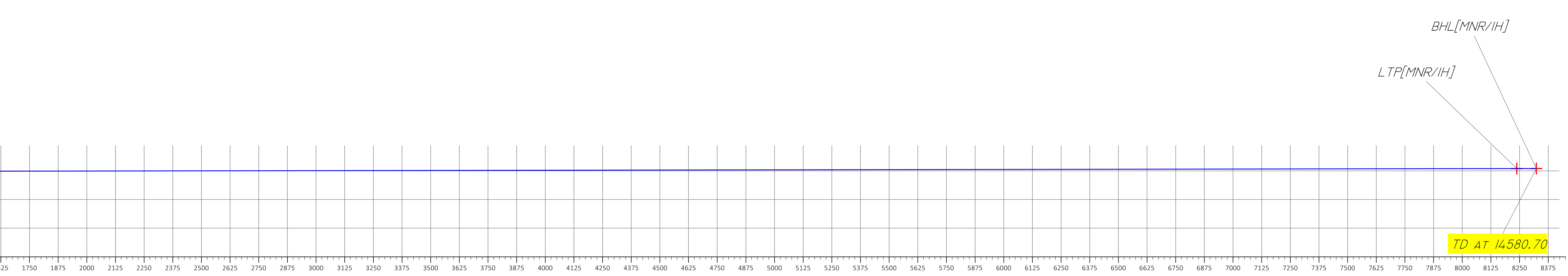
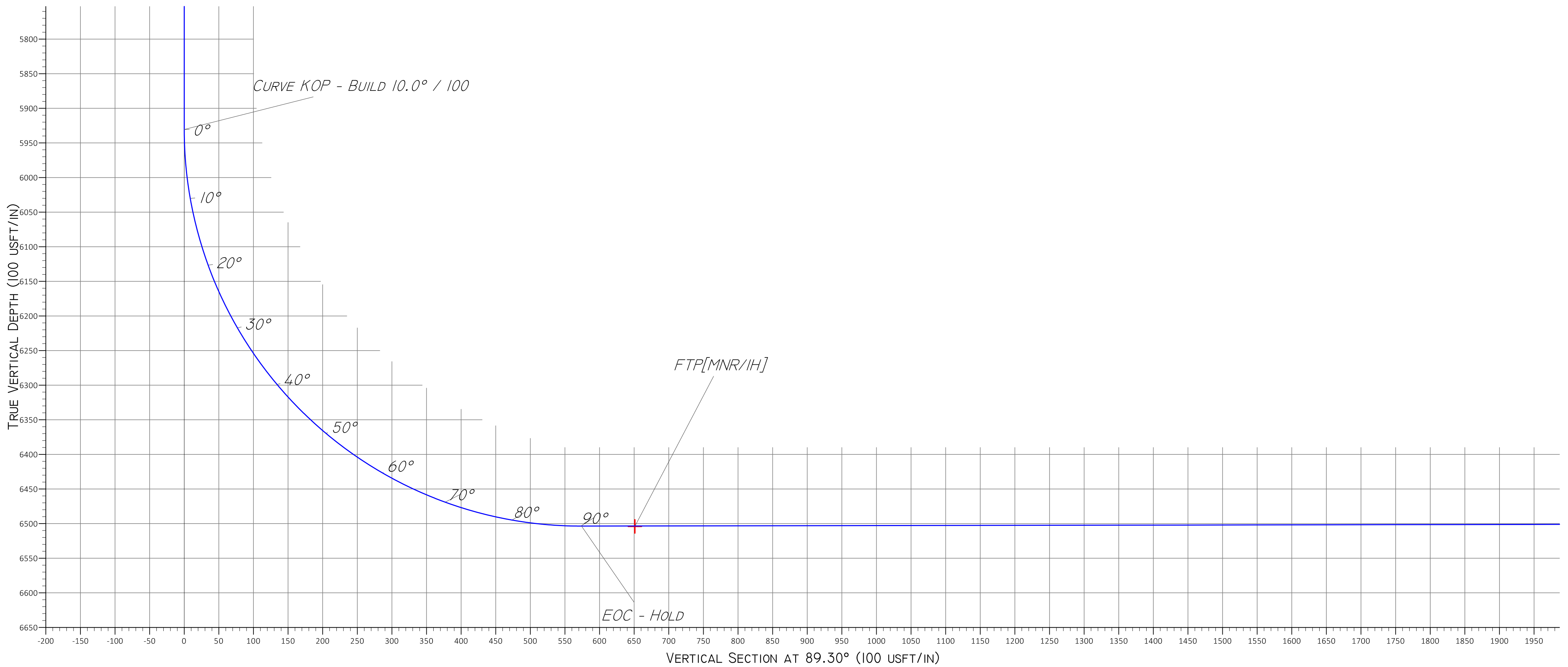
