

Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-55132
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name BARNEY
8. Well Number 423H
9. OGRID Number 372165
10. Pool name or Wildcat Purple Sagel Wolfcamp (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well ☐ Gas Well ☒ Other	
2. Name of Operator Permian Resources Operating LLC	
3. Address of Operator 300 N Marienfeld St Ste 1000	
4. Well Location Unit Letter <u>F</u> : <u>1436</u> feet from the <u>North</u> line and <u>1571</u> feet from the <u>West</u> line Section <u>4</u> Township <u>22S</u> Range <u>27E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☒	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
CLOSED-LOOP SYSTEM ☐			
OTHER: ☐		OTHER: ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Permian Resources Operating LLC Respectfully submits the following NOI to APD Change for the Production hole size and the Intermediate casing set depth based off the drilling plan attached below.

Intermediate casing set depth will go from 10649' to the new depth of 1810'.

The production hole size will be tapered according to the attached drilling plan. We will drill a 8.75" Hole from 0 – 10649' and then a 7.875 hole from 10649' – 18350'.

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE Regulatory Specialist DATE 6/13/24

Type or print name Cassie Evans E-mail address: Cassie.Evans@permianres.com PHONE: 432-313-1732

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Permian Resources - Barney 423H

1. Geologic Formations

Formation	Elevation	TVD	Target
Rustler	2918	275	No
Top of Salt	NP	NP	No
Lamar	1433	1760	No
Capitan	2843	350	No
Bell Canyon	1217	1976	No
Cherry Canyon	383	2810	No
Brushy Canyon	-567	3760	No
Bone Spring Lime	-1900	5093	No
1st Bone Spring Sand	-3119	6312	No
2nd Bone Spring Sand	-3903	7096	No
3rd Bone Spring Sand	-5203	8396	No
Wolfcamp	-5499	8692	Yes

2. Blowout Prevention

BOP installed and tested before drilling	Size?	Min. Required WP	Type	x	Tested to:
12.25	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5000 psi
			Pipe Ram	x	
			Double Ram		
			Other*		
8.75	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5000 psi
			Pipe Ram	x	
			Double Ram		
			Other*		

Equipment: BOPE with working pressure ratings in excess of anticipated maximum surface pressure will be utilized for well control from drill out of surface casing to TMD. 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. All BOPE connections shall be flanged, welded or clamped. All choke lines shall be straight unless targeted with running tees or tee blocks are used, and choke lines shall be anchored to prevent whip and reduce vibrations. All valves in the choke line & the choke manifold shall be full opening as to not cause restrictions and to allow for straight fluid paths to minimize potential erosion. All gauges utilized in the well control system shall be of a type designed for drilling fluid service. A top drive inside BOP valve will be utilized at all times. Subs equipped with full opening valves sized to fit the drill pipe and collars will be available on the rig floor in the open position. The key to operate said valve equipped subs will be on the rig floor at all times. The accumulator system will have sufficient capacity to open the HCR and close all three sets of rams plus the annular preventer while retaining at least 300 psi above precharge on the closing manifold (accumulator system shall be capable of doing so without using the closing unit pumps). The fluid reservoir capacity will be double the usable fluid volume of the accumulator system capacity, and the fluid level will be maintained at the manufacturer's recommended level. Prior to connecting the closing unit to the BOP stack, an accumulator precharge pressure test shall be performed to ensure the precharge pressure is within 100 psi of the desired precharge pressure (only nitrogen gas will be used to precharge). Two independent power sources will be made available at all times to power the closing unit pumps so that the pumps can automatically start when the closing valve manifold pressure has decreased to the preset level. Closing unit pumps will be sized to allow opening of HCR and closing of annular preventer on 5" drill pipe achieving at least 200 psi above precharge pressure with the accumulator system isolated from service in less than two minutes. A valve shall be installed in the closing line as close to the annular preventer as possible to act as a locking device; the valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative. Remote controls capable of opening and closing all preventers & the HCR shall be readily accessible to the driller; master controls with the same capability will be operable at the accumulator. The wellhead will be a multibowl speed head allowing for hangoff of intermediate casing & isolation of the 133/8 x 95/8 annulus without breaking the connection between the BOP & wellhead to install an additional casing head. A wear bushing will be installed & inspected frequently to guard against internal wear to wellhead. VBRs (variablebore rams) will be run in upper rambody of BOP stack to provide redundancy to annular preventer while RIH w/ production casing;

Requesting Variance? YES

Variance request: Flex hose and offline cement variances, see attachments in section 8.

Testing Procedure: The BOP test shall be performed before drilling out of the surface casing shoe and will occur at a minimum: a. when initially installed b. whenever any seal subject to test pressure is broken c. following related repairs d. at 30 day intervals e. checked daily as to mechanical operating conditions. The ram type preventer(s) will be tested using a test plug to 250 psi (low) and 5,000 psi (high) (casinghead WP) with a test plug upon its installation onto the 13 surface casing. If a test plug is not used, the ram type preventer(s) shall be tested to 70% of the minimum internal yield pressure of the casing. The annular type preventer(s) shall be tested to 3500 psi. Pressure will be maintained for at least 10 minutes or until provisions of the test are met, whichever is longer. A Sundry Notice (Form 3160 5), along with a copy of the BOP test report, shall be submitted to the local BLM office within 5 working days following the test. If the bleed line is connected into the buffer tank (header), all BOP equipment including the buffer tank and associated valves will be rated at the required BOP pressure. The BLM office will be provided with a minimum of four (4) hours notice of BOP testing to allow witnessing. The BOP Configuration, choke manifold layout, and accumulator system, will be in compliance with Onshore Order 2 for a 5,000 psi system. A remote accumulator and a multi-bowl system will be used, please see attachment in section 8 for multi-bowl procedure. Pressures, capacities, and specific placement and use of the manual and/or hydraulic controls, accumulator controls, bleed lines, etc., will be identified at the time of the BLM 'witnessed BOP test. Any remote controls will be capable of both opening and closing all preventers and shall be readily accessible.

