Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☐ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

2. Name of Operator

9. API Well No. **30-025-53465**

3a. Address	3b. Phone No. *(include area code)*	10. Field and Pool, or Exploratory

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface

At proposed prod. zone

11. Sec., T. R. M. or Blk. and Survey or Area

14. Distance in miles and direction from nearest town or post office*	12. County or Parish	13. State

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration

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.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date

Title

Approved by *(Signature)*	Name *(Printed/Typed)*	Date

Title	Office

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.

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.

APPROVED WITH CONDITIONS

(Continued on page 2)

*(Instructions on page 2)

Approval Date: 08/09/2024

Millie Mile 13-24 Fed Com #102H

APD - Geology COAs (Not in Potash or WIPP)

- For at least one well per pad (deepest well within initial development preferred) the record of the drilling rate (ROP) along with the Gamma Ray (GR) and Neutron (CNL) well logs run from TVD to surface in the vertical section of the hole shall be submitted to the BLM office as well as all other logs run on the full borehole 30 days from completion. Any other logs run on the wellbore, excluding cement remediation, should also be sent. Only digital copies of the logs in .TIF or .LAS formats are necessary; paper logs are no longer required. Logs shall be emailed to blm-cfo-geology@doimspp.onmicrosoft.com. Well completion report should have .pdf copies of any CBLs or Temp Logs run on the wellbore.

- Exceptions: In areas where there is extensive log coverage (in particular the salt zone adjacent to a pad), Operators are encouraged to contact BLM Geologists to discuss if additional GR and N logs are necessary on a pad. Operator may request a waiver of the GR and N log requirement due to good well control or other reasons to be approved by BLM Geologist prior to well completion. A waiver approved by BLM must be attached to completion well report to satisfy COAs.

- The top of the Rustler, top and bottom of the Salt, and the top of the Capitan Reef (if present) are to be recorded on the Completion Report.

Please be aware:

- H2S has been reported from multiple formations within one mile of the proposed project. Measurements up to 600ppm were recorded from the Seven Rivers, Bone Spring, and Morrow.

Questions? Contact Chris Armistead, BLM Geologist at 575-234-5715 or carmistead@blm.gov

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazon Road, Artec, NM 87410
District IV
1220 S. St Francis Dr., 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

[1] API Number	[2] Pool Code	[3] Pool Name
30-025-53465	27230	GEM; BONE SPRING EAST

[4] Property Code	[5] Property Name	[6] Well Number
336234	MILLIE MILE 13-24 FED COM	#102H

[7] OGRID No.	[8] Operator Name	[9] Elevation
332544 ~~192378 XXXXX~~	PBEX Operations, LLC ~~EOG RESOURCES INC~~	3,708'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	13	19 S	33 E		208'	NORTH	435'	WEST	LEA

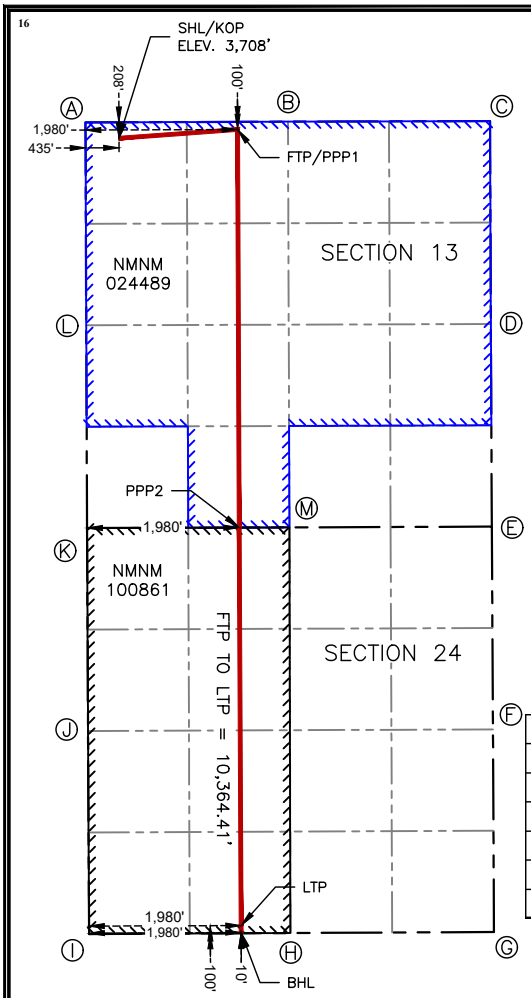
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	19 S	33 E		10'	SOUTH	1,980'	WEST	LEA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.

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

[16]



SURFACE HOLE LOCATION & KICK-OFF POINT
208' FNL & 435' FWL
NM EAST-NAD 83
NORTH:607,079.28'
EAST:759,699.39'
LAT:32.66690037
LONG:-103.62373642
NM EAST-NAD 27
NORTH:607,015.83'
EAST:718,519.60'
LAT:32.66677787
LONG:-103.62324032

FIRST TAKE POINT & PENETRATION POINT 1
100' FNL & 1,980' FWL
NM EAST-NAD 83
NORTH:607,193.23'
EAST:761,243.99'
LAT:32.66718509
LONG:-103.61871489
NM EAST-NAD 27
NORTH:607,129.76'
EAST:720,064.19'
LAT:32.66706252
LONG:-103.61821895

PENETRATION POINT 2
0' FNL & 1,980' FWL
NM EAST-NAD 83
NORTH:602,011.02'
EAST:761,263.86'
LAT:32.65294142
LONG:-103.61876366
NM EAST-NAD 27
NORTH:601,947.57'
EAST:720,083.91'
LAT:32.65281844
LONG:-103.61826827

LAST TAKE POINT
100' FSL & 1,980' FWL
NM EAST-NAD 83
NORTH:596,828.91'
EAST:761,289.36'
LAT:32.63869788
LONG:-103.61879407
NM EAST-NAD 27
NORTH:596,765.76'
EAST:720,109.27'
LAT:32.63857527
LONG:-103.61829922

BOTTOM HOLE LOCATION
10' FSL & 1,980' FWL
NM EAST-NAD 83
NORTH:596,738.92'
EAST:761,289.81'
LAT:32.63845051
LONG:-103.61879460
NM EAST-NAD 27
NORTH:596,675.76'
EAST:720,109.71'
LAT:32.63832790
LONG:-103.61829976

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A - 2" IRON PIPE N:607285.43' E:759263.64'	G - 5/8" IRON ROD N:596745.81' E:764581.39'
B - 1/2" IRON ROD N:607295.81' E:761899.55'	H - 5/8" IRON ROD N:596732.12' E:761931.04'
C - 1/2" IRON ROD N:607303.13' E:764529.73'	I - 1-1/2" IRON PIPE N:596719.02' E:759309.88'
D - 1/2" IRON ROD N:604661.08' E:764540.62'	J - CALCULATED CORNER N:599361.78' E:759296.87'
E -1/2" IRON ROD N:602023.73' E:764553.26'	K - 1/2" IRON ROD DISTURBED N:602004.53' E:759283.87'
F - DISTURBED 5/8" IRON ROD N:599383.40' E:764568.05'	L - BENT 1/2" IRON ROD N:604644.26' E:759273.25'
	M - 1/2" IRON ROD N:602013.17' E:761918.66'

[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature — Date: 5/13/24

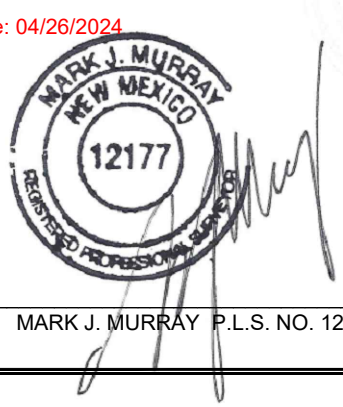
Mikah Thomas
Printed Name — Date

mikah@pbex.com
Email Address — Date

[18] SURVEYOR CERTIFICATION

I hereby certify that the well location shown on thi plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date: 04/26/2024



MARK J. MURRAY P.L.S. NO. 12177

Intent [X] As Drilled [ ]

API #

Operator Name:	Property Name:	Well Number
EGL RESOURCES INC.	MILLIE MILE 13-24 FED COM	#102H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	13	19 S	33 E		208	NORTH	435	WEST	LEA

Latitude	Longitude	NAD
32.66690037	-103.62373642	83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	13	19 S	33 E		100	NORTH	1,980	WEST	LEA

Latitude	Longitude	NAD
32.66718509	-103.61871489	83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	19 S	33 E		100	SOUTH	1,980	WEST	LEA

Latitude	Longitude	NAD
32.63870408	-103.62308205	83

Is this well the defining well for the Horizontal Spacing Unit? [ ]

Is this well an infill well? [ ]

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number

KZ 06/29/2018

Intent [X] As Drilled [ ]

API #

Operator Name:	Property Name:	Well Number
EGL RESOURCES INC.	MILLIE MILE 13-24 FED COM	#102H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
D	13	19 S	33 E		208	NORTH	435	WEST	LEA

Latitude	Longitude	NAD
32.66677787	-103.62324032	27

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	13	19 S	33 E		100	NORTH	1,980	WEST	LEA

Latitude	Longitude	NAD
32.66706252	-103.61821895	27

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	24	19 S	33 E		100	SOUTH	1,980	WEST	LEA

Latitude	Longitude	NAD
32.63857527	-103.61829922	27

Is this well the defining well for the Horizontal Spacing Unit? [ ]

Is this well an infill well? [ ]

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number

KZ 06/29/2018

PECOS DISTRICT

SURFACE USE

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	PBEX, LLC
LEASE NO.:	NMNM024489, NMNM100861, and NMNM100347
COUNTY:	Lea County, New Mexico

Wells:

Millie Mile 13-24 Fed Com 101H

Surface Hole Location: 208 feet from north line (FNL) and
375 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
660 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 102H

Surface Hole Location: 208 feet from north line (FNL) and
435 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
1980 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 201H

Surface Hole Location: 208 feet from north line (FNL) and
395 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
660 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 202H

Surface Hole Location: 208 feet from north line (FNL) and
415 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
1980 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 601H

Surface Hole Location: 204 feet from north line (FNL) and

Approval Date: 08/09/2024

175 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
4400 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 602H

Surface Hole Location: 244 feet from north line (FNL) and
175 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
1210 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 603H

Surface Hole Location: 208 feet from north line (FNL) and
455 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 100 feet from south line (FSL) and
2310 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

Millie Mile 13-24 Fed Com 801H

Surface Hole Location: 224 feet from north line (FNL) and
175 feet from west line (FWL), Section 13, T. 19 S., R. 33 E.
Bottom Hole Location: 10 feet from south line (FSL) and
660 feet from west line (FWL), Section 24, T. 19 S, R 33 E.

TABLE OF CONTENTS

1.2.2. **Fence Requirement**

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

1.2.3. **Livestock Watering Requirement**

Any damage to structures that provide water to livestock throughout the life of the well, caused by operations from the well site, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

1.3. 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, New Mexico Department of Agriculture, and BLM requirements and policies.

1.3.1 African Rue (Peganum harmala)

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

Management Practices: In addition to spraying for African Rue, good management practices should be followed. All equipment should be washed off using a power washer in a designated containment area. The containment area shall be bermed to allow for containment of the seed to prevent it from entering any open areas of the nearby landscape. The containment area shall be excavated near or adjacent to the well pad at a depth of three feet and just large enough to get equipment inside it to be washed off. This will allow all seeds to be in a centrally located area that can be treated at a later date if the need arises.

1.4. LIGHT POLLUTION

1.4.1. **Downfacing**

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

1.4.2. **Shielding**

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

1.4.3. **Lighting Color**

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

2. SPECIAL REQUIREMENTS

2.1. WATERSHED

The entire well pad(s) 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 with impermeable mineral material (e.g. caliche). 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 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 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. Stockpiling of topsoil is required. The topsoil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. 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.

2.1.1. **Tank Battery**

Tank battery locations will be lined and bermed. A 20-mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Secondary containment holding capacity must be large enough to contain 1 ½ times the content of the largest tank or 24-hourproduction, whichever is greater (displaced volume from all tanks within the berms MUST be subtracted from total volume of containment in calculating holding capacity). Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

2.3 WILDLIFE

2.3.1 **Lesser Prairie Chicken**

2.3.1.1 Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

2.3.1.2 Timing Limitation Exceptions:

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

2.3.1.3 Ground-level Abandoned Well Marker to avoid raptor perching:

Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at BLM_NM_CFO_Construction_Reclamation@blm.gov.

2.3.3 **Dunes Sagebrush Lizard**

- Pre-construction contact with a BLM wildlife biologist is required within 5 days before any ground disturbing activities associated with the project occurs.
- Successful completion of the BLM Trench Stipulation Workshop is required for a non-agency person to be approved as a monitor.
- Any trench left open for (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, an agency approved monitor shall walk the entire length of the open trench and remove all trapped vertebrates. The bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released alive at least 100 yards from the trench.
- For trenches left open for eight (8) hours or more the following requirements apply:
    - Earthen escape ramps and/or structures (built at no more than a 30-degree slope and spaced no more than 500 feet apart) shall be placed in the trench. Metal structures will not be authorized. Options will be discussed in detail at the required Trench Stipulation Workshop.
    - One approved monitor shall be required to survey up to three miles of trench between the hours of 11 AM-2 PM. A daily report (consolidate if there is more than one monitor) on the vertebrates found and removed from the trench shall be provided to the BLM (email/fax is acceptable) the following morning.
    - Prior to backfilling of the trench all structures used as escape ramps will be removed and the bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released alive a minimum of 100 yards from the trench.
- This stipulation shall apply to the entire length of the project in the DSL habitat polygon regardless of land ownership or CCA/CCAA enrollment status.
- A project closeout will be required within three business days of the completion of the project.

2.4 VISUAL RESOURCE MANAGEMENT

2.5.1 **VRM IV**

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

3. CONSTRUCTION REQUIRENMENTS

3.1 CONSTRCUTION NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at BLM_NM_CFO_Construction_Reclamation@blm.gov at least 3 working days prior to commencing construction of the access road and/or well pad.

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

3.2 TOPSOIL

The operator shall strip the topsoil (the A horizon) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. No more than the top 6 inches of topsoil shall be removed. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming

1.4.3. **Lighting Color**

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

2. SPECIAL REQUIREMENTS

2.1. WATERSHED

The entire well pad(s) 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 with impermeable mineral material (e.g. caliche). 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 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 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. Stockpiling of topsoil is required. The topsoil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. 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.

2.1.1. **Tank Battery**

Tank battery locations will be lined and bermed. A 20-mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Secondary containment holding capacity must be large enough to contain 1 ½ times the content of the largest tank or 24-hourproduction, whichever is greater (displaced volume from all tanks within the berms MUST be subtracted from total volume of containment in calculating holding capacity). Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

2.3 WILDLIFE

2.3.1 **Lesser Prairie Chicken**

2.3.1.1 Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

2.3.1.2 Timing Limitation Exceptions:

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

2.3.1.3 Ground-level Abandoned Well Marker to avoid raptor perching:

Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at BLM_NM_CFO_Construction_Reclamation@blm.gov.

2.3.3 **Dunes Sagebrush Lizard**

- Pre-construction contact with a BLM wildlife biologist is required within 5 days before any ground disturbing activities associated with the project occurs.
- Successful completion of the BLM Trench Stipulation Workshop is required for a non-agency person to be approved as a monitor.
- Any trench left open for (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, an agency approved monitor shall walk the entire length of the open trench and remove all trapped vertebrates. The bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released alive at least 100 yards from the trench.
- For trenches left open for eight (8) hours or more the following requirements apply:
    - Earthen escape ramps and/or structures (built at no more than a 30-degree slope and spaced no more than 500 feet apart) shall be placed in the trench. Metal structures will not be authorized. Options will be discussed in detail at the required Trench Stipulation Workshop.
    - One approved monitor shall be required to survey up to three miles of trench between the hours of 11 AM-2 PM. A daily report (consolidate if there is more than one monitor) on the vertebrates found and removed from the trench shall be provided to the BLM (email/fax is acceptable) the following morning.
    - Prior to backfilling of the trench all structures used as escape ramps will be removed and the bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released alive a minimum of 100 yards from the trench.
- This stipulation shall apply to the entire length of the project in the DSL habitat polygon regardless of land ownership or CCA/CCAA enrollment status.
- A project closeout will be required within three business days of the completion of the project.

2.4 VISUAL RESOURCE MANAGEMENT

2.5.1 **VRM IV**

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

3. CONSTRUCTION REQUIRENMENTS

3.1 CONSTRCUTION NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at BLM_NM_CFO_Construction_Reclamation@blm.gov at least 3 working days prior to commencing construction of the access road and/or well pad.

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

3.2 TOPSOIL

The operator shall strip the topsoil (the A horizon) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. No more than the top 6 inches of topsoil shall be removed. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming

the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

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

3.3 CLOSED LOOP SYSTEM

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

3.4 FEDERAL MINERAL 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.

3.5 WELL PAD & SURFACING

Any surfacing material used to surface the well pad will be removed at the time of interim and final reclamation.

3.6 EXCLOSURE FENCING (CELLARS & PITS)

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

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

3.7 ON LEASE ACESS ROAD

3.7.1 **Road Width**

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed twenty (20) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed thirty (30) feet.

3.7.2 **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 will 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.

3.7.3 **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.

3.7.4 **Ditching**

Ditching shall be required on both sides of the road.

3.7.5 **Turnouts**

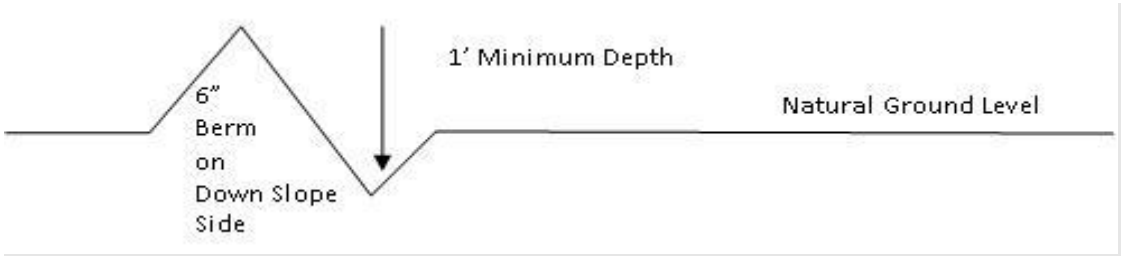
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

3.7.6 **Drainage**

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, leadoff 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



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

3.7.7 **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

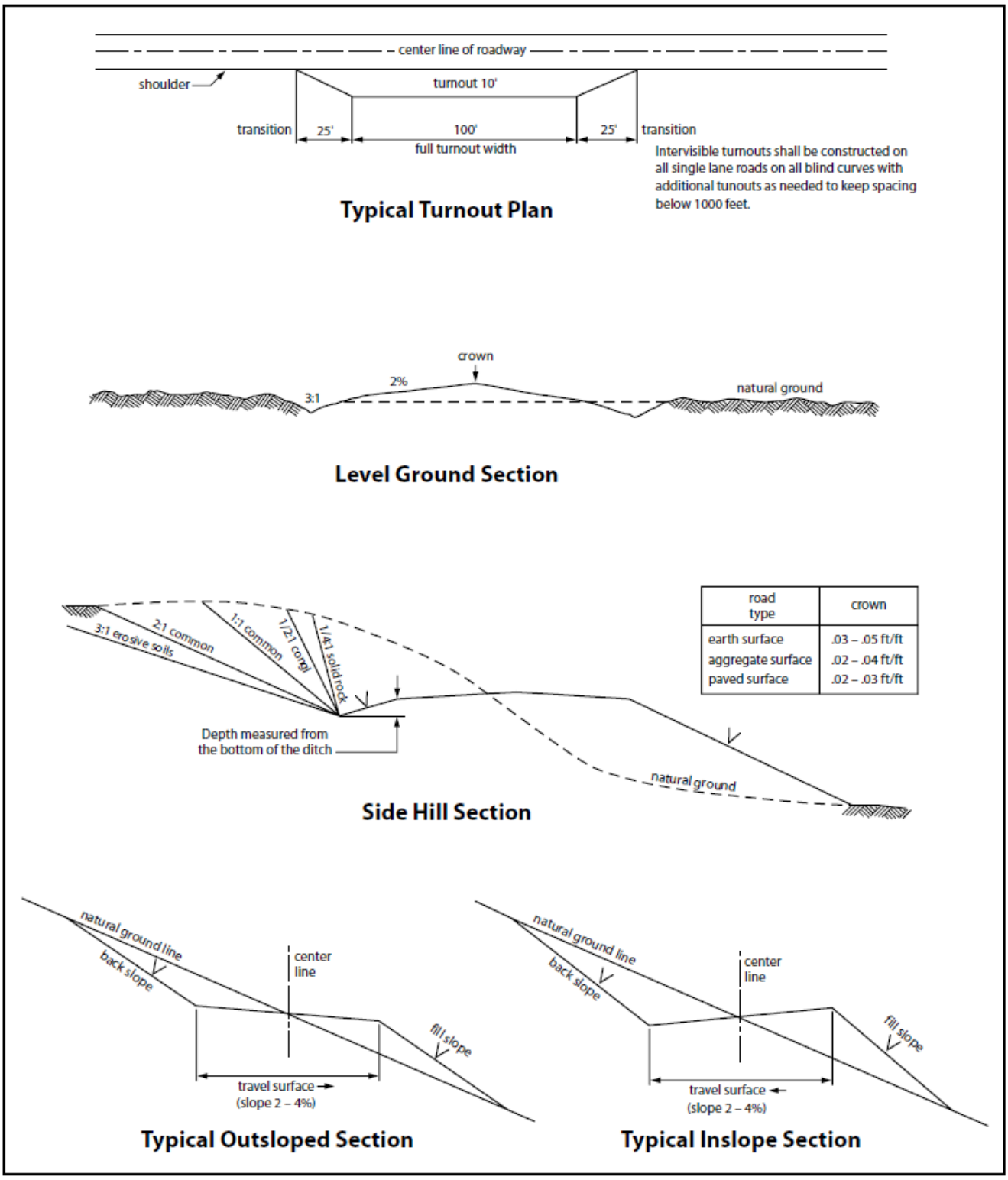


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

Approval Date: 08/09/2024

4.1 RANGELAND MITIGATION FOR PIPELINES

4.5.1 **Fence Requirement**

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

4.5.2 **Cattleguards**

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at road-fence crossing(s). Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations. A gate shall be constructed on one side of the cattleguard and fastened securely to H-braces.