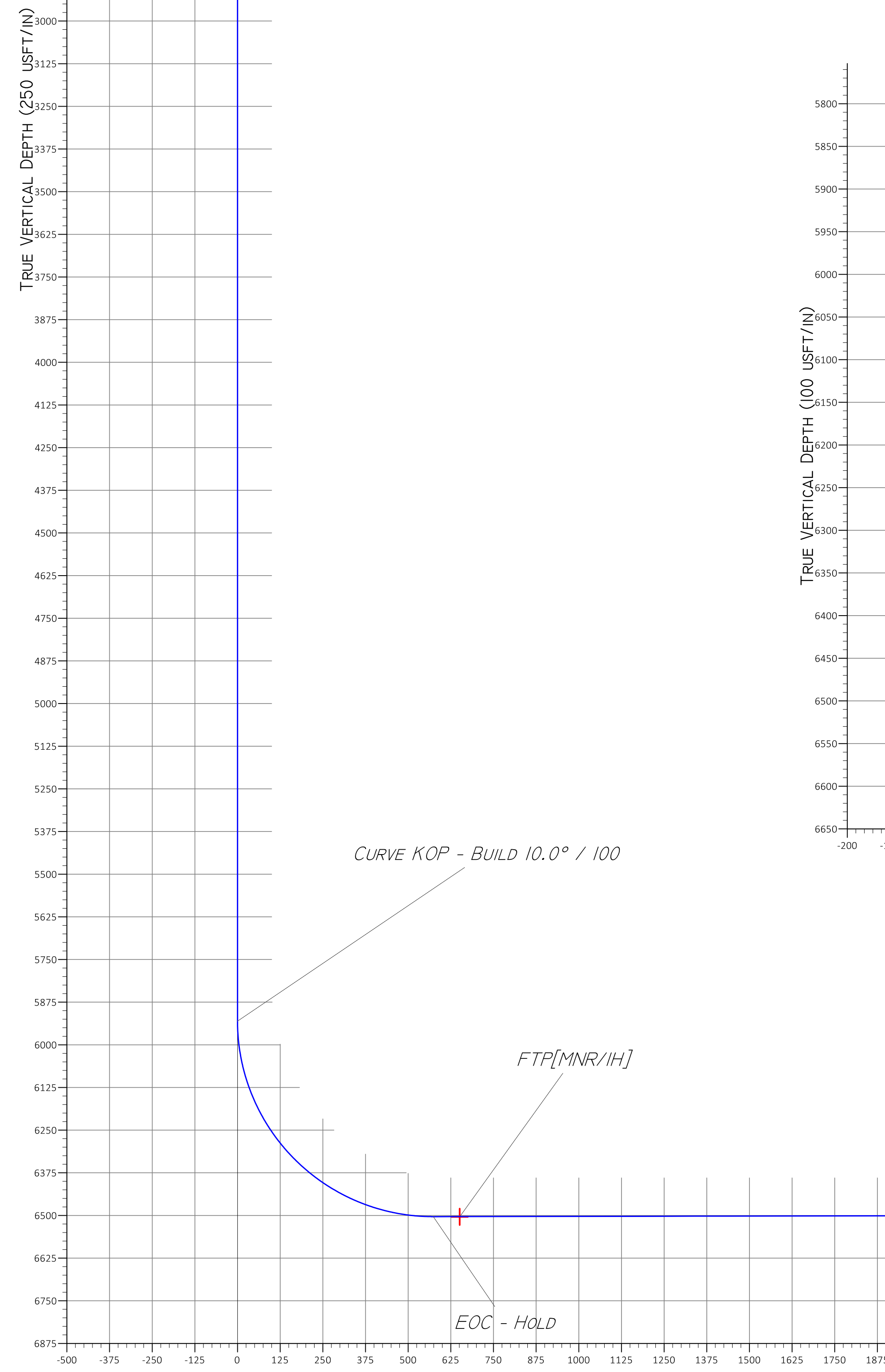
