Form 3160-3 (June 2015)

OCD - HOBBS 03/23/2020 **RECEIVED**

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5	Lagge	Serial N	ı Ta	
.).	Lease	Senair	NO.	

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

APPLICATION FOR PERMIT TO D	RILL O	R REENTER	6. If Indian, Allotee	or Tribe Name
1a. Type of work: DRILL RI	EENTER		7. If Unit or CA Ag	reement, Name and No.
1b. Type of Well: Oil Well Gas Well Ot	ther		8. Lease Name and	Well No
1c. Type of Completion: Hydraulic Fracturing Si	ngle Zone	Multiple Zone	o. Lease Ivalic and	well Ivo.
		_		322256
2. Name of Operator			9. API Well No.	0-025-47011
372098				
3a. Address		e No. (include area code)	X	or Exploratory 96340
4. Location of Well (Report location clearly and in accordance w	vith any Si	ate requirements.*)	11. Sec., T. R. M. o	r Blk. and Survey or Area
At surface				
At proposed prod. zone	•		12. County or Paris	h 13. State
 Distance in miles and direction from nearest town or post offi 	ce*		12. County of Paris	II 13. State
15. Distance from proposed* location to nearest	16. No o	f acres in lease 17. S	Spacing Unit dedicated to t	this well
property or lease line, ft. (Also to nearest drig, unit line, if any)				
18. Distance from proposed location*	19. Prop	osed Depth 20. F	BLM/BIA Bond No. in file	
to nearest well, drilling, completed, applied for, on this lease, ft.				
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Appr	oximate date work will start*	23. Estimated durat	ion
	24. At	tachments		
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)			, , , , , , , , , , , , , , , , , , ,	
Well plat certified by a registered surveyor. A Drilling Plan.		4. Bond to cover the open Item 20 above).	rations unless covered by a	n existing bond on file (see
3. A Surface Use Plan (if the location is on National Forest System			information and/or plans as	may be requested by the
SUPO must be filed with the appropriate Forest Service Office)?	BLM.	amormation and/or plans as	s may be requested by the
25. Signature	Na	me (Printed/Typed)		Date
Title				<u> </u>
Approved by (Signature)	Na	me (Printed/Typed)		Date
Title		fice		
Application approval does not warrant or certify that the applican applicant to conduct operations thereon. Conditions of approval, if any, are attached.	t holds leg	al or equitable title to those ri	ights in the subject lease w	hich would entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, most the United States any false, fictitious or fraudulent statements of				any department or agency
GCP REC 03/23/2020				
			ve l	K272020

APPROVED WITH CONDITIONS **Approval Date: 03/10/2020**

03/26

*(Instructions on page 2)



TOTAL SAFETY

MARATHON OIL COMPANY

ENDER WIGGINS FC 25-34-14

WXY Well # 14H

TB Well # 17H

WD Well # 18H

WA Well # 19H

WXY Well # 20H

WC Well # 21H

DOGIE DRAW FED COM 25-34-14

WXY Well # 14H

TB Well # 17H

WA Well # 18H

WD Well # 19

WC Well # 20

WXY Well # 21H

SHL: 2290' FNL & 1134' FEL of Unit Letter 'H', Section 14, T-25S, R-34E BHL: 150' FNL & 330' FEL of Unit Letter 'A', Section 11, T-25S, R-34E

LEA County, New Mexico

Rig: H&P 498 or H&P 480 4/24/2018

EMERGENCY MEDICAL PROCEDURES DO NOT PANIC REMAIN CALM-THINK

- 1. HOLD YOUR BREATH. (DO NOT INHALE, STOP BREATHING)
- 2. PUT ON BREATHING APPARATUS. (NOTE: DO NOT ATTEMPT RESCUE UNTIL YOU HAVE PUT ON BREATHING APPARATUS.)
- 3. REMOVE VICTIM (S) TO FRESH AIR AS QUICKLY AS POSSIBLE.
- 4. BE SURE YOU HAVE MOVED VICTIM OUT OF CONTAMINATED AREA BEFORE REMOVING YOUR RESPIRATOR.
- 5. APPLY MOUTH-TO-MOUTH ARTIFICIAL RESPIRATION, WHICH IS MORE EFFECTIVE, WHILE SOMEONE ELSE GETS THE OXYGEN RESUSCITATOR. RENDER OXYGEN RESUSCITATION ONLY IF PORPERLY TRAINED IN ITS USE.
- PROVIDE FOR PROMPT TRANSPORTATION TO HOSPITAL AND CONTUNUE GIVING ARTIFICIAL RESPIRATION IF NEEDED.
- 7. HOSPITAL (S) OR MEDICAL FACILITIES NEED TO BE INFORMED BEFOREHAND, OF THE POSSIBILITY OF H2S GAS POISONING, NO MATTER HOW REMOTE THE POSSIBLITY IS.

Lea Regional Medical Center (575)492-5000 5419 N Lovington Hwy, Hobbs, NM 88240 AMBULANCE 911 FIRE DEPARTMENT- HOBBS, NM (575) 397-9308 POLICE - HOBBS, NM (575) 397-9265

8. NOTIFY EMERGENCY-ROOM PERSONEL THAT THE VICTIM (S) HAVE POSSIBLY BEEN EXPOSED TO H2S GAS POISONING.

TOTAL SAFETY INC 1420 East Greene St. Carlsbad, NM 88220

THIS H2S DRILLING OPERATIONS PLAN WAS PREPARED BY: Sean Chamblee Strategic Account Manager

Cell: 713-703-6295

TOTAL SAFETY INC

1420 East Greene St Carlsbad, NM 88220

Phone: 432-561-5049

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INTRODUCTION

H2S DRILLING OPERATIONS PLAN
This Drilling Operations Plan was written specifically for:

MARATHON OIL COMPANY 3122 NATIONAL PARKS HIGHWAY CALRSBAD, NM 88220

Action Plan for Accidental Release of H2S

ENDER WIGGINS FC 25-34-14
WXY Well # 14H
TB Well # 17H
WD Well # 18H
WA Well # 19H
WXY Well # 20H
WC Well # 21H
DOGIE DRAW FED COM 25-34-14
WXY Well # 14H
TB Well # 17H
WA Well # 18H
WD Well # 18H
WD Well # 19
WC Well # 20
WXY Well # 21H
LEA COUNTY, NM

Information, provisions and practices, as set forth in this plan, may be subject to revision and/or updating.

MARATHON OIL COMPANY 3122 NATIONAL PARKS HIGHWAY CALRSBAD, NM 88220

ENDER WIGGINS FC 25-34-14

WXY Well # 14H TB Well # 17H WD Well # 18H WA Well # 19H WXY Well # 20H WC Well # 21H

DOGIE DRAW FED COM 25-34-14

WXY Well # 14H
TB Well # 17H
WA Well # 18H
WD Well # 19
WC Well # 20
WXY Well # 21H
LEA COUNTY, NM

Directions:

FROM CARLSBAD, NM, AT THE INTERSECTION OF W. GREENE ST. AND N. CANAL ST. HEAD EAST ON W. GREENE STREET TOWARD S. CANAL ST. FOR 2.2 MILES TO REFINERY ROAD ON THE RIGHT. TRAVEL SE ON REFINERY RD. FOR 12.5 MILES TO NEW MEXICO STATE HIGHWAY 31 ON THE LEFT. TRAVEL NE ON NEW MEXICO STATE HIGHWAY 31 FOR 2.4 MILES TO NEW MEXICO STATE HIGHWAY 128 E ON THE RIGHT. TRAVEL SE ON NEW MEXICO STATE HIGHWAY 128 E. FOR 38.7 TO BATTLE AXE ROAD ON THE RIGHT. TRAVEL ON BATTLE AXE RD. FOR 0.3 MILES. TURN RIGHT TO STAY ON BATTLE AXE ROAD AND CONTINUE FOR 2.6 MILES. TURN RIGHT TO STAY ON BATTLE AXE ROAD AND CONTINUE FOR 2.6 MILES. AGAIN, TURN RIGHT TO STAY ON BATTLE AXE ROAD AND CONTINUE FOR 2.6 MILES TO EXISTING LEASE ROAD ON THE RIGHT. TRAVEL SE ON SAID EXISTING ROAD FOR 0.8 MILES TO THE PROPOSED.

GPS Coordinates: 32.13131075, -103.43539680 LEA COUNTY, NEW MEXICO

PURPOSE OF PLAN: The purpose of this plan is to safeguard the lives of the public, contract personnel and company personnel in the event of equipment failure or disasters during drilling or completion operations in formations that may contain Hydrogen Sulfide Gas, H2S.

As a precautionary measure, this Drilling Plan has been prepared to assure the safety of all concerned, should a disaster occur. However, the Oil Company Representative may have specified materials and practices for the drilling or completion of this well, which supercede the minimum requirements as outlined in this plan.

Definitions: For the purpose of this plan the following definitions are to be referred to:

Controlled Release – Any release that is planned and occurs during normal operations. A controlled release is managed per the procedures outlined in this section.

Uncontrolled Release – Any release that is unplanned and not immediately contained utilizing established shut-in procedures. An uncontrolled release is normally associated with a loss of well control.

SCBA – (**Self Contained Breathing Apparatus**) – A full-face mask respirator with a supplied positive pressure air source.

Donned SCBA – When it is required per this plan to "don" a SCBA, personnel will be 100% masked up and be on supplied breathing air.

SCBA On Person – When it is required per this plan to have SCBA "on person", personnel will be required to wear the SCBA equipment - but not be masked up.

"Qualified Buddy" – Person who has been fit tested and is trained and is familiar with the requirements of donning an SCBA. This person will provide immediate assistance to another person who may be utilizing an SCBA or SkaPack in an IDLH atmosphere in the event of an emergency situation.

In Scope Personnel – Rig Personnel who will be working or otherwise present in potential H2S release areas, including the rig floor, cellar, pits, and shaker areas. This would not include 3rd party contractors who do not have a function, besides evacuating the rig, during an emergency condition such as during a well control event or H2S / LEL alarm. All qualified personnel that have a function to shut a well in during an emergency will be considered In-Scope per this plan

Out of Scope Personnel –. All personnel that are not in scope will be Out of Scope per the definition of this plan

H2S Office – Onsite office trailer space or vehicle that will be designated as the H2S office

Marathon H2S Plan Custodian – Marathon HES Advisor, Supervisor or Technician that has been specifically assigned per the authorization page of this plan to maintain this document.

SAFETY EQUIPMENT

All H2S related Safety Equipment must be installed, tested and Operational at a depth of 500 fee above, or 3 days prior to penetrating the first zone expected to contain H2S.

SAFETY EQUIPMENT PROVIDED BY TOTAL SAFETY INC.

<u>QTY</u>	<u>EQUIPMENT</u>
6 each	30-minute self-contained breathing apparatus
6 each	ELSA Escape Packs
1 Lot	Sufficient low-pressure airline hose with quick connects
1	6 Channel fixed H2S monitor
4	H2S Sensors (Loc determined at rig up – General: Cellar, Shale
	Shaker, floor/driller area)
4	Explosion proof Alarm Station (1-Drill Floor, 1- Pits/Shakers,
	1- Generators, 1 Quarters area)
10	Personal H2S Monitors
1	Gastec pump type gas detector
Set	Various range of H2s & SO2 detector tubes
2 each	Windsocks w/frames and poles
1 Set	H2S and briefing area signs
1 Set	Well condition signs and flags
1	Flare Gun & Flares

TYPE OF EQUIPMENT AND STORAGE LOCATIONS

- 1. There will be six 30-minute self-contained breathing apparatus on location. They will be positioned as follows: Two at Briefing Area #1 Two at Briefing Area #2, Two at rig dog house. SCBA Facepieces will be equipped with voice amplifiers for effective means of communication when using protective breathing apparatus.
- 2. There will be six Escape-type packs on location. One for the Derrickman. One on the Shaker. One at the bottom of rig dog house stairway and spares.
- 3. A Gastec, pump type, gas detector with low and high range detector tubes for H2S and SO2 will be located in the doghouse
- 4. Two Briefing Areas will be designated at opposite ends of the location.
- 5. The Briefing Area most upwind is designated as the Safety Briefing Area #1. In an emergency, personnel must assemble at this upwind area for instructions from their supervisor.
- 6.The H2S 'Safety" trailer provided by Total Safety, Inc. will contain a cascade system of at least 5 each -300 C.F. air cylinders that will provide a continuous air supply to air lines located on the rig. Note: This trailer will **Only** be provided if H2S conditions require the use of the Air Trailer. (If Required)
- 7. Two windsocks will be installed so as to be visible from all parts of the location.
- 8. A well condition warning sign will be displayed at the location entrance to advise of current operating conditions. The condition signs must be at least 200' from the entrance but not more than 500' away.
- 9. A list of emergency telephone numbers will be kept on rig floor, tool pusher's trailer, the Oil Company's trailer and in the "safety" trailer (if Provided).
- 10. The primary means of communication will be cell phones.