4.5.3 **Livestock Watering Requirement**

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action.

Any damage to structures that provide water to livestock throughout the life of the well, caused by operations from the well site, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment operator if any damage occurs to structures that provide water to livestock.

- Livestock operators will be contacted, and adequate crossing facilities will be provided as needed to ensure livestock are not prevented from reaching water sources because of the open trench.
- Wildlife and livestock trails will remain open and passable by adding soft plugs (areas where the trench is excavated and replaced with minimal compaction) during the construction phase. Soft plugs with ramps on either side will be left at all well-defined livestock and wildlife trails along the open trench to allow passage across the trench and provide a means of escape for livestock and wildlife that may enter the trench.
- Trenches will be backfilled as soon as feasible to minimize the amount of open trench. The Operator will avoid leaving trenches open overnight to the extent possible and open trenches that cannot be backfilled immediately will have escape ramps (wooden) placed at no more than 2,500 feet intervals and sloped no more than 45 degrees.

5. PRODUCTION (POST DRILLING)

5.1 WELL STRUCTURES & FACILITIES

5.1.1 **Placement of Production Facilities**

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

5.1.2 **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.

5.1.3. 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.

5.1.4. 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.

5.1.5. 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.

6. RECLAMATION

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

6.1 ROAD AND SITE RECLAMATION

Any roads constructed during the life of the well will have the caliche removed or linear burial. If contaminants are indicated then testing will be required for chlorides and applicable contaminate anomalies for final disposal determination (disposed of in a manner approved by the Authorized Officer within Federal, State and Local statutes, regulations, and ordinances) and seeded to the specifications in sections 6.5 and 6.6.

6.2 EROSION CONTROL

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

6.3 INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations must 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 must work with BLM surface protection specialists (BLM_NM_CFO_Construction_Reclamation@blm.gov) to devise the best strategies to reduce the size of the location. Interim reclamation must allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche and any other surface material is required. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. 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 in section 6.6.

Upon completion of interim reclamation, the operator shall submit a Sundry Notice, Subsequent Report of Reclamation (Form 3160-5).

6.4 FINAL ABANDONMENT & RECLAMATION

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

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

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

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding will be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM. After earthwork and seeding is completed, the operator is required to submit a Sundry Notice, Subsequent Report of Reclamation.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (BLM_NM_CFO_Construction_Reclamation@blm.gov).

6.5 SEEDING TECHNIQUES

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

Approval Date: 08/09/2024

6.6 SOIL SPECIFIC SEED MIXTURE

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

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

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

Approval Date: 08/09/2024

Seed Mixture #2 for LPC Sand/Shinnery Sites

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

Species	lb/acre
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

*Pounds of pure live seed:

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

Approval Date: 08/09/2024

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**EGL Resources Incorporated**
LEASE NO.:	**NMNM24489**
LOCATION:	Section 13, T.19 S., R.33 E., NMPM
COUNTY:	Lea County, New Mexico

WELL NAME & NO.:	**Millie Mile 13-24 Fed Com 101H**
BOTTOM HOLE FOOTAGE	10'/S & 660'/W
ATS/API ID:	**ATS-23-2297**
APD ID:	**10400093843**
Sundry ID:	**N/a**
Date APD Submitted:	**N/a**

WELL NAME & NO.:	**Millie Mile 13-24 Fed Com 102H**
BOTTOM HOLE FOOTAGE	10'/S & 1980'/W
ATS/API ID:	**ATS-23-2298**
APD ID:	**10400093846**
Sundry ID:	**N/a**
Date APD Submitted:	**N/a**

WELL NAME & NO.:	**Millie Mile 13-24 Fed Com 202H**
BOTTOM HOLE FOOTAGE	10'/S & 1980'/W
ATS/API ID:	**ATS-23-2300**
APD ID:	**10400093839**
Sundry ID:	**N/a**
Date APD Submitted:	**N/a**

Approval Date: 08/09/2024

COA

H2S	Yes		
Potash	None		
Cave/Karst Potential	Low		
Cave/Karst Potential	☐ Critical		
Variance	☐ None	☐ Flex Hose	☐ Other
Wellhead	Conventional and Multibowl		
Other	☐ 4 String	Capitan Reef: None	☐ WIPP
Other	Pilot Hole: None	☐ Open Annulus	
Cementing	Contingency Squeeze: None	Echo-Meter: None	Primary Cement Squeeze: None
Special Requirements	☐ Water Disposal/Injection	☑ COM	☐ Unit
Special Requirements	☐ Batch Sundry	Waste Prevention: None	
Special Requirements Variance	☐ Break Testing	☐ Offline Cementing	☐ Casing Clearance

Approval Date: 08/09/2024

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Seven Rivers** formation. As a result, the Hydrogen Sulfide area must meet **43 CFR part 3170 Subpart 3176** 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

1. The **13-3/8** inch surface casing shall be set at approximately **1835 feet** (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite and above the salt when present, and below usable fresh water) and cemented to the surface. The surface hole shall be **17 1/2** inch in diameter.

    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.

2. The minimum required fill of cement behind the **8-5/8** 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 **5-1/2** inch production casing is:

    - Cement should tie-back at least **200 feet** into previous casing string. 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.

Approval Date: 08/09/2024

Option 1:

a. 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.

b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **8-5/8** inch intermediate casing shoe shall be **5000 (5M)** psi.

Option 2:

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the **13-3/8** inch 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 43 CFR 3172.6(b)(9) must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in **43 CFR part 3170 Subpart 3171**

- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

Approval Date: 08/09/2024

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)

☑ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240,
(575) 689-5981

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 2nd 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 **43 CFR part 3170 Subpart 3172** 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.

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.

Approval Date: 08/09/2024

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 of both lead and tail cement, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity 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 integrity 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 **43 CFR part 3170 Subpart 3172** and **API STD 53 Sec. 5.3**.

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 test.
    d. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) 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 cement), 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 cement plug. The BOPE test can be

initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)

c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR part 3170 Subpart 3172** 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 8 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 **43 CFR part 3170 Subpart 3172**.

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.

Long Vo (LVO) 6/27/2024

Approval Date: 08/09/2024

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

Operator Certification Data Report

08/11/2024

Operator

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: MIKAH THOMAS **Signed on:** 06/17/2024

Title: Owner

Street Address: 6102 E COUNTY ROAD 59

City: MIDLAND **State:** TX **Zip:** 79705

Phone: (432)661-7106

Email address: MIKAH.THOMAS@PERMIANCOMPLIANCE.COM

Field

Representative Name: Justin Carter

Street Address:

City: **State:** **Zip:**

Phone:

Email address: justin@pbex.com

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

Application Data
08/11/2024

APD ID: 10400093846
Submission Date: 08/29/2023
Operator Name: EGL RESOURCES INCORPORATED
Well Name: MILLIE MILE 13-24 FED COM
Well Number: 102H
Well Type: OIL WELL
Well Work Type: Drill

Highlighted data reflects the most recent changes
Show Final Text

Section 1 - General

APD ID: 10400093846
Tie to previous NOS? N
Submission Date: 08/29/2023
BLM Office: Carlsbad
User: MIKAH THOMAS
Title: Owner
Federal/Indian APD: FED
Is the first lease penetrated for production Federal or Indian? FED
Lease number: NMNM24489
Lease Acres:
Surface access agreement in place?
Allotted?
Reservation:
Agreement in place? NO
Federal or Indian agreement:
Agreement number:
Agreement name:
Keep application confidential? Y
Permitting Agent? NO
APD Operator: EGL RESOURCES INCORPORATED
Operator letter of

Operator Info

Operator Organization Name: EGL RESOURCES INCORPORATED
Operator Address: P O BOX 10886
Zip: 79702
Operator PO Box: P O BOX 10886
Operator City: MIDLAND
State: TX
Operator Phone: (432)687-6560
Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO
Master Development Plan name:
Well in Master SUPO? NO
Master SUPO name:
Well in Master Drilling Plan? NO
Master Drilling Plan name:
Well Name: MILLIE MILE 13-24 FED COM
Well Number: 102H
Well API Number:
Field/Pool or Exploratory? Field and Pool
Field Name: GEM
Pool Name: BONE SPRING EAST

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Is the proposed well in a Helium production area? N **Use Existing Well Pad?** N **New surface disturbance?**

Type of Well Pad: MULTIPLE WELL **Multiple Well Pad Name:** Millie Mile 13-24 Fed Com **Number:** 1

Well Class: HORIZONTAL **Number of Legs:** 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 28 Miles **Distance to nearest well:** 220 FT **Distance to lease line:** 199 FT

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat: 23_101303_Millie_Mile_13_24_Fed_Com_102H_C102_Rev_2_20240513122342.pdf

23_101303_Millie_Mile_13_24_Fed_Com_102H_C102_Supplemental_Pages_20240513122346.pdf

Well work start Date: 08/10/2024 **Duration:** 90 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: 12177 **Reference Datum:** KELLY BUSHING

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this
SHL Leg #1	208	FNL	435	FWL	19S	33E	13	Aliquot NWNW	32.6669003	-103.6237364	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 24489	3708	0	0	Y
KOP Leg #1	208	FNL	435	FWL	19S	33E	13	Aliquot NENW	32.6687598	-103.6192044	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 24489	-5079	8994	8787	Y

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this
PPP Leg #1-1	100	FNL	1980	FWL	19S	33E	13	Aliquot NENW	32.667185	-103.6187148	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 24489	-5652	9911	9360	Y
PPP Leg #1-2	0	FNL	1980	FWL	19S	33E	24	Aliquot NENW	32.6529414	-103.6187636	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 100861	-5652	15087	9360	Y
EXIT Leg #1	100	FSL	1980	FWL	19S	33E	24	Aliquot SESW	32.6386979	-103.6187994	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 100861	-5652	20269	9360	Y
BHL Leg #1	10	FSL	1980	FWL	19S	33E	24	Aliquot SESW	32.6384505	-103.6187946	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 100861	-5652	20359	9360	Y

AFMSS

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

Drilling Plan Data Report

08/11/2024

APD ID: 10400093846
Submission Date: 08/29/2023

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM
Well Number: 102H

Well Type: OIL WELL
Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
13932727	QUATERNARY	3708	0	0	ALLUVIUM	NONE	N
13932728	RUSTLER	2143	1565	1565	ANHYDRITE, LIMESTONE, SANDSTONE	NONE	N
13932729	TOP SALT	1838	1870	1870	ANHYDRITE, SALT	NONE	N
13932699	BASE OF SALT	593	3115	3125	ANHYDRITE, SALT	NONE	N
13932700	YATES	423	3285	3285	ANHYDRITE, DOLOMITE, SANDSTONE, SHALE	NONE	N
13932730	SEVEN RIVERS	-2	3710	3730	ANHYDRITE, DOLOMITE, SANDSTONE, SHALE	NONE	N
13932731	QUEEN	-572	4280	4310	ANHYDRITE, DOLOMITE, SANDSTONE, SHALE	NATURAL GAS, OIL	N
13932701	GRAYBURG	-862	4570	4610	ANHYDRITE, DOLOMITE, SANDSTONE, SHALE	NONE	N
13932702	SAN ANDRES	-1392	5100	5130	ANHYDRITE, DOLOMITE, SANDSTONE, SHALE	NONE	N
13932733	CHERRY CANYON	-1962	5670	5710	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	N
13932734	BRUSHY CANYON	-2652	6360	6400	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	N
13932735	BONE SPRING LIME	-4152	7860	7890	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	N
13932746	BONE SPRING 1ST	-5372	9080	9130	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Pressure Rating (PSI): 5M **Rating Depth:** 15000

Equipment: A 13.625" 5M Blowout Preventer system will be installed on a multi-bowl (speed head) wellhead with a 13.625" flanged casing spool. E.G.L. Resources, Inc. Millie Mile 13-24 Fed Com 102H SHL: 199 FNL & 1348 FWL' of Section 13-19S-33E BHL: 10 FSL & 1980 FWL Section 24-19S-33E Lea County, New Mexico Formation Name Bearing Yates (Base of Salt) Seven Rivers Queen N/A N/A Hydrocarbons Quaternary Rustler Salado salt Water N/A N/A Hydrocarbons Hydrocarbons Hydrocarbons Cherry Canyon Brushy Canyon sandstone Hydrocarbons Hydrocarbons Hydrocarbons Wolfcamp A* Wolfcamp B Lower Wolfcamp B Flow Unit Not Encountered Not Encountered Not Encountered 3rd BS Sand Wolfcamp XY* Hydrocarbons Hydrocarbons Not Encountered Top flange of casing spool will be set in a cellar below ground level. BOP system will consist of a single pipe ram on the bottom, mud cross, double pipe ram with blind rams on bottom and pipe rams on top, and annular preventer. Blowout preventer will be installed on top of the 13.375 surface casing and will remain installed to TD of the well. Wellhead, blowout preventer, and choke manifold diagram are included

Requesting Variance? YES

Variance request: Variance is requested to use a co-flex hose between the BOP system and choke manifold. A typical co-flex pressure test certificate is attached. An equipment specific co-flex pressure test certificate will be on site when testing the BOP.
Testing Procedure: All casing strings will be tested in accordance with Onshore Order 2 III.B.1.h. The BOP system will be isolated and tested by an independent tester to 250 psi low and 5,000 psi high for 10 minutes.per CFR 3172 requirements. The Surface Casing will be pressure tested to 250 psi low and 1500 psi high. Intermediate Casing will be pressure tested to 250 psi low and (.22 psi x Shoe TVD, which is equivalent to 1159.4 psi OR 1,500 psi, whichever is higher) for 30 minutes

Choke Diagram Attachment:

5M_Choke_EGL_20240207073655.pdf

BOP Diagram Attachment:

5M_BOP_EGL_20240207073700.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	17.5	13.375	NEW	API	N	0	1835	0	1835	3710	1875	1835	J-55	54.5	OTHER - BTC	1.125	1.125	BUOY	1.6	BUOY	1.6
2	INTERMEDIATE	9.875	8.625	NEW	API	N	0	5280	0	5250	3709	-1540	5280	P-110	32	OTHER - Talon HTQ	1.125	1.125	BUOY	1.6	BUOY	1.6
3	PRODUCTION	7.875	5.5	NEW	API	N	0	20359	0	9200	3709	-5490	20359	P-110	17	OTHER - DWC/C-IS+	1.125	1.125	BUOY	1.6	BUOY	1.6

Casing Attachments

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Casing Attachments

Casing ID: 1 **String** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assmpt_3_string_casing_20240118093517.pdf

13.375_54.5000_0.3800_J55_data_sheet_20240513130821.pdf

Casing ID: 2 **String** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assmpt_3_string_casing_20240118093753.pdf

8.625_P110HP_TALON_HTQ_Casing_Spec_20230407121740_20240207074322.pdf

Casing ID: 3 **String** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assmpt_3_string_casing_20240118093925.pdf

5.5in_P110_EC_Casing_Spec_20240207074431.pdf

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1200	751	2.22	12.5	1667.3	100	Class C	Gel, Accelerator, LCM
SURFACE	Tail		1200	1835	479	1.84	13.2	882.3	100	Class C	Gel, Accelerator, LCM
INTERMEDIATE	Lead		0	4530	308	4.65	10.5	1432.7	100	Class C	Fluid Loss, Retarder, LCM
INTERMEDIATE	Tail		4530	5280	130	1.83	13.2	237.9	100	Class C	Fluid Loss, Retarder, LCM
PRODUCTION	Lead		4780	9100	211	4.3	10.5	909.4	20	Class H	Fluid Loss, Retarder, LCM
PRODUCTION	Tail		9100	20359	1446	1.68	13	2428.7	20	Class H	Fluid Loss, Retarder, LCM

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: An electronic PVT mud system will monitor flow rate, pump pressure, stroke rate, and volume. All necessary mud products (barite, bentonite, LCM) to control weight and fluid loss will be on site at all times. Mud program may change due to hole conditions. A closed loop system will be used.

Describe the mud monitoring system utilized: electronic PVT mud system

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)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
1835	5280	SALT SATURATED	10.2	10.2							

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
5280	20359	OIL-BASED MUD	9.7	9.7							
0	1835	WATER-BASED MUD	8.3	8.3							

Section 6 - Test, Logging, Coring

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

No core or drill stem test is planned. A 2-person mud logging program will be used from 3000 to TD. GR log will be acquired by MWD tools from the intermediate casing to TD.