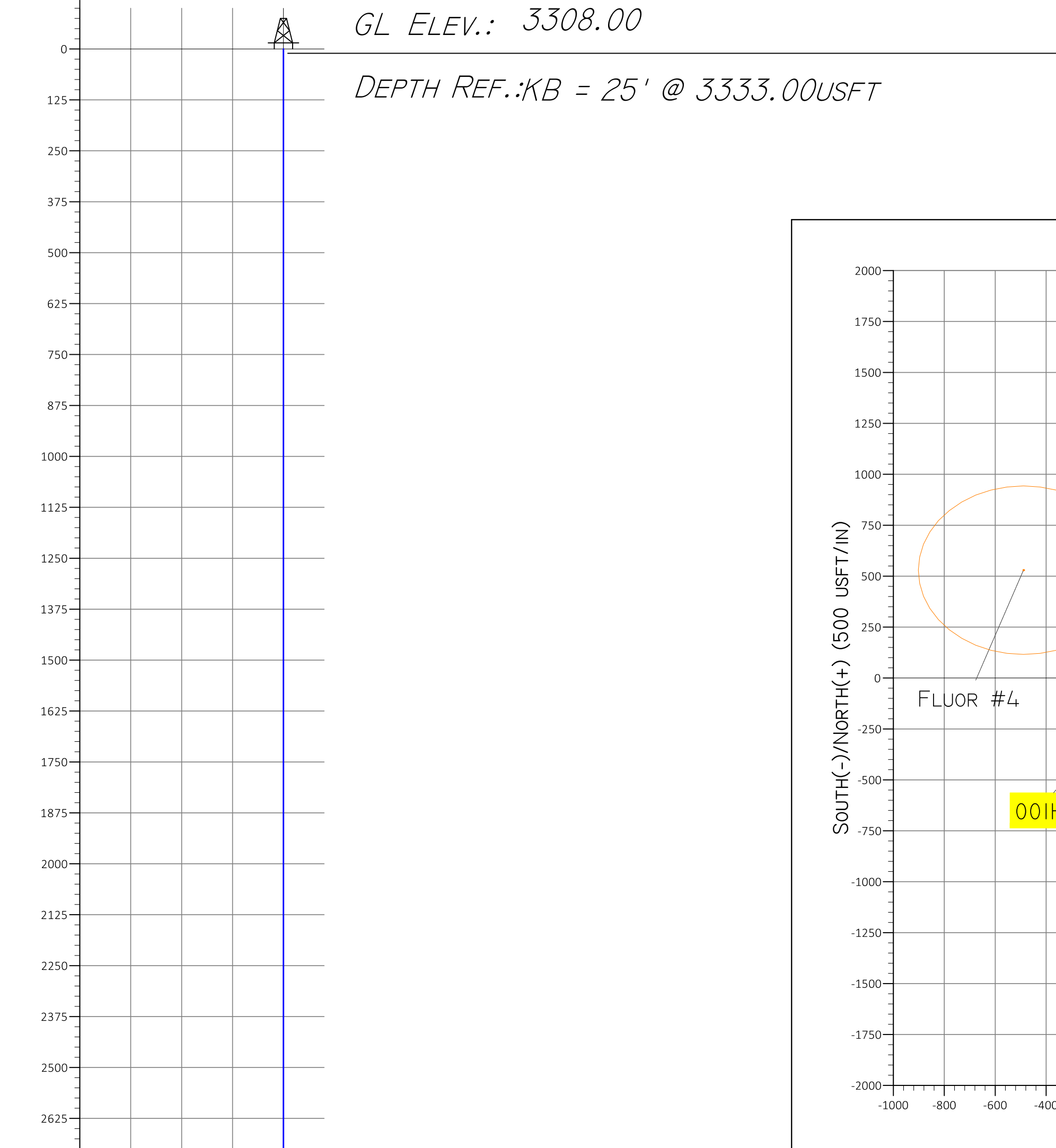
NO FORMATION DATA IS AVAILABLE