- 11. A barricade will be available to block the entrance to location should an emergency occur. In most cases the use of a vehicle is used to block the entrance.
- 12. A 6-channel H2S monitor will be located in the doghouse. The 3 sensors will be installed: one on the shale shaker, one at the Cellar, one at the rig floor.
- 13. An undulating high and low pitch siren and light will be installed on the derrick "A" leg.
- 14. If H2S concentration reach 10 ppm an explosion-proof bug blower (fan) will be installed under the rig floor to disperse possible accumulations of H2S.
- 15. Any time it is necessary to flare gas containing H2S, a Sulfur Dioxide monitor or Detector tubes will be used to determine SO2 concentrations.
- 16. A flare gun with flares will also be provided in the event it is necessary to ignite the well from a safe distance.

OPERATING PROCEDURES

BLOWOUT PREVENTION MEASURES DURING DRILLING

1. Blowout Prevention Requirements:

All BOP equipment shall meet the American Petroleum Institute specifications as to materials acceptable for H2S service and tested accordingly (or to BLM specifications).

2. Drilling String Requirements:

All drill string components are to be of material that meets the American Petroleum Institute's specifications for H2S service. All drill string components should be inspected to IADC critical service specifications prior to running in well.

GAS MONITORING EQUIPMENT

- 1. A continuous H2S detection system, consisting of three H2S detectors and an audible/visual warning system will be in operating during all phases of this H2S Drilling Operations Plan. The detection system will be adjusted and calibrated such that an H2S exposure of 10 ppm or higher (at any sensor) will trigger the audible and visual portion (wailing or yelping siren) of the warning system (i.e. H2S continually present at or above threshold levels) a trained operator or H2S supervisor will monitor the H2S detection system.
- 2. When approaching or completing H2S formations, crewmembers may attach personnel H2S monitors to their person.
- 3. Hand held H2S sampling gas detectors will be used to check areas not covered by automatic monitoring equipment.

CREW TRAINING AND PROTECTION

- 1. All personal working at the well site will be properly trained in accordance with the general training requirements outlined in the API Recommended Practices for Safe Drilling of Wells Containing H2S. The training will cover, but will not be limited to, the following:
 - a. General information of H2S AND SO2 GAS
 - b. Hazards of these gases
 - c. Safety equipment on location
 - d. Proper use and care of personal protective equipment
 - e. Operational procedures in dealing with H2S gas
 - f. Evacuation procedures
 - g. First aid, reviving an H2S victim, toxicity, etc.
 - h. Designated Safe Briefing Areas
 - i. Buddy System
 - j. Regulations
 - k. Review of Drilling Operations Plan
- 2. Initial training shall be completed when drilling reaches, a depth of 500' above or 3 days prior to penetrating (whichever comes first) the first zone containing or expected to contain H2S. It must also include a review of the site specific Drilling Operations Plan and, if applicable, the Public Protections Plan.
- 3. Weekly H2S and well control drills for all personnel on each working crew shall be conducted.
- 4. All training sessions and drills shall be recorded on the driller's log or its equivalent.
- 5. Safety Equipment:

As outlined in the Safety Equipment index, H2S safety protection equipment will be available to/or assigned each person on location.

6. One person (by job title) shall be designated and identified to all on-site personnel as the person primarily responsible for the overall operation of the on-site safety and training programs. This will be the PIC

METALLURGICAL CONSIDERATONS

- 1. Steel drill pipe used in H2S environments should have yield strength of 95,000psi or less because of potential embrittlement problems. Must conform to the current National Association of Corrosion Engineers (NACE) Standard MR-0175-90, Material Requirement, Sulfide Stress Cracking Resistant Metallica Material for Oil Field Equipment. Drill stem joints near the top of the drill string are normally under the highest stress levels during drilling and do not have the protection of elevated down hole temperatures. These factors should be considered in design of the drill string. Precautions should be taken to minimize drill string stress caused by conditions such as excessive dogleg severity, improper torque, whip, abrasive wear or tool joints and joint imbalance. American Petroleum Institute, Bulletin RR 7G, will be used as a guideline for drill string precautions.
- 2. Corrosion inhibitors may be applied to the drill pipe or to the mud system as an additional safeguard.
- 3. Blowout preventors should meet or exceed the recommendations for H2S service as set forth in the latest edition of API RI 53.

MUD PROGRAM AND TREATING

- 1. It is of utmost importance that the mud be closely monitored for detection of H2S and reliability of the H2S treating chemicals.
- 2. Identification and analysis of sulfides in the mud and mud filtrates will be carried out per operators prescribed procedures.
- 3. The mud system will be pre-treated with Zinc Carbonate, Ironite Sponge or similar chemicals of H2S control prior to drilling into the H2s bearing formation. Sufficient quantities of corrosion inhibitor should be on location to treat the drill string during Drill Stem Test Operations. Additionally, Aqua Ammonia should be on hand to treat the drill string for crew protection, should H2S be encountered while tripping string following drill stem testing

WELL CONTROL EQUIPMENT

1. Flare System

- a. A flare system shall be designed and installed to safely gather and burn H2S Bearing gas.
 - 1. Flare lines shall be located as far from the operating site as feasible and in a manner to compensate for wind changes.
 - 2. The flare line mouth shall be located not less then 150' from wellbore.
 - 3. Flare lines shall be straight unless targeted with running tees.
 - 4. Flare Gun & Flares to ignite the well

2. Remote Controlled Choke

- a. A remote controlled choke shall be installed for all H2S drilling and where feasible for completion operations. A remote controlled valve may be used in lieu of this requirement for completions operations.
- 3. Mud-gas separators and rotating heads shall be installed and operable for all exploratory wells.

OPERATING CONDITIONS

A Well Condition Sign and Flag will be posted on all access roads to the location. The sign shall be legible and large enough to be read by all persons entering the well site and be placed a minimum of 200' but no more than 500' from the well site which allows vehicles to turn around at a safe distance prior to reaching the site.

DEFINITION OF WARNING FLAGS

1. Condition:

GREEN-NORMAL OPERATIONS

Any operation where the possibility of encountering H2S exists but no H2S has been detected.

2. Condition:

YELLOW-POTENTIAL DANGER, CAUTION

Any operation where the possibility of encountering H2S exists and in all situations where concentrations of H2S are detected in the air below the threshold level (10ppm)

- a. Cause of condition:
 - *Circulating up drill breaks
 - *Trip gas after trip
 - *Circulating out gas on choke
 - *Poisonous gas present, but below threshold concentrations
 - *Drill stem test
 - b. Safety Action:
 - *Check safety equipment and keep it with you
 - *Be alert for a change in condition
 - *Follow instructions

3. Condition:

RED-EXTREME DANGER

Presence of H2S at or greater than 10ppm. Breathing apparatus must be worn.

a. Safety action:

*MASK UP. All personal will have protective breathing equipment with them. All nonessential personnel will move to the Safe Briefing Area and stay there until instructed to do otherwise. All essential Qualified Personnel, using the "Buddy System" (those necessary to maintain control of the well) will don breathing apparatus to perform operations related to well control.

The decision to ignite the well is the responsibility of the operator's on-site representative and should be made only as a last resort, when it is clear that:

*human life is endangered

*there is no hope of controlling the well under prevailing conditions

Order evacuation of local people within the danger zone. Request help from local authorities, State Police, Sheriff's Dept. and Service Representative.

<u>CIRCULATING OUT KICK</u> (WAIT AND WEIGHT METHOD)

If it is suspected that H2S is present with the gas whenever a kick is taken, the wait and weight method of eliminating gas and raising the mud will be followed.

- 1. Wait and Weight Method:
 - a. The wait and Weight Method is:

*increase density of mud in pits to 'kill' weight mud.

*open choke and bring pump to initial circulating pressure by holding casing pressure at original valve until pump is up to predetermined speed.

*when initial circulating pressure is obtained on drill pipe, zero pump stroke counter and record time.

*reduce drill pipe pressure from initial circulating pressure to final circulating pressure by using pump strokes and/or time according to graph

*when 'kill' weight mud is at the bit, hold final circulating pressure until kill weight mud is to surface.

b. If a kick has occurred, the standard blowout procedure will be followed and the wait and weight method will be used to kill the well. When the well has been put on the choke and circulation has been established, the following safety procedure must be established.

*determine when gas is anticipated to reach surface.

- *all non-essential personnel must be moved to safe briefing area
- *all remaining personnel will check out and keep with them their protective breathing apparatus.
- *mud men will see that the proper amount of H2S scavenging chemical is in the mud and record times checked
- *make sure ignition flare is burning and valves are open to designated flare stacks

CORING OPERATIONS IN H2S BEARING ZONES

- 1. Personal protective breathing apparatus will be worn from 10 to 15 stands in advance of retrieving the core barrel. Cores to be transported should be sealed and marked to the presence of H2S.
 - a. Yellow Caution Flag will be flown at the well condition sign.
 - b. The "NO SMOKING" rule will be enforced

DRILL STEM TESTING OF H2S ZONES

- 1. The DST subsurface equipment will be suitable for H2S service as recommended by the API
- 2. Drill stem testing of H2S zone will be conducted in daylight hours
- 3. All non-essential personnel will be moved to an established safe area or off location
- 4. The "NO SMOKING" rule will be enforced
- 5. DST fluids will be circulated through a remote controlled choke and a separator to permit flaring of gas. A continuous pilot light will be used.
- 6. A yellow or red flag will be flown at entrance to location depending on present gas condition
- 7. If warranted, the use of Aqua Ammonia for neutralizing the toxicity of H2S from drill string
 - a. During drill stem tests adequate Filming Amine for H2S corrosion and Aqua Ammonia for neutralizing H2S should be on location.
 - 8. On completion of DST, if H2S contaminated formation fluids or gases are present in drill string, floor workers will be masked up before test valve is removed from drill string and continue "mask

on" conditions until such time that readings in the work area do not exceed 10ppm of H2S gas.

EMERGENCY PROCEDURES

SOUNDING ALARM

In case of an alarm the crews will muster up at the designated area. Total Safety will be dispatched with (2) HES Techs who are to go in under protective breathing air and check the alarm readings and sniff ambient air for the presence of H2S.

By no means are the Co. Rep or HES Advisor to go in under air with the HES Tech. If there is another method in place where the Rig Manager is to go in with the Tech we need to ensure that the rig company has cleared them and that they are properly trained.

1. The fact is to be instilled in the minds of all rig personnel that the sounding alarm means only one thing: <u>H2S IS PRESENT</u>. Everyone is to proceed to his assigned station and the contingency plan is put into effect.

DRILLING CREW ACTIONS

- 1. All personnel will don their protective breathing apparatus. The driller will take necessary precautions as indicated in operating procedures.
- 2. The Buddy system will be implemented. All personnel will act upon directions from the operator's on-site representative.
- 3. If there are non-essential personnel on location, they will move off location.
- 4. Entrance to the location will be patrolled, and the proper well condition flag will be displayed at the entrance to the location.

