From:

AFMSS <blm-afmss-notifications@blm.gov>

Sent:

Tuesday, May 25, 2021 2:19 PM

To:

sroberts@mar-win.com

Cc: Subject: j1sanchez@blm.gov; KBUSSELL@BLM.GOV; NDOMINGUEZ@BLM.GOV; OTORRES@BLM.GOV Well Name: GREASEWOOD FEDERAL, Well Number: 3H, Notification of Sundry Approval

The Bureau of Land Management

Notice of Notice Of Intent Approval

Operator Name: MARSHALL & WINSTON INCORPORATED

Well Name: GREASEWOOD FEDERAL

Well Number: 3H

US Well Number: 3000564341

Sundry ID: 2388841

ALTER CS9

Released to Imaging: 2/16/2023 10:17:22 AM

The BLM received your Notice Of Intent, Casing on 05/25/2021. This is to notify you that we are Approving your Notice Of Intent Casing. Please login to your account in AFMSS II to see the final documents.

If this Notice Of Intent prompted the BLM to create another work task, it will generate in your worklist.

You may contact the field office if you have any questions.

This notification is automatically generated. Please do not reply to this message as this account is not monitored.

WAFMSS

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



Well Name: GREASEWOOD FEDERAL Well Location: T15S / R28E / SEC 12 /

SESE / 33.024941 / -104.078066

County or Parish/State:

CHAVES / NM

Well Number: 3H •

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM121940

Unit or CA Name:

Unit or CA Number:

US Well Number: 3000564341

Well Status: Drilling Well

Operator: MARSHALL & WINSTON INCORPORATED

Notice of Intent

Type of Submission: Notice of Intent

Type of Action Casing

Date Sundry Submitted: 05/25/2021

Time Sundry Submitted: 10:51

Date proposed operation will begin: 05/24/2021

Procedure Description: Marshall & Winston, Inc. respectfully request to alter the original casing design listed on the APD. After encountering a gas flow for the lower Queen formation, M&W request approval to run a contingency string of casing. M&W plans to run 7-5/8" 29.7# P110 ERW BTC from TD of pilot hole (3500' MD) to surface. M&W will circulate cement to surface. M&W will then set a whipstock and mill a window out of the 7-5/8" with a 6.75" bit and continue forward with well plan. For production string 5.5" 20# HCP-110 flush joint casing will be running from TD to surface. Cement will be circulated to surface.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Received by OCD: 11/5/2021 9:48:14 AM

Greasewood_Fed_3H_Csg_Product_Info_20210525105010.pdf

Greasewood_Fed_3H_Csg_Info_20210525104836.pdf

Well Name: GREASEWOOD FEDF AL Well Location: T15S / R28E / SEC 12

SESE / 33.024941 / -104.078066

Type of Well: OIL WELL

Allottee or Tribe Name:

CHAVES / NM

County or Parish/State:

Lease Number: NMNM121940

Well Number: 3H

Unit or CA Name:

Unit or CA Number:

US Well Number: 3000564341

Well Status: Drilling Well

Operator: MARSHALL & WINSTON INCORPORATED

Signed on: MAY 25, 2021 10:43 AM

Released to Imaging: 2/16/2023 10:17:22 AM

Conditions of Approval

Specialist Review

Conditions_of_Approval_20210525131733.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: SHERRY ROBERTS

Name: MARSHALL & WINSTON INCORPORATED

Title: Operations Secretary

Street Address: 6 Desta Drive, Suite 3100

City: Midland

State: TX

Phone: (432) 684-6373

Email address: sroberts@mar-win.com

Field Representative

Representative Name: Todd Passmore

Street Address: 6 Desta Drive, Suite 3100

City: Midland

State: TX

Zip: 79705

Phone: (432)684-6373

Email address: tpassmore@mar-win.com

BLM Point of Contact

BLM POC Name: JENNIFER SANCHEZ

BLM POC Phone: 5756270237

Disposition: Approved

Signature: Jennifer Sanchez

BLM POC Title: Petroleum Engineer

BLM POC Email Address: j1sanchez@blm.gov

Disposition Date: 05/25/2021

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | Marshall & Winston Inc.

LEASE NO.: | NMNM-121940

WELL NAME & NO.: | Greasewood Federal 3H SURFACE HOLE FOOTAGE: | 0600' FSL & 0400' FEL

BOTTOM HOLE FOOTAGE | 0020' FSL & 0400' FEL Sec. 13, T. 15 S., R 28 E.

LOCATION: | Section 12, T. 15 S., R 28 E., NMPM

COUNTY: | Chaves County, New Mexico

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)

Chaves and Roosevelt Counties

Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201. During office hours call (575) 627-0272.

- 1. Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.
- 2. 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. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. 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 is located, this does not include the dog house or stairway area.
- 4. 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

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.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

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.

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.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of lost circulation in the Queen and San Andres formations.

- 1. The 13-3/8 inch surface casing shall be set at approximately 225 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - 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 is to include the lead cement slurry.

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - ☐ Cement to surface. If cement does not circulate see B.1.a, c-d above.
- 3. The minimum required fill of cement behind the 7-5/8 inch contingency casing is:
 - ☐ Cement to surface. If cement does not circulate see B.1.a, c-d above.

The pilot hole plugging procedure is approved as written. Note whipstock depth on Subsequent Report sundry of drilling activities.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- 5. 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.

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 53.
- 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.

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- 3. 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. Operator may test as a 3M BOP.
 - 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.

NOTE: BOP SPECS SHEET SHALL BE ON LOCATION FOR PETROLEUM TECHNICANS

- 4. 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. 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).