SITE DETAILS: MNR STATE COMM
SITE CENTRE NORTHING: 490348.38
EASTING: 911324.57

POSITIONAL UNCERTAINTY: 0.00
CONVERGENCE: 0.64
LOCAL NORTH: GRID



MNR STATE UNIT





LEA COUNTY, NEW MEXICO (NAD83 NM-E)
MNR STATE COMM
001H

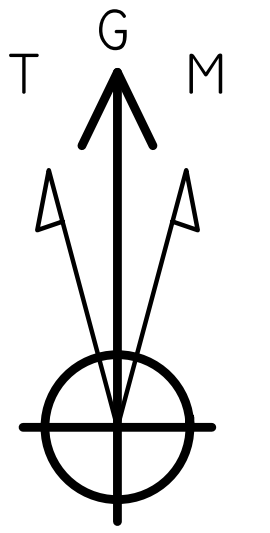
P0

WELL DETAILS:

+N/-S	+E/-W	NORTHING	3308.00 EASTING	LATITUDE	LONGITUDE
0.00	0.00	490349.00	911324.00	32.342352	-103.135347

SECTION DETAILS

MD	INC	AZI	TVD	+N/-S	+E/-W	DLEG	TFACE	VSECT	TARGET
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1180.00	0.00	0.00	1180.00	0.00	0.00	0.00	0.00	0.00	
5930.57	0.00	0.00	5930.57	0.00	0.00	0.00	0.00	0.00	
6831.57	90.10	89.30	6503.52	7.03	573.91	10.00	89.30	573.96	
14580.70	90.10	89.30	6490.00	101.99	8322.45	0.00	0.00	8323.08	BHL[MNR/IH]



To CONVERT A MAGNETIC DIRECTION TO A GRID DIRECTION, ADD 5.84°
To CONVERT A TRUE DIRECTION TO A GRID DIRECTION, SUBTRACT 0.64°

AZIMUTHS TO GRID NORTH
TRUE NORTH: -0.64°
MAGNETIC NORTH: 5.84°
MAGNETIC FIELD
STRENGTH: 48067.2NT
DIP ANGLE: 60.18°
DATE: 2/11/2020
MODEL: HDGMLFILE



PROJECT DETAILS: LEA COUNTY, NEW MEXICO (NAD83 NM-E)
GEODETIC SYSTEM: US STATE PLANE 1983
DATUM: NORTH AMERICAN DATUM 1983
ELLIPSOID: GRS 1980
ZONE: NEW MEXICO EASTERN ZONE

SYSTEM DATUM: MEAN SEA LEVEL

MAP SYSTEM: US STATE PLANE 1983
DATUM: NORTH AMERICAN DATUM 1983
ELLIPSOID: GRS 1980
ZONE NAME: NEW MEXICO EASTERN ZONE
LOCAL ORIGIN: WELL 001H, GRID NORTH
LATITUDE: 32.342352
LONGITUDE: -103.135347
GRID EAST: 911324.00
GRID NORTH: 490349.00
SCALE FACTOR: 1.000