RESPONSIBILITIES OF PERSONNEL

In order to assure the proper execution of this plan, it is essential that one person be responsible for and in complete charge of implementing these procedures. The responsibility will be as follows:

- 1. The operator's on-site representative or his assistant
- 2. Contract Tool Pusher

STEPS TO BE TAKEN

In the event of an accidental release of a potentially hazardous volume of H2S, the following steps will be taken:

- 1. Contact by the quickest means of communications: the main offices of Oil Company & Contractor as listed on the preceding page.
- 2. An assigned crewmember will blockade the entrance to the location. No unauthorized personnel will be allowed entry into the location.
- 3. The operator's on-site representative will remain on location and attempt to regain control of the well.
- 4. The drilling company's rig superintendent will begin evacuation of those persons in immediate danger. He will begin by telephoning residents in the danger zone. In the event of no contact by telephoning, the tool pusher will proceed at once to each dwelling for a person-to-person contact. In the event the tool pusher cannot leave the location, he will assign a responsible crewmember to proceed in the evacuation off local residents. Upon arrival, the Sheriff's Department and TOTAL SAFETY personnel will aid in further evacuation.

LEAK IGNITION

Leak Ignition procedure: (used to ignite a leak in the event it becomes necessary to protect the public)

- 1. Two men, the operator's on-site representative and the contractor's rig superintendent or TOTAL SAFETY's representative(s), wearing self-contained pressure demand air masks must determine the perimeter of the flammable area. This should be done with one man using an H2S detector and the other one using a flammable gas detector. The flammable perimeter should be established at 30% to 40% of the lower flammable limits.
- 2. After the flammable perimeter has been established and all employees and citizens have been removed from the area, the ignition team should move to the up-wind area of the leak perimeter and fire a flare into the area if the leak isn't ignited on the first attempt, move in 20 to 30 feet and fire again. Continue moving in and firing until the leak is ignited or the flammable gas detector indicates the ignition

team is moving into the hazardous area. If trouble is incurred in igniting the leak by firing toward the leak, try firing 40 degrees to 90 degrees to each side of the area where you have been firing. If still no ignition is accomplished ignite the copper line burner and push it into the leak area. This should accomplish ignition. If ignition is not possible due to the makeup of the gas, the toxic leak perimeter must be established and maintained to insure evacuation is completed and continue until the emergency is secure.

- 3. The following equipment and man-power will be required to support the ignition team:
 - a. one flare gun with flares
 - b. four pressure demand air packs
 - c. two nylon ropes tied to the ignition team
 - d. two men in a clear area equipped with air packs
 - e. portable propane bottle with copper line
- 4. The person with the final authority to ignite the well.

GENERAL EQUIPMENT

- 1. Two areas on the location will be designated as Briefing Areas. The one that is upwind from the well will be designated a the "Safe Briefing Area"
- 2. In the case of an emergency, personnel will assemble in the upwind area as per prior instructions from the operator's representative.
- 3. The H2S "Safety" trailer provide by TOTAL SAFETY will contain 10 air cylinders, a resuscitator, one 30-minute air pack and will have a windsock.
- 4. Two other windsocks will be installed.
- 5. A condition warning sign will be displayed at the location entrance.
- 6. A list of emergency telephone numbers will be kept on the rig floor, tool pusher's trailer and the Oil Company's trailer.
- 7. Two barricades will be available to block the entrance to location.
- 8. An undulating high and low pitch siren will be installed.
- 9. A telephone line or mobile phone will be available at the well site for incoming and outgoing communications.

CRITICAL OPERATIONS

These guidelines will be implemented during H2S alarms on drilling locations with the intent of minimizing catastrophic damage of "<u>critical</u> <u>tasks</u>" <u>ONLY</u> and exposure of field personnel (e.g. cement in the stack). We will wait on Total Safety (or H2S Safety Company) for all other alarm events that aren't defined as "critical".

- 1.) H2S alarm sounds, crews secure well, and muster based off of wind direction. MOC Operation, MOC Safety, and H2S service company notification will be made and representative from the H2S Service Company is in route to location.
- 2.) Two qualified in scope personnel will don SCBA, utilizing the "buddy system", and respond to area of H2S alarm location to verify the presence of H2S utilizing hand held four gas analyzer or other approved and provided method.
- 3.) If no H2S is found, the "all clear" will be authorized by the Marathon Oil Drilling Superintendent and HES to resume operations. H2S service company will still be required to respond.

Note: Personnel will return to muster area awaiting H2S service company and additional equipment if H2S is verified.

Note: Personnel will be trained annually on H2S and the elements of this guideline. The MOC HES Advisor and Co Man will receive hands on training from a H2S service company field tech, on how to properly identify the location of the alarming sensor, and the proper method for checking the alarmed area.

APPENDICES

EMERGENCY & MEDICAL FACILITIES:

M	arathon Oil Corpo	ration Emergency Numl	oers
Brent Evans	Drilling Manager	blevans@marathonoil.com	832 967-8474
Mark Bly	Drilling Superintendent	permiansuper@marathonoil.com	281-840-0467
Chad Butler	Drilling Superintendent	permiansuper@marathonoil.com	281-840-0467
Jacob Beaty	Drilling Engineer	jabeaty@marathonoil.com	713-296-1915
Noah Adams	HES Professional	njadams@marathonoil.com	713-591-4068
Nick Rogers	Lead HES Advisor	permiandches@marathonoil.com	281-659-3734
Scott Doughty	Lead HES Advisor	permiandches@marathonoil.com	281-659-3734
H&P 480	Company Man	Hp480@marathonoil.com	281-768-9946
H&P 498	Company Man	Hp498@marathonoil.com	281-745-0771
H&P 441	Company Man	Hp441@marathonoil.com	
H&P 423	Company Man	Hp423@marathonoil.com	
Precision 594	Company Man	Prec594@marathonoil.com	
H&P 480	HES Advisor	Hp480hes@marathonoil.com	
H&P 498	HES Advisor	Hp498hes@marathonoil.com	
H&P 441	HES Advisor	Hp441hes@marathonoil.com	
H&P 423	HES Advisor	Hp423hes@marathonoil.com	
Precision 594	HES Advisor	Prec594hes@marathonoil.com	

Emergency Services Area Numbers: Or Call 911								
Sheriff (Eddy County, NM)	575-887-7551	New Mexico Poison Control	800-222-1222					
Sheriff (Lea County, NM)	575-396-3611	Border Patrol (Las Cruces, NM)	575-528-6600					
New Mexico State Police	575-392-5580/5588	Energy Minerals & Natural Resources Dept.	575-748-1283					
Carlsbad Medical Center	575-887-4100	Environmental Health Dept.	505-476-8600					
Lea Regional Medical Center	575-492-5000	OSHA (Santa Fe, NM)	505-827-2855					
Police (Carlsbad, NM)	575-885-2111							
Police (Hobbs, NM)	575-392-9265							
Fire (Carlsbad, NM)	575-885-3124							
Fire (Hobbs, NM)	575-397-9308							
Ambulance Service	911	TOTAL SAFETY H2S – SAFETY SERVICES	432-561-5049					

^{1.} For Life Flight, 1st dial "911" They will determine nearest helicopter and confirm the need for helicopter.

RESIDENTS AND LANDOWNERS

AERIAL SATELLITE MAP



RESIDENCE

THERE ARE NO RESIDENCE WITHIN 1 MILE RADIUS OF WELL LOCATION.

ADDITIONAL INFORMATION

A. HYDROGEN SULFIDE ESSAY

A deadly enemy of those people employed in the petroleum industry, this gas can paralyze or kill quickly. At least part of the answer lies in <u>education</u> in the hazards, symptoms, characteristics, safe practices, treatment, and the proper use of personal protective equipment.

B. HYDROGEN SULFIDE HAZARDS

The principal hazard to personnel is asphyxiation or poisoning by inhalation. Hydrogen Sulfide is a colorless, flammable gas having an offensive odor and a sweetish taste. It is highly toxic and doubly hazardous because it is heavier than air (specific gravity = 1.19). It's offensive odor, like that of a rotten egg, has been used as an indicator by many old timers in the oil field, but is not a reliable warning of the presence of gas in a dangerous concentration because people differ greatly I their ability to detect smells. Where high concentrations are encountered, the olfactory nerves are rapidly paralyzed, diluting the sense of smell as a warning indicator. A concentration of a few hundredths of one percent higher than that causing irritation can cause asphyxia and death-in other words there is a very narrow margin between conscious ness and unconsciousness, and between unconsciousness and death.

Where high concentrations cause respiratory paralysis, spontaneous breathing does not return unless artificial respiration is applies. Although breathing is paralyzed the heart may continue beating for ten minutes after the attack.

C. PHYSIOLOGICAL SYSTEMS

<u>ACUTE</u>: results in almost instantaneous asphyxia, with seeming respiratory paralysis acute poisoning, or strangulation, may occur after even a few seconds inhalation of high concentration and results in panting respiration, pallor, cramps, paralysis and almost immediate loss of consciousness with extreme rapidity from respiratory and cardiac paralysis. One breath of a sufficiently high concentration may have this result.

SUBACUTE: RESULTS IN IRRITATION, PRINCIPALLY OF THE EYES, PERSISTENT COUGH, TIGHTENING OR BURNING IN THE CHEST AND SKIN IRRITATION FOLOWED BY DEPRESSION OF THE CENTRAL NERVOUS SYSTEM. The eye irritation ranges in severity from mild conjunctivitis to swelling and bulging of the conjunctiva photophobia (abnormal intolerance of light) and temporary blindness.

D. TREATMENT

- 1. Victim should be removed to fresh air immediately by rescuers wearing respiratory protective equipment. Protect yourself while rescuing.
- 2. If the victim is not breathing, begin immediately to apply artificial respiration. (See other chart for the chances for life after breathing has stopped.) If a resuscitator is available let another employee get it and prepare for use.
- 3. Treat for shock, keep victim warm and comfortable
- 4. Call a doctor, in all cases, victims of poisoning should be attended by a physician.

E. CHARACTERISTICS OF H2S

- 1. Extremely Toxic (refer to chart for toxicity of Hydrogen Sulfide).
- 2. Heavier than air. Specific gravity= 1.19.
- 3. Colorless, has odor of rotten eggs.
- 4. Burns with a blue flame and produces sulfur Dioxide (SO2) gas, which is very irritating to eyes and lungs. The SO2 is also toxic and can cause serious injury.
- 5. H2S is almost as toxic as hydrogen cyanide.
- 6. H2S forms explosive mixture, with air between 4.3% and 46% by volume.
- 7. Between 5 and 6 times as toxic as carbon monoxide.
- 8. Produces irritation to eyes, throat, and respiratory tract.
- 9. Threshold Limit Value (TLV) maximum of eight hours exposure without protective respiratory equipment-10ppm.