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

GAMMA RAY LOG,

Coring operation description for the well:

No core or drill stem test is planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5980 **Anticipated Surface Pressure:** 3920

Anticipated Bottom Hole Temperature(F): 215

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

EGL_H2S_Plan_20240118100955.pdf

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Millie_Mile_13_24_Fed_Com_102H__Plan_3__20240513131145.pdf
Millie_Mile_13_24_Fed_Com_102H__Plan_3_AC_Report_20240513131149.pdf
Millie_Mile_13_24_Fed_Com_102H__Plan_3_Plot_20240513131152.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

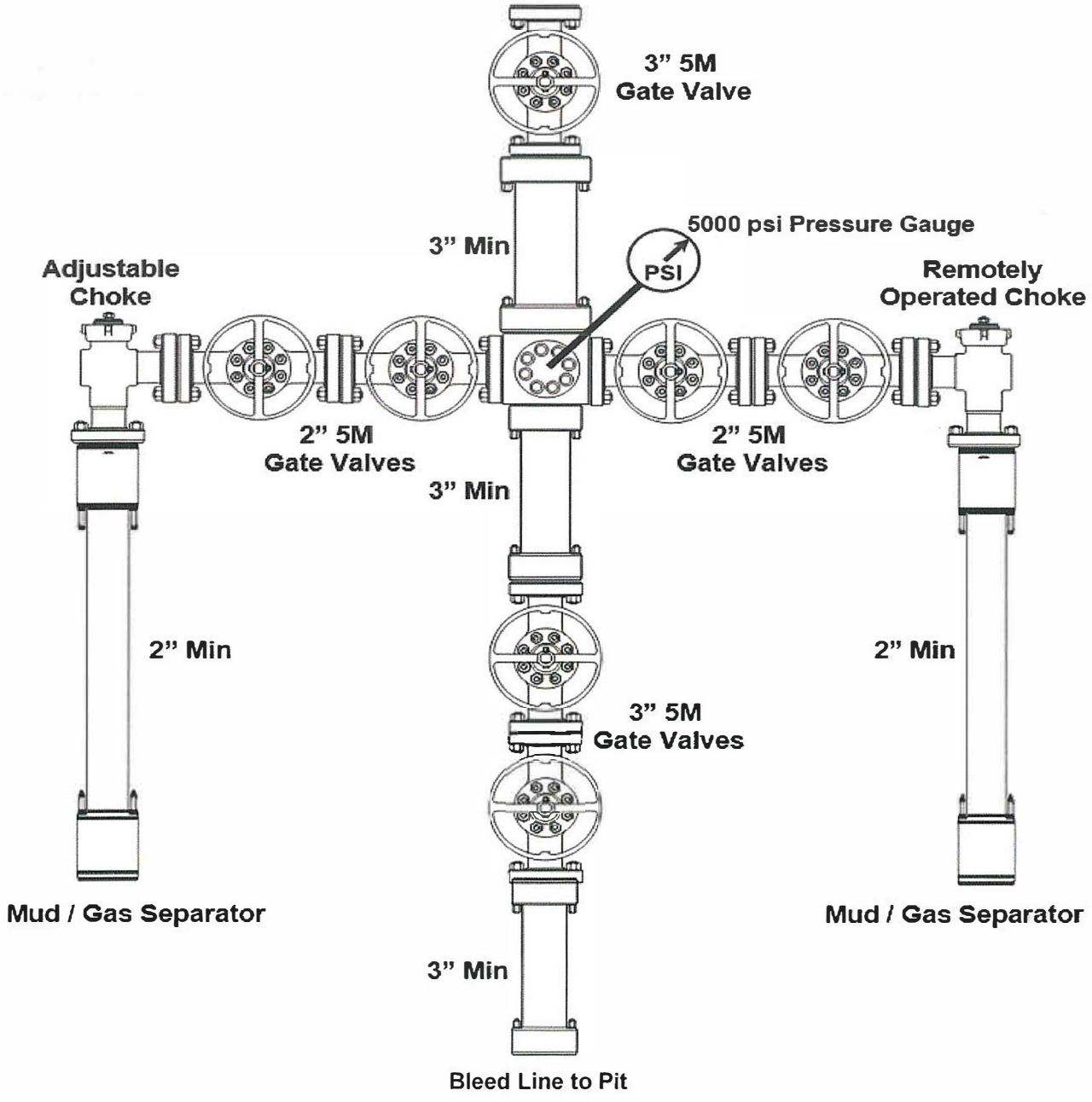
Choke_Kill_Line_Certs_20240513131210.pdf
Rig_597ST___I2__Rig_Layout_Pad__20240513131215.pdf
Speedhead_Specs_3string_20230407122522_20240513131218.pdf
Wellhead_3T_Design_20240513131221.pdf
Millie_Mile_102H_Drill_Plan_3S_Reef_INTR_8.625_17lb_5.5_042424_v6_20240513141341.pdf

Other Variance attachment:

E.G.L. Resources, Inc.	E.G.L. Resources, Inc.	Date	01/26/2024
	223 W Wall St, M idland, TX 79701	Page No.	1 of 1

5M CHOKE MANIFOLD SCHEMATIC

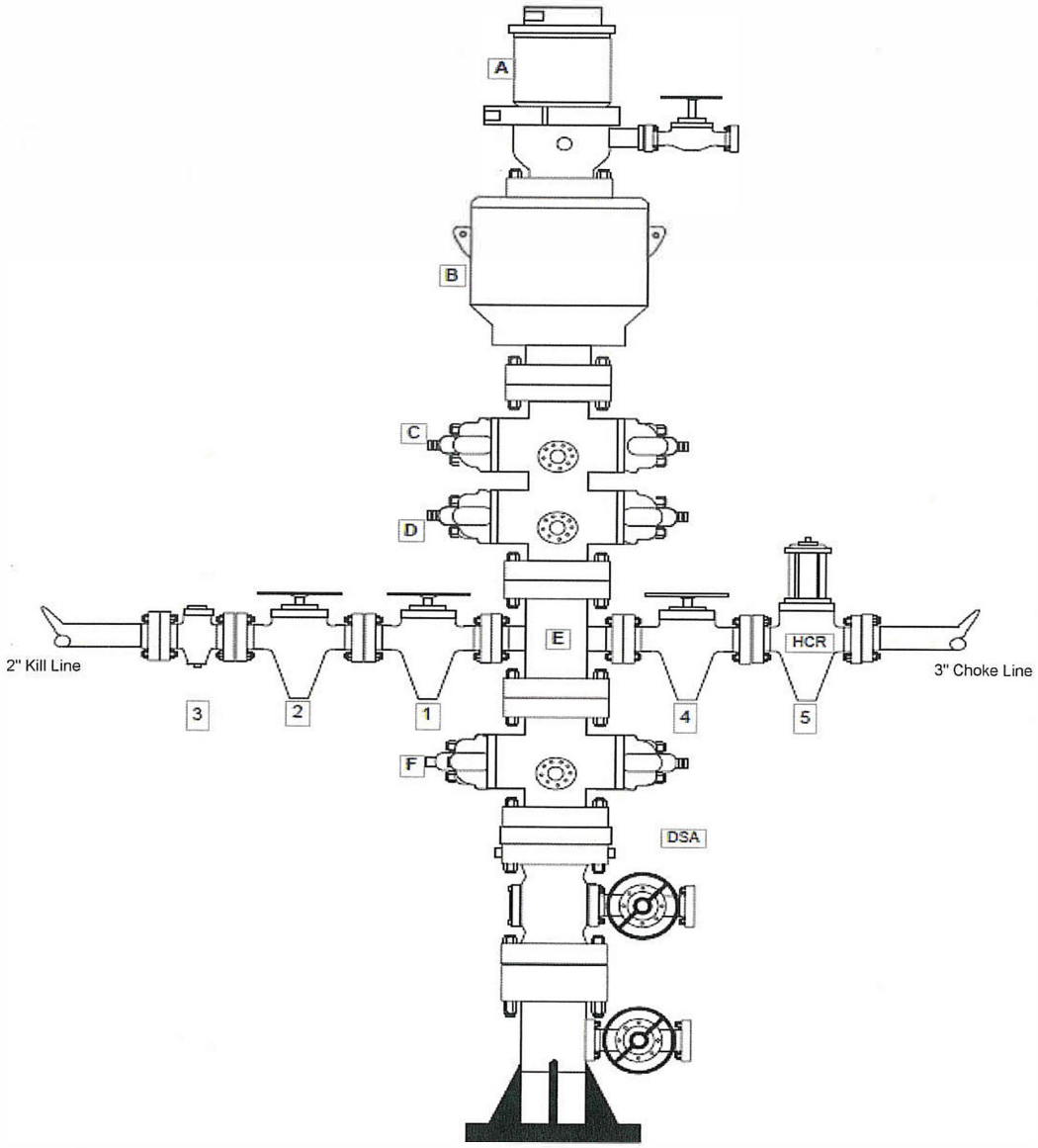
ITEM	SIZE	PRESSURE	DESCRIPTION



E.G.L. Resources, Inc.	E.G.L. Resources, Inc.	Date	1/26/2024
	223 W Wall St, Midland, TX 79701	Page No.	1 of 1

5M BLOWOUT PREVENTER SCHEMATIC

BLOWOUT PREVENTOR COMPONENTS			
ITEM	SIZE	PRESSURE	DESCRIPTION
A	13-5/8"	1,500 psi	Rotating Head + Valve
B	13-5/8"	5,000 psi	Annular Preventer
C	13-5/8"	5,000 psi	Pipe Rams
D	13-5/8"	5,000 psi	Blind Rams
E	13-5/8"	5,000 psi	Mud Cross
F	13-5/8"	5,000 psi	Pipe Rams



KILL LINE			
ITEM	SIZE	PRESSURE	DESCRIPTION
1	2"	5,000 psi	Gate Valve
2	2"	5,000 psi	Gate Valve
3	2"	5,000 psi	Check Valve

CHOKE LINE			
ITEM	SIZE	PRESSURE	DESCRIPTION
4	3"	5,000 psi	Gate Valve
5	3"	5,000 psi	HCR Valve

3-string Casing Design Assumptions

Surface Casing

Collapse: $DF_C = 1.125$

a. Full internal Evacuation: Collapse force is equal to mud gradient (0.433 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.718 psi/ft) in which the casing will be run and internal force equivalent to fresh water displacement gradient (0.433 psi/ft).

Burst: $DF_B = 1.125$

a. Casing Pressure Test: According to BLM Onshore Order No. 2 with 0.22 psi/ft or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8727 in water (8.33 ppg).

Intermediate Casing

Collapse: $DF_C = 1.125$

a. Full Internal Evacuation: Collapse force is equal to mud gradient (0.531 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.626 psi/ft) in which the casing will be run and internal force equivalent to the displacement of fluid gradient.

Burst: $DF_B = 1.125$

a. Casing Pressure Test: According to BLM Onshore Order No. 2 with 0.22 psi/ft or 1500 psi, whichever is greater but to exceed 70% of the minimum internal yield.
b. Gas Kick: Internal burst load of a 50 bbl gas kick at the casing with drill pipe in the hole. External force will be 10.2 ppg brine water gradient (0.531 psi/ft) and internal force will be with 10.0 ppg brine water gradient (0.521 psi/ft) with gas kick.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8441 in brine water (10.2 ppg).

Production Casing

Collapse: $DF_C = 1.125$

a. Full Internal Evacuation: Collapse force is equal to mud gradient (0.531 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.688 psi/ft) in which the casing will be run and internal force equivalent to fresh water displacement gradient (0.433 psi/ft).

Burst: $DF_B = 1.125$

a. Pressure Test: Pressure test will be to 80% of Internal Yield Pressure of casing intended for fracture stimulation.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8472 in oil-based mud (10.0 ppg).

U. S. Steel Tubular Products

13.375" 54.50lb/ft (0.380" Wall) J55

11/1/2023 1:00:21 PM

MECHANICAL PROPERTIES	Pipe	BTC	LTC	STC		--
Minimum Yield Strength	55,000	--	--	--	psi	--
Maximum Yield Strength	80,000	--	--	--	psi	--
Minimum Tensile Strength	75,000	--	--	--	psi	--
DIMENSIONS	**Pipe**	**BTC**	**LTC**	**STC**		**--**
Outside Diameter	13.375	14.375	0.000	14.375	in.	--
Wall Thickness	0.380	--	--	--	in.	--
Inside Diameter	12.615	12.615	--	12.615	in.	--
Standard Drift	12.459	12.459	12.459	12.459	in.	--
Alternate Drift	--	12.500	--	--	in.	--
Nominal Linear Weight, T&C	54.50	--	--	--	lb/ft	--
Plain End Weight	52.79	--	--	--	lb/ft	--
PERFORMANCE	**Pipe**	**BTC**	**LTC**	**STC**		**--**
Minimum Collapse Pressure	1,130	1,130	1,130	1,130	psi	--
Minimum Internal Yield Pressure	2,740	2,740	2,740	2,740	psi	--
Minimum Pipe Body Yield Strength	853	--	--	--	1,000 lbs	--
Joint Strength	--	909	--	514	1,000 lbs	--
Reference Length	--	11,119	--	6,290	ft	--
MAKE-UP DATA	**Pipe**	**BTC**	**LTC**	**STC**		**--**
Make-Up Loss	--	4.81	--	3.50	in.	--
Minimum Make-Up Torque	--	--	--	3,860	ft-lb	--
Maximum Make-Up Torque	--	--	--	6,430	ft-lb	--

UNCONTROLLED

Notes

U. S. Steel Tubular Products
460 Wildwood Forest Drive, Suite 300S
Spring, Texas 77380

1-877-893-9461
connections@uss.com
www.usstubular.com

3-string Casing Design Assumptions

Surface Casing

Collapse: $DF_C = 1.125$

a. Full internal Evacuation: Collapse force is equal to mud gradient (0.433 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.718 psi/ft) in which the casing will be run and internal force equivalent to fresh water displacement gradient (0.433 psi/ft).

Burst: $DF_B = 1.125$

a. Casing Pressure Test: According to BLM Onshore Order No. 2 with 0.22 psi/ft or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8727 in water (8.33 ppg).

Intermediate Casing

Collapse: $DF_C = 1.125$

a. Full Internal Evacuation: Collapse force is equal to mud gradient (0.531 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.626 psi/ft) in which the casing will be run and internal force equivalent to the displacement of fluid gradient.

Burst: $DF_B = 1.125$

a. Casing Pressure Test: According to BLM Onshore Order No. 2 with 0.22 psi/ft or 1500 psi, whichever is greater but to exceed 70% of the minimum internal yield.
b. Gas Kick: Internal burst load of a 50 bbl gas kick at the casing with drill pipe in the hole. External force will be 10.2 ppg brine water gradient (0.531 psi/ft) and internal force will be with 10.0 ppg brine water gradient (0.521 psi/ft) with gas kick.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8441 in brine water (10.2 ppg).

Production Casing

Collapse: $DF_C = 1.125$

a. Full Internal Evacuation: Collapse force is equal to mud gradient (0.531 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.688 psi/ft) in which the casing will be run and internal force equivalent to fresh water displacement gradient (0.433 psi/ft).

Burst: $DF_B = 1.125$

a. Pressure Test: Pressure test will be to 80% of Internal Yield Pressure of casing intended for fracture stimulation.

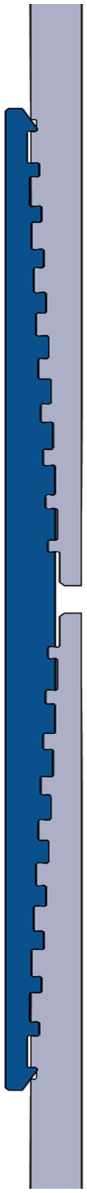
Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8472 in oil-based mud (10.0 ppg).

Generated: 4/24/2020

DRAFT

U. S. Steel Tubular Products



8 5/8 32.00 lb (0.352) P110 HP — USS-TALON HTQ™RD9.000

	PIPE	CONNECTION		
MECHANICAL PROPERTIES				[6]
Minimum Yield Strength	**125,000**		*psi*	
Maximum Yield Strength	**140,000**		*psi*	
Minimum Tensile Strength	**130,000**		*psi*	
DIMENSIONS				
Outside Diameter	**8.625**	**9.000**	*in.*	
Wall Thickness	0.352		*in.*	
Inside Diameter	7.921	7.921	*in.*	
Drift - API	7.796		*in.*	
Nominal Linear Weight, T&C	**32.00**	**32.00**	*lbs/ft*	
Plain End Weight	31.13		*lbs/ft*	
SECTION AREA				
Cross Sectional Area | Critical Area	9.149	9.149	*sq. in.*	
Joint Efficiency		100%	%	[2]
PERFORMANCE				
Minimum Collapse Pressure	4,530	4,530	*psi*	
Minimum Internal Yield Pressure	8,930	8,930	*psi*	
Minimum Pipe Body Yield Strength	1,144,000		*lbs*	
Joint Strength		1,144,000	*lbs*	
Compression Rating		1,144,000	*lbs*	
Reference Length		23,833	*ft*	[5]
Maximum Uniaxial Bend Rating		66.4	*deg/100 ft*	[3]
MAKE-UP DATA				
Minimum Make-Up Torque		20,200	*ft-lbs*	[4]
Maximum Make-Up Torque		26,000	*ft-lbs*	[4]
Maximum Operating Torque		119,000	*ft-lbs*	[4]
Make-Up Loss		5.58	*in.*	

UNCONTROLLED

UNCONTROLLED

Notes:

1) Other than proprietary collapse and connection values, performance properties have been calculated using standard equations defined by API 5C3 and do not incorporate any additional design or safety factors. Calculations assume nominal pipe OD, nominal wall thickness, and Specified Minimum Yield Strength (SMYS).
2) Compressive & Tensile Connection Efficiencies are calculated by dividing the connection critical area by the pipe body area.
3) Uniaxial bending rating shown is structural only, and equal to compression efficiency.
4) Torques have been calculated assuming a thread compound friction factor of 1.0 and are recommended only. Field make-up torques may require adjustment based on actual field conditions (e.g. make-up speed, temperature, thread compound, etc.).
5) Reference length is calculated by joint strength divided by Nominal Linear Weight,T&C with 1.5 safety factor.
6) Coupling must meet minimum mechanical properties of the pipe.

Manual USS Product Data Sheet 2019 Rev29

U. S. Steel Tubular Products
460 Wildwood Forest Dr., Suite 300S
Spring, TX 77380
1-877-893-9461
connections@uss.com
www.usstubular.com

3-string Casing Design Assumptions

Surface Casing

Collapse: $DF_C = 1.125$

a. Full internal Evacuation: Collapse force is equal to mud gradient (0.433 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.718 psi/ft) in which the casing will be run and internal force equivalent to fresh water displacement gradient (0.433 psi/ft).

Burst: $DF_B = 1.125$

a. Casing Pressure Test: According to BLM Onshore Order No. 2 with 0.22 psi/ft or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8727 in water (8.33 ppg).

Intermediate Casing

Collapse: $DF_C = 1.125$

a. Full Internal Evacuation: Collapse force is equal to mud gradient (0.531 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.626 psi/ft) in which the casing will be run and internal force equivalent to the displacement of fluid gradient.

Burst: $DF_B = 1.125$

a. Casing Pressure Test: According to BLM Onshore Order No. 2 with 0.22 psi/ft or 1500 psi, whichever is greater but to exceed 70% of the minimum internal yield.
b. Gas Kick: Internal burst load of a 50 bbl gas kick at the casing with drill pipe in the hole. External force will be 10.2 ppg brine water gradient (0.531 psi/ft) and internal force will be with 10.0 ppg brine water gradient (0.521 psi/ft) with gas kick.

Tensile: $DF_T = 1.60$

a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8441 in brine water (10.2 ppg).

Production Casing

Collapse: $DF_C = 1.125$

a. Full Internal Evacuation: Collapse force is equal to mud gradient (0.531 psi/ft) in which the casing will be run and internal evacuation of casing.
b. Cementing: Collapse force is equal net force of the planned cement slurry gradient (0.688 psi/ft) in which the casing will be run and internal force equivalent to fresh water displacement gradient (0.433 psi/ft).

Burst: $DF_B = 1.125$

a. Pressure Test: Pressure test will be to 80% of Internal Yield Pressure of casing intended for fracture stimulation.

Tensile: $DF_T = 1.60$

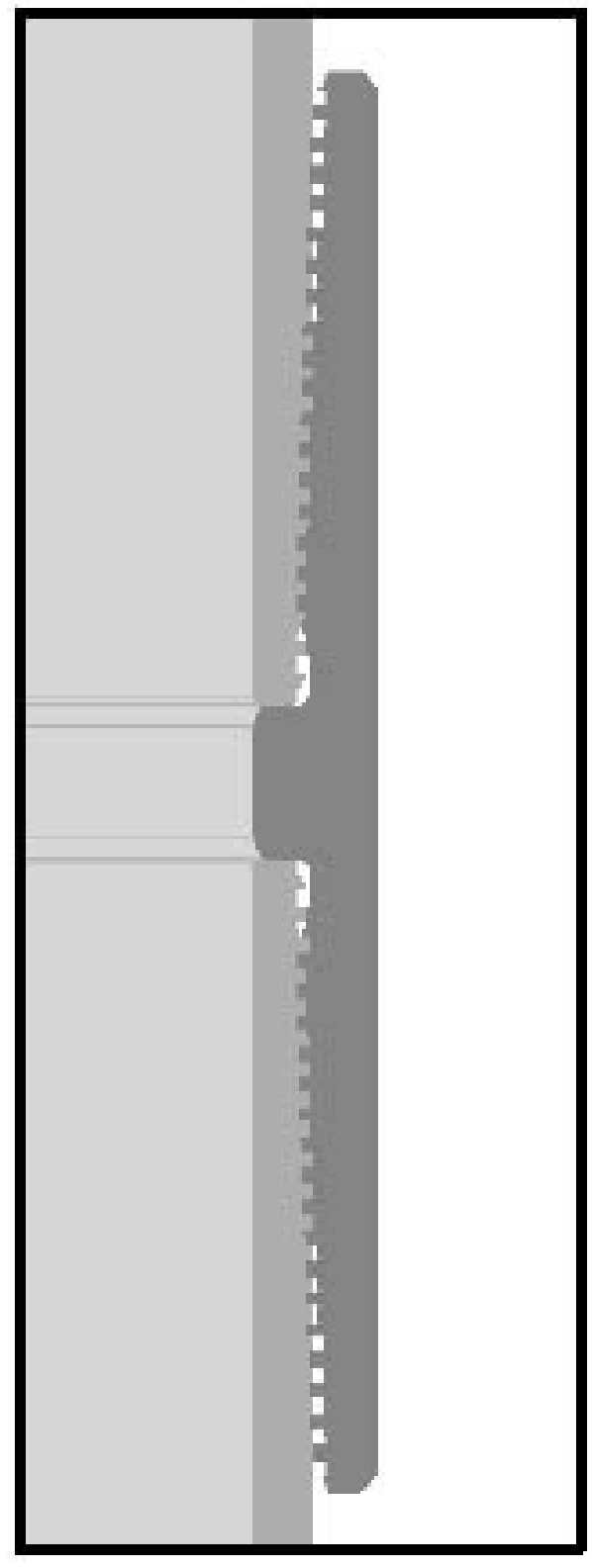
a. Overpull: A tensile force of 100,000 lbs over string weight with a buoyancy factor of 0.8472 in oil-based mud (10.0 ppg).