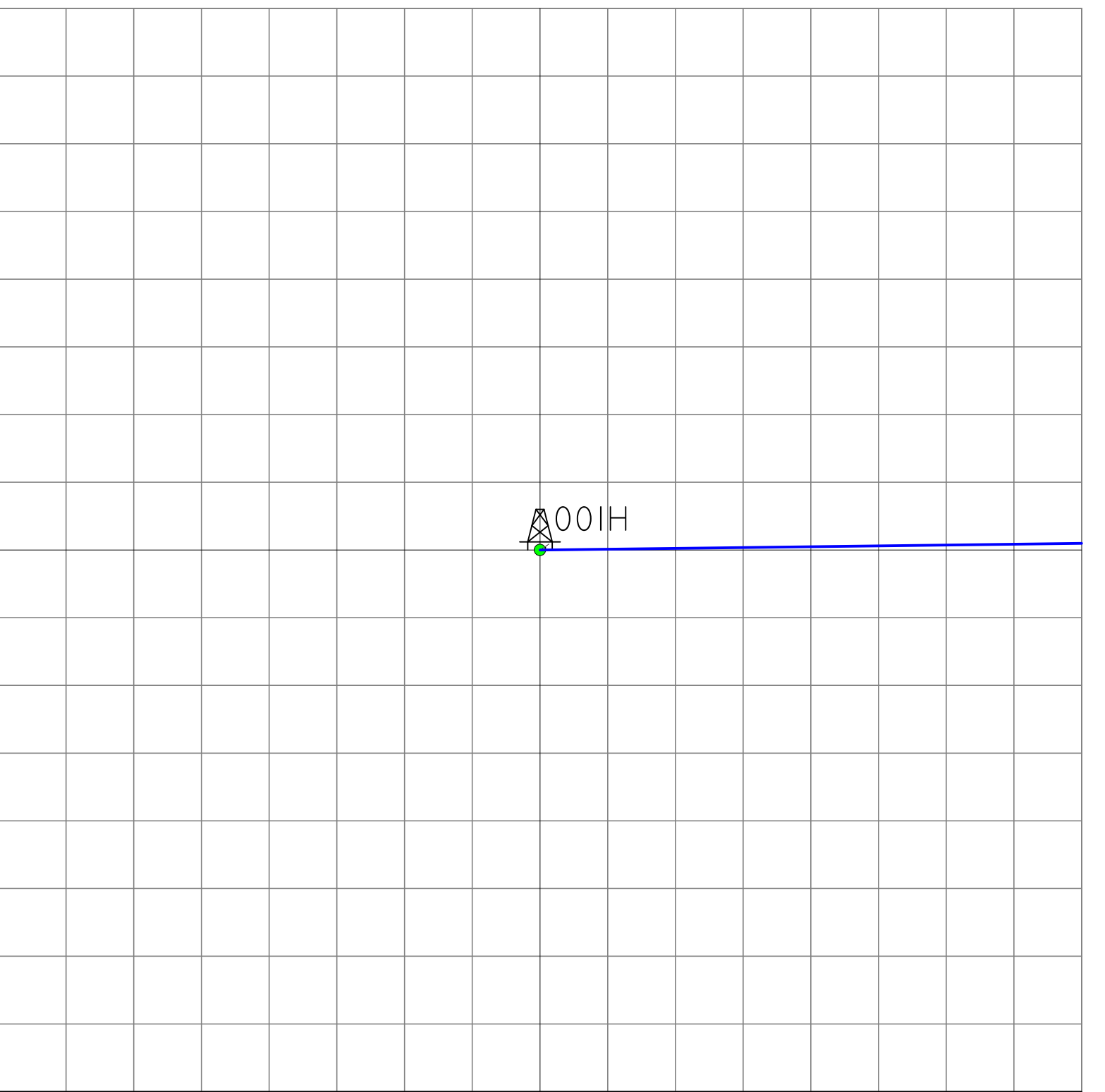
GEOMAGNETIC MODEL: HDGM_FILE
SAMPLE DATE: 11-FEB-20
MAGNETIC DECLINATION: 6.48°
DIP ANGLE FROM HORIZONTAL: 60.18°
MAGNETIC FIELD STRENGTH: 48067.20000000NT
To CONVERT A MAGNETIC DIRECTION TO A GRID DIRECTION, ADD 5.84°
To CONVERT A MAGNETIC DIRECTION TO A TRUE DIRECTION, ADD 6.48° EAST
To CONVERT A TRUE DIRECTION TO A GRID DIRECTION, SUBTRACT 0.64°