F. SAFE PRACTICES

If you are faced with an H2S problem in your operations, the following safe practices are recommended:

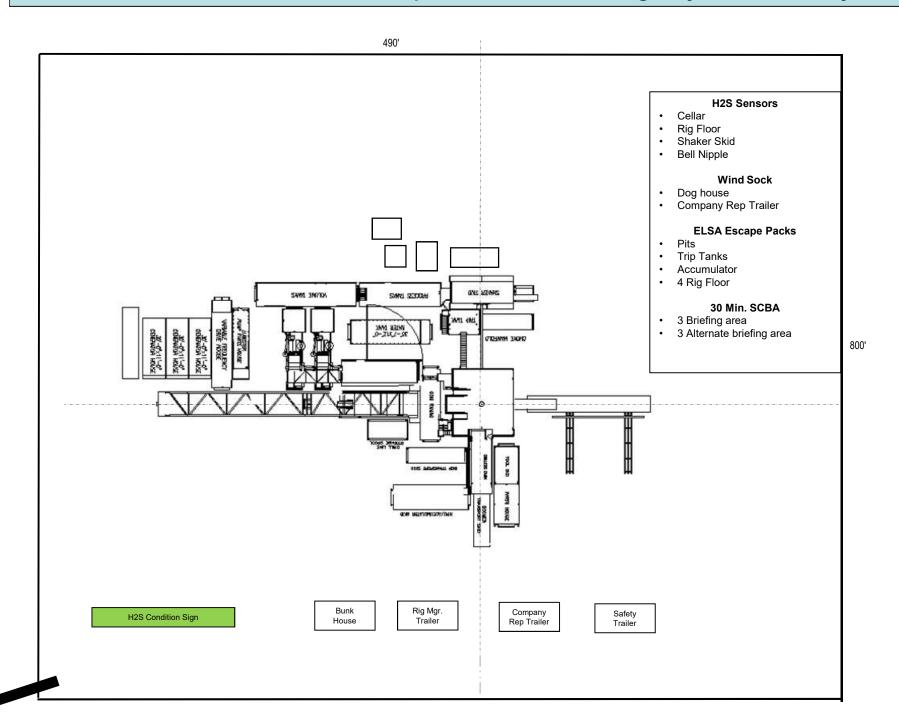
- 1. Be absolutely sure all concerned are familiar with the hazards concerning H2S and how to avoid it.
- 2. All employees should know how to operate and maintain respiration equipment.
- 3. Be able to give and demonstrate artificial respiration.
- 4. Post areas where there is poisonous gas with suitable warning signs.
- 5. Be sure all new employees are thoroughly schooled before they are sent to the field-tomorrow may be too late.
- 6. Teach men to avoid gas whenever possible-work on the windward side, have fresh air mask available.
- 7. Never let bad judgment guide you-wear respiratory equipment when gauging tanks, etc. Never try to hold your breath in order to enter a contaminated atmosphere.
- 8. In areas of high concentration, a two-man operation is preferred.
- 9. Never enter a tank, cellar or other enclosed place where gas can accumulate without proper respiratory protective equipment and a safety belt secured to a lifeline held by another person outside.
- 10. Always check out danger areas first with H2S detectors before allowing anyone to enter. <u>DO NOT TRY TO DETERMINE THE PRESENCE OF GAS BY its ODOR.</u>
- 11. Wear proper respiratory equipment for the job at hand. Never take a chance with equipment with which you are unfamiliar. If in doubt, consult your supervisor.
- 12. Carry out practice drills every month with emergency and maintenance breathing air equipment. Telling or showing a group how to operate equipment is not enough-make them show you.
- 13. Maximum care should be taken to prevent the escape of fumes into the air of working places by leaks, etc.
- 14. Communication such as radio and telephones should be provided for those people employed where H2S may be present.

TOXICITY OF HYDROGEN SULFIDE TO MEN

4 - 48 Hours	Hemorrhage & death*	Hemorrhage & death*				
4 - 8 Hours	Increased	Serious irritating effects		Death*		
1 - 4 Hours	LECTRON S.F.S. LEVE SCHOOLS	Difficult breathing; blurred vision;	Hemorrhage & death	Dizziness weak- ness; increased irritation; death		
30 Minutes to 1 hour	ities; respiratory tract irritation Throat	Throat & eye irritation	Light & shy; nasal catarrh; pain in eyes; difficult breathing	Increased irritation of eyes and nasal tract; dull pain head; weariness;	Severe pain in eyes and head dizziness; trembling of extre-ities; great	weakliess a cearling
15 - 30 Minutes	Disturbed respiration; pain in eyes; sleepiness	Throat & eye irritation	Painful secretion of tears; wearinness	Difficult respiration coughing; irritation of eyes		מבשרון
0 - 15 Minutes	Coughing; irritation of eyes; loss of sense of smell	Loss of sense of smell	Irritation of eyes	Irritation of eyes; loss of sense of smell	Respiratory disturbances; irritation of eyes; collapse	Collapse* unconscious- ness; death*
0 - 2 Minutes			irritation of eyes; loss of sense of smell		Coughing collapse & unconscious-ness	Collapse * unconscious-ness; death*
H2S Per Cent (PPM)**		0.015 (150) 0.020 (200)	0.025 (250) 0.035 (350)	0.035 (350)	0.050 (500)	0.060 (600) 0.070 (700) 0.808 (800) 0.100 (1000) 0.150 (1500)

*Data secured from experiments of dogs which have susceptibility similar to men. **PPM - parts per million

MARATHON OIL - H2S Preparedness and Contingency Plan Summary



Marathon Oil Permian, LLC

Lea County, NM (NAD27)
Dogie Draw Fed Com 25-34-14
TB #17H - Slot J

OH

Plan: Plan #1

Standard Planning Report

20 April, 2018



Planning Report

Database: Midland District

Company: Marathon Oil Permian, LLC
Project: Lea County, NM (NAD27)
Site: Dogie Draw Fed Com 25-34-14

 Well:
 TB #17H

 Wellbore:
 OH

 Design:
 Plan #1

Site

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

Minimum Curvature

Project Lea County, NM (NAD27)

Map System: US State Plane 1927 (Exact solution)

Geo Datum: NAD 1927 (NADCON CONUS)

Map Zone: New Mexico East 3001

Mean Sea Level

Using geodetic scale factor

Dogie Draw Fed Com 25-34-14

Northing: 412,243.05 usft Site Position: Latitude: 32° 7' 48.966 N From: Мар Easting: 774,435.99 usft Longitude: 103° 26' 48.482 W **Position Uncertainty:** 0.00 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.47

System Datum:

Well TB #17H - Slot J

 Well Position
 +N/-S
 8.45 usft
 Northing:
 412,251.50 usft
 Latitude:
 32° 7' 48.766 N

 +E/-W
 3,467.23 usft
 Easting:
 777,903.20 usft
 Longitude:
 103° 26' 8.164 W

Position Uncertainty 0.00 usft Wellhead Elevation: 0.00 usft Ground Level: 3,355.00 usft

Wellbore ОН Field Strength Magnetics **Model Name** Sample Date Declination **Dip Angle** (nT) (°) (°) **HDGM** 4/9/2018 6.72 59.80 47,920

Design Plan #1 **Audit Notes:** Version: Phase: PLAN Tie On Depth: 0.00 Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (bearing) 0.00 0.00 0.00 180.00

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	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	
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
4,300.00	6.00	145.00	4,299.45	-12.86	9.00	2.00	2.00	0.00	145.00	
7,450.00	6.00	145.00	7,432.20	-282.57	197.86	0.00	0.00	0.00	0.00	
7,750.00	0.00	0.00	7,731.65	-295.43	206.86	2.00	-2.00	0.00	180.00	
11,872.39	0.00	0.00	11,854.04	-295.43	206.86	0.00	0.00	0.00	0.00	
12,772.39	90.00	179.55	12,427.00	-868.37	211.37	10.00	10.00	0.00	179.55	
19,436.42	90.00	179.55	12,427.00	-7,532.19	263.84	0.00	0.00	0.00	0.00	BHL[DD\TB#17H]
19,481.42	90.00	179.55	12,427.00	-7,577.19	264.19	0.00	0.00	0.00	0.00	

Planning Report

 Database:
 Midland District

 Company:
 Marathon Oil Permian, LLC Lea

 Project:
 County, NM (NAD27) Dogie

 Site:
 Draw Fed Com 25-34-14

Well: TB #17H
Wellbore: OH

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

Minimum Curvature

Design:	Plan #1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	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
870.00	0.00	0.00	870.00	0.00	0.00	0.00	0.00	0.00	0.00
Rustler									
900.00 1,000.00 1,100.00 1,200.00 1,300.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	900.00 1,000.00 1,100.00 1,200.00 1,300.00 1,373.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
Salado	0.00	0.00	1,070.00	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
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,572.00	0.00	0.00	3,572.00	0.00	0.00	0.00	0.00	0.00	0.00
Castile 3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00 KOP - Build 2	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	2.00	145.00	4,099.98	-1.43	1.00	1.43	2.00	2.00	0.00
4,200.00	4.00	145.00	4,199.84	-5.72	4.00	5.72	2.00	2.00	0.00
4,300.00	6.00	145.00	4,299.45	-12.86	9.00	12.86	2.00	2.00	0.00
EOB - HOLD	0.00		.,=300	. =.00	0.00	.=.00	2.00	2.00	0.00
4,400.00	6.00	145.00	4,398.90	-21.42	15.00	21.42	0.00	0.00	0.00
4,500.00	6.00	145.00	4,498.36	-29.98	20.99	29.98	0.00	0.00	0.00

Planning Report

Database: Company: Midland District

Marathon Oil Permian, LLC

Project: Site: Lea County, NM (NAD27)
Dogie Draw Federal 25-34-14

Well: TB #17H
Wellbore: OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

Minimum Curvature

nned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,600.00	6.00	145.00	4,597.81	-38.54	26.99	38.54	0.00	0.00	0.00
4,700.00 4,800.00 4,900.00	6.00 6.00 6.00	145.00 145.00 145.00	4,697.26 4,796.71 4,896.17	-47.11 -55.67 -64.23	32.98 38.98 44.97	47.11 55.67 64.23	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
5,000.00 5,100.00	6.00 6.00	145.00 145.00	4,995.62 5,095.07	-72.79 -81.36	50.97 56.97	72.79 81.36	0.00 0.00	0.00 0.00	0.00 0.00
5,100.94 Base of Salt	6.00	145.00	5,096.00	-81.44	57.02	81.44	0.00	0.00	0.00
5,200.00	6.00	145.00	5,194.52	-89.92	62.96	89.92	0.00	0.00	0.00
5,300.00 5,387.51	6.00 6.00	145.00 145.00	5,293.97 5,381.00	-98.48 -105.97	68.96 74.20	98.48 105.97	0.00 0.00	0.00 0.00	0.00 0.00
Lamar 5,400.00	6.00	145.00	5,393.43	-107.04	74.95	107.04	0.00	0.00	0.00
5,418.68	6.00	145.00	5,412.00	-108.64	76.07	108.64	0.00	0.00	0.00
Bell Canyon									
5,500.00 5,600.00 5,700.00 5,800.00	6.00 6.00 6.00 6.00	145.00 145.00 145.00 145.00	5,492.88 5,592.33 5,691.78 5,791.23	-115.61 -124.17 -132.73 -141.29	80.95 86.94 92.94 98.93	115.61 124.17 132.73 141.29	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
5,900.00	6.00	145.00	5,890.69	-149.85	104.93	149.85	0.00	0.00	0.00
6,000.00 6,100.00	6.00 6.00	145.00 145.00	5,990.14 6,089.59	-158.42 -166.98	110.93 116.92	158.42 166.98	0.00 0.00	0.00 0.00	0.00 0.00
6,200.00 6,300.00	6.00 6.00	145.00 145.00	6,189.04 6,288.50	-175.54 -184.10	122.92 128.91	175.54 184.10	0.00 0.00	0.00 0.00	0.00 0.00
6,400.00 6,500.00 6,600.00 6,700.00 6,734.89	6.00 6.00 6.00 6.00 6.00	145.00 145.00 145.00 145.00 145.00	6,387.95 6,487.40 6,586.85 6,686.30 6,721.00	-192.67 -201.23 -209.79 -218.35 -221.34	134.91 140.90 146.90 152.89 154.99	192.67 201.23 209.79 218.35 221.34	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
Cherry Cany			-,						
6,800.00 6,900.00 7,000.00 7,100.00 7,200.00	6.00 6.00 6.00 6.00 6.00	145.00 145.00 145.00 145.00 145.00	6,785.76 6,885.21 6,984.66 7,084.11 7,183.57	-226.92 -235.48 -244.04 -252.60 -261.17	158.89 164.88 170.88 176.88 182.87	226.92 235.48 244.04 252.60 261.17	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
7,300.00 7,400.00 7,450.00	6.00 6.00 6.00	145.00 145.00 145.00	7,283.02 7,382.47 7,432.20	-269.73 -278.29 -282.57	188.87 194.86 197.86	269.73 278.29 282.57	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
DROP 2.0° / 1	00								
7,500.00 7,600.00	5.00 3.00	145.00 145.00	7,481.97 7,581.72	-286.50 -292.21	200.61 204.61	286.50 292.21	2.00 2.00	-2.00 -2.00	0.00 0.00
7,700.00 7,750.00	1.00 0.00	145.00 0.00	7,681.65 7,731.65	-295.07 -295.43	206.61 206.86	295.07 295.43	2.00 2.00	-2.00 -2.00	0.00 0.00
EOD - HOLD 7,800.00	0.00	0.00	7 704 65	-295.43	206.06	205.42	0.00	0.00	0.00
7,800.00 7,900.00 8,000.00	0.00 0.00 0.00	0.00 0.00 0.00	7,781.65 7,881.65 7,981.65	-295.43 -295.43 -295.43	206.86 206.86 206.86	295.43 295.43 295.43	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
8,039.35	0.00	0.00	8,021.00	-295.43	206.86	295.43	0.00	0.00	0.00
Brushy Cany		2.22	0.004.05	00= 10	000.00	00= 10	2.25	2.25	2.22
8,100.00 8,200.00 8,300.00	0.00 0.00 0.00	0.00 0.00 0.00	8,081.65 8,181.65 8,281.65	-295.43 -295.43 -295.43	206.86 206.86 206.86	295.43 295.43 295.43	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
8,400.00	0.00	0.00	8,381.65	-295.43	206.86	295.43	0.00	0.00	0.00

