Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT NMNM017221 APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. **✓** DRILL REENTER 1a. Type of work: ✓ Oil Well 1b. Type of Well: Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing ✓ Single Zone Multiple Zone PERAZZI 9/10 W0LI FED 1H 9. API Well No. 30 015 48166 2. Name of Operator MEWBOURNE OIL COMPANY 10. Field and Pool, or Exploratory GATUNA 3a. Address 3b. Phone No. (include area code) Wildcat Wolfcamp PO Box 5270 Hobbs NM 88240 (575)393-5905 CANYON; WOLFCAMP 4. Location of Well (Report location clearly and in accordance with any State requirements.\*) 11. Sec., T. R. M. or Blk. and Survey or Area SEC 8 / T20S / R29E / NMP At surface SESE / 810 FSL / 210 FEL / LAT 32.5829523 / LONG -104.892964 At proposed prod. zone NESE / 2200 FSL / 100 FEL / LAT 32.5867742 / LONG -104.0545947 12. County or Parish 13. State 14. Distance in miles and direction from nearest town or post office\* **EDDY** NM 20 miles 15. Distance from proposed\* 17. Spacing Unit dedicated to this well 16. No of acres in lease 205 feet location to nearest 160.77 property or lease line, ft. (Also to nearest drig. unit line, if any) 18. Distance from proposed location\* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, 30 feet 9416 feet / 20128 feet FED: NM1693 applied for, on this lease, ft. 22. Approximate date work will start\* 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 23. Estimated duration 3273 feet 07/31/2019 60 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the SUPO must be filed with the appropriate Forest Service Office). 25. Signature Name (Printed/Typed) Date (Electronic Submission) 08/29/2019 Title Approved by (Signature) Name (Printed/Typed) Date (Electronic Submission) Cody Layton / Ph: (575)234-5959 04/12/2021 Title Office Assistant Field Manager Lands & Minerals **CARLSBAD** Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached.

of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVED WITH CONDITIONS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency

\*(Instructions on page 2)

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

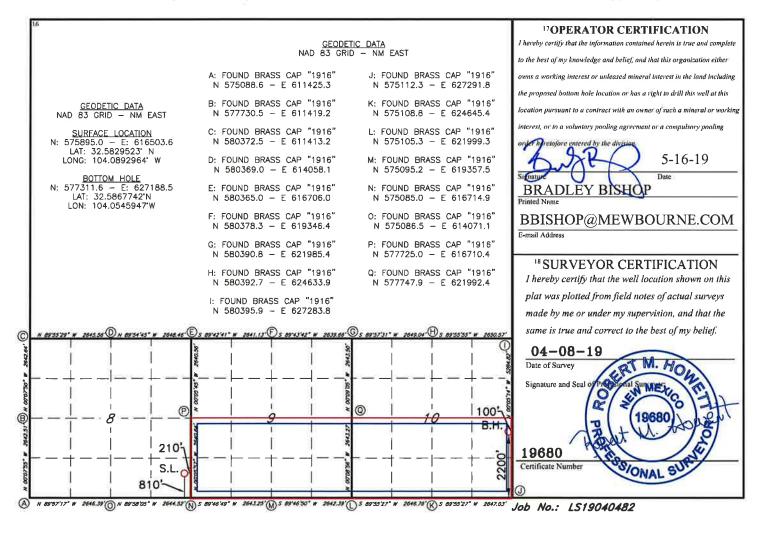
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

		\	VELL D	OCATIC	ON AND AC	REAGE DEDIC	ATION PLA	.1			
30 015 48	API Numbe	r		<sup>2</sup> Pool Cod	e GA	ATUNA CANYO			~ ^ ^ /		
30 013 40	100		27191	<u> </u>			WILDCAT	WOLF	CAMI	,	
<sup>4</sup> Property Co	de		ş		5 Property 1				6 Well Number		
330657				PERA	1H						
7OGRID I					8 Operator		9 Elevation				
1474	4			IL COMPANY				3273'			
<sup>10</sup> Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/We	st line	County	
P	8	20S	29E		810	SOUTH	210	EAS	ST	EDDY	
			11 ]	Bottom I	Iole Location	n If Different Fro	om Surface				
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/We	East/West line		
I	10	20S	29E		2200	SOUTH	100	EAS	T T	EDDY	
12 Dedicated Acres	s 13 Joint	or Infill 14	Consolidation	Code 15	Order No.	•					
640											

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

# State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

Date: 5-16-19	GAS CAPTURE PLAN
<ul><li>☑ Original</li><li>☐ Amended - Reason for Amendment:</li></ul>	Operator & OGRID No.: <u>Mewbourne Oil Company - 14744</u>

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

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

#### Well(s)/Production Facility - Name of facility

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
Perazzi 9/10 W0LI Fed #1H		P - 8-20S-29E	810 FSL & 210 FEL	0	NA	ONLINE AFTER FRAC

#### **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 western and will be connected to
low/high pressure gathering system located inEDDY County, New Mexico. It will require
' of pipeline to connect the facility to low/high pressure gathering system. Mewbourne Oil Company provides
(periodically) to Western a drilling, completion and estimated first production date for wells that are scheduled to
be drilled in the foreseeable future. In addition, Mewbourne Oil Company and Western have periodic
conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at
Western Processing Plant located in Sec. 36 , Blk. 58 T1S , Culberson County, Texas. The actual flow
of the gas will be based on compression operating parameters and gathering system pressures.

#### Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <a href="Western">Western</a> system at that time. Based on current information, it is <a href="Operator's">Operator's</a> 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
  - o Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
  - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
  - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines



APD ID: 10400042011

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

# Drilling Plan Data Report 04/13/2021

**Submission Date:** 08/29/2019

Well Number: 1H

Highlighted data reflects the most recent changes

Show Final Text

Operator Name: MEWBOURNE OIL COMPANY

Well Name: PERAZZI 9/10 W0LI FED

Well Type: OIL WELL Well Work Type: Drill

# **Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
460515	UNKNOWN	3273	27	27	11	NONE	N
460526	TOP SALT	2733	540	540	SALT	NONE	N
460516	BOTTOM SALT	2343	930	930	SALT	NONE	N
460528	YATES	2158	1115	1115	SANDSTONE	NATURAL GAS, OIL	N
460530	CAPITAN REEF	1928	1345	1345	DOLOMITE, LIMESTONE	USEABLE WATER	N
460521	LAMAR	123	3150	3150	LIMESTONE	NATURAL GAS, OIL	N
460514	BONE SPRING	-2527	5800	5800	LIMESTONE, SHALE	NATURAL GAS, OIL	N
460517	BONE SPRING 1ST	-3677	6950	6950	SANDSTONE	NATURAL GAS, OIL	N
460518	BONE SPRING 2ND	-4271	7544	7544	SANDSTONE	NATURAL GAS, OIL	N
520446	BONE SPRING 3RD	-5527	8800	8800	SANDSTONE	NATURAL GAS, OIL	N
520447	WOLFCAMP	-5937	9210	9210	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

### **Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M Rating Depth: 20128

Equipment: Annular, Pipe Ram, Blind Ram

Requesting Variance? YES

**Variance request:** A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. Anchors are not required by manufacturer. A variance is also requested for the use of a multibowl wellhead. Please see attached schematics.

**Testing Procedure:** BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

#### **Choke Diagram Attachment:**

Perazzi\_9\_10\_W0LI\_Fed\_1H\_5M\_BOPE\_Choke\_Diagram\_20190821154232.pdf

Perazzi\_9\_10\_W0LI\_Fed\_1H\_Flex\_Line\_Specs\_20190821154232.pdf

Perazzi\_9\_10\_W0LI\_Fed\_Com\_1H\_Flex\_Line\_Specs\_API\_16C\_20200820085922.pdf

### **BOP Diagram Attachment:**

 $Perazzi\_9\_10\_W0LI\_Fed\_1H\_5M\_BOPE\_Schematic\_20190821154253.pdf$ 

Perazzi\_9\_10\_W0LI\_Fed\_1H\_Multi\_Bowl\_WH\_20190821154253.pdf

# **Section 3 - Casing**

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	26	20.0	NEW	API	N	0	330	0	330	3300		330	J-55	94	BUTT	3.61	14.6 4	DRY	45.2	DRY	47.7 1
2	INTERMED IATE	17.5	13.375	NEW	API	N	0	1250	0	1250	3300		1250	H-40	48	ST&C	1.18	2.66	DRY	5.37	DRY	9.02
3		12.2 5	9.625	NEW	API	N	0	3075	0	3075	3300		3075	J-55	36	LT&C	1.26	2.2	DRY	4.09	DRY	5.09
	PRODUCTI ON	8.75	7.0	NEW	API	N	0	9600	0	9266	3300			P- 110	26	LT&C	1.62	2.13	DRY	2.78	DRY	3.33
5	LINER	6.12 5	4.5	NEW	API	N	8996	20128	8811	9416			11132	P- 110	13.5	LT&C	1.68	1.95	DRY	2.25	DRY	2.81

#### **Casing Attachments**

**Operator Name: MEWBOURNE OIL COMPANY** Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H **Casing Attachments** Casing ID: 1 String Type: SURFACE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Perazzi\_9\_10\_W0LI\_Fed\_1H\_Csg\_Assumptions\_20190821170752.pdf Casing ID: 2 String Type: INTERMEDIATE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Perazzi\_9\_10\_W0LI\_Fed\_1H\_Csg\_Assumptions\_20190821170744.pdf Casing ID: 3 String Type: INTERMEDIATE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Perazzi\_9\_10\_W0LI\_Fed\_1H\_Csg\_Assumptions\_20190821170736.pdf

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

#### **Casing Attachments**

Casing ID: 4 String Type:PRODUCTION

**Inspection Document:** 

**Spec Document:** 

**Tapered String Spec:** 

Casing Design Assumptions and Worksheet(s):

 $Perazzi\_9\_10\_W0LI\_Fed\_1H\_Csg\_Assumptions\_20190821170729.pdf$ 

Casing ID: 5 String Type:LINER

**Inspection Document:** 

**Spec Document:** 

**Tapered String Spec:** 

Casing Design Assumptions and Worksheet(s):

 $Perazzi\_9\_10\_W0LI\_Fed\_1H\_Csg\_Assumptions\_20190821170721.pdf$ 

# **Section 4 - Cement**

Ь		Tool	0	MD	(xs)				.0	type	10
String Type	Lead/Tail	Stage To Depth	Top MD	Bottom N	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	242	345	2.12	12.5	731	100	Class C	Salt, Gel, Extender, LCM
SURFACE	Tail		242	330	200	1.34	14.8	268	100	Class C	Retarder
INTERMEDIATE	Lead		0	976	450	2.12	12.5	954	25	Class C	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		976	1250	200	1.34	14.8	268	25	Class C	Retarder
INTERMEDIATE	Lead	1300	0	1015	225	2.12	12.5	477	25	Class C	Salt, Gel, Extender, LCM

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Tail		1015	1300	100	1.34	14.8	134	25	Class C	Retarder
INTERMEDIATE	Lead	1300	1300	2398	205	2.12	12.5	435	25	Class C	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		2398	3075	200	1.34	14.8	268	25	Class C	Retarder
PRODUCTION	Lead		1295	7126	525	2.12	12.5	1113	25	Class C	Gel, Retarder, Defoamer, Extender
PRODUCTION	Tail		7126	9600	400	1.18	15.6	472	25	Class H	Retarder, Fluid Loss, Defoamer
LINER	Lead		8996	2012 8	445	2.97	11.2	1322	25	Class H	Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti-Settling Agent

# **Section 5 - Circulating Medium**

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: Lost circulation material Sweeps Mud scavengers in surface hole

Describe the mud monitoring system utilized: Visual monitoring

# **Circulating Medium Table**

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	330	SPUD MUD	8.6	8.8							

Page 5 of 7

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
330	1250	SALT SATURATED	10	10							
1250	9266	WATER-BASED MUD	8.5	9.7						1	
9266	9416	OIL-BASED MUD	10	12					. ^		

# **Section 6 - Test, Logging, Coring**

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

Will run GR/CNL in the offset Perazzi 9/10 W0MP Fed #1H

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

CNL,DS,GR,MWD,MUDLOG

Coring operation description for the well:

None

# **Section 7 - Pressure**

Anticipated Bottom Hole Pressure: 5876 Anticipated Surface Pressure: 3804.48

**Anticipated Bottom Hole Temperature(F): 150** 

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

Describe:

**Contingency Plans geoharzards description:** 

**Contingency Plans geohazards attachment:** 

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Perazzi\_9\_10\_W0LI\_Fed\_1H\_H2S\_Plan\_20190823102746.pdf

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

# **Section 8 - Other Information**

#### Proposed horizontal/directional/multi-lateral plan submission:

Perazzi\_9\_10\_W0LI\_Fed\_1H\_Dir\_Plot\_20190823110614.pdf Perazzi\_9\_10\_W0LI\_Fed\_1H\_Dir\_Plan\_20190823110614.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Perazzi\_9\_10\_W0LI\_Fed\_1H\_Add\_Info\_20190823110636.pdf
Perazzi\_9\_10\_W0LI\_Fed\_1H\_Drlg\_Program\_20190823111622.doc

Other Variance attachment:

SHL: 810' FSL & 210' FEL, Sec 8 BHL: 2200' FSL & 100' FEL, Sec 10

# **Casing Program**

Hole	Casing Interval		Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
26"	0'	330'	20"	94	J55	BTC	3.61	14.64	45.20	47.71
17.5"	0'	1250'	13.375"	48	H40	STC	1.18	2.66	5.37	9.02
12.25"	0'	3075'	9.625"	36	J55	LTC	1.26	2.20	4.09	5.09
8.75"	0'	9600'	7"	26	HCP110	LTC	1.62	2.13	2.78	3.33
6.125"	8996'	20,128'	4.5"	13.5	P110	LTC	1.68	1.95	2.25	2.81
				BL	M Minimu	m Safety	1.125	1	1.6 Dry	1.6 Dry
						Factor			1.8 Wet	1.8 Wet

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the	Y
collapse pressure rating of the casing?	
Is well located within Capitan Reef?	Y
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Y
Is well within the designated 4 string boundary.	Y
	1
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SHL: 810' FSL & 210' FEL, Sec 8 BHL: 2200' FSL & 100' FEL, Sec 10