Technical Specifications

Connection Type:	Size(O.D.):	Weight (Wall):	Grade:
DWC/C-IS PLUS Casing	5-1/2 in	20.00 lb/ft (0.361 in)	VST P110 EC
standard			

	Material
VST P110 EC	Grade
125,000	Minimum Yield Strength (psi)
135,000	Minimum Ultimate Strength (psi)
	Pipe Dimensions
5.500	Nominal Pipe Body O.D. (in)
4.778	Nominal Pipe Body I.D.(in)
0.361	Nominal Wall Thickness (in)
20.00	Nominal Weight (lbs/ft)
19.83	Plain End Weight (lbs/ft)
5.828	Nominal Pipe Body Area (sq in)
	Pipe Body Performance Properties
729,000	Minimum Pipe Body Yield Strength (lbs)
12,090	Minimum Collapse Pressure (psi)
14,360	Minimum Internal Yield Pressure (psi)
13,100	Hydrostatic Test Pressure (psi)
	Connection Dimensions
6.300	Connection O.D. (in)
4.778	Connection I.D. (in)
4.653	Connection Drift Diameter (in)
4.13	Make-up Loss (in)
5.828	Critical Area (sq in)
100.0	Joint Efficiency (%)
	Connection Performance Properties
729,000	Joint Strength (lbs)
26,040	Reference String Length (ft) 1.4 Design Factor
728,000	API Joint Strength (lbs)
729,000	Compression Rating (lbs)
12,090	API Collapse Pressure Rating (psi)
14,360	API Internal Pressure Resistance (psi)
104.2	Maximum Uniaxial Bend Rating [degrees/100 ft]
	Appoximated Field End Torque Values
16,600	Minimum Final Torque (ft-lbs)
19,100	Maximum Final Torque (ft-lbs)
21,600	Connection Yield Torque (ft-lbs)

VAM USA
4424 W. Sam Houston Pkwy. Suite 150
Houston, TX 77041
Phone: 713-479-3200
Fax: 713-479-3234
E-mail: VAMUSAsales@vam-usa.com

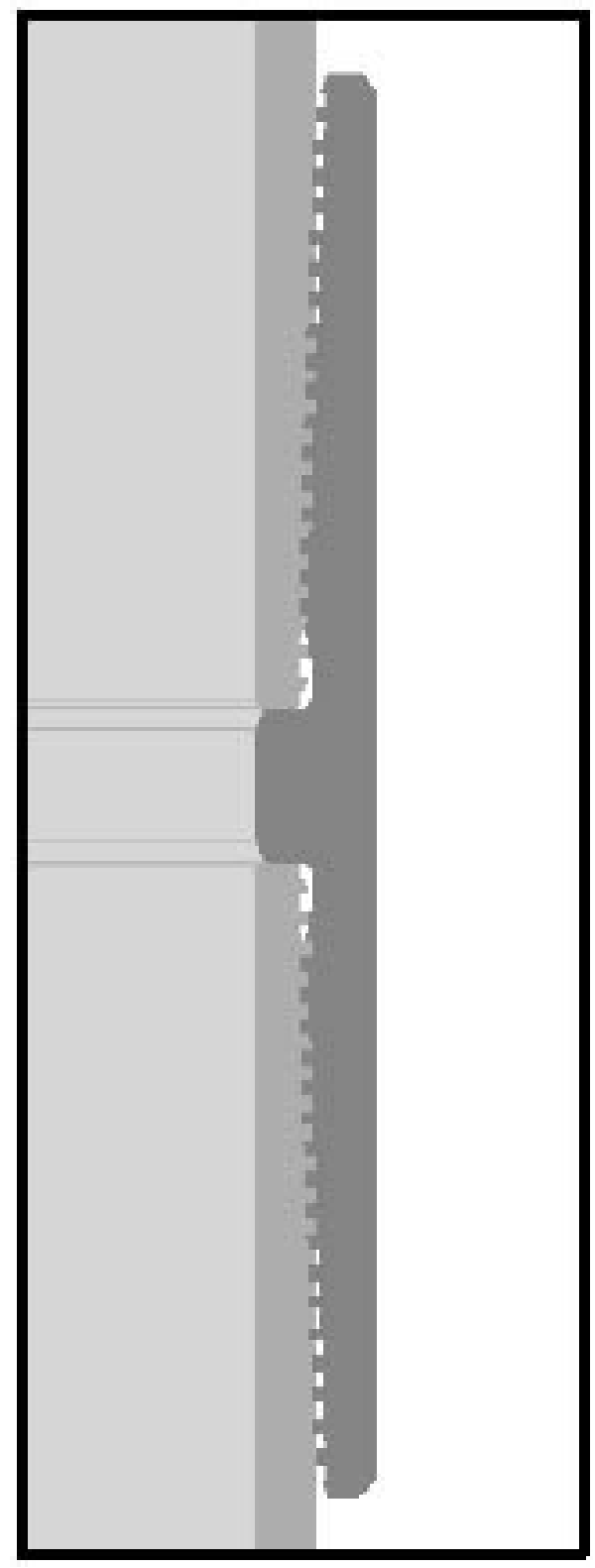


For detailed information on performance properties, refer to DWC Connection Data Notes on following page(s).

2/6/2015

DWC Connection Data Notes:

1. DWC connections are available with a seal ring (SR) option.
2. All standard DWC/C connections are interchangeable for a give pipe OD. DWC connections are interchangeable with DWC/C-SR connections of the same OD and wall.
3. Connection performance properties are based on nominal pipe body and connection dimensions.
4. DWC connection internal and external pressure resistance is calculated using the API rating for buttress connections. API Internal pressure resistance is calculated from formulas 31, 32, and 35 in the API Bulletin 5C3.
5. DWC joint strength is the minimum pipe body yield strength multiplied by the connection critical area.
6. API joint strength is for reference only. It is calculated from formulas 42 and 43 in the API Bulletin 5C3.
7. Bending efficiency is equal to the compression efficiency.
8. The torque values listed are recommended. The actual torque required may be affected by field conditions such as temperature, thread compound, speed of make-up, weather conditions, etc.
9. Connection yield torque is not to be exceeded.
10. Reference string length is calculated by dividing the joint strength by both the nominal weight in air and a design factor (DF) of 1.4. These values are offered for reference only and do not include load factors such as bending, buoyancy, temperature, load dynamics, etc.
11. DWC connections will accommodate API standard drift diameters.



Connection specifications within the control of VAM USA were correct as of the date printed. Specifications are subject to change without notice. Certain connection specifications are dependent on the mechanical properties of the pipe. Mechanical properties of mill proprietary pipe grades were obtained from mill publications and are subject to change. Properties of mill proprietary grades should be confirmed with the mill. Users are advised to obtain current connection specifications and verify pipe mechanical properties for each application.

2/6/2015

E.G.L. Resources, Inc.

H_2S Drilling Operations Plan

a. All personnel will be trained in H_2S working conditions as required by Onshore Order 6 before drilling out of the surface casing.

b. Two briefing areas will be established. Each will be at least 150' from the wellhead, perpendicular from one another, and easily entered and exited. See H_2S page 5 for more details.

c. A remote-controlled choke, mud-gas separator, and a rotating head will be installed before drilling or testing any formation expected to contain H_2S.

d. H_2S Safety Equipment/Systems:

I. Well Control Equipment

- Flare line will be ≥150' from the wellhead and ignited by a pilot light.
- Beware of SO_2 created by flaring.
- Choke manifold will include a remotely operated choke.
- Mud gas separator

II. Protective Equipment for Essential Personnel

- Every person on site will be required to wear a personal H_2S and SO_2 monitor at all times while on site. Monitors will not be worn on hard hats. Monitors will be worn on the front of the chest.
- One self-contained breathing apparatus (SCBA) 30-minute rescue pack will be at each briefing area. Two 30-minute SCBA packs will be stored in the safety trailer.
- Four work/escape packs will be on the rig floor. Each pack will have a long enough hose to allow unimpaired work activity.
- Four emergency escape packs will be in the doghouse for emergency evacuation.
- Hand signals will be used when wearing protective breathing apparatus.
- Stokes litter or stretcher
- Two full OSHA compliant body harnesses
- A 100-foot long x 5/8 inch OSHA compliant rope
- One 20-pound ABC fire extinguisher

iii. H_2S Detection & Monitoring Equipment

- Every person on site will be required to wear a personal H_2S and SO_2 monitor at all times while on site. Monitors will not be worn on hard hats. Monitors will be worn on the front of the chest.
- A stationary detector with three sensors will be in the doghouse.
- Sensors will be installed on the rig floor, bell nipple, and at the end of the flow line or where drilling fluids are discharged.
- Visual alarm will be triggered at 10 ppm.
- Audible alarm will be triggered at 10 ppm.
- Calibration will occur at least every 30 days. Gas sample tubes will be kept in the safety trailer.

iv. Visual Warning System

- Color-coded H_2S condition sign will be set at the entrance to the pad.
- Color-coded condition flag will be installed to indicate current H_2S conditions.
- Two wind socks will be installed that will be visible from all sides.

v. Mud Program

- A water based mud with a pH of $\geq$10 will be maintained to control corrosion, H_2S gas returns to the surface, and minimize sulfide stress cracking and embrittlement.
- Drilling mud containing H_2S gas will be degassed at an optimum location for the rig configuration.
- This gas will be piped into the flare system.
- Enough mud additives will be on location to scavenge and/or neutralize H_2S where formation pressures are unknown.

vi. Metallurgy

- All equipment that has the potential to be exposed to H_2S will be suitable for H_2S service.
- Equipment that will meet these metallurgical standards include the drill string, casing, wellhead, BOP assembly, casing head and spool, rotating head, kill lines, choke, choke manifold and lines, valves, mud-gas separators, DST tools, test units, tubing, flanges, and other related equipment (elastomer packings and seals).

vii. Communication from well site

- Cell phones and/or two-way radios will be used to communicate from the well site.

Hydrogen Sulfide Drilling Operations Plan
EGL Resources, Inc
Section 15, T19S, R33E
Lea County, NM

Coordination with Authorities

It is EGL's responsibility to work with the proper agencies to properly respond to a major release. Every response by EGL must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER). In case of release, the OCD must be notified no later than four hours after start of release. When reporting a release, EGL must possess necessary information about the release such as: directions to wellsite, wind direction, volume, and location of release, etc. See below for contact information of company, local, state, and national officials and agencies.

EGL Resources, Inc
Office……..432-687-6560

Hobbs Agencies
Ambulance……911
City Police……575-397-9265
Fire Department……575-397-9308
State Police……575-885-3138
Emergency Planning……575-391-2983
New Mexico OCD……..575-393-6161 (**EMERGENCY: 575-370-3186**)
Bureau of Land Management……575-393-3612

E.G.L. Resources, Inc.

Lea, County NM (NAD 83)
Millie Mile Pad
Millie Mile 13-24 Fed Com 102H

Wellbore #1

Plan: Plan 3

Standard Planning Report

23 April, 2024

SB DIRECTIONAL

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

Project Lea, County NM (NAD 83)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site Millie Mile Pad

Site Position:		**Northing:**	607,084.97 usft	**Latitude:**	32.66691567
From:	Map	**Easting:**	759,718.58 usft	**Longitude:**	-103.62367395
Position Uncertainty:	0.00 usft	**Slot Radius:**	13-3/16 "		

Well Millie Mile 13-24 Fed Com 102H

Well Position	**+N/-S**	0.00 usft	**Northing:**	607,084.97 usft	**Latitude:**	32.66691604
	+E/-W	0.00 usft	**Easting:**	759,698.58 usft	**Longitude:**	-103.62373894
Position Uncertainty		0.50 usft	**Wellhead Elevation:**	usft	**Ground Level:**	3,708.57 usft
Grid Convergence:		0.38 °				

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM 2023	12/14/2023	6.49	60.47	47,546.00000000

Design Plan 3

Audit Notes:

Version:	**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	180.00

Plan Survey Tool Program **Date** 4/23/2024

	Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	20,358.27	Plan 3 (Wellbore #1)	MWD+IFR1+MS	
				OWSG MWD + IFR1 + Multi-St	

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

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
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,900.00	8.00	25.00	1,898.70	25.27	11.78	2.00	2.00	0.00	25.00	
2,458.38	16.00	65.55	2,445.29	92.54	98.52	2.00	1.43	7.26	67.67	
7,207.50	16.00	65.55	7,010.51	634.25	1,289.93	0.00	0.00	0.00	0.00	
8,007.35	0.00	0.00	7,800.00	680.17	1,390.92	2.00	-2.00	0.00	180.00	MM 102H VP
8,994.39	0.00	0.00	8,787.04	680.17	1,390.92	0.00	0.00	0.00	0.00	
9,894.39	90.00	171.00	9,360.00	114.27	1,480.55	10.00	10.00	0.00	171.00	
10,099.39	90.00	171.00	9,360.00	-88.21	1,512.62	0.00	0.00	0.00	0.00	
10,536.74	90.00	179.75	9,360.00	-523.71	1,547.86	2.00	0.00	2.00	90.00	
20,359.18	90.00	179.75	9,360.00	-10,346.05	1,591.23	0.00	0.00	0.00	0.00	MM 102H PBHL(10' F

SB DIRECTIONAL

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00									
1,600.00	2.00	25.00	1,599.98	1.58	0.74	-1.58	2.00	2.00	0.00
1,700.00	4.00	25.00	1,699.84	6.32	2.95	-6.32	2.00	2.00	0.00
1,800.00	6.00	25.00	1,799.45	14.22	6.63	-14.22	2.00	2.00	0.00
1,900.00	8.00	25.00	1,898.70	25.27	11.78	-25.27	2.00	2.00	0.00
Start DLS 2.00 TFO 67.67									
2,000.00	8.95	36.97	1,997.62	37.79	19.40	-37.79	2.00	0.95	11.97
2,100.00	10.21	46.35	2,096.23	50.13	30.50	-50.13	2.00	1.26	9.38
2,200.00	11.67	53.55	2,194.41	62.25	45.05	-62.25	2.00	1.46	7.20
2,300.00	13.28	59.10	2,292.05	74.16	63.04	-74.16	2.00	1.60	5.55
2,400.00	14.97	63.44	2,389.02	85.84	84.45	-85.84	2.00	1.70	4.34
2,458.38	16.00	65.55	2,445.29	92.54	98.52	-92.54	2.00	1.75	3.62
Start 4749.12 hold at 2458.38 MD									
2,500.00	16.00	65.55	2,485.29	97.29	108.96	-97.29	0.00	0.00	0.00
2,600.00	16.00	65.55	2,581.42	108.70	134.05	-108.70	0.00	0.00	0.00
2,700.00	16.00	65.55	2,677.55	120.10	159.13	-120.10	0.00	0.00	0.00
2,800.00	16.00	65.55	2,773.68	131.51	184.22	-131.51	0.00	0.00	0.00
2,900.00	16.00	65.55	2,869.80	142.92	209.31	-142.92	0.00	0.00	0.00
3,000.00	16.00	65.55	2,965.93	154.32	234.40	-154.32	0.00	0.00	0.00
3,100.00	16.00	65.55	3,062.06	165.73	259.48	-165.73	0.00	0.00	0.00
3,200.00	16.00	65.55	3,158.19	177.14	284.57	-177.14	0.00	0.00	0.00
3,300.00	16.00	65.55	3,254.31	188.54	309.66	-188.54	0.00	0.00	0.00
3,400.00	16.00	65.55	3,350.44	199.95	334.74	-199.95	0.00	0.00	0.00
3,500.00	16.00	65.55	3,446.57	211.36	359.83	-211.36	0.00	0.00	0.00
3,600.00	16.00	65.55	3,542.70	222.76	384.92	-222.76	0.00	0.00	0.00
3,700.00	16.00	65.55	3,638.83	234.17	410.00	-234.17	0.00	0.00	0.00
3,800.00	16.00	65.55	3,734.95	245.57	435.09	-245.57	0.00	0.00	0.00
3,900.00	16.00	65.55	3,831.08	256.98	460.18	-256.98	0.00	0.00	0.00
4,000.00	16.00	65.55	3,927.21	268.39	485.27	-268.39	0.00	0.00	0.00
4,100.00	16.00	65.55	4,023.34	279.79	510.35	-279.79	0.00	0.00	0.00
4,200.00	16.00	65.55	4,119.46	291.20	535.44	-291.20	0.00	0.00	0.00
4,300.00	16.00	65.55	4,215.59	302.61	560.53	-302.61	0.00	0.00	0.00
4,400.00	16.00	65.55	4,311.72	314.01	585.61	-314.01	0.00	0.00	0.00
4,500.00	16.00	65.55	4,407.85	325.42	610.70	-325.42	0.00	0.00	0.00
4,600.00	16.00	65.55	4,503.97	336.83	635.79	-336.83	0.00	0.00	0.00
4,700.00	16.00	65.55	4,600.10	348.23	660.88	-348.23	0.00	0.00	0.00
4,800.00	16.00	65.55	4,696.23	359.64	685.96	-359.64	0.00	0.00	0.00

SB DIRECTIONAL

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

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)
4,900.00	16.00	65.55	4,792.36	371.05	711.05	-371.05	0.00	0.00	0.00
5,000.00	16.00	65.55	4,888.49	382.45	736.14	-382.45	0.00	0.00	0.00
5,100.00	16.00	65.55	4,984.61	393.86	761.22	-393.86	0.00	0.00	0.00
5,200.00	16.00	65.55	5,080.74	405.27	786.31	-405.27	0.00	0.00	0.00
5,300.00	16.00	65.55	5,176.87	416.67	811.40	-416.67	0.00	0.00	0.00
5,400.00	16.00	65.55	5,273.00	428.08	836.48	-428.08	0.00	0.00	0.00
5,500.00	16.00	65.55	5,369.12	439.49	861.57	-439.49	0.00	0.00	0.00
5,600.00	16.00	65.55	5,465.25	450.89	886.66	-450.89	0.00	0.00	0.00
5,700.00	16.00	65.55	5,561.38	462.30	911.75	-462.30	0.00	0.00	0.00
5,800.00	16.00	65.55	5,657.51	473.71	936.83	-473.71	0.00	0.00	0.00
5,900.00	16.00	65.55	5,753.63	485.11	961.92	-485.11	0.00	0.00	0.00
6,000.00	16.00	65.55	5,849.76	496.52	987.01	-496.52	0.00	0.00	0.00
6,100.00	16.00	65.55	5,945.89	507.93	1,012.09	-507.93	0.00	0.00	0.00
6,200.00	16.00	65.55	6,042.02	519.33	1,037.18	-519.33	0.00	0.00	0.00
6,300.00	16.00	65.55	6,138.15	530.74	1,062.27	-530.74	0.00	0.00	0.00
6,400.00	16.00	65.55	6,234.27	542.15	1,087.36	-542.15	0.00	0.00	0.00
6,500.00	16.00	65.55	6,330.40	553.55	1,112.44	-553.55	0.00	0.00	0.00
6,600.00	16.00	65.55	6,426.53	564.96	1,137.53	-564.96	0.00	0.00	0.00
6,700.00	16.00	65.55	6,522.66	576.37	1,162.62	-576.37	0.00	0.00	0.00
6,800.00	16.00	65.55	6,618.78	587.77	1,187.70	-587.77	0.00	0.00	0.00
6,900.00	16.00	65.55	6,714.91	599.18	1,212.79	-599.18	0.00	0.00	0.00
7,000.00	16.00	65.55	6,811.04	610.58	1,237.88	-610.58	0.00	0.00	0.00
7,100.00	16.00	65.55	6,907.17	621.99	1,262.96	-621.99	0.00	0.00	0.00
7,207.50	16.00	65.55	7,010.51	634.25	1,289.93	-634.25	0.00	0.00	0.00
Start Drop -2.00									
7,300.00	14.15	65.55	7,099.82	644.21	1,311.83	-644.21	2.00	-2.00	0.00
7,400.00	12.15	65.55	7,197.19	653.62	1,332.53	-653.62	2.00	-2.00	0.00
7,500.00	10.15	65.55	7,295.30	661.62	1,350.13	-661.62	2.00	-2.00	0.00
7,600.00	8.15	65.55	7,394.02	668.20	1,364.60	-668.20	2.00	-2.00	0.00
7,700.00	6.15	65.55	7,493.24	673.35	1,375.93	-673.35	2.00	-2.00	0.00
7,800.00	4.15	65.55	7,592.83	677.07	1,384.09	-677.07	2.00	-2.00	0.00
7,900.00	2.15	65.55	7,692.68	679.34	1,389.09	-679.34	2.00	-2.00	0.00
8,007.35	0.00	0.00	7,800.00	680.17	1,390.92	-680.17	2.00	-2.00	0.00
Start 987.04 hold at 8007.35 MD									
8,100.00	0.00	0.00	7,892.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,200.00	0.00	0.00	7,992.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,300.00	0.00	0.00	8,092.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,400.00	0.00	0.00	8,192.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,500.00	0.00	0.00	8,292.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,600.00	0.00	0.00	8,392.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,700.00	0.00	0.00	8,492.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,800.00	0.00	0.00	8,592.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,900.00	0.00	0.00	8,692.65	680.17	1,390.92	-680.17	0.00	0.00	0.00
8,994.39	0.00	0.00	8,787.04	680.17	1,390.92	-680.17	0.00	0.00	0.00
Start Build 10.00									
9,000.00	0.56	171.00	8,792.65	680.14	1,390.92	-680.14	10.00	10.00	0.00
9,050.00	5.56	171.00	8,842.57	677.51	1,391.34	-677.51	10.00	10.00	0.00
9,100.00	10.56	171.00	8,892.06	670.58	1,392.44	-670.58	10.00	10.00	0.00
9,150.00	15.56	171.00	8,940.75	659.43	1,394.21	-659.43	10.00	10.00	0.00
9,200.00	20.56	171.00	8,988.27	644.12	1,396.63	-644.12	10.00	10.00	0.00
9,250.00	25.56	171.00	9,034.26	624.78	1,399.69	-624.78	10.00	10.00	0.00
9,300.00	30.56	171.00	9,078.37	601.56	1,403.37	-601.56	10.00	10.00	0.00
9,350.00	35.56	171.00	9,120.26	574.63	1,407.64	-574.63	10.00	10.00	0.00