Database:Midland DistrictCompany:Marathon Oil Permian, LLCProject:Lea County, NM (NAD27)Site:Dogie Draw Fed Com 25-34-14

Well: TB #17H
Wellbore: OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

Depth Inclination Almuth Cy (Ustr) (ed Survey									
8.800.00	Depth			Depth			Section	Rate	Rate	Turn Rate (°/100usft)
8,700.00										0.00
8,800.00										0.00
8,900.00										0.00
9,000,00 0,00 0,00 0,00 8,981.65 -295.43 206.86 295.43 0,00 0,00 9,200.00 0,00 0,00 9,181.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,301.00 0,00 0,00 9,3181.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,334.35 0,00 0,00 9,316.00 -295.43 206.86 295.43 0,00 0,00 0,00 9,334.35 0,00 0,00 9,316.00 -295.43 206.86 295.43 0,00 0,00 0,00 9,300.00 0,00 0,00 0,00 0,00 0,00 0,00 0,										0.00
9,100.00 0,00 0,00 9,081.65 -295.43 206.86 295.43 0,00 0,00 9,300.00 0,00 0,00 9,281.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,334.35 0,00 0,00 9,381.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,334.35 0,00 0,00 9,381.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,500.00 0,00 0,00 9,481.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,500.00 0,00 0,00 9,481.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,600.00 0,00 0,00 9,581.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,700.00 0,00 0,00 9,881.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,800.00 0,00 0,00 9,816.55 -295.43 206.86 295.43 0,00 0,00 0,00 9,800.00 0,00 0,00 9,816.55 -295.43 206.86 295.43 0,00 0,00 0,00 9,900.00 0,00 0,00 9,816.55 -295.43 206.86 295.43 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0,	8,900.00	0.00	0.00	8,881.65	-295.43	206.86	295.43	0.00	0.00	0.00
9,100.00 0,00 0,00 9,081.65 -295.43 206.86 295.43 0,00 0,00 9,300.00 0,00 0,00 9,281.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,334.35 0,00 0,00 9,381.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,334.35 0,00 0,00 9,381.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,500.00 0,00 0,00 9,481.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,500.00 0,00 0,00 9,481.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,600.00 0,00 0,00 9,581.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,700.00 0,00 0,00 9,881.65 -295.43 206.86 295.43 0,00 0,00 0,00 9,800.00 0,00 0,00 9,816.55 -295.43 206.86 295.43 0,00 0,00 0,00 9,800.00 0,00 0,00 9,816.55 -295.43 206.86 295.43 0,00 0,00 0,00 9,900.00 0,00 0,00 9,816.55 -295.43 206.86 295.43 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0,	9,000.00	0.00	0.00	8,981.65	-295.43	206.86	295.43	0.00	0.00	0.00
9,300.00 0.00 0.00 9,281.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,334.35 0.00 0.00 9,316.05 -295.43 206.86 295.43 0.00 0.00 0.00 9,334.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,500.00 0.00 0.00 0.00 9,481.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,500.00 0.00 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 9,800.00 0.00 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,780.00 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,780.00 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000 0.00 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000 0.00 0.00 0.00 0.	9,100.00	0.00	0.00	9,081.65	-295.43	206.86	295.43	0.00	0.00	0.00
9,334,35 0.00 0.00 9,316.00 -295.43 206.86 295.43 0.00 0.00	9,200.00	0.00	0.00	9,181.65	-295.43	206.86	295.43	0.00	0.00	0.00
Sone Spring 9,400.00	9,300.00	0.00	0.00	9,281.65	-295.43	206.86	295.43	0.00	0.00	0.00
9,400.00 0.00 0.00 9,381.65 -295.43 206.86 295.43 0.00 0.00 9,500.00 0.00 0.00 9,481.65 -295.43 206.86 295.43 0.00 0.00 9,600.00 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 9,800.00 0.00 0.00 9,801.65 -295.43 206.86 295.43 0.00 0.00 9,800.00 0.00 0.00 9,801.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,800.00 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,000.00 0.00 0.00 0.00	9,334.35	0.00	0.00	9,316.00	-295.43	206.86	295.43	0.00	0.00	0.00
9,500.00 0.00 0.00 9,481.65 -295.43 206.86 295.43 0.00 0.00 9,700.00 0.00 9,700.00 0.00 9,700.00 0.00 9,700.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 9,800.00 0.00 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,000.00 0.00 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 10,000 0.00 0.	Bone Spring									
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9,700.00 0.00 0.00 9,681.65 -295.43 206.86 295.43 0.00 0.00 9,800.00 0.00 0.00 9,800.00 0.00 0.00 9,800.00 0.00 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,000.00 0.00 0.00 0.00		0.00	0.00	9,481.65			295.43		0.00	0.00
9,800.00 0.00 0.00 9,781.65 -295.43 206.86 295.43 0.00 0.00 10,000 0.00 0.00 0.00 0.00 0.	9,600.00	0.00	0.00	9,581.65	-295.43		295.43		0.00	0.00
9,900.00 0.00 0.00 9,881.65 -295.43 206.86 295.43 0.00 0.00 10,000.00 0.00 0.00 0.00 10,000.00 0.00	9,700.00	0.00	0.00	9,681.65	-295.43	206.86	295.43	0.00	0.00	0.00
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10,375.35										0.00
1st Bone Spring Sand 10,400.00 0.00 0.00 10,381.65 -295.43 206.86 295.43 0.00 0.00 10,500.00 0.00 0.00 10,481.65 -295.43 206.86 295.43 0.00 0.00 10,600.00 0.00 0.00 10,581.65 -295.43 206.86 295.43 0.00 0.00 10,700.00 0.00 0.00 10,681.65 -295.43 206.86 295.43 0.00 0.00 10,700.00 0.00 0.00 10,781.65 -295.43 206.86 295.43 0.00 0.00 10,900.00 0.00 0.00 10,881.65 -295.43 206.86 295.43 0.00 0.00 10,900.00 0.00 0.00 10,881.65 -295.43 206.86 295.43 0.00 0.00 10,953.35 0.00 0.00 10,935.00 -295.43 206.86 295.43 0.00 0.00 2nd Bone Spring Sand 11,000.00 0.00 0.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 11,100.00 0.00 0.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 11,200.00 0.00 0.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 11,200.00 0.00 0.00 11,181.65 -295.43 206.86 295.43 0.00 0.00 11,200.00 0.00 0.00 11,181.65 -295.43 206.86 295.43 0.00 0.00 11,300.00 0.00 0.00 11,181.65 -295.43 206.86 295.43 0.00 0.00 11,400.00 0.00 0.00 11,381.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,381.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,854.04 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,854.04 -295.43 206.86 295.43 0.00 0.00 11,900.00 2.76 179.55 11,931.41 -										0.00
10,400.00			0.00	10,337.00	-295.43	200.00	290.43	0.00	0.00	0.00
10,500.00 0.00 0.00 10,481.65 -295.43 206.86 295.43 0.00 0.00 10,600.00 0.00 10,581.65 -295.43 206.86 295.43 0.00 0.00 10,700.00 0.00 0.00 10,700.00 0.00 10,700.00 0.00 10,700.00 0.00 0.00 10,700.00 0.00 10,700.00 0.00 0.00 10,700.00 0.00 0.00 10,800.00 0.00 0.00 0.00 10,81.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,900.00 0.00 0.00 10,881.65 -295.43 206.86 295.43 0.00 0.00 0.00 10,953.35 0.00 0.00 10,935.00 -295.43 206.86 295.43 0.00 0.00 0.00 10,953.35 0.00 0.00 10,981.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,000.00 0.00 0.00 11,000.00 0.00	•		0.00	10.381.65	-295.43	206.86	295.43	0.00	0.00	0.00
10,600.00 0.00 0.00 10,581.65 -295.43 206.86 295.43 0.00 0.00 10,700.00 0.00 10,700.00 0.00 10,681.65 -295.43 206.86 295.43 0.00 0.00 10,800.00 0.00 0.00 10,781.65 -295.43 206.86 295.43 0.00 0.00 10,900.00 0.00 10,900.00 0.00 10,881.65 -295.43 206.86 295.43 0.00 0.00 10,905.35 0.00 0.00 10,935.00 -295.43 206.86 295.43 0.00 0.00 0.00 2nd Bone Spring Sand 11,000.00 0.00 0.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,100.00 0.00 0.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,100.00 0.00 0.00 11,1081.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,100.00 0.00 0.00 11,281.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,200.00 0.00 0.00 11,281.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,300.00 0.00 0.00 11,281.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,400.00 0.00 0.00 11,381.65 -295.43 206.86 295.43 0.00 0.00 11,400.00 0.00 0.00 11,481.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,481.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,81.65 -295.43 206.86 295.43 0.00 0.00 0.00 11,820.00 0.00 0.00 11,820.00 0.00 0.00 11,820.00 0.00 0.00 11,820.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	,			,						0.00
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10,900.00	10,700.00		0.00	10,681.65	-295.43	206.86	295.43		0.00	0.00
10,900.00	10.800.00	0.00	0.00	10.781.65	-295.43	206.86	295.43	0.00	0.00	0.00
10,953.35 0.00 0.00 10,935.00 -295.43 206.86 295.43 0.00 0.00 2nd Bone Spring Sand 11,000.00 0.00 0.00 10,981.65 -295.43 206.86 295.43 0.00 0.00 11,100.00 0.00 0.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 11,200.00 0.00 0.00 11,181.65 -295.43 206.86 295.43 0.00 0.00 11,300.00 0.00 0.00 11,281.65 -295.43 206.86 295.43 0.00 0.00 11,400.00 0.00 0.00 11,281.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,481.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,481.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 <t< td=""><td></td><td></td><td></td><td>,</td><td></td><td></td><td></td><td></td><td></td><td>0.00</td></t<>				,						0.00
11,000.00		0.00	0.00				295.43		0.00	0.00
11,100.00 0.00 1.00 11,081.65 -295.43 206.86 295.43 0.00 0.00 11,200.00 0.00 0.00 11,181.65 -295.43 206.86 295.43 0.00 0.00 11,300.00 0.00 0.00 11,281.65 -295.43 206.86 295.43 0.00 0.00 11,400.00 0.00 0.00 11,381.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,481.65 -295.43 206.86 295.43 0.00 0.00 11,500.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,600.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,681.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,781.65 -295.43 206.86 295.43 0.00 0.00 11,872.39 0.00 0.00 11,781.65 -295.43 206.86 295.43 0.00 0.00 11,872.39 0.00 0.00 11,854.04 -295.43 206.86 295.43 0.00 0.00 Curve KOP - Build 10.0° /100 11,900.00 2.76 179.55 11,881.64 -296.09 206.87 296.09 10.00 10.00 11,998.36 12.60 179.55 11,931.41 -300.68 206.90 300.68 10.00 10.00 3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00	2nd Bone Spri	Sand								
11,200.00	,			,						0.00
11,300.00	11,100.00	0.00	0.00	11,081.65	-295.43	206.86	295.43	0.00	0.00	0.00
11,400.00										0.00
11,500.00										0.00
11,600.00 0.00 0.00 11,581.65 -295.43 206.86 295.43 0.00 0.00 11,700.00 0.00 0.00 11,681.65 -295.43 206.86 295.43 0.00 0.00 11,800.00 0.00 0.00 11,781.65 -295.43 206.86 295.43 0.00 0.00 11,872.39 0.00 0.00 11,854.04 -295.43 206.86 295.43 0.00 0.00 Curve KOP - Build 10.0° /100 11,900.00 2.76 179.55 11,881.64 -296.09 206.87 296.09 10.00 10.00 11,950.00 7.76 179.55 11,931.41 -300.68 206.90 300.68 10.00 10.00 11,998.36 12.60 179.55 11,979.00 -309.22 206.97 309.22 10.00 10.00 3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00				,						0.00
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11,800.00 0.00 0.00 11,781.65 -295.43 206.86 295.43 0.00 0.00 11,872.39 0.00 0.00 11,854.04 -295.43 206.86 295.43 0.00 0.00	11,600.00	0.00	0.00	11,581.65	-295.43	206.86	295.43	0.00	0.00	0.00
11,872.39 0.00 0.00 11,854.04 -295.43 206.86 295.43 0.00 0.00 Curve KOP - Build 10.0° /100 11,900.00 2.76 179.55 11,881.64 -296.09 206.87 296.09 10.00 10.00 11,950.00 7.76 179.55 11,931.41 -300.68 206.90 300.68 10.00 10.00 11,998.36 12.60 179.55 11,979.00 -309.22 206.97 309.22 10.00 10.00 3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00	11,700.00	0.00	0.00	11,681.65	-295.43	206.86	295.43	0.00	0.00	0.00
Curve KOP - Build 10.0° /100 11,900.00 2.76 179.55 11,881.64 -296.09 206.87 296.09 10.00 10.00 11,950.00 7.76 179.55 11,931.41 -300.68 206.90 300.68 10.00 10.00 11,998.36 12.60 179.55 11,979.00 -309.22 206.97 309.22 10.00 10.00 3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00										0.00
11,900.00 2.76 179.55 11,881.64 -296.09 206.87 296.09 10.00 10.00 11,950.00 7.76 179.55 11,931.41 -300.68 206.90 300.68 10.00 10.00 11,998.36 12.60 179.55 11,979.00 -309.22 206.97 309.22 10.00 10.00 3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00			0.00	11,854.04	-295.43	206.86	295.43	0.00	0.00	0.00
11,950.00 7.76 179.55 11,931.41 -300.68 206.90 300.68 10.00 10.00 11,998.36 12.60 179.55 11,979.00 -309.22 206.97 309.22 10.00 10.00 3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00										
11,998.36										0.00
3rd Bone Spring Sand 12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00	11,950.00	7.76	179.55	11,931.41		206.90	300.68	10.00	10.00	0.00
12,000.00 12.76 179.55 11,980.60 -309.58 206.97 309.58 10.00 10.00			179.55	11,979.00	-309.22	206.97	309.22	10.00	10.00	0.00
	•		470.55	44.000.00	000 ==	000 00	000			
40.000.00 47.70 470.00 40.000.00 000.74 007.00 000.74 40.000 10.00										0.00
12,050.00 17.76 179.55 12,028.82 -322.74 207.08 322.74 10.00 10.00										0.00
12,100.00 22.76 179.55 12,075.71 -340.04 207.21 340.04 10.00 10.00										0.00
12,150.00 27.76 179.55 12,120.91 -361.37 207.38 361.37 10.00 10.00	12,150.00	27.76	179.55		-361.37	207.38	361.37	10.00	10.00	0.00
12,200.00 32.76 179.55 12,164.09 -386.56 207.58 386.56 10.00 10.00										0.00
12,250.00 37.76 179.55 12,204.90 -415.42 207.81 415.42 10.00 10.00	,									0.00
12,300.00										0.00 0.00