# **Casing Program**

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
26"	0'	330'	20"	94	J55	BTC	3.61	14.64	45.20	47.71
17.5"	0'	1250'	13.375"	48	H40	STC	1.18	2.66	5.37	9.02
12.25"	0'	3075'	9.625"	36	J55	LTC	1.26	2.20	4.09	5.09
8.75"	0'	9600'	7"	26	HCP110	LTC	1.62	2.13	2.78	3.33
6.125"	8996'	20,128'	4.5"	13.5	P110	LTC	1.68	1.95	2.25	2.81
				BL	M Minimu	m Safety	1.125	1	1.6 Dry	1.6 Dry
		1250' 13 3075' 9.6 9600' 7"				Factor			1.8 Wet	1.8 Wet

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the	Y
collapse pressure rating of the casing?	
Is well located within Capitan Reef?	Y
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Y
Is well within the designated 4 string boundary.	Y
is well within the designated 4 string boundary.	1
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SHL: 810' FSL & 210' FEL, Sec 8 BHL: 2200' FSL & 100' FEL, Sec 10

# **Casing Program**

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
26"	0'	330'	20"	94	J55	BTC	3.61	14.64	45.20	47.71
17.5"	0'	1250'	13.375"	48	H40	STC	1.18	2.66	5.37	9.02
12.25"	0'	3075'	9.625"	36	J55	LTC	1.26	2.20	4.09	5.09
8.75"	0'	9600'	7"	26	HCP110	LTC	1.62	2.13	2.78	3.33
6.125"	8996'	20,128'	4.5"	13.5	P110	LTC	1.68	1.95	2.25	2.81
				BL	M Minimu	m Safety	1.125	1	1.6 Dry	1.6 Dry
		1250' 13 3075' 9.6 9600' 7"				Factor			1.8 Wet	1.8 Wet

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the	Y
collapse pressure rating of the casing?	
Is well located within Capitan Reef?	Y
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Y
Is well within the designated 4 string boundary.	Y
	1
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SHL: 810' FSL & 210' FEL, Sec 8 BHL: 2200' FSL & 100' FEL, Sec 10

# **Casing Program**

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
26"	0'	330'	20"	94	J55	BTC	3.61	14.64	45.20	47.71
17.5"	0'	1250'	13.375"	48	H40	STC	1.18	2.66	5.37	9.02
12.25"	0'	3075'	9.625"	36	J55	LTC	1.26	2.20	4.09	5.09
8.75"	0'	9600'	7"	26	HCP110	LTC	1.62	2.13	2.78	3.33
6.125"	8996'	20,128'	4.5"	13.5	P110	LTC	1.68	1.95	2.25	2.81
				BL	M Minimu	m Safety	1.125	1	1.6 Dry	1.6 Dry
		1250' 13 3075' 9.6 9600' 7"				Factor			1.8 Wet	1.8 Wet

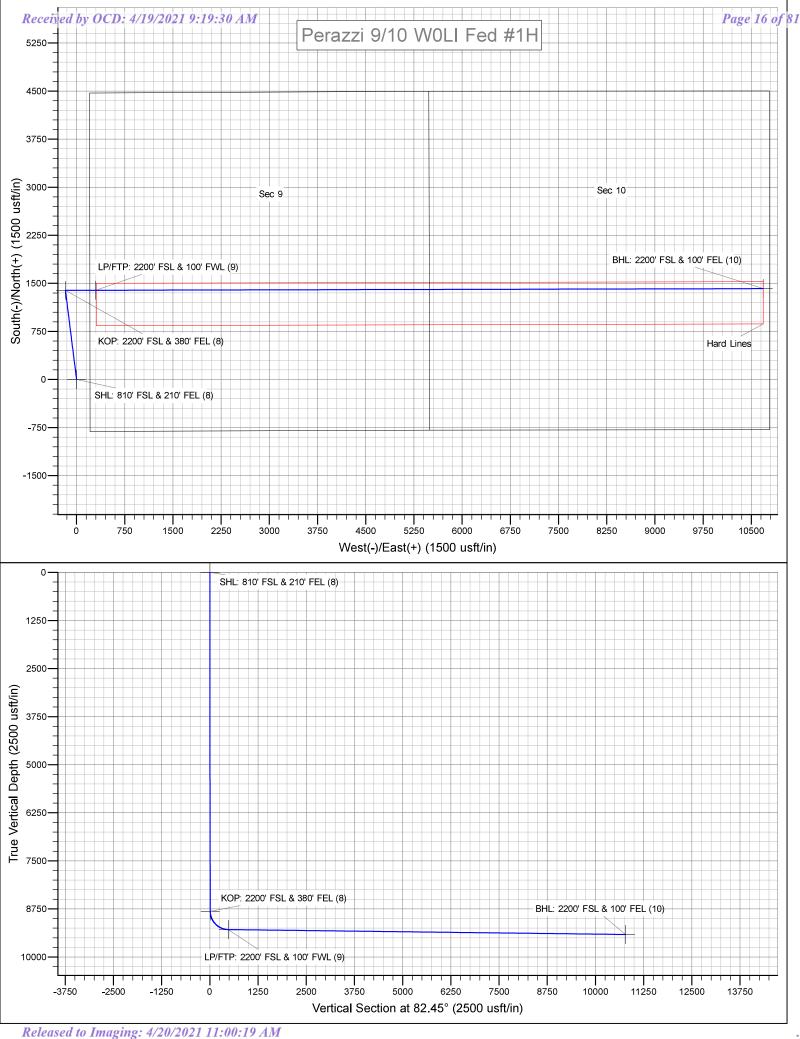
	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the	Y
collapse pressure rating of the casing?	
Is well located within Capitan Reef?	Y
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Y
Is well within the designated 4 string boundary.	Y
	1
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SHL: 810' FSL & 210' FEL, Sec 8 BHL: 2200' FSL & 100' FEL, Sec 10

# **Casing Program**

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	To	Size	(lbs)			Collapse	Burst	Tension	Tension
26"	0'	330'	20"	94	J55	BTC	3.61	14.64	45.20	47.71
17.5"	0'	1250'	13.375"	48	H40	STC	1.18	2.66	5.37	9.02
12.25"	0'	3075'	9.625"	36	J55	LTC	1.26	2.20	4.09	5.09
8.75"	0'	9600'	7"	26	HCP110	LTC	1.62	2.13	2.78	3.33
6.125"	8996'	20,128'	4.5"	13.5	P110	LTC	1.68	1.95	2.25	2.81
				BL	M Minimu	m Safety	1.125	1	1.6 Dry	1.6 Dry
		1250' 13 3075' 9.6 9600' 7"				Factor			1.8 Wet	1.8 Wet

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	Y
justification (loading assumptions, casing design criteria).	
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the	Y
collapse pressure rating of the casing?	
Is well located within Capitan Reef?	Y
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Y
Is well within the designated 4 string boundary.	Y
is well within the designated 4 string boundary.	1
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	



# **Mewbourne Oil Company**

Eddy County, New Mexico NAD 83 Perazzi 9/10 W0LI Fed #1H Sec 8, T20S, R29E

SHL: 810' FSL & 210' FEL, Sec 8 BHL: 2200' FSL & 100' FEL, Sec 10

Plan: Design #1

# **Standard Planning Report**

16 August, 2019

Database: Hobbs

Company: Mewbourne Oil Company Project: Eddy County, New Mexico NAD 83

Perazzi 9/10 W0LI Fed #1H Site: Well: Sec 8, T20S, R29E

Wellbore: BHL: 2200' FSL & 100' FEL, Sec 10

Design: Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Perazzi 9/10 W0LI Fed #1H

WELL @ 3300.0usft (Original Well Elev) WELL @ 3300.0usft (Original Well Elev)

Minimum Curvature

60.23

47,963

Project Eddy County, New Mexico NAD 83

Map System: US State Plane 1983 North American Datum 1983 Geo Datum: New Mexico Eastern Zone Map Zone:

System Datum:

Mean Sea Level

Perazzi 9/10 W0LI Fed #1H Site

IGRF2010

Northing: 575,895.00 usft Site Position: Latitude: 32.5829524 From: Мар Easting: 616,504.00 usft Longitude: -104.0892951 0.13

**Position Uncertainty:** 0.0 usft Slot Radius: 13-3/16 " **Grid Convergence:** 

Well Sec 8, T20S, R29E

**Well Position** +N/-S 0.0 usft Northing: 575,895.00 usft Latitude: 32.5829524 +E/-W 0.0 usft Easting: 616,504.00 usft Longitude: -104.0892951 **Position Uncertainty** 0.0 usft Wellhead Elevation: 3,300.0 usft **Ground Level:** 3,273.0 usft

BHL: 2200' FSL & 100' FEL, Sec 10 Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (nT) (°) (°)

6.84

8/15/2019

Design #1 Design Audit Notes: Version: Phase: **PROTOTYPE** Tie On Depth: 0.0 Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 82.45

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,896.3	15.93	352.91	3,886.0	109.1	-13.6	2.00	2.00	0.00	352.91	
8,199.9	15.93	352.91	8,024.5	1,280.9	-159.4	0.00	0.00	0.00	0.00	
8,996.1	0.00	0.00	8,810.5	1,390.0	-173.0	2.00	-2.00	0.00	180.00	KOP: 2200' FSL & 38(
9,740.3	89.29	89.86	9,288.0	1,391.2	298.6	12.00	12.00	0.00	89.86	
20,127.5	89.29	89.86	9,416.0	1,417.0	10,685.0	0.00	0.00	0.00	0.00	BHL: 2200' FSL & 100

Database: Hobbs

Company: Mewbourne Oil Company
Project: Eddy County, New Mexico NAD 83
Site: Perazzi 9/10 WOLI Fed #1H

Well: Sec 8, T20S, R29E
Wellbore: BHL: 2200' FSL & 100' FEL, Sec 10

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Perazzi 9/10 W0LI Fed #1H

WELL @ 3300.0usft (Original Well Elev) WELL @ 3300.0usft (Original Well Elev)

Grid

ned 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)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
	SL & 210' FEL (8)								
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	2.00	352.91	3,200.0	1.7	-0.2	0.0	2.00	2.00	0.00
3,300.0	4.00	352.91	3,299.8	6.9	-0.9	0.1	2.00	2.00	0.00
3,400.0	6.00	352.91	3,399.5	15.6	-1.9	0.1	2.00	2.00	0.00
3,500.0	8.00	352.91	3,498.7	27.7	-3.4	0.2	2.00	2.00	0.00
3,600.0	10.00	352.91	3,597.5	43.2	-5.4	0.3	2.00	2.00	0.00
3,700.0	12.00	352.91	3,695.6	62.1	-7.7	0.5	2.00	2.00	0.00
3,800.0	14.00	352.91	3,793.1	84.4	-10.5	0.7	2.00	2.00	0.00
3,896.3	15.93	352.91	3,886.0	109.1	-13.6	0.9	2.00	2.00	0.00
3,900.0	15.93	352.91	3,889.6	110.1	-13.7	0.9	0.00	0.00	0.00
4,000.0	15.93	352.91	3,985.8	137.4	-17.1	1.1	0.00	0.00	0.00
4,100.0	15.93	352.91	4,082.0	164.6	-20.5	1.3	0.00	0.00	0.00
4,200.0	15.93	352.91	4,178.1	191.8	-23.9	1.6	0.00	0.00	0.00
4,300.0	15.93	352.91	4,274.3	219.0	-27.3	1.8	0.00	0.00	0.00
4,400.0	15.93	352.91	4,370.5	246.3	-30.7	2.0	0.00	0.00	0.00
4,500.0	15.93	352.91	4,466.6	273.5	-34.0	2.2	0.00	0.00	0.00
4,600.0	15.93	352.91	4,562.8	300.7	-37.4	2.4	0.00	0.00	0.00
4,700.0	15.93	352.91	4,658.9	327.9	-40.8	2.7	0.00	0.00	0.00
4,800.0	15.93	352.91	4,755.1	355.2	-44.2	2.9	0.00	0.00	0.00
4,900.0	15.93	352.91	4,851.3	382.4	-47.6	3.1	0.00	0.00	0.00
5,000.0	15.93	352.91	4,947.4	409.6	-51.0	3.3	0.00	0.00	0.00
5,100.0	15.93	352.91	5,043.6	436.9	-54.4	3.5	0.00	0.00	0.00

Database: Hobbs

Company: Mewbourne Oil Company
Project: Eddy County, New Mexico NAD 83

Site: Perazzi 9/10 W0LI Fed #1H

Well: Sec 8, T20S, R29E
Wellbore: BHL: 2200' FSL & 100' FEL, Sec 10

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Perazzi 9/10 W0LI Fed #1H

WELL @ 3300.0usft (Original Well Elev) WELL @ 3300.0usft (Original Well Elev)