SB DIRECTIONAL

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

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)
9,400.00	40.56	171.00	9,159.61	544.19	1,412.46	-544.19	10.00	10.00	0.00
9,450.00	45.56	171.00	9,196.13	510.48	1,417.80	-510.48	10.00	10.00	0.00
9,500.00	50.56	171.00	9,229.54	473.76	1,423.61	-473.76	10.00	10.00	0.00
9,550.00	55.56	171.00	9,259.58	434.30	1,429.86	-434.30	10.00	10.00	0.00
9,600.00	60.56	171.00	9,286.02	392.40	1,436.50	-392.40	10.00	10.00	0.00
9,650.00	65.56	171.00	9,308.66	348.39	1,443.47	-348.39	10.00	10.00	0.00
9,700.00	70.56	171.00	9,327.34	302.60	1,450.72	-302.60	10.00	10.00	0.00
9,750.00	75.56	171.00	9,341.90	255.37	1,458.20	-255.37	10.00	10.00	0.00
9,800.00	80.56	171.00	9,352.24	207.07	1,465.85	-207.07	10.00	10.00	0.00
9,850.00	85.56	171.00	9,358.28	158.06	1,473.61	-158.06	10.00	10.00	0.00
9,894.39	90.00	171.00	9,360.00	114.27	1,480.55	-114.27	10.00	10.00	0.00
Start 205.00 hold at 9894.39 MD									
9,900.00	90.00	171.00	9,360.00	108.72	1,481.43	-108.72	0.00	0.00	0.00
10,000.00	90.00	171.00	9,360.00	9.95	1,497.07	-9.95	0.00	0.00	0.00
10,099.39	90.00	171.00	9,360.00	-88.21	1,512.62	88.21	0.00	0.00	0.00
Start DLS 2.00 TFO 90.00									
10,200.00	90.00	173.01	9,360.00	-187.84	1,526.61	187.84	2.00	0.00	2.00
10,300.00	90.00	175.01	9,360.00	-287.29	1,537.04	287.29	2.00	0.00	2.00
10,400.00	90.00	177.01	9,360.00	-387.04	1,544.00	387.04	2.00	0.00	2.00
10,500.00	90.00	179.01	9,360.00	-486.98	1,547.46	486.98	2.00	0.00	2.00
10,536.74	90.00	179.75	9,360.00	-523.71	1,547.86	523.71	2.00	0.00	2.00
Start 9822.44 hold at 10536.74 MD									
10,600.00	90.00	179.75	9,360.00	-586.97	1,548.14	586.97	0.00	0.00	0.00
10,700.00	90.00	179.75	9,360.00	-686.97	1,548.58	686.97	0.00	0.00	0.00
10,800.00	90.00	179.75	9,360.00	-786.97	1,549.02	786.97	0.00	0.00	0.00
10,900.00	90.00	179.75	9,360.00	-886.97	1,549.47	886.97	0.00	0.00	0.00
11,000.00	90.00	179.75	9,360.00	-986.97	1,549.91	986.97	0.00	0.00	0.00
11,100.00	90.00	179.75	9,360.00	-1,086.97	1,550.35	1,086.97	0.00	0.00	0.00
11,200.00	90.00	179.75	9,360.00	-1,186.97	1,550.79	1,186.97	0.00	0.00	0.00
11,300.00	90.00	179.75	9,360.00	-1,286.97	1,551.23	1,286.97	0.00	0.00	0.00
11,400.00	90.00	179.75	9,360.00	-1,386.97	1,551.67	1,386.97	0.00	0.00	0.00
11,500.00	90.00	179.75	9,360.00	-1,486.96	1,552.11	1,486.96	0.00	0.00	0.00
11,600.00	90.00	179.75	9,360.00	-1,586.96	1,552.56	1,586.96	0.00	0.00	0.00
11,700.00	90.00	179.75	9,360.00	-1,686.96	1,553.00	1,686.96	0.00	0.00	0.00
11,800.00	90.00	179.75	9,360.00	-1,786.96	1,553.44	1,786.96	0.00	0.00	0.00
11,900.00	90.00	179.75	9,360.00	-1,886.96	1,553.88	1,886.96	0.00	0.00	0.00
12,000.00	90.00	179.75	9,360.00	-1,986.96	1,554.32	1,986.96	0.00	0.00	0.00
12,100.00	90.00	179.75	9,360.00	-2,086.96	1,554.76	2,086.96	0.00	0.00	0.00
12,200.00	90.00	179.75	9,360.00	-2,186.96	1,555.20	2,186.96	0.00	0.00	0.00
12,300.00	90.00	179.75	9,360.00	-2,286.96	1,555.65	2,286.96	0.00	0.00	0.00
12,400.00	90.00	179.75	9,360.00	-2,386.96	1,556.09	2,386.96	0.00	0.00	0.00
12,500.00	90.00	179.75	9,360.00	-2,486.95	1,556.53	2,486.95	0.00	0.00	0.00
12,600.00	90.00	179.75	9,360.00	-2,586.95	1,556.97	2,586.95	0.00	0.00	0.00
12,700.00	90.00	179.75	9,360.00	-2,686.95	1,557.41	2,686.95	0.00	0.00	0.00
12,800.00	90.00	179.75	9,360.00	-2,786.95	1,557.85	2,786.95	0.00	0.00	0.00
12,900.00	90.00	179.75	9,360.00	-2,886.95	1,558.30	2,886.95	0.00	0.00	0.00
13,000.00	90.00	179.75	9,360.00	-2,986.95	1,558.74	2,986.95	0.00	0.00	0.00
13,100.00	90.00	179.75	9,360.00	-3,086.95	1,559.18	3,086.95	0.00	0.00	0.00
13,200.00	90.00	179.75	9,360.00	-3,186.95	1,559.62	3,186.95	0.00	0.00	0.00
13,300.00	90.00	179.75	9,360.00	-3,286.95	1,560.06	3,286.95	0.00	0.00	0.00
13,400.00	90.00	179.75	9,360.00	-3,386.95	1,560.50	3,386.95	0.00	0.00	0.00
13,500.00	90.00	179.75	9,360.00	-3,486.95	1,560.94	3,486.95	0.00	0.00	0.00
13,600.00	90.00	179.75	9,360.00	-3,586.94	1,561.39	3,586.94	0.00	0.00	0.00

SB DIRECTIONAL

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

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)
13,700.00	90.00	179.75	9,360.00	-3,686.94	1,561.83	3,686.94	0.00	0.00	0.00
13,800.00	90.00	179.75	9,360.00	-3,786.94	1,562.27	3,786.94	0.00	0.00	0.00
13,900.00	90.00	179.75	9,360.00	-3,886.94	1,562.71	3,886.94	0.00	0.00	0.00
14,000.00	90.00	179.75	9,360.00	-3,986.94	1,563.15	3,986.94	0.00	0.00	0.00
14,100.00	90.00	179.75	9,360.00	-4,086.94	1,563.59	4,086.94	0.00	0.00	0.00
14,200.00	90.00	179.75	9,360.00	-4,186.94	1,564.03	4,186.94	0.00	0.00	0.00
14,300.00	90.00	179.75	9,360.00	-4,286.94	1,564.48	4,286.94	0.00	0.00	0.00
14,400.00	90.00	179.75	9,360.00	-4,386.94	1,564.92	4,386.94	0.00	0.00	0.00
14,500.00	90.00	179.75	9,360.00	-4,486.94	1,565.36	4,486.94	0.00	0.00	0.00
14,600.00	90.00	179.75	9,360.00	-4,586.93	1,565.80	4,586.93	0.00	0.00	0.00
14,700.00	90.00	179.75	9,360.00	-4,686.93	1,566.24	4,686.93	0.00	0.00	0.00
14,800.00	90.00	179.75	9,360.00	-4,786.93	1,566.68	4,786.93	0.00	0.00	0.00
14,900.00	90.00	179.75	9,360.00	-4,886.93	1,567.12	4,886.93	0.00	0.00	0.00
15,000.00	90.00	179.75	9,360.00	-4,986.93	1,567.57	4,986.93	0.00	0.00	0.00
15,100.00	90.00	179.75	9,360.00	-5,086.93	1,568.01	5,086.93	0.00	0.00	0.00
15,200.00	90.00	179.75	9,360.00	-5,186.93	1,568.45	5,186.93	0.00	0.00	0.00
15,300.00	90.00	179.75	9,360.00	-5,286.93	1,568.89	5,286.93	0.00	0.00	0.00
15,400.00	90.00	179.75	9,360.00	-5,386.93	1,569.33	5,386.93	0.00	0.00	0.00
15,500.00	90.00	179.75	9,360.00	-5,486.93	1,569.77	5,486.93	0.00	0.00	0.00
15,600.00	90.00	179.75	9,360.00	-5,586.92	1,570.22	5,586.92	0.00	0.00	0.00
15,700.00	90.00	179.75	9,360.00	-5,686.92	1,570.66	5,686.92	0.00	0.00	0.00
15,800.00	90.00	179.75	9,360.00	-5,786.92	1,571.10	5,786.92	0.00	0.00	0.00
15,900.00	90.00	179.75	9,360.00	-5,886.92	1,571.54	5,886.92	0.00	0.00	0.00
16,000.00	90.00	179.75	9,360.00	-5,986.92	1,571.98	5,986.92	0.00	0.00	0.00
16,100.00	90.00	179.75	9,360.00	-6,086.92	1,572.42	6,086.92	0.00	0.00	0.00
16,200.00	90.00	179.75	9,360.00	-6,186.92	1,572.86	6,186.92	0.00	0.00	0.00
16,300.00	90.00	179.75	9,360.00	-6,286.92	1,573.31	6,286.92	0.00	0.00	0.00
16,400.00	90.00	179.75	9,360.00	-6,386.92	1,573.75	6,386.92	0.00	0.00	0.00
16,500.00	90.00	179.75	9,360.00	-6,486.92	1,574.19	6,486.92	0.00	0.00	0.00
16,600.00	90.00	179.75	9,360.00	-6,586.91	1,574.63	6,586.91	0.00	0.00	0.00
16,700.00	90.00	179.75	9,360.00	-6,686.91	1,575.07	6,686.91	0.00	0.00	0.00
16,800.00	90.00	179.75	9,360.00	-6,786.91	1,575.51	6,786.91	0.00	0.00	0.00
16,900.00	90.00	179.75	9,360.00	-6,886.91	1,575.95	6,886.91	0.00	0.00	0.00
17,000.00	90.00	179.75	9,360.00	-6,986.91	1,576.40	6,986.91	0.00	0.00	0.00
17,100.00	90.00	179.75	9,360.00	-7,086.91	1,576.84	7,086.91	0.00	0.00	0.00
17,200.00	90.00	179.75	9,360.00	-7,186.91	1,577.28	7,186.91	0.00	0.00	0.00
17,300.00	90.00	179.75	9,360.00	-7,286.91	1,577.72	7,286.91	0.00	0.00	0.00
17,400.00	90.00	179.75	9,360.00	-7,386.91	1,578.16	7,386.91	0.00	0.00	0.00
17,500.00	90.00	179.75	9,360.00	-7,486.91	1,578.60	7,486.91	0.00	0.00	0.00
17,600.00	90.00	179.75	9,360.00	-7,586.91	1,579.04	7,586.91	0.00	0.00	0.00
17,700.00	90.00	179.75	9,360.00	-7,686.90	1,579.49	7,686.90	0.00	0.00	0.00
17,800.00	90.00	179.75	9,360.00	-7,786.90	1,579.93	7,786.90	0.00	0.00	0.00
17,900.00	90.00	179.75	9,360.00	-7,886.90	1,580.37	7,886.90	0.00	0.00	0.00
18,000.00	90.00	179.75	9,360.00	-7,986.90	1,580.81	7,986.90	0.00	0.00	0.00
18,100.00	90.00	179.75	9,360.00	-8,086.90	1,581.25	8,086.90	0.00	0.00	0.00
18,200.00	90.00	179.75	9,360.00	-8,186.90	1,581.69	8,186.90	0.00	0.00	0.00
18,300.00	90.00	179.75	9,360.00	-8,286.90	1,582.14	8,286.90	0.00	0.00	0.00
18,400.00	90.00	179.75	9,360.00	-8,386.90	1,582.58	8,386.90	0.00	0.00	0.00
18,500.00	90.00	179.75	9,360.00	-8,486.90	1,583.02	8,486.90	0.00	0.00	0.00
18,600.00	90.00	179.75	9,360.00	-8,586.90	1,583.46	8,586.90	0.00	0.00	0.00
18,700.00	90.00	179.75	9,360.00	-8,686.89	1,583.90	8,686.89	0.00	0.00	0.00
18,800.00	90.00	179.75	9,360.00	-8,786.89	1,584.34	8,786.89	0.00	0.00	0.00
18,900.00	90.00	179.75	9,360.00	-8,886.89	1,584.78	8,886.89	0.00	0.00	0.00
19,000.00	90.00	179.75	9,360.00	-8,986.89	1,585.23	8,986.89	0.00	0.00	0.00

SB DIRECTIONAL

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

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)
19,100.00	90.00	179.75	9,360.00	-9,086.89	1,585.67	9,086.89	0.00	0.00	0.00
19,200.00	90.00	179.75	9,360.00	-9,186.89	1,586.11	9,186.89	0.00	0.00	0.00
19,300.00	90.00	179.75	9,360.00	-9,286.89	1,586.55	9,286.89	0.00	0.00	0.00
19,400.00	90.00	179.75	9,360.00	-9,386.89	1,586.99	9,386.89	0.00	0.00	0.00
19,500.00	90.00	179.75	9,360.00	-9,486.89	1,587.43	9,486.89	0.00	0.00	0.00
19,600.00	90.00	179.75	9,360.00	-9,586.89	1,587.87	9,586.89	0.00	0.00	0.00
19,700.00	90.00	179.75	9,360.00	-9,686.88	1,588.32	9,686.88	0.00	0.00	0.00
19,800.00	90.00	179.75	9,360.00	-9,786.88	1,588.76	9,786.88	0.00	0.00	0.00
19,900.00	90.00	179.75	9,360.00	-9,886.88	1,589.20	9,886.88	0.00	0.00	0.00
20,000.00	90.00	179.75	9,360.00	-9,986.88	1,589.64	9,986.88	0.00	0.00	0.00
20,100.00	90.00	179.75	9,360.00	-10,086.88	1,590.08	10,086.88	0.00	0.00	0.00
20,200.00	90.00	179.75	9,360.00	-10,186.88	1,590.52	10,186.88	0.00	0.00	0.00
20,300.00	90.00	179.75	9,360.00	-10,286.88	1,590.96	10,286.88	0.00	0.00	0.00
20,359.18	90.00	179.75	9,360.00	-10,346.05	1,591.23	10,346.05	0.00	0.00	0.00
TD at 20359.18									

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
MM 102H SHL - plan hits target center - Point	0.00	0.00	0.00	0.00	0.00	607,084.97	759,698.58	32.66691604	-103.62373894
MM 102H VP - plan hits target center - Point	0.00	0.00	7,800.00	680.17	1,390.92	607,765.14	761,089.50	32.66875984	-103.61920439
MM 102H KOP - plan hits target center - Point	0.00	0.00	8,787.04	680.17	1,390.92	607,765.14	761,089.50	32.66875984	-103.61920439
MM 102H PBHL(10' FSL - plan hits target center - Point	0.00	0.00	9,360.00	-10,346.05	1,591.23	596,738.92	761,289.80	32.63845051	-103.61879460
MM 102H FTP/PPP1(10 - plan misses target center by 63.12usft at 9910.51usft MD (9360.00 TVD, 98.34 N, 1483.07 E) - Point	0.00	0.01	9,360.00	108.22	1,545.42	607,193.19	761,244.00	32.66718497	-103.61871486
MM 102H LTP(100' FSL - plan misses target center by 0.05usft at 20269.18usft MD (9360.00 TVD, -10256.06 N, 1590.83 E) - Point	0.00	0.01	9,360.00	-10,256.06	1,590.78	596,828.92	761,289.36	32.63869788	-103.61879407
MM 102H PPP2(0' FNL - plan misses target center by 2.67usft at 15087.01usft MD (9360.00 TVD, -5073.94 N, 1567.95 E) - Point	0.00	0.00	9,360.00	-5,073.95	1,565.28	602,011.02	761,263.86	32.65294141	-103.61876366

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
20,233.04	9,360.00	20" Casing	20	24

Planning Report

E.G.L. Resources, Inc.