- c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- d. The results of the test shall be reported to the appropriate BLM office.
- e. 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.
- f. 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.

C. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

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.

JAM 05252021

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Well Name: GREASEWOOD FEDERAL, Well Number: 3H, Notification of Sundry Approval

The Bureau of Land Management

Notice of Notice Of Intent Approval

Operator Name: MARSHALL & WINSTON INCORPORATED

Well Name: GREASEWOOD FEDERAL

Well Number: 3H

US Well Number: 3000564341

Sundry ID: 2388841

ALTER CS9

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



Well Name: GREASEWOOD FEDERAL Well Location: T15S / R28E / SEC 12 /

SESE / 33.024941 / -104.078066

County or Parish/State:

CHAVES / NM

Well Number: 3H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM121940

Unit or CA Name:

Unit or CA Number:

US Well Number: 3000564341

Well Status: Drilling Well

Operator: MARSHALL & WINSTON INCORPORATED

Notice of Intent

Type of Submission: Notice of Intent

Type of Action Casing

Date Sundry Submitted: 05/25/2021

Time Sundry Submitted: 10:51

Date proposed operation will begin: 05/24/2021

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Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Greasewood_Fed_3H_Csg_Product_Info_20210525105010.pdf

Greasewood_Fed_3H_Csg_Info_20210525104836.pdf

Well Name: GREASEWOOD FEDF AL Well Location: T15S / R28E / SEC 12

SESE / 33.024941 / -104.078066

County or Parish/State: CHAVES / NM

Well Number: 3H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM121940

Unit or CA Name:

Unit or CA Number:

US Well Number: 3000564341

Well Status: Drilling Well

Operator: MARSHALL & WINSTON INCORPORATED

Signed on: MAY 25, 2021 10:43 AM

Conditions of Approval

Specialist Review

Conditions_of_Approval_20210525131733.pdf

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I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: SHERRY ROBERTS

Name: MARSHALL & WINSTON INCORPORATED

Title: Operations Secretary

Street Address: 6 Desta Drive, Suite 3100

City: Midland

State: TX

Phone: (432) 684-6373

Email address: sroberts@mar-win.com

Field Representative

Representative Name: Todd Passmore

Street Address: 6 Desta Drive, Suite 3100

City: Midland

State: TX

Zip: 79705

Phone: (432)684-6373

Email address: tpassmore@mar-win.com

BLM Point of Contact

BLM POC Name: JENNIFER SANCHEZ

BLM POC Phone: 5756270237

Disposition: Approved

Signature: Jennifer Sanchez

BLM POC Title: Petroleum Engineer

BLM POC Email Address: j1sanchez@blm.gov

Disposition Date: 05/25/2021

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PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | Marshall & Winston Inc.

LEASE NO.: | NMNM-121940

WELL NAME & NO.: | Greasewood Federal 3H SURFACE HOLE FOOTAGE: | 0600' FSL & 0400' FEL

BOTTOM HOLE FOOTAGE | 0020' FSL & 0400' FEL Sec. 13, T. 15 S., R 28 E.

LOCATION: | Section 12, T. 15 S., R 28 E., NMPM

COUNTY: | Chaves County, New Mexico

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)

Chaves and Roosevelt Counties

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- 1. Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.
- 2. 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. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. 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 is located, this does not include the dog house or stairway area.
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A. CASING

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.

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Wait on cement (WOC) for Water Basin:

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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.

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 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

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 - ☐ Cement to surface. If cement does not circulate see B.1.a, c-d above.
- 3. The minimum required fill of cement behind the 7-5/8 inch contingency casing is:
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B. PRESSURE CONTROL

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 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
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NOTE: BOP SPECS SHEET SHALL BE ON LOCATION FOR PETROLEUM TECHNICANS

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 - b. 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).

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- d. The results of the test shall be reported to the appropriate BLM office.
- e. 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.
- f. 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.

C. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

D. WASTE MATERIAL AND FLUIDS

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LEASE NO.: | NMNM-121940

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BOTTOM HOLE FOOTAGE | 0020' FSL & 0400' FEL Sec. 13, T. 15 S., R 28 E.

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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)

Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201. During office hours call (575) 627-0272.

- 1. Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.
- 2. 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. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. 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 is located, this does not include the dog house or stairway area.
- 4. 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

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.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

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.

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.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of lost circulation in the Queen and San Andres formations.

- 1. The 13-3/8 inch surface casing shall be set at approximately 225 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - 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 is to include the lead cement slurry.

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - ⊠ Cement to surface. If cement does not circulate see B.1.a, c-d above.

The pilot hole plugging procedure is approved as written. Note whipstock depth on Subsequent Report sundry of drilling activities.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

- 3. The minimum required fill of cement behind the 7 X 5-1/2 inch production casing is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- 4. 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.

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 53.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi.
 - a. For surface casing only: If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.

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NOTE: BOP SPECS SHEET SHALL BE ON LOCATION FOR PETROLEUM TECHNICANS

- 3. 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. 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).
 - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. 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.
 - f. 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.

C. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

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.

JAM 05172021

District III

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

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 60444

CONDITIONS

Operator:	OGRID:
MARSHALL & WINSTON INC	14187
P.O. Box 50880	Action Number:
Midland, TX 79710	60444
	Action Type:
	[C-103] NOI General Sundry (C-103X)

CONDITIONS

Created	y Condition		Condition Date
plmart	ez Future approved BLM Change of Plans need	to be submitted as [C-103] NOI Change of Plans (C-103A).	2/16/2023