Grid

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)
5,200.0	15.93	352.91	5,139.8	464.1	-57.8	3.8	0.00	0.00	0.00
5,300.0	15.93	352.91	5,235.9	491.3	-61.1	4.0	0.00	0.00	0.00
5,400.0	15.93	352.91	5,332.1	518.5	-64.5	4.2	0.00	0.00	0.00
5,500.0	15.93	352.91	5.428.2	545.8	-67.9	4.4	0.00	0.00	0.00
5,600.0	15.93	352.91	5,524.4	573.0	-71.3	4.6	0.00	0.00	0.00
5,700.0	15.93	352.91	5,620.6	600.2	-74.7	4.9	0.00	0.00	0.00
5,800.0	15.93	352.91	5,716.7	627.5	-78.1	5.1	0.00	0.00	0.00
5.900.0	15.93	352.91	5,812.9	654.7	-81.5	5.3	0.00	0.00	0.00
6,000.0	15.93	352.91	5,909.0	681.9	-84.9	5.5	0.00	0.00	0.00
6,100.0	15.93	352.91	6,005.2	709.1	-88.3	5.7	0.00	0.00	0.00
6,200.0	15.93	352.91	6,101.4	736.4	-91.6	6.0	0.00	0.00	0.00
6,300.0	15.93	352.91	6,197.5	763.6	-95.0	6.2	0.00	0.00	0.00
6,400.0	15.93	352.91	6,293.7	790.8	-98.4	6.4	0.00	0.00	0.00
6,500.0	15.93	352.91	6,389.9	818.1	-101.8	6.6	0.00	0.00	0.00
6,600.0	15.93	352.91	6,486.0	845.3	-105.2	6.8	0.00	0.00	0.00
6,700.0	15.93	352.91	6,582.2	872.5	-108.6	7.1	0.00	0.00	0.00
6,800.0	15.93	352.91	6,678.3	899.7	-112.0	7.3	0.00	0.00	0.00
6,900.0	15.93	352.91	6.774.5	927.0	-115.4	7.5	0.00	0.00	0.00
7,000.0	15.93	352.91	6,870.7	954.2	-118.8	7.7	0.00	0.00	0.00
7,100.0	15.93	352.91	6,966.8	981.4	-122.1	7.9	0.00	0.00	0.00
7,200.0	15.93	352.91	7,063.0	1,008.6	-125.5	8.2	0.00	0.00	0.00
7,300.0	15.93	352.91	7,159.2	1,035.9	-128.9	8.4	0.00	0.00	0.00
7,400.0	15.93	352.91	7,255.3	1,063.1	-132.3	8.6	0.00	0.00	0.00
7,500.0	15.93	352.91	7,351.5	1,090.3	-135.7	8.8	0.00	0.00	0.00
7,600.0	15.93	352.91	7,447.6	1,117.6	-139.1	9.0	0.00	0.00	0.00
7,700.0	15.93	352.91	7,543.8	1,144.8	-142.5	9.3	0.00	0.00	0.00
7,800.0	15.93	352.91	7,640.0	1,172.0	-145.9	9.5	0.00	0.00	0.00
7,900.0	15.93	352.91	7,736.1	1,199.2	-149.3	9.7	0.00	0.00	0.00
8,000.0	15.93	352.91	7,832.3	1,226.5	-152.6	9.9	0.00	0.00	0.00
8,100.0	15.93	352.91	7,928.5	1,253.7	-156.0	10.1	0.00	0.00	0.00
8,199.9	15.93	352.91	8,024.5	1,280.9	-159.4	10.4	0.00	0.00	0.00
8,200.0	15.93	352.91	8,024.6	1,280.9	-159.4	10.4	0.00	0.00	0.00
8,300.0	13.92	352.91	8,121.2	1,306.5	-162.6	10.6	2.00	-2.00	0.00
8,400.0	11.92	352.91	8.218.7	1,328.7	-165.4	10.0	2.00	-2.00 -2.00	0.00
8,500.0	9.92	352.91	8,316.9	1,347.5	-167.7	10.9	2.00	-2.00	0.00
8,600.0	7.92	352.91	8,415.7	1,362.9	-169.6	11.0	2.00	-2.00	0.00
8,700.0	5.92	352.91	8,514.9	1,374.8	-171.1	11.1	2.00	-2.00	0.00
8,800.0	3.92	352.91	8,614.6	1,383.3	-172.2	11.2	2.00	-2.00	0.00
8,900.0	1.92	352.91	8,714.4	1,388.4	-172.8	11.2	2.00	-2.00	0.00
8,996.1	0.00	0.00	8,810.5	1,390.0	-173.0	11.2	2.00	-2.00	0.00
KOP: 2200' F	SL & 380' FEL (	8)							
9,000.0	0.46	89.86	8,814.4	1,390.0	-173.0	11.3	12.00	12.00	0.00
9,100.0	12.46	89.86	8,913.6	1,390.0	-161.7	22.4	12.00	12.00	0.00
9,200.0	24.46	89.86	9,008.3	1,390.1	-130.1	53.7	12.00	12.00	0.00
9,300.0	36.46	89.86	9,094.3	1,390.2	-79.5	103.9	12.00	12.00	0.00
9,400.0	48.46	89.86	9,167.9	1,390.4	-12.1	170.7	12.00	12.00	0.00
9,500.0	60.46	89.86	9,226.0	1,390.6	69.1	251.3	12.00	12.00	0.00
9,600.0	72.46	89.86	9,265.8	1,390.8	160.6	342.0	12.00	12.00	0.00
9,700.0	84.46	89.86	9,285.8	1,391.1	258.4	439.0	12.00	12.00	0.00
9,740.3	89.29	89.86	9,288.0	1,391.2	298.6	478.9	12.00	12.00	0.00
	)' FSL & 100' FW								
9,800.0	89.29	89.86	9,288.7	1,391.3	358.3	538.1	0.00	0.00	0.00
9,900.0	89.29	89.86	9,290.0	1,391.6	458.3	637.3	0.00	0.00	0.00
10,000.0	89.29	89.86	9,291.2	1,391.8	558.3	736.4	0.00	0.00	0.00

Hobbs Database:

Company: Mewbourne Oil Company Eddy County, New Mexico NAD 83 Project: Site: Perazzi 9/10 W0LI Fed #1H

Well: Sec 8, T20S, R29E BHL: 2200' FSL & 100' FEL, Sec 10 Wellbore:

Design: Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Site Perazzi 9/10 W0LI Fed #1H WELL @ 3300.0usft (Original Well Elev) WELL @ 3300.0usft (Original Well Elev)

Planned Survey									
Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
•			•						
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
10,100.0	89.29	89.86	9,292.4	1,392.1	658.3	835.6	0.00	0.00	0.00
10,200.0	89.29	89.86	9,293.7	1,392.3	758.3	934.7	0.00	0.00	0.00
10,300.0	89.29	89.86	9,294.9	1,392.6	858.3	1,033.9	0.00	0.00	0.00
10,400.0	89.29	89.86	9,296.1	1,392.8	958.3	1,133.0	0.00	0.00	0.00
10,500.0	89.29	89.86	9,297.4	1,393.1	1,058.3	1,232.2	0.00	0.00	0.00
							0.00		0.00
10,600.0	89.29	89.86	9,298.6	1,393.3	1,158.2	1,331.4	0.00	0.00	0.00
10,700.0	89.29	89.86	9,299.8	1,393.6	1,258.2	1,430.5	0.00	0.00	0.00
10,800.0	89.29	89.86	9,301.1	1,393.8	1,358.2	1,529.7	0.00	0.00	0.00
10,900.0	89.29	89.86	9,302.3	1,394.1	1,458.2	1,628.8	0.00	0.00	0.00
11,000.0	89.29	89.86	9,303.5	1,394.3	1,558.2	1,728.0	0.00	0.00	0.00
11,000.0	09.29	09.00	9,303.3	1,394.3	1,556.2	1,720.0	0.00	0.00	0.00
11,100.0	89.29	89.86	9,304.8	1,394.6	1,658.2	1,827.1	0.00	0.00	0.00
11,200.0	89.29	89.86	9,306.0	1,394.8	1,758.2	1,926.3	0.00	0.00	0.00
11,300.0	89.29	89.86	9,307.2	1,395.1	1,858.2	2,025.5	0.00	0.00	0.00
	89.29	89.86	9,308.5		1,958.2		0.00	0.00	0.00
11,400.0				1,395.3		2,124.6			
11,500.0	89.29	89.86	9,309.7	1,395.5	2,058.2	2,223.8	0.00	0.00	0.00
11,600.0	89.29	89.86	9,310.9	1,395.8	2,158.2	2,322.9	0.00	0.00	0.00
11,700.0	89.29	89.86	9,312.1	1,396.0	2,258.2	2,422.1	0.00	0.00	0.00
11,800.0	89.29		9,313.4		2,358.1	2,521.2	0.00	0.00	0.00
		89.86	,	1,396.3					
11,900.0	89.29	89.86	9,314.6	1,396.5	2,458.1	2,620.4	0.00	0.00	0.00
12,000.0	89.29	89.86	9,315.8	1,396.8	2,558.1	2,719.6	0.00	0.00	0.00
12,100.0	89.29	89.86	9,317.1	1,397.0	2,658.1	2,818.7	0.00	0.00	0.00
12,200.0	89.29	89.86	9,318.3	1,397.3	2,758.1	2,917.9	0.00	0.00	0.00
12,300.0	89.29	89.86	9,319.5	1,397.5	2,858.1	3,017.0	0.00	0.00	0.00
12,400.0	89.29	89.86	9,320.8	1,397.8	2,958.1	3,116.2	0.00	0.00	0.00
12,500.0	89.29	89.86	9,322.0	1,398.0	3,058.1	3,215.3	0.00	0.00	0.00
10,000,0	00.00	00.00		4 200 2	2.450.4	2 244 5	0.00	0.00	0.00
12,600.0	89.29	89.86	9,323.2	1,398.3	3,158.1	3,314.5	0.00	0.00	0.00
12,700.0	89.29	89.86	9,324.5	1,398.5	3,258.1	3,413.7	0.00	0.00	0.00
12,800.0	89.29	89.86	9,325.7	1,398.8	3,358.1	3,512.8	0.00	0.00	0.00
12,900.0	89.29	89.86	9,326.9	1,399.0	3,458.1	3,612.0	0.00	0.00	0.00
13,000.0	89.29	89.86	9,328.2	1,399.3	3,558.1	3,711.1	0.00	0.00	0.00
13,100.0	89.29	89.86	9,329.4	1,399.5	3,658.0	3,810.3	0.00	0.00	0.00
13,200.0	89.29	89.86	9,330.6	1,399.8	3,758.0	3,909.4	0.00	0.00	0.00
13,300.0	89.29	89.86	9,331.9	1,400.0	3,858.0	4,008.6	0.00	0.00	0.00
13,400.0	89.29	89.86	9,333.1	1,400.3	3,958.0	4,107.8	0.00	0.00	0.00
13,500.0	89.29	89.86	9,334.3	1,400.5	4,058.0	4,206.9	0.00	0.00	0.00
13,600.0	89.29	89.86	9,335.6	1,400.8	4,158.0	4,306.1	0.00	0.00	0.00
13,700.0	89.29	89.86	9,336.8	1,401.0	4,258.0	4,405.2	0.00	0.00	0.00
,							0.00		
13,800.0	89.29	89.86	9,338.0	1,401.3	4,358.0	4,504.4		0.00	0.00
13,900.0	89.29	89.86	9,339.3	1,401.5	4,458.0	4,603.5	0.00	0.00	0.00
14,000.0	89.29	89.86	9,340.5	1,401.8	4,558.0	4,702.7	0.00	0.00	0.00
14,100.0	89.29	89.86	9,341.7	1,402.0	4,658.0	4,801.9	0.00	0.00	0.00
14,100.0	89.29	89.86	9,343.0	1,402.3	4,758.0	4,901.0		0.00	0.00
							0.00		
14,300.0	89.29	89.86	9,344.2	1,402.5	4,858.0	5,000.2	0.00	0.00	0.00
14,400.0	89.29	89.86	9,345.4	1,402.8	4,957.9	5,099.3	0.00	0.00	0.00
14,500.0	89.29	89.86	9,346.7	1,403.0	5,057.9	5,198.5	0.00	0.00	0.00
14,600.0	89.29	89.86	9,347.9	1,403.3	5,157.9	5,297.6	0.00	0.00	0.00
14,700.0	89.29	89.86				5,396.8	0.00	0.00	0.00
			9,349.1	1,403.5	5,257.9				
14,800.0	89.29	89.86	9,350.3	1,403.8	5,357.9	5,496.0	0.00	0.00	0.00
14,900.0	89.29	89.86	9,351.6	1,404.0	5,457.9	5,595.1	0.00	0.00	0.00
15,000.0	89.29	89.86	9,352.8	1,404.3	5,557.9	5,694.3	0.00	0.00	0.00
15.100.0							0.00		0.00
,	89.29	89.86	9,354.0	1,404.5	5,657.9	5,793.4	0.00	0.00	0.00
15,200.0	89.29	89.86	9,355.3	1,404.7	5,757.9	5,892.6	0.00	0.00	0.00
15,300.0	89.29	89.86	9,356.5	1,405.0	5,857.9	5,991.7	0.00	0.00	0.00
15,400.0	89.29	89.86	9,357.7	1,405.2	5,957.9	6,090.9	0.00	0.00	0.00

Database: Hobbs

Company: Mewbourne Oil Company
Project: Eddy County, New Mexico NAD 83
Site: Perazzi 9/10 WOLI Fed #1H

**Well:** Sec 8, T20S, R29E

**Wellbore:** BHL: 2200' FSL & 100' FEL, Sec 10

Design: Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Perazzi 9/10 W0LI Fed #1H WELL @ 3300.0usft (Original Well Elev) WELL @ 3300.0usft (Original Well Elev)