FORMATION TOP DETAILS

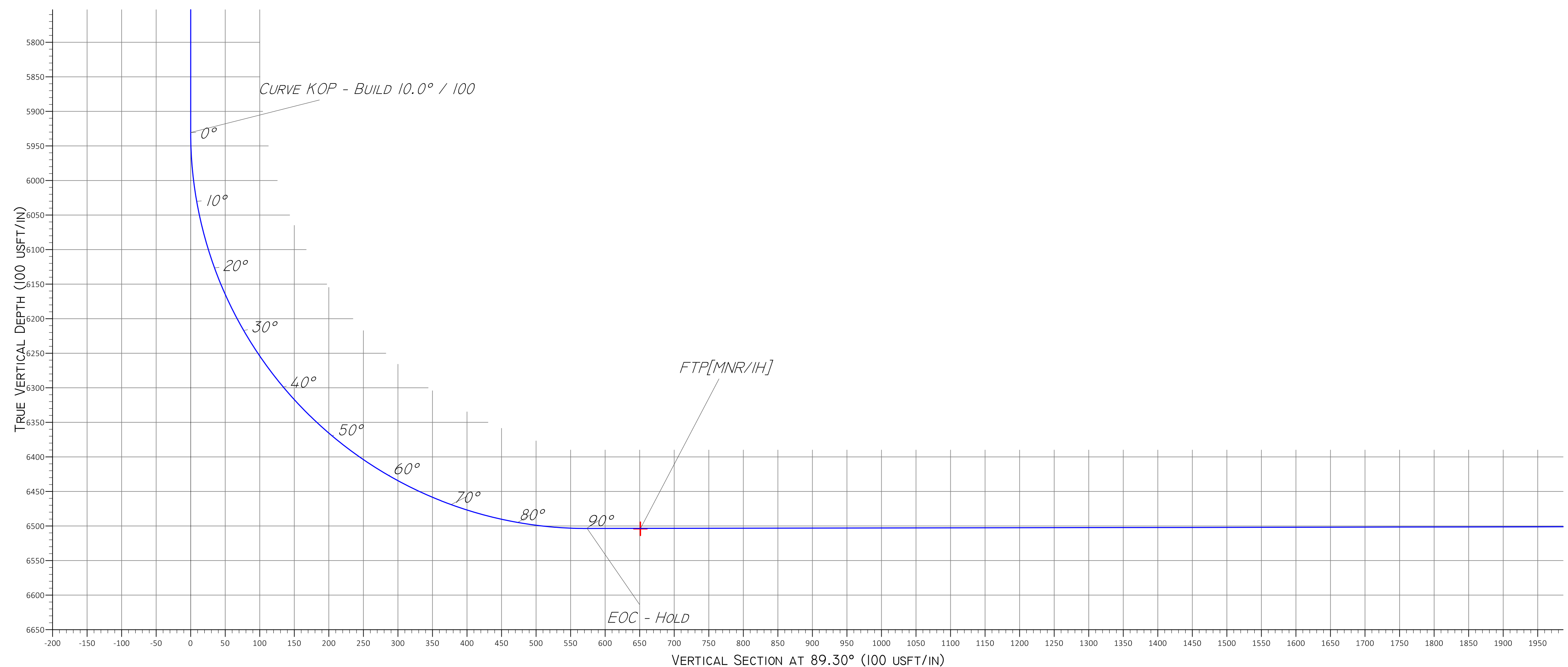
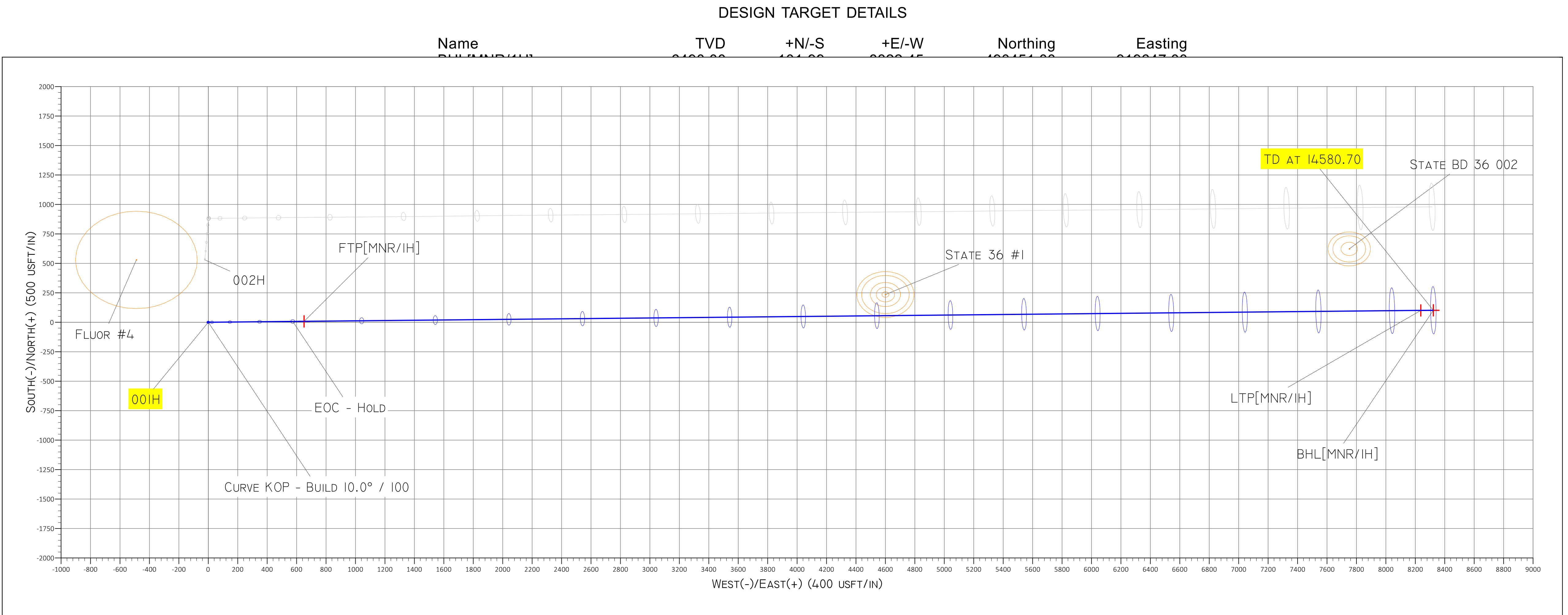