Database:	1 - EDM Production	**Local Co-ordinate Reference:**	Well Millie Mile 13-24 Fed Com 102H
Company:	E.G.L. Resources, Inc.	**TVD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Project:	Lea, County NM (NAD 83)	**MD Reference:**	RKB 25' + GL 3708.57 @ 3733.57usft
Site:	Millie Mile Pad	**North Reference:**	Grid
Well:	Millie Mile 13-24 Fed Com 102H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan 3		

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
1,500.00	1,500.00	0.00	0.00	Start Build 2.00
1,900.00	1,898.70	25.27	11.78	Start DLS 2.00 TFO 67.67
2,458.38	2,445.29	92.54	98.52	Start 4749.12 hold at 2458.38 MD
7,207.50	7,010.51	634.25	1,289.93	Start Drop -2.00
8,007.35	7,800.00	680.17	1,390.92	Start 987.04 hold at 8007.35 MD
8,994.39	8,787.04	680.17	1,390.92	Start Build 10.00
9,894.39	9,360.00	114.27	1,480.55	Start 205.00 hold at 9894.39 MD
10,099.39	9,360.00	-88.21	1,512.62	Start DLS 2.00 TFO 90.00
10,536.74	9,360.00	-523.71	1,547.86	Start 9822.44 hold at 10536.74 MD
20,359.18	9,360.00	-10,346.05	1,591.23	TD at 20359.18

E. G. L. Resources, Inc.

Millie Mile 13-24 Fed Com 102H

WELL DETAILS: Millie Mile 13-24 Fed Com 102H

ELEVATION: RKB 25' + GL 3708.57 @ 3733.57usft

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	607084.97	759698.58	32.66691604	-103.62373894

SECTION DETAILS

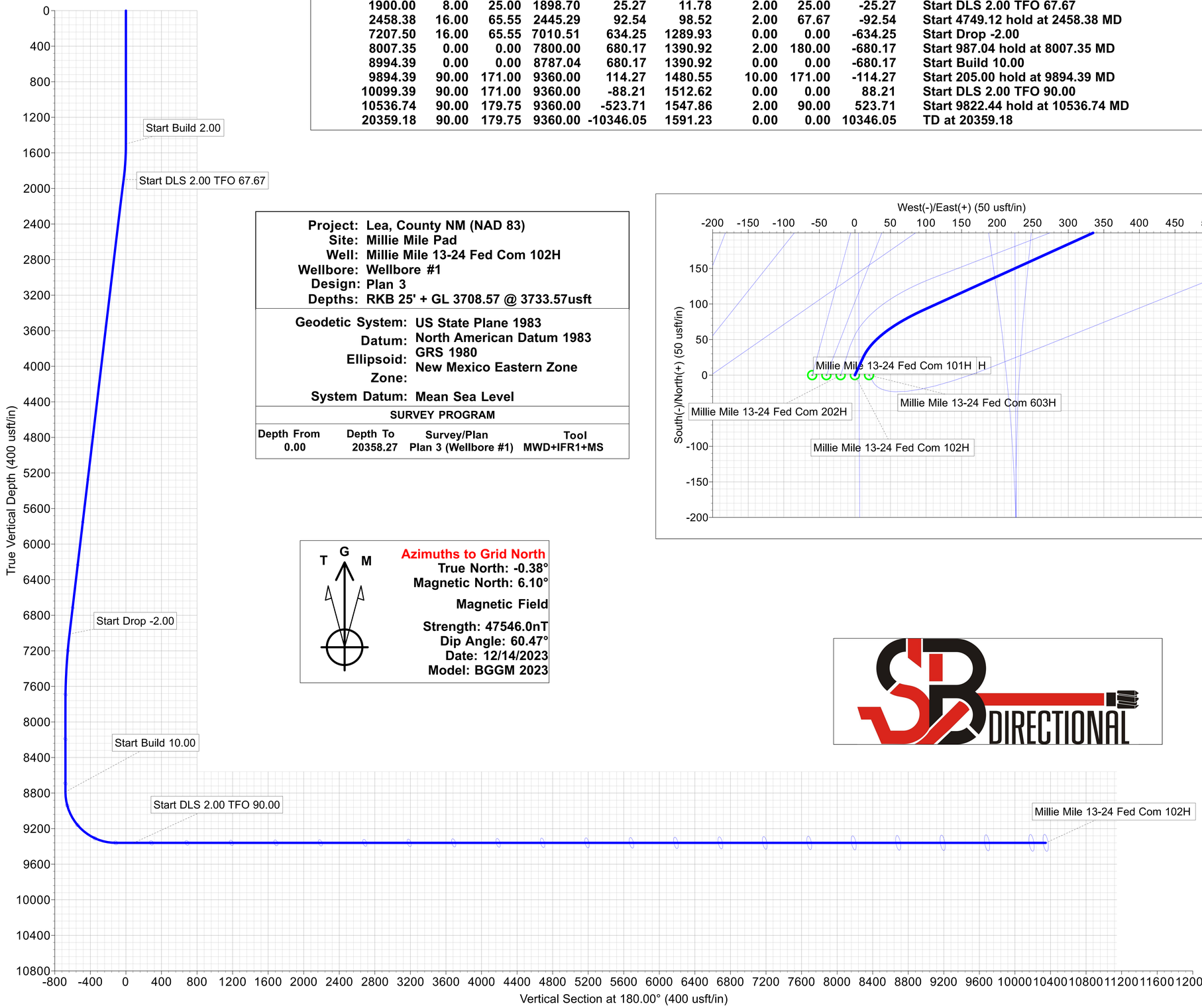
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1500.00	0.00	0.00	1500.00	0.00	0.00	0.00	0.00	0.00	Start Build 2.00
1900.00	8.00	25.00	1898.70	25.27	11.78	2.00	25.00	-25.27	Start DLS 2.00 TFO 67.67
2458.38	16.00	65.55	2445.29	92.54	98.52	2.00	67.67	-92.54	Start 4749.12 hold at 2458.38 MD
7207.50	16.00	65.55	7010.51	634.25	1289.93	0.00	0.00	-634.25	Start Drop -2.00
8007.35	0.00	0.00	7800.00	680.17	1390.92	2.00	180.00	-680.17	Start 987.04 hold at 8007.35 MD
8994.39	0.00	0.00	8787.04	680.17	1390.92	0.00	0.00	-680.17	Start Build 10.00
9894.39	90.00	171.00	9360.00	114.27	1480.55	10.00	171.00	-114.27	Start 205.00 hold at 9894.39 MD
10099.39	90.00	171.00	9360.00	-88.21	1512.62	0.00	0.00	88.21	Start DLS 2.00 TFO 90.00
10536.74	90.00	179.75	9360.00	-523.71	1547.86	2.00	90.00	523.71	Start 9822.44 hold at 10536.74 MD
20359.18	90.00	179.75	9360.00	-10346.05	1591.23	0.00	0.00	10346.05	TD at 20359.18

Project: Lea, County NM (NAD 83)
Site: Millie Mile Pad
Well: Millie Mile 13-24 Fed Com 102H
Wellbore: Wellbore #1
Design: Plan 3
Depths: RKB 25' + GL 3708.57 @ 3733.57usft

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level

SURVEY PROGRAM

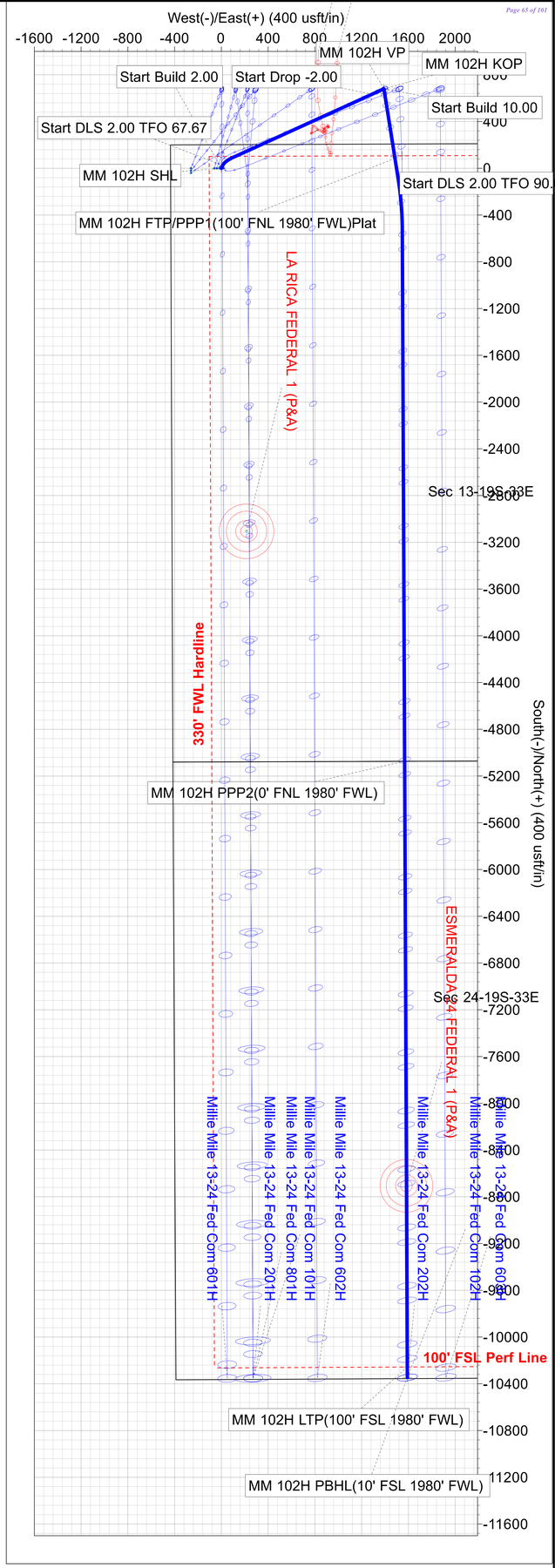
Depth From	Depth To	Survey/Plan	Tool
0.00	20358.27	Plan 3 (Wellbore #1)	MWD+IFR1+MS



Azimuths to Grid North
True North: -0.38°
Magnetic North: 6.10°

Magnetic Field
Strength: 47546.0nT
Dip Angle: 60.47°
Date: 12/14/2023
Model: BGGM 2023

SB DIRECTIONAL



LETONE

LUOHE LETONE HYDRAULICS TECHNOLOGY CO.,LTD

CERTIFICATE OF QUALITY

LTYY/QR-5.7.1-19B №: LT2023-052-006

Customer Name	Austin Hose		
Product Name	Choke And Kill Hose		
Product Specification	3″×10000psi×35ft (10.67m)	Quantity	8PCS
Serial Number	7660103~7660110	FSL	FSL3
Temperature Range	-29℃～+121℃	Standard	API Spec 16C 3rd edition
Inspection Department	Q.C. Department	Inspection date	2023.04.22

Inspection Items	Inspection results
Appearance Checking	In accordance with API Spec 16C 3rd edition
Size and Lengths	In accordance with API Spec 16C 3rd edition
Dimensions and Tolerances	In accordance with API Spec 16C 3rd edition
End Connections: 4-1/16″×10000psi Integral flange for sour gas service	In accordance with API Spec 6A 21st edition
Hydrostatic Testing	In accordance with API Spec 16C 3rd edition
product Marking	In accordance with API Spec 16C 3rd edition
Inspection conclusion	The inspected items meet standard requirements of API Spec 16C 3rd edition
Remarks	

Approver	Jiaolong Chen	Auditor	Hliqing Dong	Inspector	Zhansheng Wang

LETONE

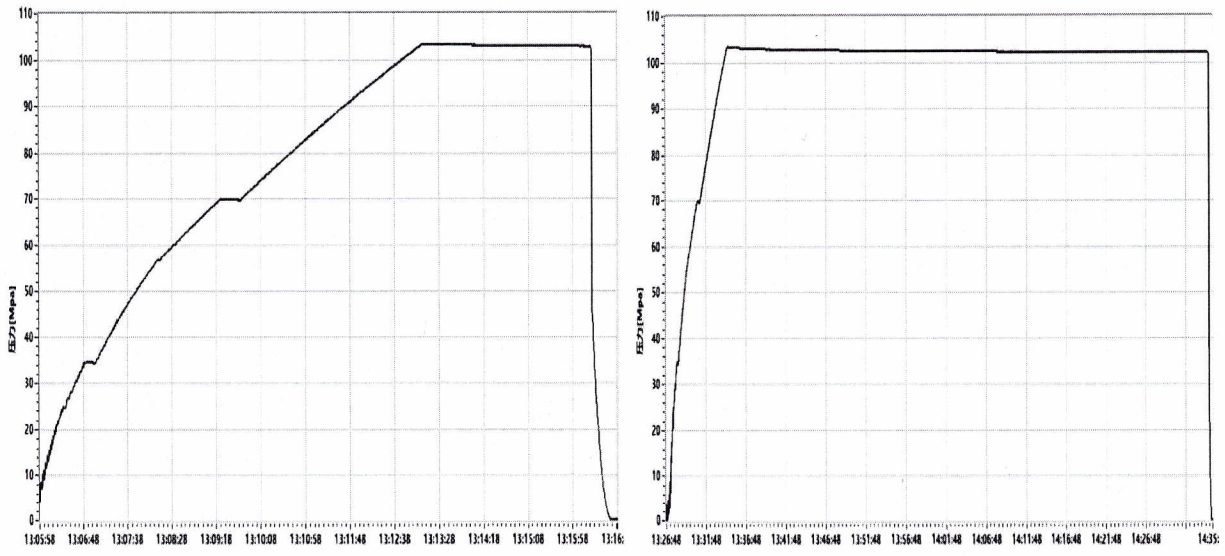
LUOHE LETONE HYDRAULICS TECHNOLOGY CO.,LTD

HYDROSTATIC TESING REPORT

LTYY/QR-5.7.1-28 №: 230422006

Product Name	Choke And Kill Hose	Standard	API Spec 16C 3rd edition
Product Specification	3″×10000psi×35ft (10.67m)	Serial Number	7660103
Inspection Equipment	MTU-BS-1600-3200-E	Test medium	Water
Inspection Department	Q.C. Department	Inspection Date	2023.04.20
Rate of length change			
Standard requirements	At working pressure ,the rate of length change should not more than ±2%		
Testing result	10000psi (69.0MPa) ,Rate of length change 0.8%		
Hydrostatic testing			
Standard requirements	At 1.5 times working pressure, the initial pressure-holding period of not less than three minutes, the second pressure-holding period of not less than one hour, no leaks.		
Testing result	15000psi (103.5MPa), 3 min for the first time, 60 min for the second time, no leakage		

Graph of pressure testing:



Conclusion	The inspected items meet standard requirements of API Spec 16C 3rd edition				
Approver	Jiaolong Chen	Auditor	Huiqing Dong	Inspector	Zhansheng Wang

LETONE

LUOHE LETONE HYDRAULICS TECHNOLOGY CO.,LTD

CERTIFICATE OF CONFORMANCE

№:LT230422014

Product Name：Choke And Kill Hose

Product Specification：3″×10000psi×35ft(10.67m)

Serial Number：7660103~7660110

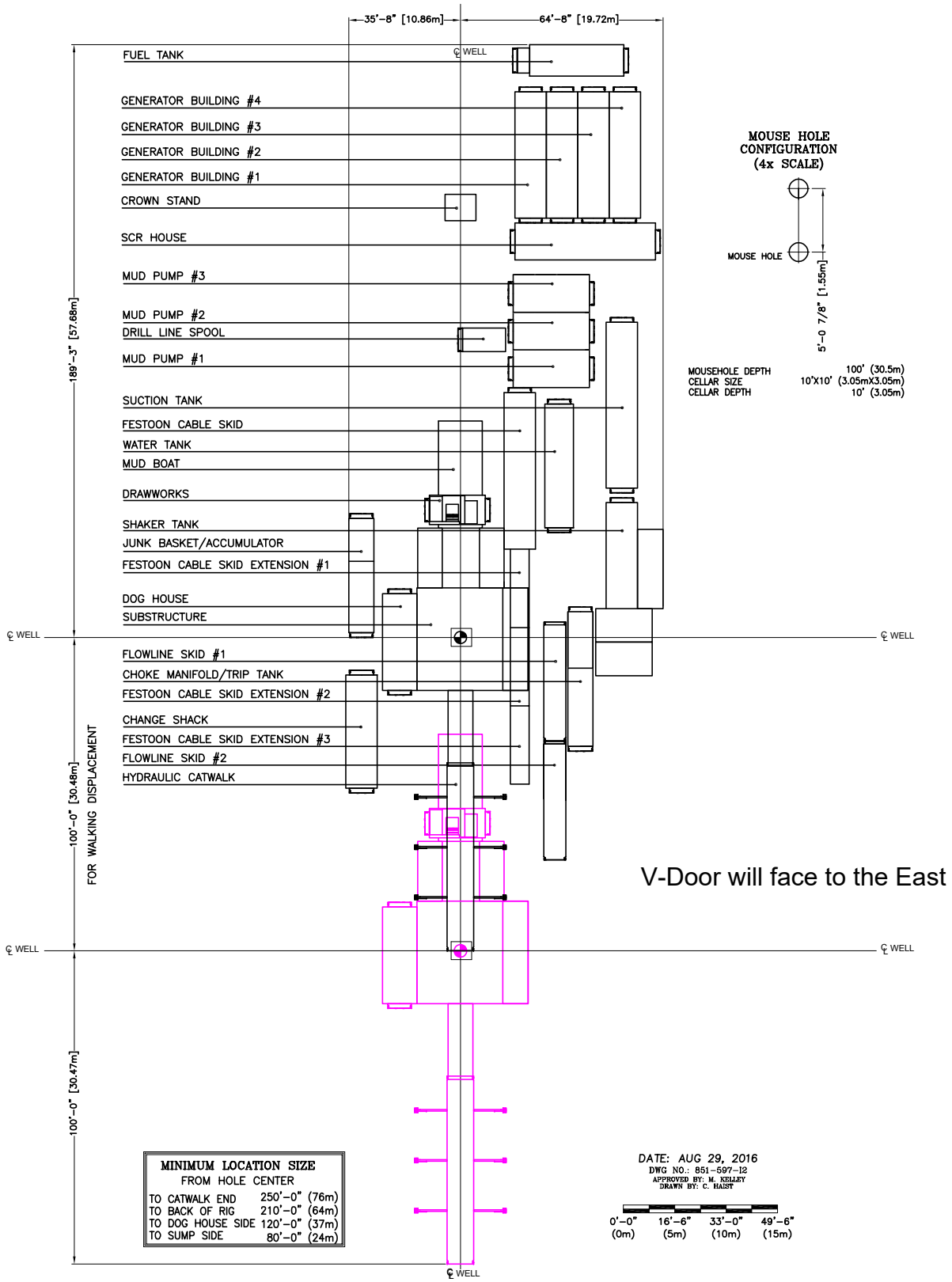
End Connections: 4-1/16″×10000psi Integral flange for sour gas service

The Choke And Kill Hose assembly was produced by LUOHE LETONE HYDRAULICS TECHNOLOGY CO.,LTD . in April 2023, and inspected by LUOHE LETONE HYDRAULICS TECHNOLOGY CO.,LTD. according to API Spec 16C 3rd edition on April 22, 2023. The overall condition is good. This is to certify that the high pressure steel wire drilling hose assembly complies with all current standards and specifications for API Spec 16C 3rd edition .

QC Manager: Jiaolong Chen Date:April 22, 2023

Precision DRILLING

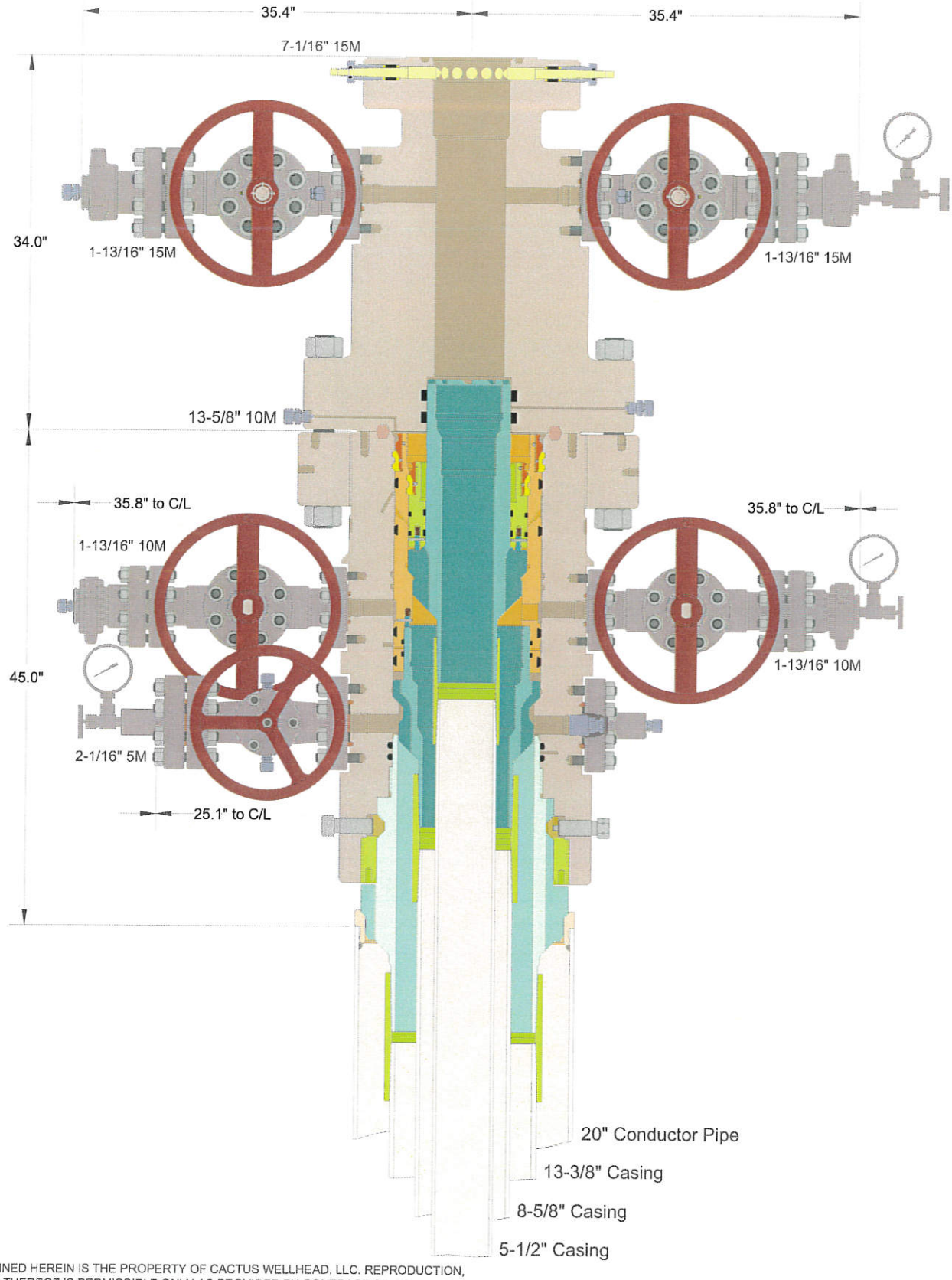
RIG LAYOUT



CALGARY
525 8th Avenue S.W., Suite 800
Calgary, Alberta T2P 1G1 Canada
403.716.4500