Grid

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)
15,500.0	89.29	89.86	9,359.0	1,405.5	6,057.9	6,190.1	0.00	0.00	0.00
15,600.0	89.29	89.86	9,360.2	1,405.7	6,157.8	6,289.2	0.00	0.00	0.00
15,700.0	89.29	89.86	9,361.4	1,406.0	6,257.8	6,388.4	0.00	0.00	0.00
15,800.0	89.29	89.86	9,362.7	1,406.2	6,357.8	6,487.5	0.00	0.00	0.00
15,900.0	89.29	89.86	9,363.9	1,406.5	6,457.8	6,586.7	0.00	0.00	0.00
16,000.0	89.29	89.86	9,365.1	1,406.7	6,557.8	6,685.8	0.00	0.00	0.00
16,100.0	89.29	89.86	9,366.4	1,407.0	6,657.8	6,785.0	0.00	0.00	0.00
16,200.0	89.29	89.86	9,367.6	1,407.2	6,757.8	6,884.2	0.00	0.00	0.00
16,300.0	89.29	89.86	9,368.8	1,407.5	6,857.8	6,983.3	0.00	0.00	0.00
16,400.0	89.29	89.86	9,370.1	1,407.7	6,957.8	7,082.5	0.00	0.00	0.00
16,500.0	89.29	89.86	9,371.3	1,408.0	7,057.8	7,181.6	0.00	0.00	0.00
	89.29	89.86	9,372.5	1,408.2		7,280.8	0.00	0.00	0.00
16,600.0 16,700.0	89.29 89.29	89.86	9,372.5 9,373.8	1,408.2 1,408.5	7,157.8 7,257.8	7,280.8 7,379.9	0.00	0.00	0.00
16,700.0	89.29 89.29	89.86	9,373.8 9,375.0	1,408.5 1,408.7	7,257.8 7,357.8	7,379.9 7,479.1	0.00	0.00	0.00
					,	7,479.1	0.00		
16,900.0 17,000.0	89.29 89.29	89.86 89.86	9,376.2 9,377.5	1,409.0 1,409.2	7,457.7 7,557.7	7,576.3 7,677.4	0.00	0.00 0.00	0.00 0.00
17,100.0	89.29	89.86	9,378.7	1,409.5	7,657.7	7,776.6	0.00	0.00	0.00
17,200.0	89.29	89.86	9,379.9	1,409.7	7,757.7	7,875.7	0.00	0.00	0.00
17,300.0	89.29	89.86	9,381.2	1,410.0	7,857.7	7,974.9	0.00	0.00	0.00
17,400.0	89.29	89.86	9,382.4	1,410.2	7,957.7	8,074.0	0.00	0.00	0.00
17,500.0	89.29	89.86	9,383.6	1,410.5	8,057.7	8,173.2	0.00	0.00	0.00
17,600.0	89.29	89.86	9,384.9	1,410.7	8,157.7	8,272.3	0.00	0.00	0.00
17,700.0	89.29	89.86	9,386.1	1,411.0	8,257.7	8,371.5	0.00	0.00	0.00
17,800.0	89.29	89.86	9,387.3	1,411.2	8,357.7	8,470.7	0.00	0.00	0.00
17,900.0	89.29	89.86	9,388.6	1,411.5	8,457.7	8,569.8	0.00	0.00	0.00
18,000.0	89.29	89.86	9,389.8	1,411.7	8,557.7	8,669.0	0.00	0.00	0.00
18,100.0	89.29	89.86	9,391.0	1,412.0	8,657.7	8,768.1	0.00	0.00	0.00
18,200.0	89.29	89.86	9,392.2	1,412.2	8,757.6	8,867.3	0.00	0.00	0.00
18,300.0	89.29	89.86	9,393.5	1,412.5	8,857.6	8,966.4	0.00	0.00	0.00
18,400.0	89.29	89.86	9,394.7	1,412.7	8,957.6	9,065.6	0.00	0.00	0.00
18,500.0	89.29	89.86	9,395.9	1,413.0	9,057.6	9,164.8	0.00	0.00	0.00
18,600.0	89.29	89.86	9,397.2	1,413.2	9,157.6	9,263.9	0.00	0.00	0.00
18,700.0	89.29	89.86	9,398.4	1,413.5	9,257.6	9,363.1	0.00	0.00	0.00
18,800.0	89.29	89.86	9,399.6	1,413.7	9,357.6	9,462.2	0.00	0.00	0.00
18,900.0	89.29	89.86	9,400.9	1,413.9	9,457.6	9,561.4	0.00	0.00	0.00
19,000.0	89.29	89.86	9,402.1	1,414.2	9,557.6	9,660.5	0.00	0.00	0.00
19,100.0	89.29	89.86	9.403.3	1,414.4	9,657.6	9,759.7	0.00	0.00	0.00
19,200.0	89.29	89.86	9,403.5	1,414.7	9,757.6	9,858.9	0.00	0.00	0.00
19,300.0	89.29	89.86	9,405.8	1,414.7	9,857.6	9,958.0	0.00	0.00	0.00
19,400.0	89.29	89.86	9,407.0	1,415.2	9,957.5	10,057.2	0.00	0.00	0.00
19,500.0	89.29	89.86	9,408.3	1,415.4	10,057.5	10,057.2	0.00	0.00	0.00
19,600.0	89.29	89.86	9,409.5	1,415.7	10,157.5	10,255.5	0.00	0.00	0.00
19,700.0	89.29	89.86	9,410.7	1,415.9	10,257.5	10,354.6	0.00	0.00	0.00
19,800.0	89.29	89.86	9,412.0	1,416.2	10,357.5	10,453.8	0.00	0.00	0.00
19,900.0 20,000.0	89.29 89.29	89.86 89.86	9,413.2 9,414.4	1,416.4 1,416.7	10,457.5 10,557.5	10,553.0 10,652.1	0.00 0.00	0.00 0.00	0.00 0.00
20,100.0 20,127.5	89.29	89.86	9,415.7	1,416.9	10,657.5	10,751.3	0.00	0.00	0.00
20 127 5	89.29	89.86	9,416.0	1,417.0	10,685.0	10,778.5	0.00	0.00	0.00

Database: Hobbs

Company: Mewbourne Oil Company

Project: Eddy County, New Mexico NAD 83
Site: Perazzi 9/10 W0LI Fed #1H

Well: Sec 8, T20S, R29E

**Wellbore:** BHL: 2200' FSL & 100' FEL, Sec 10

Design: Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Perazzi 9/10 W0LI Fed #1H

WELL @ 3300.0usft (Original Well Elev) WELL @ 3300.0usft (Original Well Elev)

Grid

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SHL: 810' FSL & 210' FE - plan hits target cen - Point	0.00 ter	0.00	0.0	0.0	0.0	575,895.00	616,504.00	32.5829524	-104.0892951
KOP: 2200' FSL & 380' F - plan hits target cen - Point	0.00 ter	0.00	8,810.5	1,390.0	-173.0	577,285.00	616,331.00	32.5867743	-104.0898464
LP/FTP: 2200' FSL & 10 - plan hits target cen - Point	0.00 ter	0.00	9,288.0	1,391.2	298.6	577,286.20	616,802.60	32.5867746	-104.0883152
BHL: 2200' FSL & 100' F - plan hits target cen - Point	0.00 ter	0.01	9,416.0	1,417.0	10,685.0	577,312.00	627,189.00	32.5867752	-104.0545930

Inten	t X	As Dril	led											
API#	!													
	Operator Name:  Mewbourne Oil Co.					Property Name: Perazzi 9/10 W0LI Fed								Well Number 1H
V: al. (	Off Daint	(KOD)												
	Off Point	1	Danas	1.54	Гооф								Carratur	
UL I	Section Township Range Lot Feet 29E 2200				From N/S Feet 380					County Eddy				
32.	<sup>ude</sup> 586774	13			Longitu -104.		8464						NAD 83	
First <sup>-</sup>	Take Poir	nt (FTP)												
UL I	Section 9	Township 20S	Range 29E	Lot	Feet 2200		From N	I/S	Feet 100		Fron	n E/W	County <b>Eddy</b>	
Latit	Latitude Lo				Longitu	Longitude -104.0883152							NAD 83	
Last 1	Section	Township 20S	Range 29E	Lot	Feet 2200	From N/S Feet From E/W County S 100 E Eddy								
Latitu 32.	ude 586774	12			Longitu	ngitude NAD 04.0545947 83								
Is this	s well the	e defining v	vell for th	e Horiz	zontal Sp	oacin	g Unit?	E	Y	]				
Is this	s well an	infill well?		N	]									
Spaci	ng Unit.	lease prov	ide API if	availab	le, Oper	rator	Name a	and v	vell n	umbe	r for I	Definir	ng well fo	r Horizontal
API#	ł													
Ope	rator Na	me:	1			Pro	perty N	ame:	;					Well Number

KZ 06/29/2018

# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | MEWBOURNE OIL COMPANY

LEASE NO.: | NMNM017221

WELL NAME & NO.: PERAZZI 9-10 W0LI FED 1H

**SURFACE HOLE FOOTAGE:** 810'/S & 210'/E **BOTTOM HOLE FOOTAGE** 2200'/S & 100'/E

LOCATION: SECTION 8, T20S, R29E, NMP COUNTY: Eddy County, New Mexico

COA

H2S	© Yes	O No	
Potash	None	© Secretary	© R-111-P
Cave/Karst Potential	C Low	© Medium	• High
Cave/Karst Potential	© Critical		
Variance	© None	Flex Hose	Other Other
Wellhead	© Conventional	• Multibowl	© Both
Other	✓ 4 String Area	Capitan Reef	□WIPP
Other	Fluid Filled	Cement Squeeze	Pilot Hole
Special Requirements	☐ Water Disposal	□ COM	□ Unit

#### A. HYDROGEN SULFIDE

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

#### **B. CASING**

#### Casing Design:

- 1. The **20** inch surface casing shall be set at approximately **350** feet (a minimum of **70 feet (Eddy County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after

- completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

# First intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 2. The 13-3/8 inch first intermediate casing shall be set at approximately 1320 feet. The minimum required fill of cement behind the 13-3/8 inch first intermediate casing is:
  - Cement to surface. If cement does not circulate see B.1.a, c-d above.
     Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
     Excess cement calculates to 19%, additional cement might be required.
  - ❖ In <u>High Cave/Karst Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
  - ❖ In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
  - ❖ Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following: (Use this for 3 string wells in the Capitan Reef, if 4 string well ensure FW based mud used across the capitan interval)
    - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
    - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

3. The 9-5/8 inch second intermediate casing shall be set at approximately 3220 feet. The minimum required fill of cement behind the 9-5/8 inch second intermediate casing is:

#### **Option 1 (Single Stage):**

Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
 Excess cement calculates to -36%, additional cement might be required.

#### **Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

Excess cement calculates to 17%, additional cement might be required.

- b. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

- 4. The minimum required fill of cement behind the 7 inch production casing is:
  - Cement should tie-back at least **50 feet** on top of Capitan Reef top. If cement does not circulate see B.1.a, c-d above.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

- 5. The minimum required fill of cement behind the 4-1/2 inch production liner is:
  - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

#### C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
  - 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
  - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

# **GENERAL REQUIREMENTS**

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

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
  - Eddy County Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
  - Lea County Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after

installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).

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

#### A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for

- details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

#### B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP
- d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
- e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
  - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, no tests shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
  - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
  - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE.

If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

#### C. DRILLING MUD

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

#### D. WASTE MATERIAL AND FLUIDS

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

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

#### OTA04012021

# PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

# MEWBOURNE OIL COMPANY

North Well Pad (Overlapping Henry 8IL Federal 8 IL 1H)
Lease Number NMNM017221

#### PERAZZI 9/10 B3MP FED H1

Surface Hole Location: 780' FSL & 210' FEL, Section 8, T. 20 S., R. 29 E. Bottom Hole Location: 1310' FSL &100' FEL, Section 10, T. 20 S, R 29 E.

#### PERAZZI 9/10 W0LI FED H1

Surface Hole Location: 810' FSL & 210' FEL, Section 8, T. 20 S., R. 29 E. Bottom Hole Location: 2200' FSL &100' FEL, Section 10, T. 20 S, R 29 E.

#### PERAZZI 9/10 W0MP FED H1

Surface Hole Location: 750' FSL & 210' FEL, Section 8, T. 20 S., R. 29 E. Bottom Hole Location: 440' FSL &100' FEL, Section 10, T. 20 S, R 29 E.

#### <u>South Well Pad (Overlapping the Henry 8 PM Federal 1H)</u> Lease Number NMNM0556290

#### PERAZZI 9/10 B2LI FED H1

Surface Hole Location: 1650' FSL & 50' FWL, Section 9, T. 20 S., R. 29 E. Bottom Hole Location: 1650' FSL &100' FEL, Section 10, T. 20 S, R 29 E.

#### PERAZZI 9/10 B2MP FED H1

Surface Hole Location: 1650' FSL & 50' FWL, Section 9, T. 20 S., R. 29 E. Bottom Hole Location: 500' FSL &100' FEL, Section 10, T. 20 S, R 29 E.

**Eddy County, New Mexico** 

# **TABLE OF CONTENTS**

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

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
Noxious Weeds
Special Requirements
Watershed
Cave/Karst
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
□ Road Section Diagram
□ Production (Post Drilling)
Well Structures & Facilities
Pipelines
☐ Interim Reclamation
☐ Final Abandonment & Reclamation

#### I. GENERAL PROVISIONS

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

#### II. PERMIT EXPIRATION

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

# III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

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

#### IV. NOXIOUS WEEDS

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

acceptable weed control methods, which include following EPA and BLM requirements and policies.

# V. SPECIAL REQUIREMENT(S)

### **Watershed**

- The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed.
- Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion.

### Cave and Karst

\*\* Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

# **Cave/Karst Surface Mitigation**

The following stipulations will be applied to minimize impacts during construction, drilling and production:

#### Construction:

#### **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.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

#### Pad Construction:

- The pad will be constructed and leveled by adding the necessary fill and caliche – no blasting.
- 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.
- 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.
- 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 vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

# **Tank Battery Construction:**

- The pad will be constructed and leveled by adding the necessary fill and caliche – no blasting.
- All tank battery locations and facilities will be lined and bermed.
- The liner should be at least 20 mil in thickness and installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures.
- Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

#### **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.

#### **Powerline Construction:**

 Smaller powerlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface

- voids and to minimize changes to runoff or possible leaks and spills from entering karst systems.
- Larger powerlines will adjust their pole spacing to avoid cave and karst features.
- Special restoration stipulations or realignment may be required if subsurface voids are encountered.

#### **Surface Flowlines Installation:**

 Flowlines will be routed around sinkholes and other karst features to minimize the possibility of leaks/spills from entering the karst drainage system.

### **Leak Detection System:**

- A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present.
- A leak detection plan will be submitted to BLM that incorporates an automatic shut off system (see below) to minimize the effects of an undesirable event that could negatively sensitive cave/karst resources.
- Well heads, pipelines (surface and buried), storage tanks, and all supporting equipment should be monitored regularly after installation to promptly identify and fix leaks.

# **Automatic Shut-off Systems:**

 Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

# Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and groundwater concerns:

# Closed Loop System:

- A closed loop system using steel tanks will be utilized during drilling no pits
- All fluids and cuttings will be hauled off-site and disposed of properly at an authorized site

#### **Rotary Drilling with Fresh Water:**

 Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

#### **Directional Drilling:**

 The kick off point for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

#### **Lost Circulation:**

- ALL lost circulation zones between surface and the base of the cave occurrence zone will be logged and reported in the drilling report.
- If a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, regardless of the type of drilling machinery used, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

# **Abandonment Cementing:**

- Additional plugging conditions of approval may be required upon well abandonment in high and medium karst potential occurrence zones.
- The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

## **Pressure Testing:**

- The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice.
- If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

#### VI. CONSTRUCTION

#### A. NOTIFICATION

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

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

#### B. TOPSOIL

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

Page 7 of 19

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

#### C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

#### D. FEDERAL MINERAL MATERIALS PIT

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

#### E. WELL PAD SURFACING

Surfacing of the well pad is not required.

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

# F. EXCLOSURE FENCING (CELLARS & PITS)

#### **Exclosure Fencing**

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

## G. ON LEASE ACCESS ROADS

#### **Road Width**

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

#### Surfacing

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

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

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

#### Crowning

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

# Ditching

Ditching shall be required on both sides of the road.