Database: Midland District
Company: Marathon Oil Pe
Project: Lea County, NM

Marathon Oil Permian, LLC Lea County, NM (NAD27) Dogie Draw Fed Com 25-34-14

 Well:
 TB #17H

 Wellbore:
 OH

 Design:
 Plan #1

Site:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

ed Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
FTP[DD\TE	B#17H1								
12,350.00	-	179.55	12,278.23	-483.22	208.34	483.22	10.00	10.00	0.00
,									
12,400.00		179.55	12,310.18	-521.66	208.64	521.66	10.00	10.00	0.00
12,450.00		179.55	12,338.67 12,363.46	-562.73 -606.13	208.97 209.31	562.73 606.13	10.00 10.00	10.00 10.00	0.00 0.00
12,500.00 12,550.00		179.55 179.55	12,384.38	-606.13 -651.52	209.51	651.52	10.00	10.00	0.00
12,600.00		179.55	12,401.26	-698.57	210.04	698.57	10.00	10.00	0.00
12,602.52		179.55	12,402.00	-700.97	210.05	700.97	10.00	10.00	0.00
TBSG Low									
12,650.00		179.55	12,413.98	-746.91	210.42	746.91	10.00	10.00	0.00
12,700.00		179.55	12,422.43	-796.17	210.80	796.17	10.00	10.00	0.00
12,750.00		179.55	12,426.56	-845.98	211.20	845.98	10.00	10.00	0.00
12,772.39		179.55	12,427.00	-868.37	211.37	868.37	10.00	10.00	0.00
EOC - HOI	LU								
12,800.00	90.00	179.55	12,427.00	-895.97	211.59	895.97	0.00	0.00	0.00
12,900.00	90.00	179.55	12,427.00	-995.97	212.38	995.97	0.00	0.00	0.00
13,000.00	90.00	179.55	12,427.00	-1,095.97	213.16	1,095.97	0.00	0.00	0.00
13,100.00	90.00	179.55	12,427.00	-1,195.96	213.95	1,195.96	0.00	0.00	0.00
13,200.00	90.00	179.55	12,427.00	-1,295.96	214.74	1,295.96	0.00	0.00	0.00
13,300.00	90.00	179.55	12,427.00	-1,395.96	215.53	1,395.96	0.00	0.00	0.00
13,400.00		179.55	12,427.00	-1,495.96	216.31	1,495.96	0.00	0.00	0.00
13,500.00		179.55	12,427.00	-1,595.95	217.10	1,595.95	0.00	0.00	0.00
13,600.00		179.55	12,427.00	-1,695.95	217.89	1,695.95	0.00	0.00	0.00
13,700.00		179.55	12,427.00	-1,795.95	218.68	1,795.95	0.00	0.00	0.00
13,800.00		179.55	12,427.00	-1,895.94	219.46	1,895.94	0.00	0.00	0.00
13,900.00		179.55	12,427.00	-1,995.94	220.25	1,995.94	0.00	0.00	0.00
14,000.00		179.55	12,427.00	-2,095.94	221.04	2,095.94	0.00	0.00	0.00
14,100.00		179.55	12,427.00	-2,195.93	221.83	2,195.93	0.00	0.00	0.00
14,200.00		179.55	12,427.00	-2,295.93	222.61	2,295.93	0.00	0.00	0.00
14,300.00		179.55	12,427.00	-2,395.93	223.40	2,395.93	0.00	0.00	0.00
14,400.00		179.55	12,427.00	-2,495.92	224.19	2,495.92	0.00	0.00	0.00
14,500.00		179.55	12,427.00	-2,595.92	224.97	2,595.92	0.00	0.00	0.00
14,600.00		179.55	12,427.00	-2,695.92	225.76	2,695.92	0.00	0.00	0.00
14,700.00	90.00	179.55	12,427.00	-2,795.91	226.55	2,795.91	0.00	0.00	0.00
14,800.00		179.55	12,427.00	-2,895.91	227.34	2,895.91	0.00	0.00	0.00
14,900.00		179.55	12,427.00	-2,995.91	228.12	2,995.91	0.00	0.00	0.00
15,000.00		179.55	12,427.00	-3,095.91	228.91	3,095.91	0.00	0.00	0.00
15,100.00		179.55	12,427.00	-3,195.90	229.70	3,195.90	0.00	0.00	0.00
15,200.00	90.00	179.55	12,427.00	-3,295.90	230.49	3,295.90	0.00	0.00	0.00
15,300.00	90.00	179.55	12,427.00	-3,395.90	231.27	3,395.90	0.00	0.00	0.00
15,400.00		179.55	12,427.00	-3,495.89	232.06	3,495.89	0.00	0.00	0.00
15,500.00		179.55	12,427.00	-3,595.89	232.85	3,595.89	0.00	0.00	0.00
15,600.00		179.55	12,427.00	-3,695.89	233.64	3,695.89	0.00	0.00	0.00
15,700.00		179.55	12,427.00	-3,795.88	234.42	3,795.88	0.00	0.00	0.00
15,800.00	90.00	179.55	12,427.00	-3,895.88	235.21	3,895.88	0.00	0.00	0.00
15,800.00		179.55	12,427.00	-3,995.88	236.00	3,995.88	0.00	0.00	0.00
16,000.00		179.55	12,427.00	-4,095.87	236.00	4,095.87	0.00	0.00	0.00
16,100.00		179.55	12,427.00	-4,095.87 -4,195.87	230.76	4,095.87	0.00	0.00	0.00
16,100.00		179.55	12,427.00	-4,195.87 -4,295.87	237.57	4,195.87	0.00	0.00	0.00
16,300.00		179.55	12,427.00	-4,395.87	239.15	4,395.87	0.00	0.00	0.00
16,400.00		179.55	12,427.00	-4,495.86	239.93	4,495.86	0.00	0.00	0.00
16,500.00		179.55	12,427.00	-4,595.86	240.72	4,595.86	0.00	0.00	0.00
16,600.00	90.00	179.55	12,427.00	-4,695.86	241.51	4,695.86	0.00	0.00	0.00

Database: Midland District
Company: Marathon Oil Permian, LLC
Project: Lea County, NM (NAD27)

Lea County, NM (NAD27)
Dogie Draw Fed Com 25-34-14

Well: TB #17H
Wellbore: OH
Design: Plan #1

Site:

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
16,700.00	90.00	179.55	12,427.00	-4,795.85	242.30	4,795.85	0.00	0.00	0.00
16,800.00	90.00	179.55	12,427.00	-4,895.85	243.08	4,895.85	0.00	0.00	0.00
16,900.00	90.00	179.55	12,427.00	-4,995.85	243.87	4,995.85	0.00	0.00	0.00
17,000.00	90.00	179.55	12,427.00	-5,095.84	244.66	5,095.84	0.00	0.00	0.00
17,100.00	90.00	179.55	12,427.00	-5,195.84	245.45	5,195.84	0.00	0.00	0.00
17,200.00	90.00	179.55	12,427.00	-5,295.84	246.23	5,295.84	0.00	0.00	0.00
17,300.00	90.00	179.55	12,427.00	-5,395.83	247.02	5,395.83	0.00	0.00	0.00
17,400.00	90.00	179.55	12,427.00	-5,495.83	247.81	5,495.83	0.00	0.00	0.00
17,500.00	90.00	179.55	12,427.00	-5,595.83	248.59	5,595.83	0.00	0.00	0.00
17,600.00	90.00	179.55	12,427.00	-5,695.83	249.38	5,695.83	0.00	0.00	0.00
17,700.00	90.00	179.55	12,427.00	-5,795.82	250.17	5,795.82	0.00	0.00	0.00
17,800.00	90.00	179.55	12,427.00	-5,895.82	250.96	5,895.82	0.00	0.00	0.00
17,900.00	90.00	179.55	12,427.00	-5,995.82	251.74	5,995.82	0.00	0.00	0.00
18,000.00	90.00	179.55	12,427.00	-6,095.81	252.53	6,095.81	0.00	0.00	0.00
18,100.00	90.00	179.55	12,427.00	-6,195.81	253.32	6,195.81	0.00	0.00	0.00
18,200.00	90.00	179.55	12,427.00	-6,295.81	254.11	6,295.81	0.00	0.00	0.00
18,300.00	90.00	179.55	12,427.00	-6,395.80	254.89	6,395.80	0.00	0.00	0.00
18,400.00	90.00	179.55	12,427.00	-6,495.80	255.68	6,495.80	0.00	0.00	0.00
18,500.00	90.00	179.55	12,427.00	-6,595.80	256.47	6,595.80	0.00	0.00	0.00
18,600.00	90.00	179.55	12,427.00	-6,695.79	257.26	6,695.79	0.00	0.00	0.00
18,700.00	90.00	179.55	12,427.00	-6,795.79	258.04	6,795.79	0.00	0.00	0.00
18,800.00	90.00	179.55	12,427.00	-6,895.79	258.83	6,895.79	0.00	0.00	0.00
18,900.00	90.00	179.55	12,427.00	-6,995.78	259.62	6,995.78	0.00	0.00	0.00
19,000.00	90.00	179.55	12,427.00	-7,095.78	260.40	7,095.78	0.00	0.00	0.00
19,100.00	90.00	179.55	12,427.00	-7,195.78	261.19	7,195.78	0.00	0.00	0.00
19,200.00	90.00	179.55	12,427.00	-7,295.78	261.98	7,295.78	0.00	0.00	0.00
19,300.00	90.00	179.55	12,427.00	-7,395.77	262.77	7,395.77	0.00	0.00	0.00
19,400.00	90.00	179.55	12,427.00	-7,495.77	263.55	7,495.77	0.00	0.00	0.00
19,436.42	90.00	179.55	12,427.00	-7,532.19	263.84	7,532.19	0.00	0.00	0.00
	42 - BHL[DD\TB	•	40 407 66	7 577 40	004.40	7 577 40	0.00	0.00	0.00
19,481.42	90.00	179.55	12,427.00	-7,577.19	264.19	7,577.19	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (bearing	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP[DD\TB#17H] - plan misses target - Point	0.00 center by 249		12,427.00 2309.51usft M	-278.82 1D (12249.97	206.34 TVD, -454.23	411,972.68 N, 208.11 E)	778,109.54	32° 7′ 45.990 N	103° 26' 5.792 W
BHL[DD\TB#17H] - plan hits target cer - Point	0.00 iter	0.00	12,427.00	-7,532.19	263.84	404,719.33	778,167.04	32° 6' 34.211 N	103° 26' 5.826 W

Database: Midland District

Company:Marathon Oil Permian, LLCProject:Lea County, NM (NAD27)Site:Dogie Draw Fed Com 25-34-14

 Well:
 TB #17H

 Wellbore:
 OH

 Design:
 Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well TB #17H - Slot J

KB = 26.5' @ 3381.50usft (Rig TBD) KB = 26.5' @ 3381.50usft (Rig TBD)

Grid

ormations						
	Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (bearing)
	870.00	870.00	Rustler			
	1,373.00	1,373.00	Salado			
	3,572.00	3,572.00	Castile			
	5,100.94	5,096.00	Base of Salt			
	5,387.51	5,381.00	Lamar			
	5,418.68	5,412.00	Bell Canyon			
	6,734.89	6,721.00	Cherry Canyon			
	8,039.35	8,021.00	Brushy Canyon			
	9,334.35	9,316.00	Bone Spring			
	10,375.35	10,357.00	1st Bone Spring Sand			
	10,953.35	10,935.00	2nd Bone Spring Sand			
	11,998.36	11,979.00	3rd Bone Spring Sand			
	12,602.52	12,402.00	TBSG Lower Target			

lan Annotations					
Mea	sured	Vertical	Local Coor	dinates	
	epth ısft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
4	,000.00	4,000.00	0.00	0.00	KOP - Build 2.0° / 100
4	,300.00	4,299.45	-12.86	9.00	EOB - HOLD
7	,450.00	7,432.20	-282.57	197.86	DROP 2.0° / 100
7	,750.00	7,731.65	-295.43	206.86	EOD - HOLD
11	,872.39	11,854.04	-295.43	206.86	Curve KOP - Build 10.0° /100
12	,772.39	12,427.00	-868.37	211.37	EOC - HOLD
19	,436.42	12,427.00	-7,532.19	263.84	TD at 19436.42
19	,481.42	12,427.00	-7,577.19	264.19	TD + 45' VS



LEA COUNTY, NM (NAD27) DOGIE DRAW FED **Com** 25-34-14 TB #17H

> Plan #1 Rig TBD

DEPTH REF.:KB = 26.5' @ 3381.50USFT (RIG TBD)

CASING DETAILS

No casing data is available

Curve KOP - Build 10.0° /100

EOC - HOLD

VERTICAL SECTION AT 180.00BEARING (500 USFT/IN)

VERTICAL SECTION AT 180.00BEARING (100 USFT/IN)

BHL[DD\TB#17H]

TD at 19436.42

GL ELEV.: 3355.00

KOP - Build 2.0° / 100

DROP 2.0° / 100 11900

EOD - HOLD \(\frac{\Z}{\Z} \) 3rd Bone \(\Spring \mathbb{Band} \)

TB\$G_Lower Target FTP[DD\TB#17H]

Wolfcamp X

Curve KOP - Build 10.0° /100

EOC - HOLD

FTP[DD\TB#17H]

EOB - HOLD

WELL DETAILS:

0.00

Ground Level: 3355.00

+E/-W Northing Easting Latitude Longitude 0.00 412251.50 777903.20 32° 7' 48.766 N 103° 26' 8.164 W

SECTION DETAILS

MD	INC	AΖΙ	TVD	+N/-S	+E/-W	DLEG	TFACE	VSECT	TARGET
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4000.00	0.00	0.00	4000.00	0.00	0.00	0.00	0.00	0.00	
4300.00	6.00	145.00 4	4299.45	-12.86	9.00	2.00	145.00	12.86	
7450.00	6.00	145.00	7432.20	-282.57	197.86	0.00	0.00	282.57	
7750.00	0.00		7731.65	-295.43	206.86	2.00	180.00	295.43	
11872.39	0.00		1854.04	-295.43	206.86	0.00	0.00	295.43	
12772.39	90.00		2427.00	-868.37	211.37	10.00	179.55	868.37	_
19436.42	90.00		2427.00	-7532.19	263.84	0.00		7532.19	BHL[DD\TB#17H]
19481.42	90.00	179.55 12	2427.00	-7577.19	264.19	0.00	0.00	7577.19	

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting
BHL[DD\TB#17H]	12427.00	-7532.19	263.84	404719.33	778167.04
FTP[DD\TB#17H]	12427.00	-278.82	206.34	411972.68	778109.54

DRILLING TARGET: 12487' TVD @ OVS // 90.0° INC.

TARGET WINDOW: 15' UP // 15' DOWN

SITE DETAILS: DOGIE DRAW FEDERAL 25-34-14 SITE CENTRE NORTHING: 412243.05 EASTING: 774435.99

Positional Uncertainity: 0.00 Convergence: 0.47 Local North: Grid PROJECT DETAILS: LEA COUNTY, NM (NAD27)
GEODETIC SYSTEM: US STATE PLANE 1927 (EXACT SOLUTION)
DATUM: NAD 1927 (NADCON CONUS)
ELLIPSOID: CLARKE 1866
ZONE: NEW MEXICO EAST 3001

System Datum: Mean Sea Level

FORMATION TOP DETAILS

TVDPATH	MDPATH	FORMATION
870.00	870.00	Rustler
1373.00	1373.00	Salado
3572.00	3572.00	CASTILE
5096.00	5100.94	Base of Salt
5381.00	5387.51	Lamar
5412.00	5418.68	Bell Canyon
6721.00	6734.89	CHERRY CANYON
8021.00	8039.35	Brushy Canyon
9316.00	9334.35	Bone Spring
10357.00	10375.35	IST BONE SPRING SAND
10935.00	10953.35	2nd Bone Spring Sand
11979.00	11998.36	3rd Bone Spring Sand
12402.00	12602.52	TBSG Lower Target

TD + 45' VS

MAP SYSTEM: US STATE PLANE 1927 (EXACT SOLUTION)
DATUM: NAD 1927 (NADCON CONUS)
ELLIPSOID: CLARKE 1866
ZONE NAME: NEW MEXICO EAST 3001

Local Origin: Well TB #17H - Slot J, Grid North

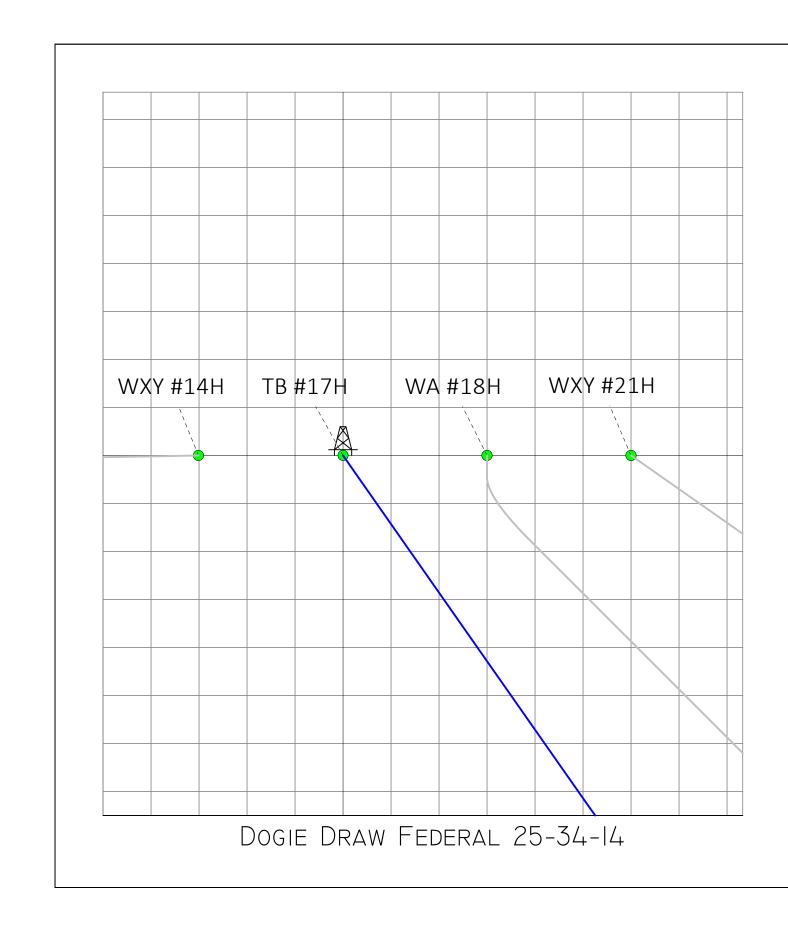
LATITUDE: 32° 7′ 48.766 N Longitude: 103° 26′ 8.164 W

GRID EAST: 777903.20 GRID NORTH: 412251.50

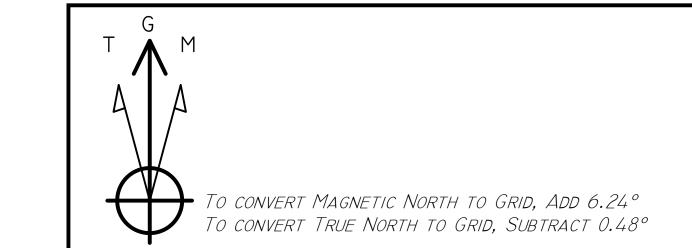
Scale Factor: 1.000

GEOMAGNETIC MODEL: HDGM
SAMPLE DATE: 09-APR-18
MAGNETIC DECLINATION: 6.72°
DIP ANGLE FROM HORIZONTAL: 59.80°
MAGNETIC FIELD STRENGTH: 47920