HOUSTON
10350 Richmond Ave., Suite 700
Houston, Texas 77042 USA
713.435.6100

www.PrecisionDrilling.com
Precision-Drilling
info@PrecisionDrilling.com

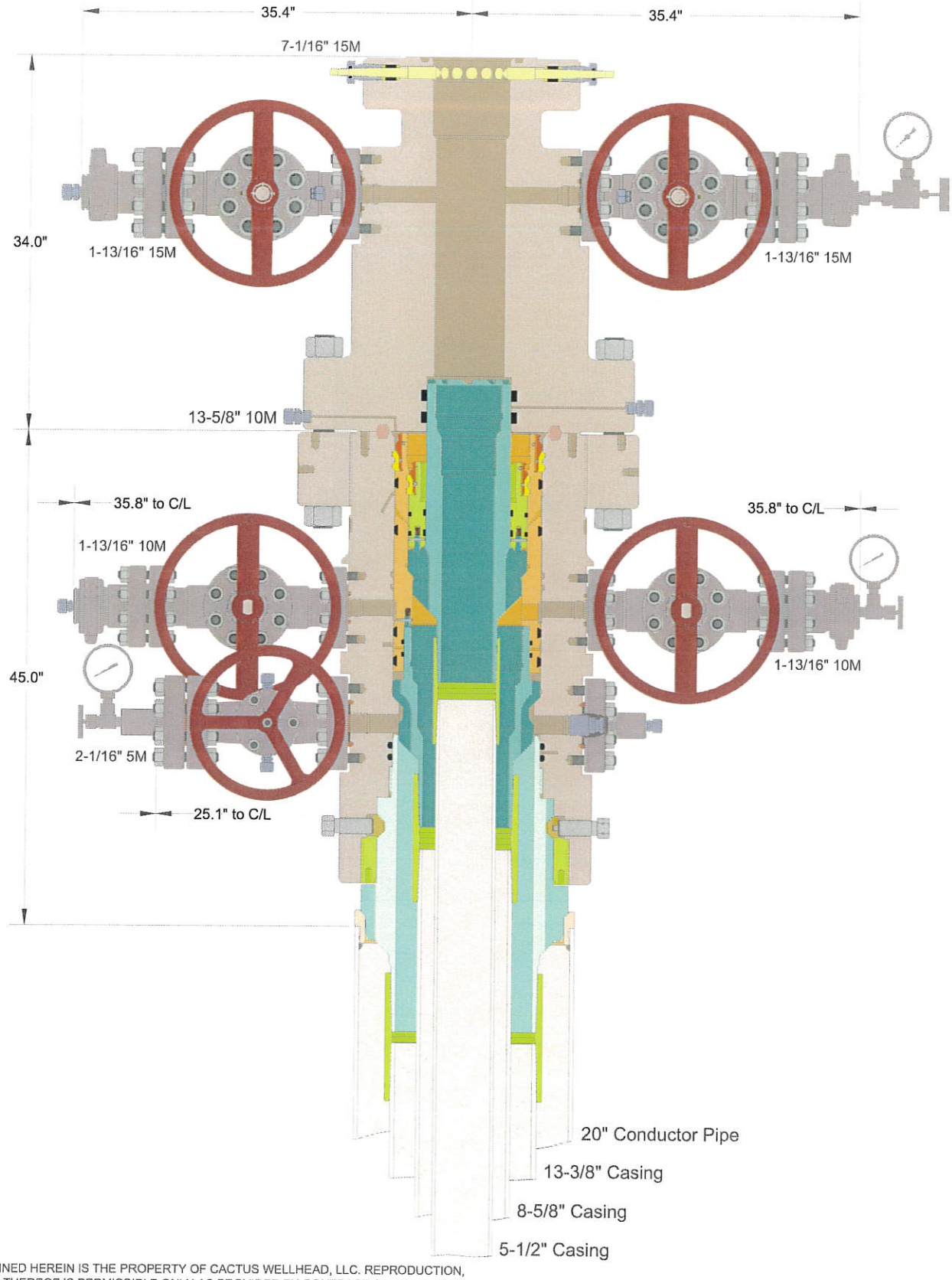


ALL DIMENSIONS APPROXIMATE

CACTUS WELLHEAD LLC

20" x 13-3/8" x 8-5/8" x 5-1/2" MBU-3T-CFL-R-DBLO Wellhead
With 13-5/8" 10M x 7-1/16" 15M CTH-DBLHPS Tubing Head,
And 13-3/8", 8-5/8" & 5-1/2" Pin Bottom Mandrel Hangers

DRAWN	DLE	11AUG20
APPRV		
DRAWING NO.	SDT-2810	



ALL DIMENSIONS APPROXIMATE

CACTUS WELLHEAD LLC

20" x 13-3/8" x 8-5/8" x 5-1/2" MBU-3T-CFL-R-DBLO Wellhead
With 13-5/8" 10M x 7-1/16" 15M CTH-DBLHPS Tubing Head,
And 13-3/8", 8-5/8" & 5-1/2" Pin Bottom Mandrel Hangers

DRAWN	DLE	11AUG20
APPRV		
DRAWING NO.	SDT-2810	

E.G.L. Resources, Inc.
Millie Mile 13-24 Fed Com 102H
SHL: 208 FNL & 435 FWL' of Section 13-19S-33E
BHL: 10 FSL & 1980 FWL Section 24-19S-33E
Lea County, New Mexico

E.G.L. Resources, Inc.

Drilling Program

1. ESTIMATED TOPS

Formation Name	TVD KB	MD'	Bearing
Rustler	1,565	1,565	Water
Salt	1,870	1,870	N/A
Tansil	N/A		Not Present
Base of Salt	3,115	3,125	N/A
Yates	3,285	3,285	N/A
Seven Rivers	3,710	3,730	N/A
Queen	4,280	4,310	N/A
Grayburg	4,570	4,610	N/A
San Andres	5,100	5,130	N/A
Capitan Reef	N/A		Not Present
Cherry Canyon	5,670	5,710	N/A
Brushy Canyon	6,360	6,400	N/A
Bone Spring Lime	7,860	7,890	N/A
Bone Spring Avalon	7,960	8,000	Hydrocarbons
Bone Spring 1 Sand	9,080	9,130	Hydrocarbons
Bone Spring 2 Carbonate	9,390	9,450	Hydrocarbons
Bone Spring 2 Sand	9,600	9,660	Hydrocarbons
Bone Spring 3 Carbonate	10,155	10,225	Not Encountered
Bone Spring 3 Sand	10,500	10,580	Not Encountered
Wolfcamp XY*	10,785	10,875	Not Encountered
Wolfcamp A*	10,890		Not Encountered
Wolfcamp B	10,930	11,060	Not Encountered
Wolfcamp C	11,420	11,560	Not Encountered
Wolfcamp D	11,530	11,680	Not Encountered
Strawn	12,100	12,100	Not Encountered
Intermediate Casing Point	5,250	5,280	
KOP	8,500	8,630	
TD	9,200	20,359	

2. NOTABLE ZONES

The 1BSS is the goal.

3. PRESSURE CONTROL

A 13.625" 5M Blowout Preventer system will be installed on a multi-bowl (speed head) wellhead with a 13.625" flanged casing spool.

Top flange of casing spool will be set in a cellar below ground level. BOP system will consist of a single pipe ram on the bottom, mud cross, double pipe ram with blind rams on bottom and pipe rams on top, and annular preventer. Blowout preventer will be installed on top of the 13.375” surface casing and will remain installed to TD of the well. Wellhead, blowout preventer, and choke manifold diagram are included.

Variance is requested to use a co-flex hose between the BOP system and choke manifold. A typical co-flex pressure test certificate is attached. An equipment specific co-flex pressure test certificate will be on site when testing the BOP.

All casing strings will be tested in accordance with Onshore Order 2 III.B.1.h.

The BOP system will be isolated and tested by an independent tester to 250 psi low and 5,000 psi high for 10 minutes.per CFR 3172 requirements. The Surface Casing will be pressure tested to 250 psi low and 1500 psi high. Intermediate Casing will be pressure tested to 250 psi low and (.22 psi x Length Of Casing, which is equivalent to 1155 psi OR 1,500 psi, whichever is higher) for 30 minutes

E.G.L. Resources, Inc.
Millie Mile 13-24 Fed Com 102H
SHL: 208 FNL & 435 FWL' of Section 13-19S-33E
BHL: 10 FSL & 1980 FWL Section 24-19S-33E
Lea County, New Mexico

E.G.L. Resources, Inc.

4. CASING & CEMENT

Variance is requested for an option to use a surface rig to drill the surface hole, set the surface casing, and cement the surface casing. If the schedule between rigs would preclude presetting the surface casing, then the primary rig will MIRU and drill all of the well.

All casing will be API and new. See attached casing assumption worksheet.

Casing Details

Name	Hole Size	Casing Size	Standard	Tapered	Top MD	BTM MD	Top TVD	BTM TVD	Grade	Weight	Thread	Collapse	Burst	Tension
Surface	17 1/2	13 3/8	API	No	0	1,835	0	1835	J-55	54.5	BTC	1.125	1.125	1.6
Intermediate	9 7/8	8 5/8	API	No	0	5,280	0	5,250	P-110 HP	32	Talon HTQ	1.125	1.125	1.6
Production	7 7/8	5 1/2	API	No	0	20,359	0	9,200	P-110 EC	17	DWC/C- IS +	1.125	1.125	1.6

Alternate grades and/or higher weights could be substituted to meet maximum stimulation pressures or due to coupling availability.

Name	Hole Size	Casing Size	Standard	Tapered	Top MD	BTM MD	Top TVD	BTM TVD	Grade	Weight	Thread	Collapse	Burst	Tension
Intermediate	9 7/8	8 5/8	API	No	0	5,280	0	5250	P-110 HP	32	TLW	1.125	1.125	1.6
Production	7 7/8	5 1/2	API	No	0	20,359	0	9200	P-110 EC	20	DWC/C- IS +	1.125	1.125	1.6

Cement Details

Name	Type	Top MD	Sacks	Yield	Cu. Ft	Weight	Excess	Cement	Additives
Surface	Lead	0	751	2.22	1667.3	12.5	100%	C	Gel, Accelerator, LCM
	Tail	1200	479	1.84	882.3	13.2	100%	C	Gel, Accelerator, LCM
Intermediate	Lead	0	308	4.65	1432.7	10.5	100%	C or H	Fluid Loss, Retarder, LCM, Possibly beads
	Tail	4530	130	1.83	237.9	13.2	100%	C or H	Fluid Loss, Retarder, LCM
Production	Lead	4780	211	4.3	909.4	10.5	20%	H	Fluid Loss, Retarder, LCM
	Tail	9100	1446	1.68	2428.7	13	20%	H	Fluid Loss, Retarder, LCM

5. MUD PROGRAM

An electronic PVT mud system will monitor flow rate, pump pressure, stroke rate, and volume. All necessary mud products (barite, bentonite, LCM) to control weight and fluid loss will be on site at all times. Mud program may change due to hole conditions. A closed loop system will be used.

Name	Top	Bottom	Type	Mud Weight	Visc	Fluid Loss
Surface	0	1,835'	Water Based Spud Mud	8.30	30-60	NC
Intermediate	1835	5250	Brine	10.20	35-45	NC
Production	5250	20359	Oil Based Mud	9.70	35-65	4-6

6. CORES, TEST, & LOGS

No core or drill stem test is planned. A 2-person mud logging program will be used from ≈3000' to TD. GR log will be acquired by MWD tools from the intermediate casing to TD.

7. DOWN HOLE CONDITIONS

No abnormal pressure or temperature is expected. Maximum anticipated surface pressure is ≈3956 psi.
Anticipated bottom hole pressure is ≈5980 psi. Expected bottom hole temperature is ≈215° F.

An H2S plan is attached.

8. OTHER INFORMATION

Anticipated spud date is upon approval. It is expected it will take ≈3 months to drill and complete the well.

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

SUPO Data Report
08/11/2024

APD ID: 10400093846
Submission Date: 08/29/2023
Operator Name: EGL RESOURCES INCORPORATED
Well Name: MILLIE MILE 13-24 FED COM
Well Number: 102H
Well Type: OIL WELL
Well Work Type: Drill

Highlighted data reflects the most recent changes
Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

PBEX_Millie_Mile_13_24_Fed_Com_Aerial_Map_20240513131706.pdf
PBEX_Millie_Mile_13_24_Fed_Com_Aerial_Road_Route_Map_20240513131709.pdf
PBEX_Millie_Mile_13_24_Fed_Com_Land_Status_Map_20240513131712.pdf
PBEX_Millie_Mile_13_24_Fed_Com_Topo_Map_20240513131714.pdf
PBEX_Millie_Mile_13_24_Fed_Com_Vicinity_Map_20240513131717.pdf

Existing Road Purpose: ACCESS
Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

23_101303_Millie_Mile_13_24_Fed_Com_AR_20240513131803.pdf

New road type: LOCAL

Length: 523.23 Feet
Width (ft.): 30

Max slope (%): 2
Max grade (%): 3

Army Corp of Engineers (ACOE) permit required? N

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

turnouts installed as necessary to provide for proper drainage along with access road route.

New road access plan or profile prepared? N

New road access plan

Access road engineering design? N

Access road engineering design

Turnout? N

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Topsoil will be spread along location to help raise sub grade

Access other construction information: Caliche will be from Kenneth Smith's property of which we will have an SUA prior to disturbance. The material meets BLM requirements and standards.
Access miscellaneous information:

Number of access turnouts: **Access turnout map:**

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, The Gold Book, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.
Road Drainage Control Structures (DCS) description: None

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

PBEX_Millie_Mile_13_24_Fed_Com_102H_Existing_Wells_Map_20240513131937.pdf

PBEX_Millie_Mile_13_24_Fed_Com_102H_Existing_Wells_Map_Pg2_20240513131940.pdf

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: One pad was staked with the BLM for construction and use as Central Tank Batteries (CTBs). The facility is the Millie Mile 13-24 Fed Com Central Tank Battery. A 3160-5 sundry notification will be submitted after construction with a site-security diagram and layout of the facility with associated equipment.

Section 5 - Location and Types of Water Supply

Water Source Table

Water source type: GW WELL

Water source use type: DUST CONTROL

SURFACE CASING

INTERMEDIATE/PRODUCTION CASING

Source latitude: 32.623993 **Source longitude:** -103.622398

Source datum: NAD83

Water source permit type: WATER WELL

PRIVATE CONTRACT

Water source transport method: TRUCKING

PIPELINE

Source land ownership: FEDERAL

Source transportation land ownership: FEDERAL

Water source volume (barrels): 100000 **Source volume (acre-feet):** 12.88930963

Source volume (gal): 4200000

Water source and transportation

PBEX_Millie_Mile13_24_Fed_Com_Water_Source_Map_20240513132017.pdf

Water source comments: The oil/gas production wells will be drilled using a combination of water mud systems as outlined in the Drilling Program. The water will be obtained from Ranger Water Resources and hauled to the location by transport truck or lay-flat lines using the existing and proposed roads depicted in the attached exhibits. No water well will be drilled on the location.

New water well? N

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

New Water Well Info

Well latitude: **Well Longitude:** **Well datum:**

Well target aquifer:

Est. depth to top of aquifer(ft): **Est thickness of aquifer:**

Aquifer comments:

Aquifer documentation:

Well depth (ft): **Well casing type:**

Well casing outside diameter (in.): **Well casing inside diameter (in.):**

New water well casing? **Used casing source:**

Drilling method: **Drill material:**

Grout material: **Grout depth:**

Casing length (ft.): **Casing top depth (ft.):**

Well Production type: **Completion Method:**

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Using any construction materials: YES

Construction Materials description: Any construction material that may be required for surfacing the drill pad and access road will be from Kenneth Smith's caliche pit, all materials are BLM approved.
Construction Materials source location

PBEX_Millie_Mile_13_24_Fed_Com_Caliche_Source_Map_20240513132111.pdf

Section 7 - Methods for Handling

Waste type: DRILLING

Waste content description: Drill cuttings, drilling fluids, produced oil/water, other chemicals.

Amount of waste: 550 barrels

Waste disposal frequency : Daily

Safe containment description: Will be stored in steel pits until they are hauled to a state-approved disposal facility.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL
Disposal type description:

Disposal location description: Will be hauled to a state-approved disposal facility.

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Waste type: SEWAGE

Waste content description: Black and Grey Water

Amount of waste: 5 barrels

Waste disposal frequency : Daily

Safe containment description: Will be contained in plastic chemical toilets and disposed of properly at a state approved disposal site.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Will be disposed of properly at a state approved disposal site.

Waste type: GARBAGE

Waste content description: Trash

Amount of waste: 10 barrels

Waste disposal frequency : Daily

Safe containment description: Portable Trash Cage

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: All trash will be disposed of properly at a state approved disposal facility.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit? NO

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? N

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

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

Are you requesting any Ancillary Facilities?: N

Ancillary Facilities

Comments:

Section 9 - Well Site

Well Site Layout Diagram:

23_101303_Millie_Mile_13_24_Fed_Com_SS_20240513132135.pdf

23_101303_Millie_Mile_13_24_Fed_Com_Site_Plan_20240513132138.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance **Multiple Well Pad Name:** Millie Mile 13-24 Fed Com

Multiple Well Pad Number: 1

Recontouring

Drainage/Erosion control construction: The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along with access road route.

Drainage/Erosion control reclamation: No reclamation needed.

Well pad proposed disturbance (acres): 7.27	**Well pad interim reclamation (acres):** 0	**Well pad long term disturbance (acres):** 0
Road proposed disturbance (acres): 0.36	**Road interim reclamation (acres):** 0	**Road long term disturbance (acres):** 0
Powerline proposed disturbance (acres): 0	**Powerline interim reclamation (acres):** 0	**Powerline long term disturbance (acres):** 0
Pipeline proposed disturbance (acres): 0	**Pipeline interim reclamation (acres):** 0	**Pipeline long term disturbance (acres):** 0
Other proposed disturbance (acres): 0	**Other interim reclamation (acres):** 0	**Other long term disturbance (acres):** 0

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Total proposed disturbance: 7.63 **Total interim reclamation:** 12 **Total long term disturbance:** 4

Disturbance Comments:

Reconstruction method: Due to the facility being on the same pad as the well locations, there will not be any reclamation needed at this site until all wells have been plugged and abandoned.
Topsoil redistribution: The original stockpiled topsoil will be placed in the low spots, mainly the wester 1/3 of the location to help raise the sub grade. It will also be used to fill slopes that are inside the location as staked.

Soil treatment: None

Existing Vegetation at the well pad: Shinnery oak, mesquite, grasses

Existing Vegetation at the well pad

Existing Vegetation Community at the road: Shinnery oak, mesquite, grasses

Existing Vegetation Community at the road

Existing Vegetation Community at the pipeline: Shinnery oak, mesquite, grasses

Existing Vegetation Community at the pipeline

Existing Vegetation Community at other disturbances: Shinnery oak, mesquite, grasses

Existing Vegetation Community at other disturbances

Non native seed used? N

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? N

Seedling transplant description

Will seed be harvested for use in site reclamation? N

Seed harvest description:

Seed harvest description attachment:

Seed

Seed Table

Seed Summary **Total pounds/Acre:**

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Seed Type	Pounds/Acre
ANNUAL GRASS	

Seed reclamation

Operator Contact/Responsible Official

First Name: Mikah **Last Name:** Thomas

Phone: (432)661-7106 **Email:** mikah@pbex.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? N

Existing invasive species treatment description:

Existing invasive species treatment

Weed treatment plan description: Weed treatment will be performed on an as needed basis. If African rue is spotted, EGL Resources will enter into an agreement with the Carlsbad Soil and Water Conservation District.

Weed treatment plan

Monitoring plan description: Once the wells have been plugged and abandoned, EGL Resources will ensure full reclamation of the pad to BLM Standards.
Monitoring plan

Success standards: Once the wells have been plugged and abandoned, EGL Resources will ensure full reclamation of the pad to BLM Standards.
Pit closure description: No Pits will be used, a closed-loop system will be in place

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT,PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: AGREEMENT

Surface Access Agreement Need description: SUA with Kenneth Smith will be signed and approved prior to any disturbance.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT,PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: AGREEMENT

Surface Access Agreement Need description: SUA with Kenneth Smith will be signed and approved prior to any disturbance.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT,PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: AGREEMENT

Surface Access Agreement Need description: SUA with Kenneth Smith will be signed and approved prior to any disturbance.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other

Right of Way needed? N **Use APD as ROW?**

ROW Type(s):

ROW

SUPO Additional Information:

Use a previously conducted onsite? Y

Previous Onsite information: Onsite review was done on April 9, 2024 with Chaz Sartin.

Other SUPO

New__Millie_Mile_SUPO_Pad_Move_20240513132350.pdf

EGL Resources, LLC→ Millie Mile 13-24 Fed Com

Well Site Locations

The results of the Millie Mile 13-24 Fed Com will develop economic quantities of oil and gas with multiple primary formations targeted. Well locations are determined based on cross-section variations and details. Locations will be selected to minimize the likelihood of encountering faults and/or drilling hazards while still targeting suitably productive zones.
If drilling results in an unproductive well, the well will be plugged and abandoned as soon as practical after the conclusion of production testing. Productive wells may be shut-in temporarily for BLM authorization for production activities and facilities.