#### **Turnouts**

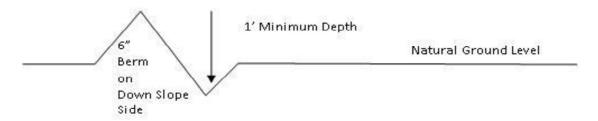
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

# Drainage

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

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

# **Cross Section of a Typical Lead-off Ditch**



Page 9 of 19

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

#### Formula for Spacing Interval of Lead-off Ditches

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

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

# Cattle guards

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

## Fence Requirement

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

# **Public Access**

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

# **Construction Steps**

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

paved surface

.02 - .03 ft/ft

center line of roadway shoulder turnout 10' transition 100 full turnout width Intervisible turnouts shall be constructed on all single lane roads on all blind curves with additional tunouts as needed to keep spacing below 1000 feet. **Typical Turnout Plan** crown natural ground **Level Ground Section** road crown type earth surface .03 - .05 ft/ft aggregate surface .02 - .04 ft/ft

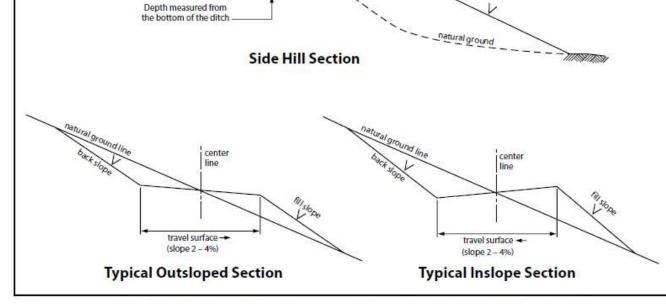


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

# VII. PRODUCTION (POST DRILLING)

#### A. WELL STRUCTURES & FACILITIES

#### **Placement of Production Facilities**

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

# **Exclosure Netting (Open-top Tanks)**

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

# Chemical and Fuel Secondary Containment and Exclosure Screening

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

#### **Open-Vent Exhaust Stack Exclosures**

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production

equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

#### **Containment Structures**

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

## **Painting Requirement**

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

#### B. PIPELINES

#### **BURIED PIPELINE STIPULATIONS**

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

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

- The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filling of the reports to the involved Federal agency or State government.

- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.
- 5. All construction and maintenance activity will be confined to the authorized right-of-way.
- 6. The pipeline will be buried with a minimum cover of <u>36</u> inches between the top of the pipe and ground level.
- 7. The maximum allowable disturbance for construction in this right-of-way will be **30** feet:
  - Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (Blading is defined as the complete removal of brush and ground vegetation.)
  - Clearing of brush species within the right-of-way will be allowed:
     maximum width of clearing operations will not exceed <u>30</u> feet. The trench
     and bladed area are included in this area. (Clearing is defined as the
     removal of brush while leaving ground vegetation (grasses, weeds, etc.)
     intact. Clearing is best accomplished by holding the blade 4 to 6 inches
     above the ground surface.)

- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (Compressing can be caused by vehicle tires, placement of equipment, etc.)
- 8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately \_\_\_6\_\_ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
- 9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

$\boxtimes$	Seed M	ixture	1
	Seed M	ixture	2
	Seed M	ixture	2/LPC
	Seed M	ixture	3
	Seed M	ixture	4
	Seed M	ixture	<b>Aplomado Falcon Mixture</b>

Page 15 of 19

- 13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" - Shale Green, Munsell Soil Color No. 5Y 4/2.
- 14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.
- 15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.
- 16. Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. 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 the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 17 for more information.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

- 17. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."
- 18. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 19. 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.
- 20. 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 at least 100 yards from the trench.

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

#### VIII. INTERIM RECLAMATION

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

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

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

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

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

#### IX. FINAL ABANDONMENT & RECLAMATION

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

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

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

accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

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

# **Seed Mixture 1 for Loamy Sites**

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

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

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

#### Species

	<u>lb/acre</u>
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

<sup>\*</sup>Pounds of pure live seed:

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

# Hydrogen Sulfide Drilling Operations Plan Mewbourne Oil Company

#### 1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H2S were found. MOC will have on location and working all H2S safety equipment before the Delaware formation for purposes of safety and insurance requirements.

### 2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1. The hazards and characteristics of hydrogen sulfide gas.
- 2. The proper use of personal protective equipment and life support systems.
- 3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

#### 3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 9 5/8" intermediate casing.

#### 1. Well Control Equipment

- A. Choke manifold with minimum of one adjustable choke/remote choke.
- B. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- C. Auxiliary equipment including annular type blowout preventer.
- 2. Protective Equipment for Essential Personnel

Thirty minute self contained work unit located in the dog house and at briefing areas.

Additionally: If H2S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas. If higher concentrations of H2S are detected the well will be shut in and a rotating head, mud/gas separator, remote choke and flare line with igniter will be installed.

#### 3. <u>Hydrogen Sulfide Protection and Monitoring Equipment</u>

Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.

#### 4. Visual Warning Systems

- A. Wind direction indicators as indicated on the wellsite diagram.
- B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

## 4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

# 5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

#### 6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

## 7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

#### 8. Emergency Phone Numbers

<b>Eddy County Sheriff's Office</b>	911 or 575-887-7551
Ambulance Service	911 or 575-885-2111
Carlsbad Fire Dept	911 or 575-885-2111
Loco Hills Volunteer Fire Dept.	911 or 575-677-3266
Closest Medical Facility - Columbia Medical Center	of Carlsbad 575-492-5000

Mewbourne Oil Company	Hobbs District Office Fax 2 <sup>nd</sup> Fax	575-393-5905 575-397-6252 575-393-7259
District Manager	Robin Terrell	575-390-4816
<b>Drilling Superintendent</b>	Frosty Lathan	575-390-4103
	Bradley Bishop	575-390-6838
<b>Drilling Foreman</b>	Wesley Noseff	575-441-0729

Received by OCD: 4/19/2021 9:19:30 AM

Page 54 of 81

**Operator Name: MEWBOURNE OIL COMPANY** 

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

Waste type: SEWAGE

Waste content description: Human waste & grey water

Amount of waste: 1500 gallons

Waste disposal frequency: Weekly

Safe containment description: 2,000 gallon plastic container

Safe containment attachment:

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

**FACILITY** 

Disposal type description:

Disposal location description: City of Carlsbad Water Treatment facility

Waste type: GARBAGE

Waste content description: Garbage & trash

Amount of waste: 1500 pounds

Waste disposal frequency: One Time Only

Safe containment description: Enclosed trash trailer

Safe containment attachment:

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

**FACILITY** 

Disposal type description:

Disposal location description: Waste Management facility in Carlsbad.

#### **Reserve Pit**

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

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

Reserve pit depth (ft.) Reserve pit volume (cu. yd.)

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

Reserve pit liner

Reserve pit liner specifications and installation description

# **Cuttings Area**

Cuttings Area being used? NO

Are you storing cuttings on location? NO

**Operator Name: MEWBOURNE OIL COMPANY** 

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

**Description of cuttings location** 

Cuttings area length (ft.) Cuttings area width (ft.)

Cuttings area depth (ft.) Cuttings area volume (cu. yd.)

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

WCuttings area liner

Cuttings area liner specifications and installation description

# **Section 8 - Ancillary Facilities**

Are you requesting any Ancillary Facilities?: NO

**Ancillary Facilities attachment:** 

#### **Comments:**

# **Section 9 - Well Site Layout**

Well Site Layout Diagram:

Perazzi9\_10W0LIFed1H\_wellsitelayout\_20190531083209.pdf

**Comments:** 

# **Section 10 - Plans for Surface Reclamation**

Type of disturbance: New Surface Disturbance Multiple Well Pad Name: PERAZZI 9/10 LI & MP FED

Multiple Well Pad Number: 3

Recontouring attachment:

Drainage/Erosion control construction: None

Drainage/Erosion control reclamation: None

Well pad proposed disturbance

(acres): 4.22

Road proposed disturbance (acres):

Powerline proposed disturbance

(acres): 0

Pipeline proposed disturbance

(acres): 0

Other proposed disturbance (acres): 0

Total proposed disturbance: 5.92

Road interim reclamation (acres): 0

Powerline interim reclamation (acres): Powerline long term disturbance

Pipeline interim reclamation (acres):

2.9593663

Other interim reclamation (acres): 0

**Total interim reclamation:** 4.559366

Well pad interim reclamation (acres): Well pad long term disturbance

(acres): 2.62

Road long term disturbance (acres): 0

(acres): 0

Pipeline long term disturbance

(acres): 2.9593663

Other long term disturbance (acres): 0

Total long term disturbance: 5.579366



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

# **Drilling Plan Data Report** 04/13/2021

APD ID: 10400042011

**Submission Date:** 08/29/2019

Highlighted data reflects the most recent changes

Well Name: PERAZZI 9/10 W0LI FED

**Operator Name: MEWBOURNE OIL COMPANY** 

Well Number: 1H

**Show Final Text** 

Well Work Type: Drill

Well Type: OIL WELL

# **Section 1 - Geologic Formations**

Formation			True Vertical				Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	
460515	UNKNOWN	3273	27	27	1 12	NONE	N
460526	TOP SALT	2733	540	540	SALT	NONE	N
460516	BOTTOM SALT	2343	930	930	SALT	NONE	N
460528	YATES	2158	1115	1115	SANDSTONE	NATURAL GAS, OIL	N
460530	CAPITAN REEF	1928	1345	1345	DOLOMITE, LIMESTONE	USEABLE WATER	N
460521	LAMAR	123	3150	3150	LIMESTONE	NATURAL GAS, OIL	N
460514	BONE SPRING	-2527	5800	5800	LIMESTONE, SHALE	NATURAL GAS, OIL	N
460517	BONE SPRING 1ST	-3677	6950	6950	SANDSTONE	NATURAL GAS, OIL	N
460518	BONE SPRING 2ND	-4271	7544	7544	SANDSTONE	NATURAL GAS, OIL	N
520446	BONE SPRING 3RD	-5527	8800	8800	SANDSTONE	NATURAL GAS, OIL	N
520447	WOLFCAMP	-5937	9210	9210	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

# **Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M Rating Depth: 20128

Equipment: Annular, Pipe Ram, Blind Ram

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. Anchors are not required by manufacturer. A variance is also requested for the use of a multibowl wellhead. Please see attached schematics.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly

Page 1 of 7



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

# **Drilling Plan Data Report** 04/13/2021

APD ID: 10400042011

**Submission Date:** 08/29/2019

Highlighted data reflects the most recent changes

**Operator Name: MEWBOURNE OIL COMPANY** 

Well Name: PERAZZI 9/10 W0LI FED

Well Number: 1H

**Show Final Text** 

Well Type: OIL WELL

Well Work Type: Drill

# **Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
460515	UNKNOWN	3273	27	27	Zianoi ogioc	NONE	N
460526	TOP SALT	2733	540	540	SALT	NONE	N
460516	BOTTOM SALT	2343	930	930	SALT	NONE	N
460528	YATES	2158	1115	1115	SANDSTONE	NATURAL GAS, OIL	N
460530	CAPITAN REEF	1928	1345	1345	DOLOMITE, LIMESTONE	USEABLE WATER	N
460521	LAMAR	123	3150	3150	LIMESTONE	NATURAL GAS, OIL	N
460514	BONE SPRING	-2527	5800	5800	LIMESTONE, SHALE	NATURAL GAS, OIL	N
460517	BONE SPRING 1ST	-3677	6950	6950	SANDSTONE	NATURAL GAS, OIL	N
460518	BONE SPRING 2ND	-4271	7544	7544	SANDSTONE	NATURAL GAS, OIL	N
520446	BONE SPRING 3RD	-5527	8800	8800	SANDSTONE	NATURAL GAS, OIL	N
520447	WOLFCAMP	-5937	9210	9210	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

# **Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M Rating Depth: 20128

Equipment: Annular, Pipe Ram, Blind Ram

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. Anchors are not required by manufacturer. A variance is also requested for the use of a multibowl wellhead. Please see attached schematics.

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly

Page 1 of 7

**Operator Name: MEWBOURNE OIL COMPANY** 

Well Name: PERAZZI 9/10 W0LI FED Well Number: 1H

cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

# **Choke Diagram Attachment:**

Perazzi\_9\_10\_W0LI\_Fed\_1H\_5M\_BOPE\_Choke\_Diagram\_20190821154232.pdf

 $Perazzi\_9\_10\_W0LI\_Fed\_1H\_Flex\_Line\_Specs\_20190821154232.pdf$ 

Perazzi\_9\_10\_W0LI\_Fed\_Com\_1H\_Flex\_Line\_Specs\_API\_16C\_20200820085922.pdf

# **BOP Diagram Attachment:**

Perazzi\_9\_10\_W0LI\_Fed\_1H\_5M\_BOPE\_Schematic\_20190821154253.pdf

Perazzi\_9\_10\_W0LI\_Fed\_1H\_Multi\_Bowl\_WH\_20190821154253.pdf

# **Section 3 - Casing**

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	26	20.0	NEW	API	N	0	330	0	330	3300		330	J-55	94	BUTT	3.61	14.6 4	DRY	45.2	DRY	47.7 1
2	INTERMED IATE	17.5	13.375	NEW	API	N	0	1250	0	1250	3300		1250	H-40	48	ST&C	1.18	2.66	DRY	5.37	DRY	9.02
3	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	3075	0	3075	3300		3075	J-55	36	LT&C	1.26	2.2	DRY	4.09	DRY	5.09
4	PRODUCTI ON	8.75	7.0	NEW	API	N	0	9600	0	9266	3300		10000	P- 110	26	LT&C	1.62	2.13	DRY	2.78	DRY	3.33
5	LINER	6.12 5	4.5	NEW	API	N	8996	20128	8811	9416			11132	P- 110	13.5	LT&C	1.68	1.95	DRY	2.25	DRY	2.81

# **Casing Attachments**



PHONE: 361-887-9807 FAX: 361-887-0812

EMAIL: Tim.Cantu@gates.com

WEB: www.gates.com

## **10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE**

Customer : Customer Ref. :

Invoice No.:

AUSTIN DISTRIBUTING

4060578 500506 Test Date:

Hose Serial No.: Created By: 4/30/2015

D-043015-7 JUSTIN CROPPER

Product Description:

10K3.548.0CK4.1/1610KFLGE/E LE

End Fitting 1:

Gates Part No.: 47

Working Pressure :

4 1/16 10K FLG 4773-6290

10,000 PSI

End Fitting 2:

Assembly Code:

Test Pressure:

4 1/16 10K FLG

L36554102914D-043015-7

15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager:

Date:

Signature:

QUALITY

4/30/2015

Produciton:

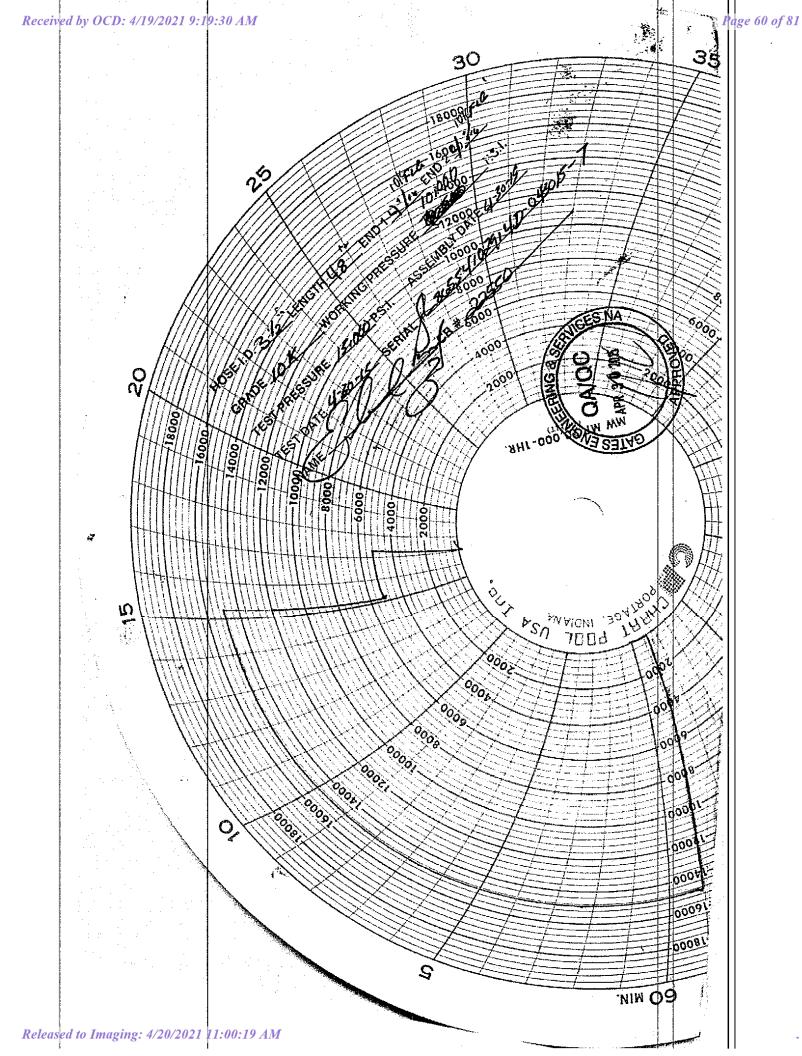
Date:

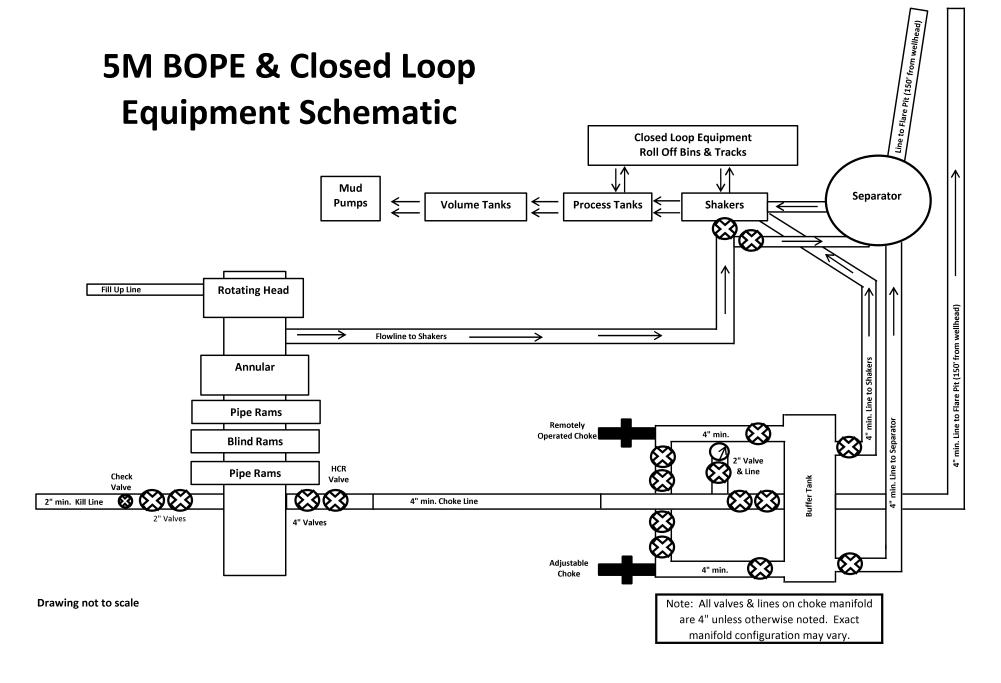
Signature :

PRODUCTION

4/30/2015









PHONE: 361-887-9807 FAX: 361-887-0812

EMAIL: Tim.Cantu@gates.com

WEB: www.gates.com

## **10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE**

Customer : Customer Ref. :

AUSTIN DISTRIBUTING

Hose Serial No.:

4/30/2015

Invoice No. :

4060578 500506

Created By:

Test Date:

D-043015-7 JUSTIN CROPPER

Product Description:

10K3.548.0CK4.1/1610KFLGE/E LE

End Fitting 1:

Working Pressure:

Gates Part No. :

4 1/16 10K FLG 4773-6290 10,000 PSI End Fitting 2:

Assembly Code:

Test Pressure:

4 1/16 10K FLG

L36554102914D-043015-7

15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager:

Date:

Signature:

QUALITY

4/30/2015

Produciton:

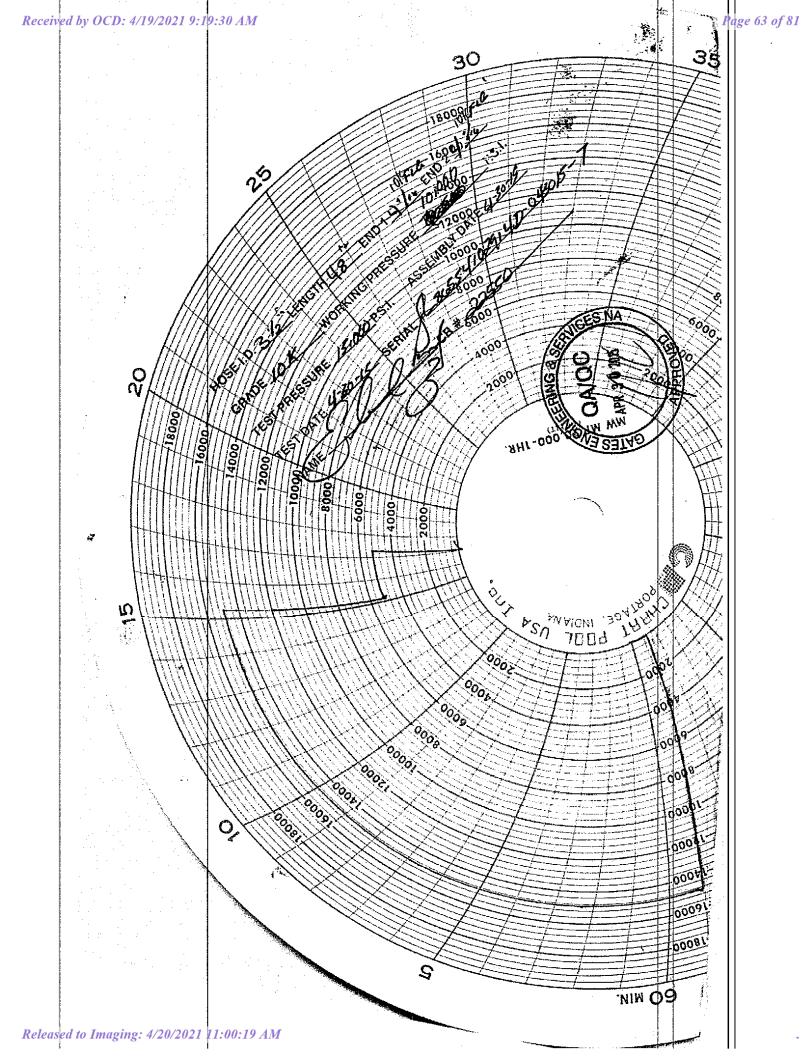
Date:

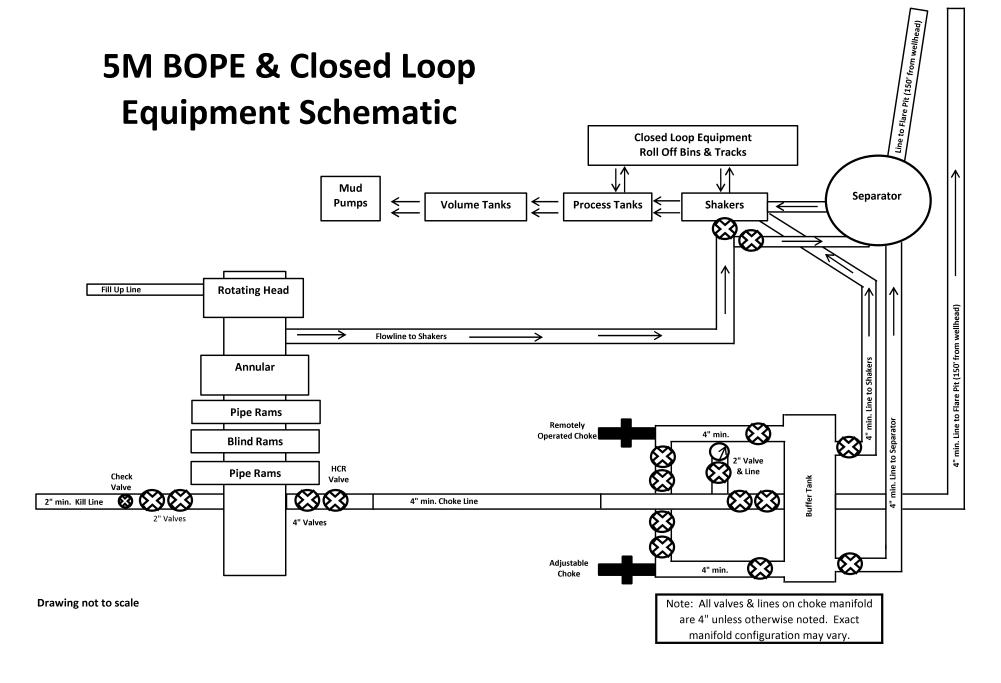
Signature :

PRODUCTION

4/30/2015









PHONE: 361-887-9807 FAX: 361-887-0812

EMAIL: Tim.Cantu@gates.com

www.gates.com

## **10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE**

Customer: Customer Ref.:

Invoice No.:

**AUSTIN DISTRIBUTING** 

4060578

500506

Test Date:

Hose Serial No.:

Created By:

4/30/2015

D-043015-7

JUSTIN CROPPER

Product Description:

10K3.548.0CK4.1/1610KFLGE/E LE

End Fitting 1:

Gates Part No.:

Working Pressure:

4 1/16 10K FLG 4773-6290

10,000 PSI

End Fitting 2:

Assembly Code:

Test Pressure:

4 1/16 10K FLG

L36554102914D-043015-7

15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager:

Date:

Signature:

QUALITY

4/30/2015

Produciton:

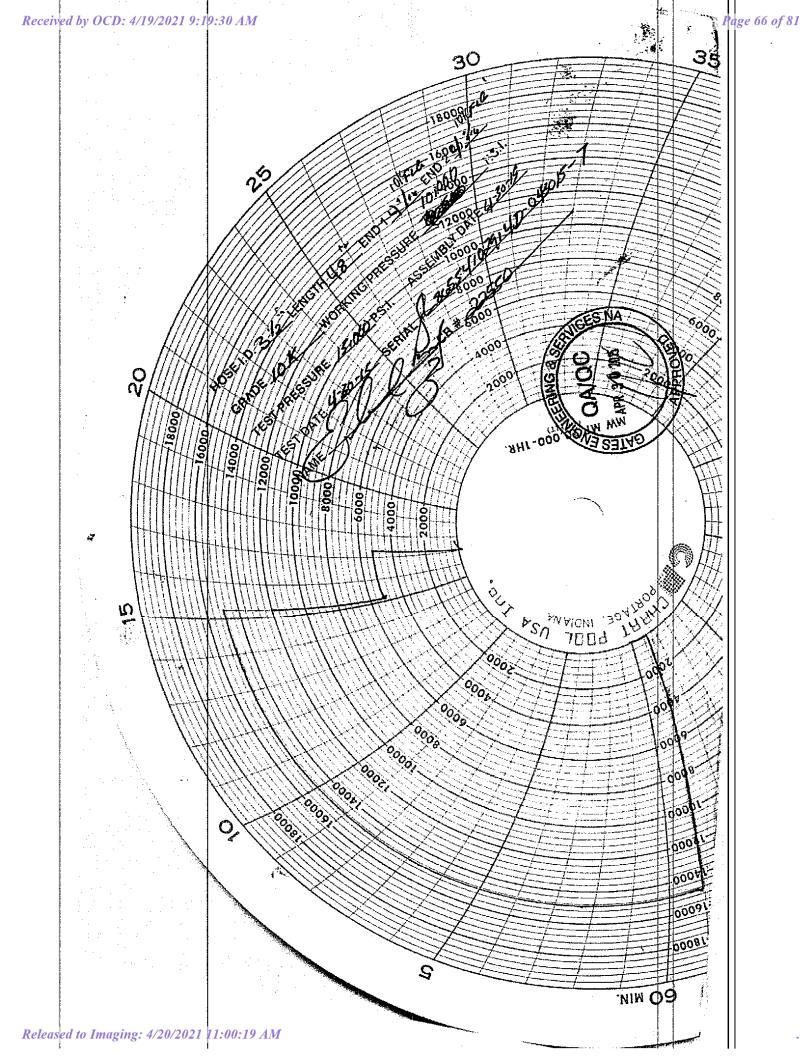
Date:

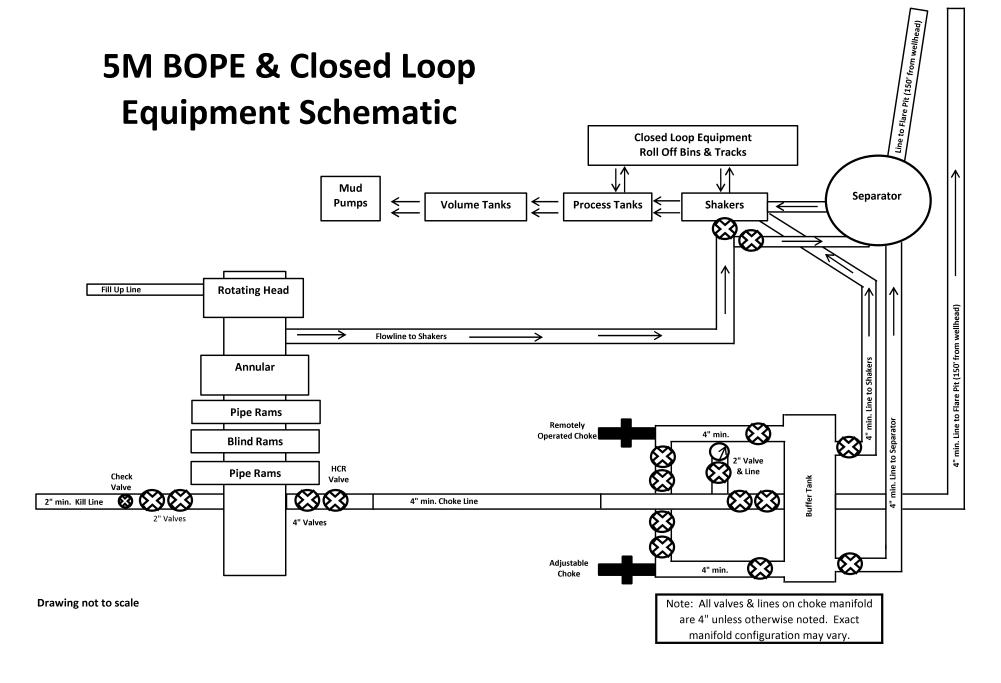
Signature :

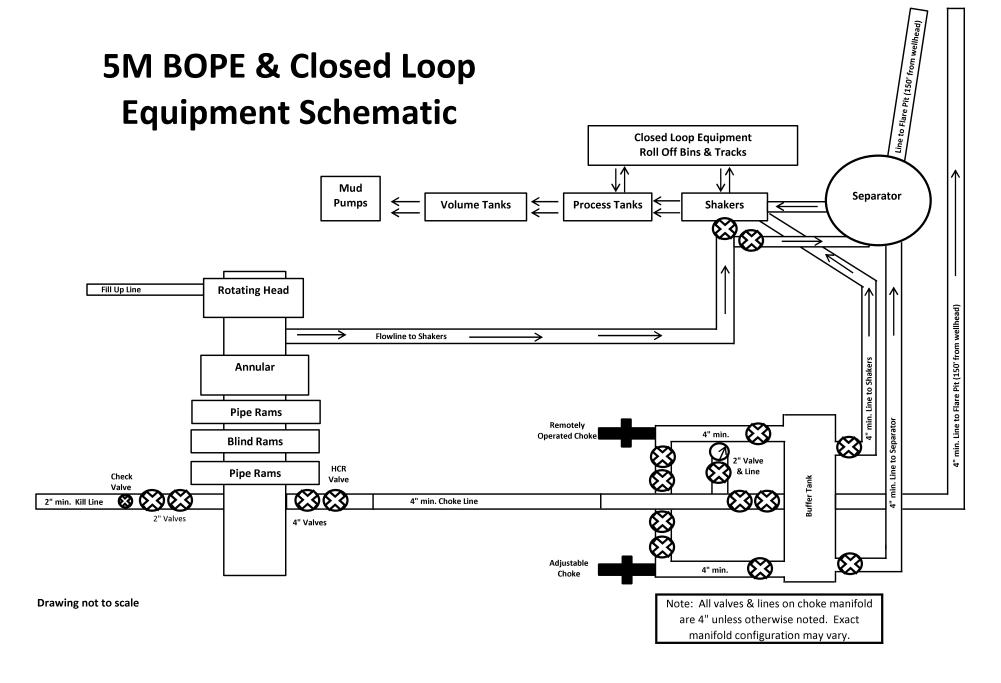
**PRODUCTION** 

4/30/2015











PHONE: 361-887-9807 FAX: 361-887-0812

EMAIL: Tim.Cantu@gates.com

www.gates.com

# **10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE**

Customer:

**AUSTIN DISTRIBUTING** 

Test Date: Hose Serial No.:

4/30/2015 D-043015-7

Customer Ref.: Invoice No.:

4060578 500506

Created By:

JUSTIN CROPPER

Product Description:

10K3.548.0CK4.1/1610KFLGE/E LE

End Fitting 1:

4 1/16 10K FLG 4773-6290 Gates Part No.:

End Fitting 2:

4 1/16 10K FLG

Working Pressure:

10,000 PSI

Assembly Code:

L36554102914D-043015-7

Test Pressure:

15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager:

Date:

Signature:

QUALITY

4/30/2015

Produciton:

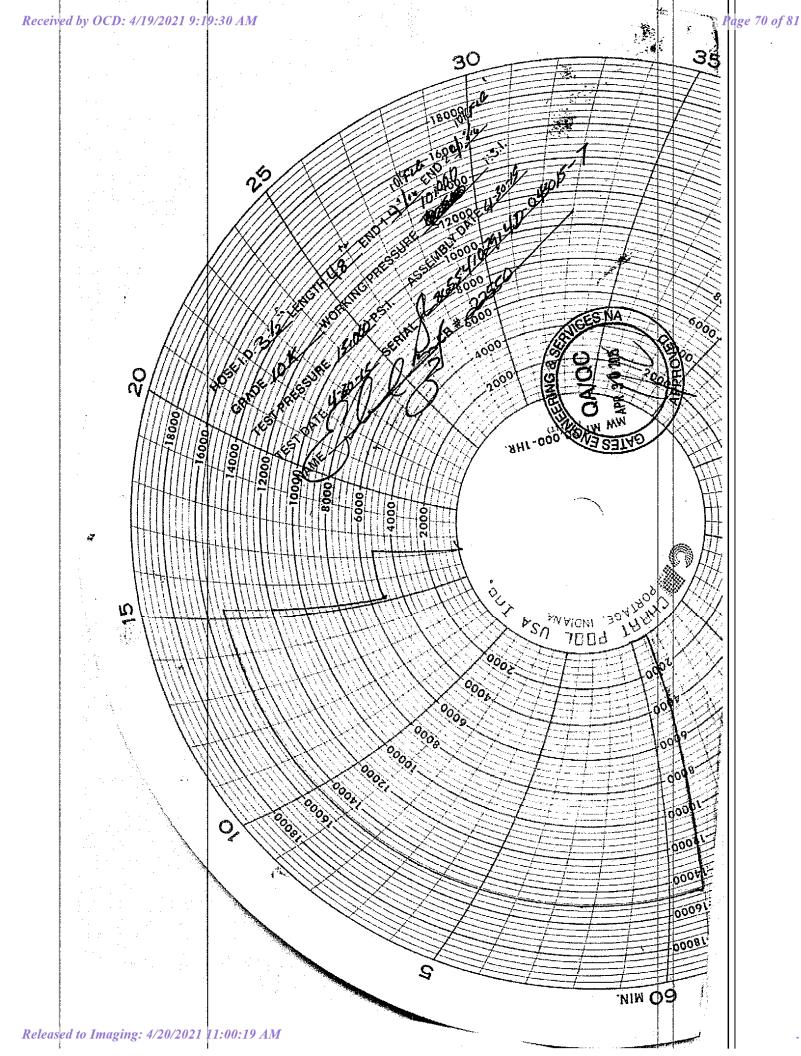
Date:

Signature :

**PRODUCTION** 

4/30/2015







GATES ENGINEERING & SERVICES NORTH AMERICA 7603 Prairie Oak Dr. Houston, TX 77086 PHONE: (281) 602 - 4119

FAX:

EMAIL: Troy.Schmidt@gates.com

WEB: www.gates.com

# **10K CHOKE & KILL ASSEMBLY PRESSURE TEST CERTIFICATE**

A-7 AUSTIN INC DBA AUSTIN HOSE Test Date: 8/20/2018 Customer: Hose Serial No.: H-082018-10 Customer Ref .: 4101901 Created By: Moosa Nagvi Invoice No.: 511956 10KF3.035.0CK41/1610KFLGFXDxFLT\_L/E Product Description: End Fitting 1: 4 1/16 in. Fixed Flange End Fitting 2: 4 1/16 in. Float Flange Assembly Code: L40695052218H-082018-10 Gates Part No.: 68503010-9721632 Test Pressure: 15,000 psi. Working Pressure: 10,000 psi.

Gates Engineering & Services North America certifies that the following hose assembly has successfully passed all pressure testing requirements set forth in Gates specifications: GTS-04-052 (for 5K assemblies) or GTS-04-053 (10K assemblies), which include reference to Specification API 16C (2nd Edition); sections 7.5.4, 7.5.9, and 10.8.7. A test graph will accompany this test certificate to illustrate conformity to test requirements.

Quality:

Date:

QUALITY

8/20/2018

Signature:

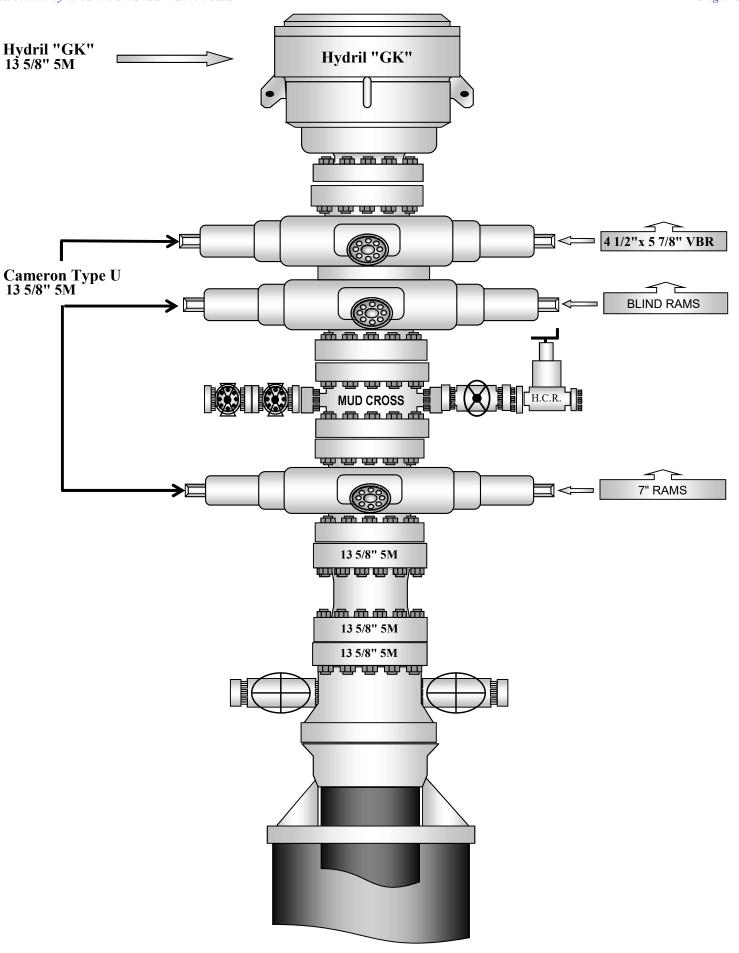
Production:

Date :

Signature:

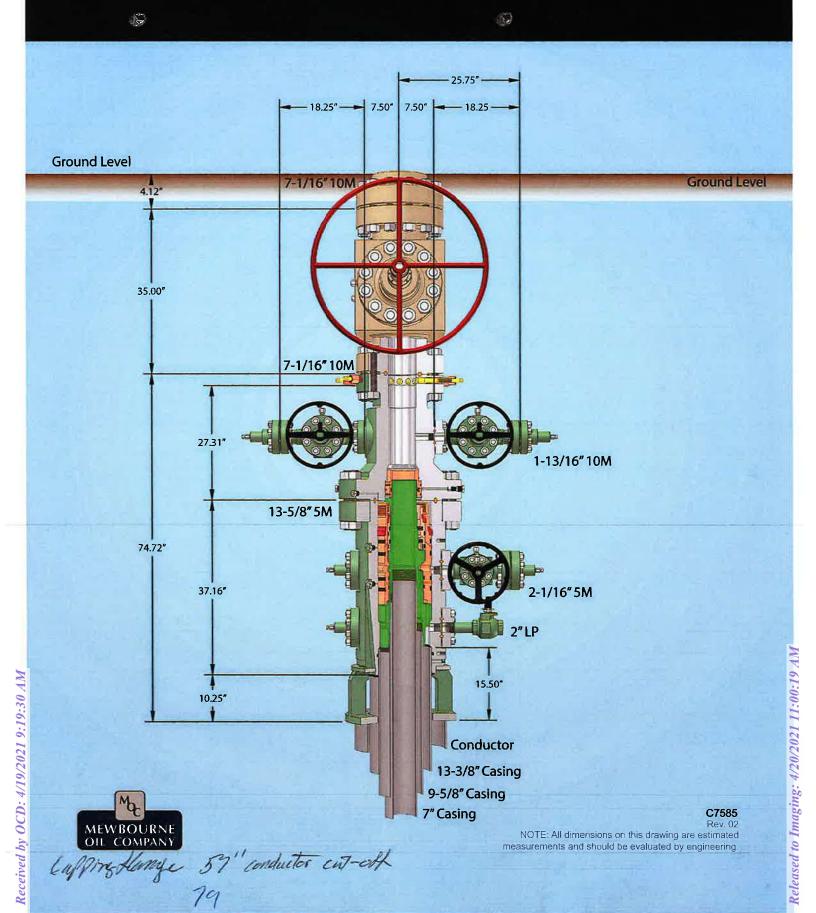
8/20/2018

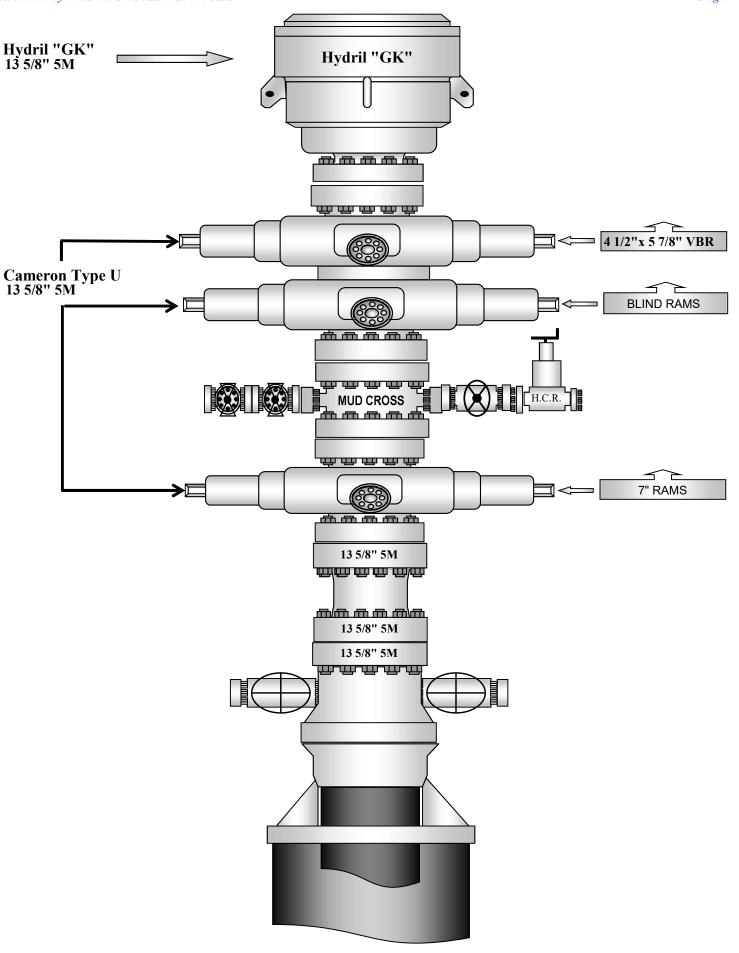






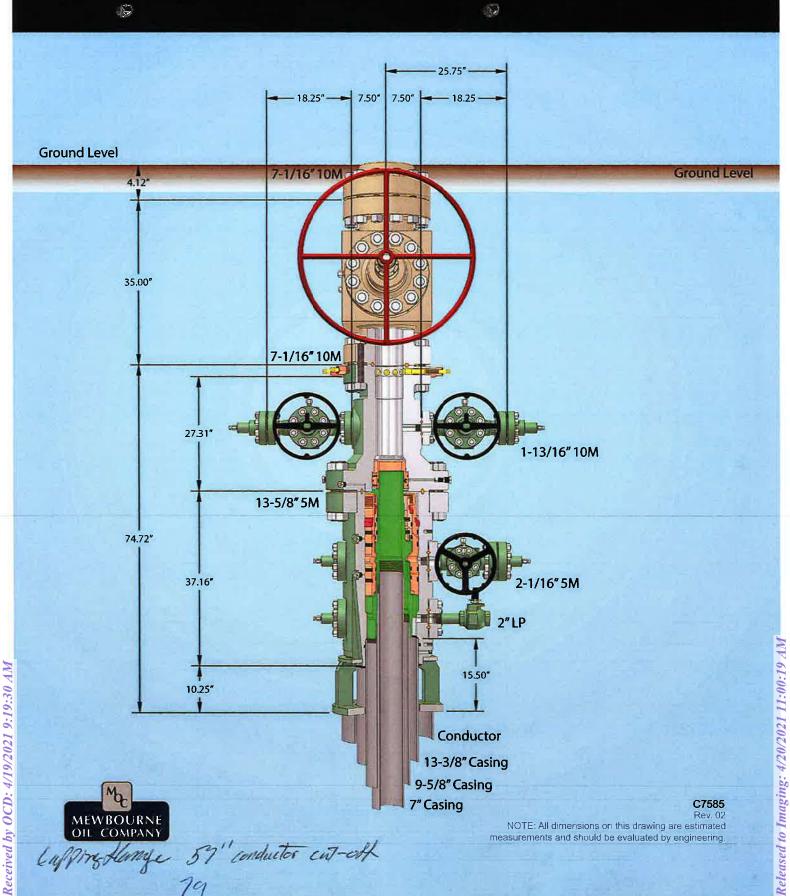
# 13-5/8" MN-DS Wellhead System





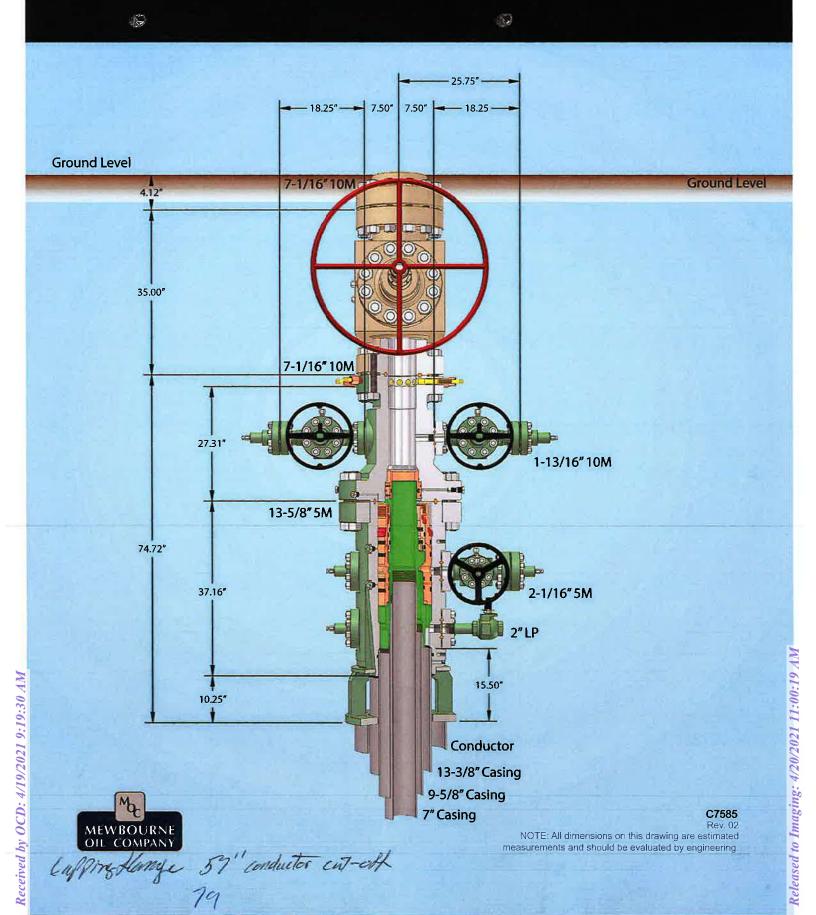


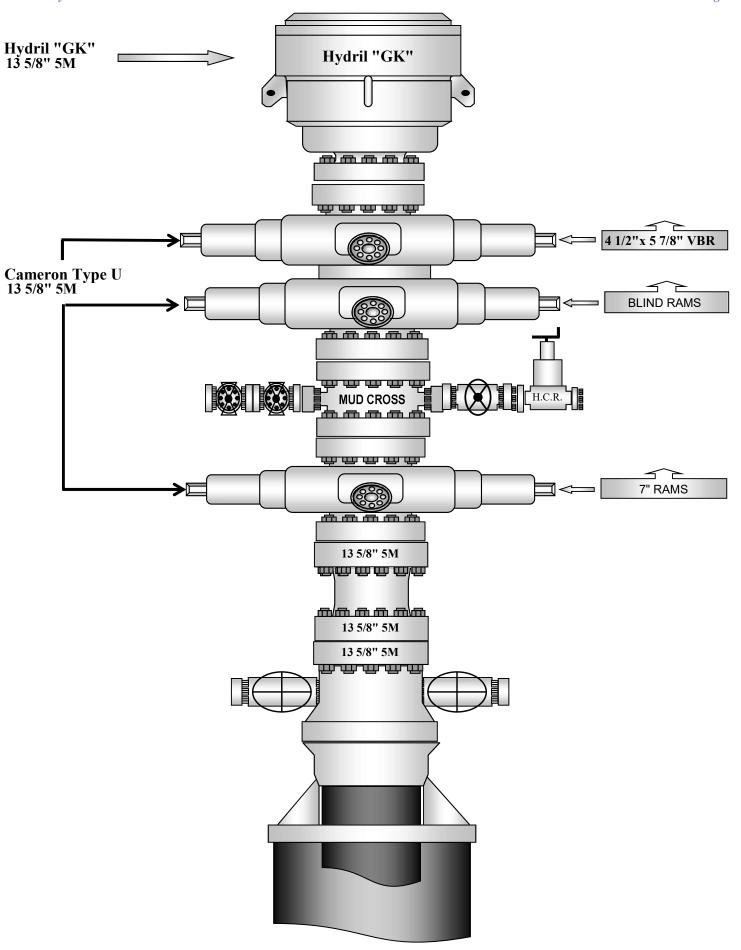
# 13-5/8" MN-DS Wellhead System

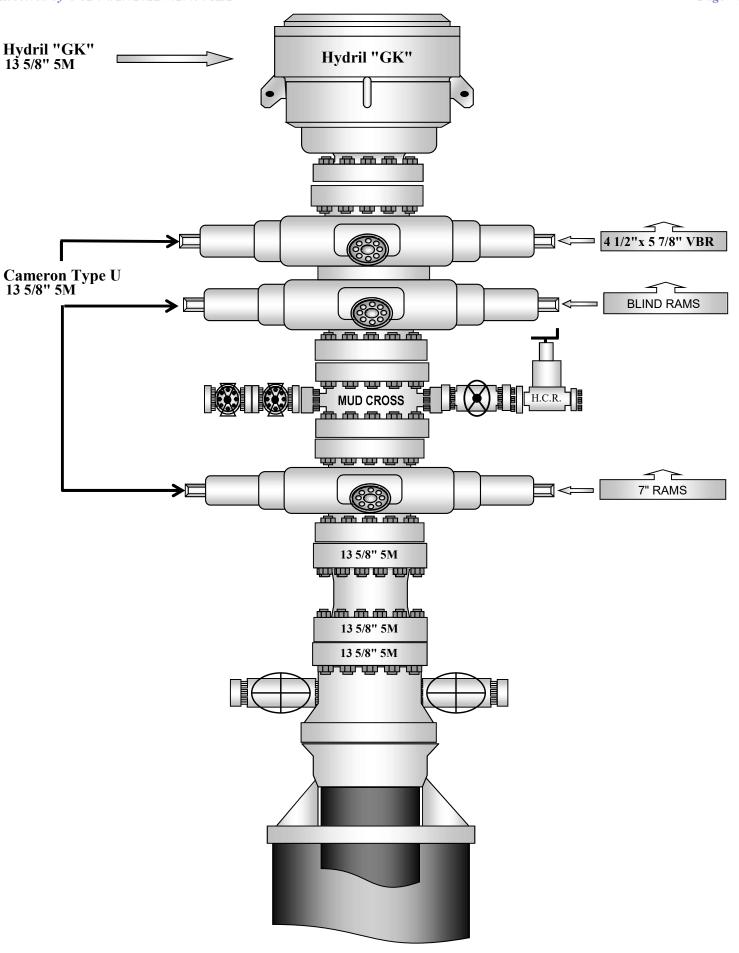




# 13-5/8" MN-DS Wellhead System

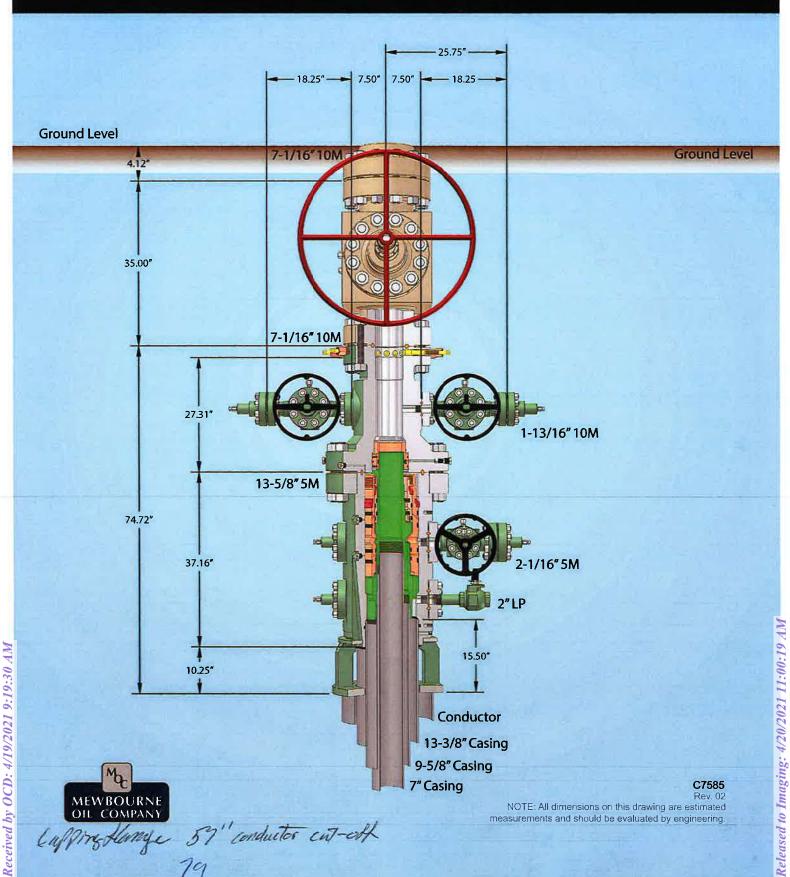






(A)

30



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

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 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** 

COMMENTS

Action 24454

#### **COMMENTS**

Operator:			OGRID:	Action Number:	Action Type:
MEWBOURNE OIL CO	P.O. Box 5270	Hobbs, NM88241	14744	24454	FORM 3160-3

Created By	Comment	Comment Date
kpickford	KP GEO Review 4/20/2021	04/20/2021

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

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

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**

CONDITIONS

Action 24454

#### **CONDITIONS OF APPROVAL**

Operator:			OGRID:	Action Number:	Action Type:
MEWBOURNE OIL CO	P.O. Box 5270	Hobbs, NM88241	14744	24454	FORM 3160-3

OCD Reviewer	Condition
kpickford	Will require administrative order for non-standard spacing unit
kpickford	Surface casing must be set 25' below top of Rustler Anhydrite or salt in order to seal off protectable water
kpickford	Notify OCD 24 hours prior to casing & cement
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104
kpickford	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system