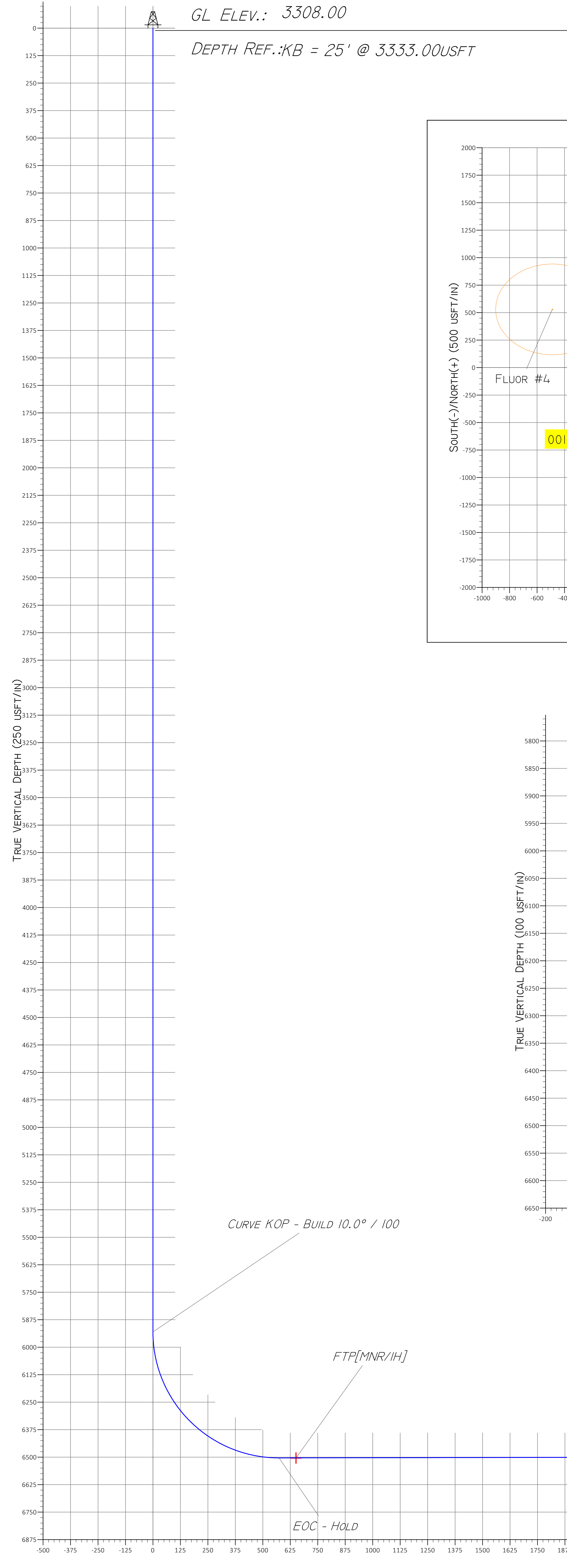
NO FORMATION DATA IS AVAILABLE