Millie Mile 13-24 Fed Com

- Millie Mile 13-24 Fed Com 603H
- Millie Mile 13-24 Fed Com 102H
- Millie Mile 13-24 Fed Com 202H
- Millie Mile 13-24 Fed Com 201H
- Millie Mile 13-24 Fed Com 101H
- Millie Mile 13-24 Fed Com 601H
- Millie Mile 13-24 Fed Com 801H
- Millie Mile 13-24 Fed Com 602H

Surface Use Plan

1. Existing Roads

A. From the intersection of US-180 and NM-18 in Hobbs, NM, Go West on US-180 Approx 15 miles. At the intersection of US-180 and NM-529 take a left and continue to go southwest on US-180 approx. 14.9 miles. Turn right onto existing lease road and go northwest approx. 2.08 miles. Turn right onto existing lease road and go northeast approx. 2.02 miles. Turn left onto existing lease road and go north approx. 1.92 miles. Turn left onto existing lease road and access roads and go west approx. 1.46 miles to northeast pad corner.
B. Transportation Plan identifying existing roads that will be used to access the project area is included from Coosa, LLC. marked as, 'Vicinity Map, Aerial Map, Aerial Road Route Map, Land Status Map, and Topo Map'.
C. All equipment and vehicles will be confined to the routes shown on the 'Vicinity Map, Aerial Map, Aerial Road Route Map, Land Status Map, and Topo Map' as provided by Coosa, LLC.
D. Maintenance of the access roads will continue until abandonment and reclamation of the well pads has been completed.

2. New or Upgraded Access Roads

A. **New Roads**. There are a total of approximately 523.23 feet of proposed and staked access roads to access the Millie Mile 13-24 Fed Com pad shown on the 'AR Map'.
B. **Well Pads**. The Millie Mile 13-24 Fed Com Aerial Road Route Map shows the location of the proposed road that will need to be constructed to access the well pad.
C. **Anticipated Traffic**. After well completion, travel to each well site will include one lease operator truck and two oil trucks per day until the Central Tank Batteries are completed. Upon completion of the Central Tank Batteries, one lease operator truck will continue to travel to each well site to monitor the working order of the wells and to check well equipment for proper operation. Two oil trucks will continue to travel to the Central Tank Batteries only for oil hauling until connected to a pipeline. Additional traffic will include one maintenance truck periodically throughout the year for pad upkeep and weed removal. Well service trips will include only the traffic necessary to work on the wells or provide chemical treatments periodically and as needed throughout the year.
D. **Routing**. All equipment and vehicles will be confined to the travel routes laid out in the 'Vicinity Map' provided by Coosa, LLC.
E. **Road Dimensions**. The maximum width of the driving surface of new roads will be 14 feet. The roads will be crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches will be 1 foot deep with 3:1 slopes. The driving surface will be made of 6" rolled and compacted caliche.

F. **Surface Material**. Surface material will be native caliche. The average grade of all roads will be approximately 3%.
G. **Fence Cuts**: None.
H. **Fences**: None.
I. **Cattle Guards**: None.
J. **Turnouts**: None.
K. **Culverts**: None.
L. **Cuts and Fills**: Not significant.
M. **Topsoil**. Approximately 6 inches of topsoil (root zone) will be stripped from the proposed access road and pad prior to any construction activity. The stripped topsoil will be spread along the western 1/3 of the location to help raise the sub grade and will be available to fill slopes inside the location as staked.
N. **Maintenance**. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along with access road route.
O. **Drainage**. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, The Gold Book, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

3. Location of Existing Wells
A. See attached Existing Wells map.

4. Ancillary Facilities
A. No off-pad ancillary facilities are planned during the exploration phase including, but not limited to campsites, airstrips or staging areas.

5. Location of Proposed Production Facilities
A. **Production Facilities**. One pad was staked with the BLM for construction and use as Central Tank Batteries (CTBs). The facility is the Millie Mile 13-24 Fed Com Central Tank Battery. A 3160-5 sundry notification will be submitted after construction with a site-security diagram and layout of the facility with associated equipment.
B. **Buried & Surface Flowlines**. Plans for this have not been determined. Prior to any flowlines being constructed, a 3160-5 will be submitted for approval.
C. **Midstream Tie-In**. Midstream tie-in connections have not been finalized. Third party midstream company will acquire all necessary rights-of-way. If corridors are found needed in the future, they will be applied for via 3160-5.
D. **Disposal Facilities**. Produced water will be hauled from the location to a commercial disposal facility prior to being tied into a salt water disposal flowline.
E. **Flare**. Flare determination has not been finalized. Prior to construction, this will be submitted on a 3160-5.
F. **Aboveground Structures**. All permanent (on site six months or longer) aboveground structures constructed or installed on location and not subject to safety requirements will be painted earth-tone colors such as ‘shale green’ to reduce the visual impacts of the built environment.
G. **Containment Berms**. Containment berms will be constructed completely around any production facilities designed to hold fluids. The containment berms will be constructed of compacted subsoil, be sufficiently impervious, hold 1.5 times the capacity of the largest tank and away from cut or fill areas.
H. **Electrical**. Electrical lines have not been finalized. Prior to any construction, a 3160-5 will be submitted for approval.

6. Location and Types of Water Supply
The oil/gas production wells will be drilled using a combination of water mud systems as outlined in the Drilling Program. The water will be obtained from Ranger Water Resources and hauled to the location by transport truck or lay-flat lines using the existing and proposed roads depicted in the attached exhibits. No water well will be drilled on the location. Shown on attached 'Water Source Map.'
Anticipated water usage for drilling includes an estimated 50,000 barrels bbls of water and anticipated water usage for completion includes an estimated 1,950,000 bbls of water for each horizontal well in a combination of fresh water and brine as detailed in the mud program in the drilling plans. These volumes are calculated with excess to accommodate any lost circulation or wash out that may occur. Actual water volumes used during operations will depend on the depth of the well, length of horizontal sections, and the losses that may occur during the operation.

7. Construction Activities
A. Construction, reclamation, and/or routine maintenance will not be conducted during periods when the soil conditions for construction could lead to impacts to the surrounding environment, or when watershed damage is likely to occur because of these activities.
B. Any construction material that may be required for surfacing the drill pad and access road will be from a contractor having a permitted source of materials within the general area. No construction materials will be removed from federal lands without prior approval from the appropriate surface management agency. All roads and well pads will be constructed of 6" rolled and compacted caliche.
C. Anticipated Caliche Location will be from Kenneth Smith, attached map 'caliche source' is attached.

8. Methods for Handling Waste • Cuttings. The well will be drilled utilizing a closed-loop mud system. Drill cuttings will be held in roll-off style mud boxes and taken to a New Mexico Oil Conservation Division (NMOCD) approved disposal site.
• **Drilling Fluids**. These will be contained in steel mud pits and then taken to a NMOCD approved commercial disposal facility.
• **Produced Fluids**. Water produced from the well during completion will be held temporarily in steel tanks and then taken to a NMOCD approved commercial disposal facility. Oil produced during operations will be stored in tanks until sold.
• **Sewage**. Portable, self-contained toilets will be provided for human waste disposal. Upon completion of drilling and completion activities, or as required, the toilet holding tanks will be pumped and the contents thereof disposed of in an approved sewage disposal facility. All state and local laws and regulations pertaining to the disposal of human and solid waste will be complied with. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
• **Garbage and Other Waste Materials.** All garbage, junk and non-flammable waste materials will be contained in a self-contained, portable dumpster or trash cage, to prevent scattering and will be removed and deposited in an approved sanitary landfill. Immediately after drilling all debris and other waste materials on and around the well location not contained in the trash cage will be cleaned up and removed from the location. No potentially adverse materials or substances will be left on the location.
• **Debris**. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned and removed from the well location. No potential adverse materials or substances will be left on location.

— • Hazardous Materials. i. All drilling wastes identified as hazardous substances by the Comprehensive Environmental Response Compensation Liability Act (CERCLA) removed from the location, and not reused at another drilling location, will be disposed of at a hazardous waste facility approved by the U.S. Environmental Protection Agency (EPA).

— ii. EGL Resources, LLC. and its contractors will comply with all applicable Federal, State, and local laws and regulations, existing or hereafter enacted/promulgated, regarding any hazardous material, as defined in this paragraph, that will be used, produced, transported or stored on the oil and gas lease. "Hazardous material" means any substance, pollutant or

contaminant that is listed as hazardous under the CERCLA of 1980, as amended, 42 U.S.C 9601 et seq., and its regulation. The definition of hazardous substances under CERLCA includes any "hazardous waste" as defined in the RCRA of 1976, as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous material also includes any nuclear or nuclear by-product material as defined by the Atomic Energy Act of 1954, as amended, 42 U.C.S. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101 (14) U.S.C. 9601 (14) nor does the term include natural gas.

— iii. No hazardous substances or waste will be stored on location after completion of the well.

— iv. Chemicals brought to location will be on the Toxic Substance Control Act (TSCA) approved inventory list.

— v. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in Notice to Lessees (NTL) 3A will be reported to the BLM Carlsbad Field Office. Major events will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days.

9. Well Site Layout

A. **Rig Plat Diagrams**: There is one multi-well pad for the Millie Mile 13-24 Fed Com lease anticipated. This will allow enough space for cuts and fills, and storm water control. Well site layout is attached. This is currently an 8-well pad but should have additional room if there were to be additional wells added to the plan. Maps 'Site Plan and SS' are attached.

B. **Closed-Loop System**: There will be no reserve pit as each well will be drilled utilizing a closed loop mud system. The closed loop system will meet the NMOCD requirements 19.15.17.

C. **V-Door Orientation**: The pad was staked with v-door orientation to the East.

D. All equipment and vehicles will be confined to the approved disturbed areas of this APD (i.e., access road and well pad).

10. Plans for Surface Reclamation:

Due to the facility being on the same pad as the well locations, there will not be any reclamation needed at this site until all wells have been abandoned.

The original stockpiled topsoil will be placed in the low spots, mainly the western 1/3 of the location to help raise the sub grade. It will also be used to fill slopes that are inside the location as staked.

11. Surface Ownership

A. 100% of the Millie Mile 13-24 Fed Com project area is under the administrative jurisdiction of the Bureau of Land Management.

Kenneth Smith is the grazing allottee, there will be an SUA agreed upon and approved prior to any disturbance.

B. The surface is multiple use with the primary uses of the region for grazing and to produce oil and gas.

12. Other Information

Surveying

• **Well Sites**. Well pad locations have been staked. Surveys of the proposed access roads and well pad locations have been completed by Coosa, LLC, a registered professional land surveyor. Center stake surveys with access roads have been completed on Federal lands with Chaz Sartin, Bureau of Land Management Natural Resource Specialist in attendance, on April 9, 2024.

• **Cultural Resources – Archaeology**: A Class III Cultural Resources Examination has been completed on the entire pad by Resi Solutions and the results will be forwarded to the BLM Office.

• **Dwellings and Structures**. There are no dwellings or structures within 2 miles of this location.

Soils and Vegetation

• **Environmental Setting**. Soils are classified as peyote soils and dune land (0-3% slopes) and KD-Kermit palomas (0-3% slopes). Maxie Fish, CHEMM and Cassie Aguillard, Bureau of Land Management Biologist were both at the onsite and said dunes in the SE corner as so isolated and

with the mesquite taking over, the Millie Mile 13-24 Fed Com pad would not affect the DSL habitat.
• **Traffic**. No truck traffic will be operated during periods or in areas of saturated ground when surface rutting could occur. The access road will be constructed and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route.
• **Water**. There is no permanent or live water in the immediate or within the project area.

13. Bond Coverage
Bond Coverage is Nationwide. Bond Number: COB 21235

Operator's Representatives:
EGL Resources, Inc. representatives for ensuring compliance of the surface use plan are listed below:
Mikah Thomas
Regulatory Manager
EGL Resources, LLC
223 West Wall Street, Suite 900
Midland, Texas 79701
432-661-7106
Onsite: April 9, 2024, with Chaz Sartin- Bureau of Land Management NRS
Cassie Aguillard- BLM Biologist
Maxie Fish- CHEMM
Jason Hawley- Construction Foreman
Tracy- Kenneth Smith's Field Representative

AFMSS

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

PWD Data Report

08/11/2024

APD ID: 10400093846 **Submission Date:** 08/29/2023

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Well Type: OIL WELL **Well Work Type:** Drill

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined

Would you like to utilize Lined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit

Pit liner description:

Pit liner manufacturers

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule

Lined pit reclamation description:

Lined pit reclamation

Leak detection system description:

Leak detection system

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Lined pit Monitor description:

Lined pit Monitor

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information

Section 3 - Unlined

Would you like to utilize Unlined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD disturbance (acres): **PWD surface owner:**

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule

Unlined pit reclamation description:

Unlined pit reclamation

Unlined pit Monitor description:

Unlined pit Monitor

Do you propose to put the produced water to beneficial use?

Beneficial use user

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic

State

Unlined Produced Water Pit Estimated

Unlined pit: do you have a reclamation bond for the pit?

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information

Section 4 -

Would you like to utilize Injection PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number: **Injection well name:**

Assigned injection well API number? **Injection well API number:**

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection

Underground Injection Control (UIC) Permit?

UIC Permit

Section 5 - Surface

Would you like to utilize Surface Discharge PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 -

Would you like to utilize Other PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Other PWD discharge volume (bbl/day):

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM **Well Number:** 102H

Other PWD type description:

Other PWD type

Have other regulatory requirements been met?

Other regulatory requirements

AFMSS

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

Bond Info Data

08/11/2024

APD ID: 10400093846

Submission Date: 08/29/2023

Operator Name: EGL RESOURCES INCORPORATED

Well Name: MILLIE MILE 13-24 FED COM

Well Number: 102H

Well Type: OIL WELL

Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Bond

Federal/Indian APD: FED

BLM Bond number: NM2693

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description
Effective May 25, 2021

I. Operator: PBEX Operations, LLC. **OGRID:** 332544 **Date:** 08/15/2024 .

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Millie Mile 13-24 Fed Com 101H	30-025-	D-13-19S-33E	208 FNL 375 FWL	922	3105	2104
Millie Mile 13-24 Fed Com 102H	30-025-	D-13-19S-33E	208 FNL 435 FWL	922	3105	2104
Millie Mile 13-24 Fed Com 201H	30-025-	D-13-19S-33E	208 FNL 395 FWL	1176	1733	2585
Millie Mile 13-24 Fed Com 202H	30-025-	D-13-19S-33E	208 FNL 415 FWL	1176	1733	2585
Millie Mile 13-24 Fed Com 601H	30-025-	D-13-19S-33E	204 FNL 175 FWL	1142	3348	4174
Millie Mile 13-24 Fed Com 602H	30-025-	D-13-19S-33E	244 FNL 175 FWL	1142	3348	4174
Millie Mile 13-24 Fed Com 603H	30-025-	D-13-19S-33E	208 FNL 455 FWL	1142	3348	4174
Millie Mile 13-24 Fed Com 801H	30-025-	D-13-19S-33E	224 FNL 175 FWL	740	6964	3684

IV. Central Delivery Point Name: Millie Mile 13-24 Fed Com Battery [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Millie Mile 13-24 Fed Com 101H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 102H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 201H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 202H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 601H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 602H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 603H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025
Millie Mile 13-24 Fed Com 801H	30-025-	10/1/2025	10/16/2025	11/1/2025	11/28/2025	11/28/2025

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. ***If Operator checks this box, Operator will select one of the following:***

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- **(a)** power generation on lease;
- **(b)** power generation for grid;
- **(c)** compression on lease;
- **(d)** liquids removal on lease;
- **(e)** reinjection for underground storage;
- **(f)** reinjection for temporary storage;
- **(g)** reinjection for enhanced oil recovery;
- **(h)** fuel cell production; and
- **(i)** other alternative beneficial uses approved by the division.

Section 4 - Notices

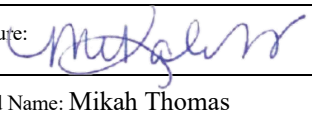
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Mikah Thomas
Title: Regulatory Manager
E-mail Address: mikah@pbex.com
Date: 8/19/2024
Phone: 432.661.7106

OIL CONSERVATION DIVISION **(Only applicable when submitted as a standalone form)**
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:
Separation equipment installed at each EGL facility is designed for maximum anticipated throughput and pressure to minimize waste. Separation equipment is designed and built according to ASME Sec VIII Div I to ensure gas is separated from liquid streams according to projected production.

VII./VIII. Operational & Best Management Practices:
1. General Requirements for Venting and Flaring of Natural Gas:

- In all circumstances, EGL will flare rather than vent unless flaring is technically infeasible and venting of natural gas will avoid a risk of an immediate and substantial adverse impact on safety, public health, or the environment.
- EGL installs and operates vapor recovery units (VRUs) in new facilities to minimize venting and flaring. If a VRU experiences operating issues, it is quickly assessed so that action can be taken to return the VRU to operation or, if necessary, facilities are shut-in to reduce the venting or flaring of natural gas.

2. During Drilling Operations:

- Flare stacks will be located a minimum of 110 feet from the nearest surface hole location.
- If an emergency or malfunction occurs, gas will be flared or vented to avoid a risk of an immediate and substantial adverse impact on public health, safety or the environment and be properly reported to the NMOCD pursuant to 19.15.27.8.G.
- Natural gas is captured or combusted if technically feasible using best industry practices and control technologies, such as the use of separators (e.g., Sand Commanders) during normal drilling and completions operations.

3. During Completions:

- EGL typically does not complete traditional flowback, instead EGL will flow produced oil, water, and gas to a centralized tank battery and continuously recover salable quality gas. If EGL completes traditional flowback, EGL conducts reduced emission completions as required by 40 CFR 60.5375a by routing gas to a gas flow line as soon as practicable once there is enough gas to operate a separator. Venting does not occur once there is enough gas to operate a separator
- Normally, during completion, a flare is not on-site. A Snubbing Unit will have a flare on-site, and the flare volume will be estimated.
- If natural gas does not meet pipeline quality specifications, the gas is sampled twice per week until the gas meets the specifications.

4. During Production:

- An audio, visual and olfactory (AVO) inspection will be performed daily (at minimum) for active wells and facilities to confirm that all production equipment is operating properly and there are no leaks or releases except as allowed in Subsection D of 19.15.27.8 NMAC. Inactive, temporarily abandoned, or shut-in wells and facilities will be inspected weekly. Inspection records will be kept for a minimum of five years and will be available upon request by the division.
- Monitor manual liquid unloading for wells on-site, takes all reasonable actions to achieve a stabilized rate and pressure at the earliest practical time and takes reasonable actions to minimize venting to the maximum extent practicable.
- In all circumstances, EGL will flare rather than vent unless flaring is technically infeasible and venting of natural gas will avoid a risk of an immediate and substantial adverse impact on safety, public health, or the environment.
- EGL's design for new facilities utilizes air-activated pneumatic controllers and pumps.

• If natural gas does not meet pipeline quality specifications, the gas is sampled twice per week until the gas meets the specifications.

• EGL does not produce oil or gas until all flowlines, tank batteries, and oil/gas takeaway are installed, tested, and determined operational.

5. Performance Standards

• Equipment installed at each facility is designed for maximum anticipated throughput and pressure to minimize waste. Tank pressure relief systems utilize soft seated or metal seated PSVs, as appropriate, which are both designed to not leak.

• Flare stack has been designed for proper size and combustion efficiency. The new flares will have a continuous pilot and will be located at least 100 feet from the well and storage tanks and will be securely anchored.

• New tanks will be equipped with an automatic gauging system.

• An AVO inspection will be performed daily (at minimum) for active wells and facilities to confirm that all production equipment is operating properly and there are no leaks or releases except as allowed in Subsection D of 19.15.27.8 NMAC. Inactive, temporarily abandoned, or shut-in wells and facilities will be inspected weekly. Inspection records will be kept for a minimum of five years and will be available upon request by the division.

6. Measurement or Estimation of Vented and Flared Natural Gas

• EGL estimates or measures the volume of natural gas that is vented, flared, or beneficially used during drilling operations, regardless of the reason or authorization for such venting or flaring.

• Where technically practicable, EGL will install meters on flares installed after May 25, 2021. Meters will conform to industry standards. Bypassing the meter will only occur for inspecting and servicing of the meter.

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 375130

CONDITIONS

Operator: PBEX Operations, LLC 223 West Wall Street Midland, TX 79701	OGRID: 332544
	Action Number: 375130
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	9/5/2024
pkautz	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	9/5/2024
pkautz	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	9/5/2024
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	9/5/2024
pkautz	If cement does not circulate on any string, a CBL is required for that string of casing	9/5/2024