Choke Diagram Attachment: 5 M Choke Manifold

BOP Diagram Attachment: BOP Schematic

3. Casing

String	Hole Size	Casing Size	Top	Bottom	Top TVD	Bottom TVD	Length	Grade	Weight	Connection	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
Surface	17.5	13.375	0	300	0	300	300	J55	54.5	BTC	7.62	####	Dry	7.81	Dry	7.33
Intermediate	12.25	9.625	0	1810	0	1810	1810	J55	40	BTC	2.52	1.54	Dry	4.14	Dry	3.65
Production	8.75	5.5	0	10649	0	9360	10649	P110RY	20	TCBC-HT	2.17	2.26	Dry	2.23	Dry	2.23
Production	7.875	5.5	10649	18350	9360	9360	7701	P110RY	20	TCBC-HT	2.17	2.26	Dry	2.23	Dry	2.23
BLM Min Safety Factor											1.125	1		1.6		1.6

Non API casing spec sheets and casing design assumptions attached.

4. Cement

String	Lead/Tail	Top MD	Bottom MD	Quantity (sx)	Yield	Density	Cu Ft	Excess %	Cement Type	Additives
Surface	Lead	0	240	190	1.88	12.9	340	100%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Surface	Tail	240	300	60	1.34	14.8	70	50%	Class C	Accelerator
Intermediate	Lead	0	1440	370	1.88	12.9	680	50%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Intermediate	Tail	1440	1810	140	1.34	14.8	180	50%	Class C	Retarder
Production	Lead	0	10115	1420	2.41	11.5	3410	40%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
Production	Tail	10115	18350	1070	1.73	12.5	1840	25%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder

5. Circulating Medium

Mud System Type: Closed

Will an air or gas system be used: No

Describe what will be on location to control well or mitigate other conditions: Sufficient quantities of mud materials will be on the well site at all times for the purpose of assuring well control and maintaining wellbore integrity. Surface interval will employ fresh water mud. The intermediate hole will utilize a saturated brine fluid to inhibit salt washout. The production hole will employ brine based and oil base fluid to inhibit formation reactivity and of the appropriate density to maintain well control.

Describe the mud monitoring system utilized: Centrifuge separation system. Open tank monitoring with EDR will be used for drilling fluids and return volumes. Open tank monitoring will be used for cement and cuttings return volumes. Mud properties will be monitored at least every 24 hours using industry accepted mud check practices.

Cuttings Volume: 8040 Cu Ft

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight	Max Weight
0	300	Spud Mud	8.6	9.5
300	1810	Water Based Mud	10	10
1810	10649	Water Based Mud	9	10.5
10649	18350	OBM	9	10.5

6. Test, Logging, Coring

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

Will utilize MWD/LWD (Gamma Ray logging) from intermediate hole to TD of the well.

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

DIRECTIONAL SURVEY, GAMMA RAY LOG,

Coring operation description for the well:

N/A

7. Pressure

Anticipated Bottom Hole Pressure	5120	psi
Anticipated Surface Pressure	3051	psi
Anticipated Bottom Hole Temperature	150	°F
Anticipated Abnormal pressure, temp, or geo hazards	No	

8. Waste Management

Waste Type:	Drilling
Waste content description:	Fresh water based drilling fluid
Amount of waste:	1500 bbls
Waste disposal frequency:	Weekly (after drilling all surfaces)
Safe containment description:	Steel tanks with plastic-lined containment berms
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Grey Water & Human Waste
Waste content description:	Grey Water/Human Waste
Amount of waste:	5000 gallons
Waste disposal frequency:	Weekly
Safe containment description:	Approved waste storage tanks with containment
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Garbage
Waste content description:	General trash/garbage
Amount of waste:	5000 lbs
Waste disposal frequency:	Weekly
Safe containment description:	Enclosed trash trailer
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Drilling
Waste content description:	Drill Cuttings
Amount of waste:	8040 Cu Ft
Waste disposal frequency:	Per well
Safe containment description:	Steel tanks
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Drilling
Waste content description:	Brine water based drilling fluid
Amount of waste:	1500 bbls
Waste disposal frequency:	Monthly
Safe containment description:	Steel tanks with plastic-lined containment berms
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial

9. Other Information

Well Plan and AC Report: attached
Batching Drilling Procedure: attached
WBD: attached
Flex Hose Specs: attached
Offline Cementing Procedure Attached:

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 354152

CONDITIONS

Operator: Permian Resources Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372165
	Action Number: 354152
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	All original COA's still apply.	6/17/2024
ward.rikala	After setting intermediate, can only use fresh water system until you are below any potential depth for the Canyon Reef. Additionally, if the Canyon Reef is encounter while drilling, it must be cased off and cemented to protect it form potential contamination.	6/17/2024