SITE DETAILS: MNR STATE COMM
SITE CENTRE NORTHING: 490348.38
EASTING: 911324.57

POSITIONAL UNCERTAINTY: 0.00
CONVERGENCE: 0.64
LOCAL NORTH: GRID



MNR STATE UNIT



CURVE KOP - BUILD 10.0° / 100

FTP[MNR/IH]

EOC - HOLD

BHL[MNR/IH]

LTP[MNR/IH]

TD AT 14580.70

VERTICAL SECTION AT 89.30° (250 USFT/IN)

Proposed WBD

Breitbart Operating. LP
MNR 35 State Comm 001H
Lea County, NM.
Drinkard Horizontal Well

Spud Date: XX/XX/2020
Rig Release: XX/XX/2020
GL: 3,302.4'
KB: TBD

CONDUCTOR PIPE:

24" Hole:
20" landed at +/- 80' below GL
TOC: Surface

SURFACE:

17-¹/₂" Hole: +/- 1,180' MD/TVD
13-³/₈", 54.5 ppf, J-55, BTC: +/- 1,180' MD/TVD
ETOC: Surface
Cement: 764 Sacks

9-⁵/₈" DV Tool: +/- 3,000' MD/TVD

INTERMEDIATE:

12-¹/₄" Hole: +/- 4,500' MD/TVD
9-⁵/₈", 40 ppf, J-55, LTC: +/- 4,500' MD/TVD
ETOC: Surface
Cement: 1500 Sacks

KOP: +/- 5,930' MD/TVD
Landing Point: +/- 6,900' MD/6,500 TVD

PRODUCTION:

8-³/₄" Hole: +/- 14,581' MD/6,505' TVD
5-¹/₂", 20 ppf, L-80, LTC: +/- 14,581' MD/6,505' TVD
ETOC: +/- 3,500' MD/TVD
Cement: 3045 Sacks

PBTD / Float Collar: +/- 14,501' MD/ 6,490' TVD
TD / Float Shoe: +/- 14,581' MD/ 6,490' TVD