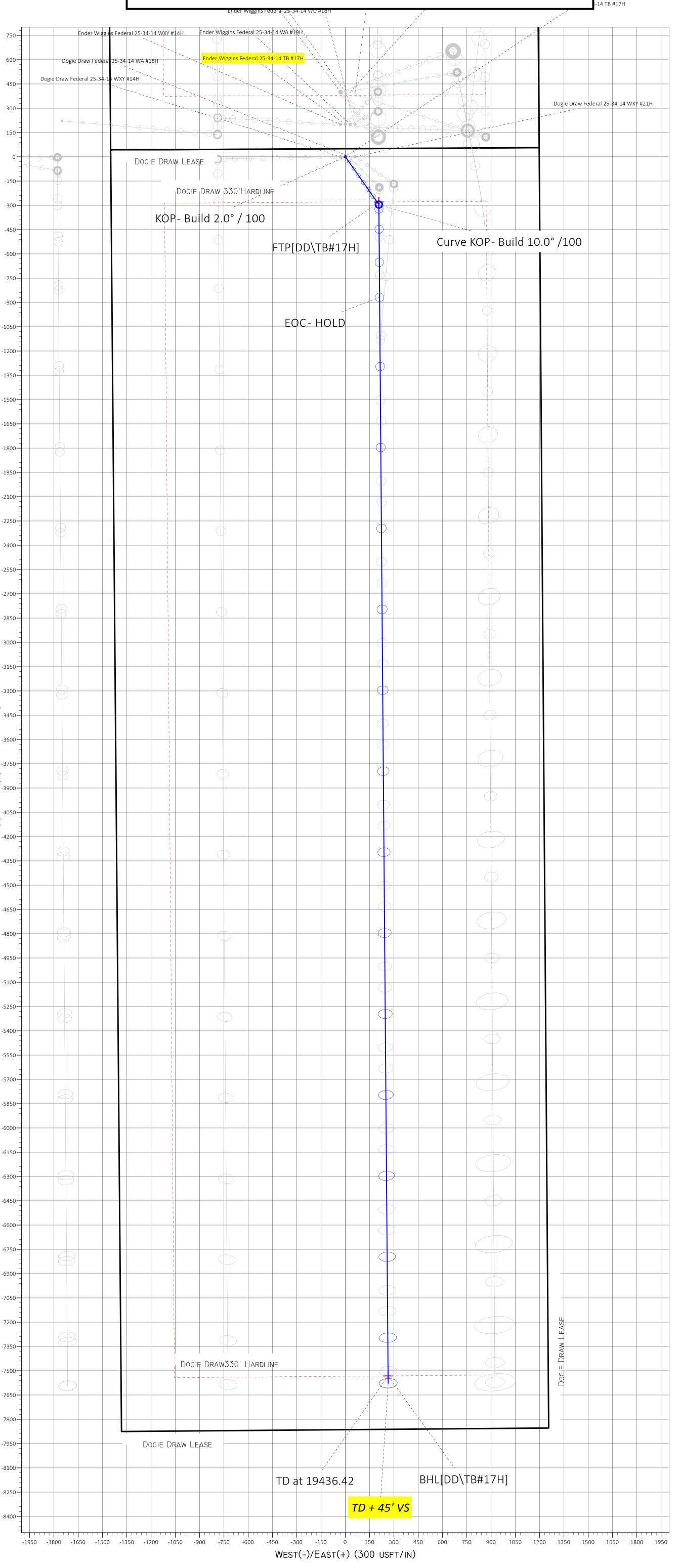
To convert Magnetic North to Grid, Add 6.24°
To convert Magnetic North to True, Add 6.72° East
To convert True North to Grid, Subtract 0.48°







AZIMUTHS TO GRID NORTH
TRUE NORTH: -0.48°
MAGNETIC NORTH: 6.24°
MAGNETIC FIELD
STRENGTH: 47919.6SNT
DIP ANGLE: 59.80°
DATE: 4/9/2018
MODEL: HDGM



Batch Drilling Plan

- Marathon Oil Permian LLC. respectfully requests the option to "batch" drill sections of a well with intentions of returning to the well for later completion.
- When it is determined that the use of a "batch" drilling process to increase overall efficiency and reduce rig time on location, the following steps will be utilized to ensure compliant well control before releasing drilling rig during the batch process.
- Succeeding a successful cement job, fluid levels will be monitored in both the annulus and casing string to be verified static.
- A mandrel hanger packoff will be ran and installed in the multi-bowl wellhead isolating and creating a barrier on the annulus. This packoff will be tested to 5,000 PSI validating the seals.
- At this point the well is secure and the drilling adapter will be removed from the wellhead.
- A 13-5/8" 5M temporary abandonment cap will be installed on the wellhead by stud and nut flange. The seals of the TA cap will then be pressure tested to 5,000 PSI.
- The drilling rig will skid to the next well on the pad to continue the batch drilling process.
- When returning to the well with the TA cap, the TA cap will be removed and the BOP will be nippled up on the wellhead.
- A BOP test will then be conducted according to Onshore Order #2 and drilling operations will resume on the subject well.

Request for Surface Rig

 Marathon Oil Permian LLC. Requests the option to contract a surface rig to drill, set surface casing and cement on the subject well. If the timing between rigs is such that Marathon Oil Permian LLC. would not be able to preset the surface section, the primary drilling rig will drill the well in its entirety per the APD.

MARATHON OIL PERMIAN LLC

DRILLING AND OPERATIONS PLAN

WELL NAME / NUMBER: DOGIE DRAW FED COM 25 34 14 TB 17H

STATE: NEW MEXICO COUNTY: LEA

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	TWSP	Range	Section	Aliquot/Lot/Trac	Latitude (NAD 83)	Longitude (NAD 83)	County	State	Meridian	oual osee I	Lease Number	Elevation (ft SS)	MD (RKB	TVD (RKB)
SHL	2589	FSL	1197	FEL	25S	34E	14	NESE	32.13033803 N	103.43606878 W	Lea	NM	NMP	F	NMNM122624	3355	0	0
KOP	2309	FSL	991	FEL	25S	34E	14	NESE	32.129520622 N	103.435410139 W	Lea	NM	NMP	F	NMNM122624	-8499	11872	11854
PPP	2309	FSL	993	FEL	25S	34E	14	NESE	32.12956698 N	103.43540980 W	Lea	NM	NMP	F	NMNM122624	-9072	12772	12427
EXIT	0	FSL	992	FEL	25S	34E	14	NESE	32.123235592 N	103.435411660 W	Lea	NM	NMP	F	NMNM122624	-9072	14486	12427
PPP	0	FNL	992	FEL	25S	34E	23	NENE	32.123235592 N	103.435411660 W	Lea	NM	NMP	F	NMNM132944	-9072	14486	12427
BHL	330	FSL	990	FEL	25S	34E	23	SESE	32.10962847 N	103.43541819 W	Lea	NM	NMP	F	NMNM132944	-9072	19481	12427

1. GEOLOGIC NAME OF SURFACE FORMATION

a. Permian/Quatenary Alluvium

2. ESTIMATED TOPS OF GEOLOGICAL MARKERS & DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS

Formation	True Vertical	Measured Depth	Lithologies	Mineral	Producing
	Depth (ft)	(ft)		Resources	Formation
Rustler	905	905	Anhydrite/Dolomite	BRINE	N
Salado	1408	1408	Salt/Anhydrite	BRINE	N
Castile	3607	3607	Base Salt	BRINE	N
Base of Salt	5131	5136	Limy Sands	BRINE	N
Lamar	5416	5422	Sand/Shales	OIL	Y
Bell Canyon	5447	5453	Sands/Shale	OIL	Y
Cherry Canyon	6756	6770	Sands/Carbonates	OIL	Y
Brushy Canyon	8056	8074	Sands/Carbonates	OIL	Y
Bone Spring	9365	9383	Sands/Carbonates	OIL	Y
1st Bone Spring Sand	10392	10410	Sands/Carbonates	OIL	Y
2 nd Bone Spring Sand	10970	10988	Sands/Carbonates	OIL	Y
3 rd Bone Spring Sand	12014	12034	Sands/Carbonates	OIL	Y

Wolfcamp	12467	N/A	Carbonates/Shales/Sand s	OIL	Y
Wolfcamp X	12490	N/A	Carbonates/Shales/Sand s	OIL	Y
Wolfcamp Y	12578	N/A	Carbonates/Shales/Sand s	OIL	Y
Wolfcamp A	12618	N/A	Carbonates/Shales/Sand s	OIL	Y

DEEPEST EXPECTED FRESH WATER: 400' TVD

ANTICIPATED BOTTOM HOLE PRESSURE: 8698 psi

ANTICIPATED BOTTOM HOLE TEMPERATURE: 189°F

ANTICIPATED ABNORMAL PRESSURE: $\underline{\mathbf{N}}$

ANTICIPATED ABNORMAL TEMPERATURE: \underline{N}

3. CASING PROGRAM

String Type	Hole Size	Csg Size	Top Set MD	Bottom Set MD	Top Set TVD	TVDBottom Set	Weight (lbs/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
Surface	<u>17 1/2</u>	<u>13 3/8</u>	<u>0</u>	<u>950</u>	<u>0</u>	<u>950</u>	<u>54.5</u>	<u>J55</u>	<u>STC</u>	<u>1.53</u>	<u>2.92</u>	<u>2.76</u>
Intermediate I	<u>12 1/4</u>	<u>9 5/8</u>	<u>0</u>	<u>5406</u>	<u>0</u>	<u>5400</u>	<u>40</u>	<u>J55</u>	<u>LTC</u>	<u>1.21</u>	<u>1.26</u>	<u>1.83</u>
Intermediate II	8 3/4	7	0	<u>1176</u>	0	<u>1175</u>	<u>29</u>	<u>P110</u>	<u>BTC</u>	<u>2.33</u>	1.22	<u>3.26</u>
				4		<u>0</u>						
Production	<u>6 1/8</u>	<u>4 1/2</u>	<u>1151</u>	<u>1948</u>	<u>1150</u>	<u>1242</u>	<u>13.5</u>	<u>P110</u>	<u>BTC</u>	<u>1.38</u>	2.03	<u>2.07</u>
Liner			<u>8</u>	<u>1</u>	<u>0</u>	<u>7</u>						

Minimum safety factors: Burst 1.125 Collapse 1.125 Tension 1.8 Wet/1.6 Dry

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

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification	Y
(loading assumptions, casing design criteria).	
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching	Y
the collapse pressure rating of the casing?	

Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
	<u>, </u>
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

4. **CEMENT PROGRAM:**

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity (sks)	Yield (ft3/sks)	Density (ppg)	Slurry Volume (ft3)	Excess (%)	Cement Type	Additives
Surface	Tail		0	950	992	1.33	14.8	1320	100	Class C	N/A
Intermediate I	Lead		0	4400	1378	1.75	12.8	2412	75	Class C	0.02 Gal/Sk Defoamer + 0.5% Extender + 1% Accelerator
Intermediate I	Tail		4400	5406	357	1.33	14.8	475	50	Class C	0.3 % Retarder
Intermediate II	Lead		5100	10700	530	2.7	11	1431	70	Class C	0.85% retarder + 10% extender + 0.02 gal/sk defoamer + 2.0% Extender + 0.15% Viscosifier
Intermediate II	Tail		10700	11764	191	1.09	15.6	208	30	Class H	3% extender + 0.15% Dispersant + 0.03 gal/sk retarder
Production Liner	Tail		11518	19481	799	1.22	14.5	975	30	Class H	0.1% retarder + 3.5% extender + 0.3% fluid loss + 0.1% Dispersant

Stage tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Stage tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Pilot hole depth: N/A TVD/MD

KOP: N/A TVD/MD

Plug top	Plug Bottom	Excess (%)	Quantit y (sx)	Densit y (ppg)	Yield (ft3/sx)	Water gal/sk	Slurry Description and Cement Type

Attach plugging procedure for pilot hole.

N/A

5. PRESSURE CONTROL EQUIPMENT

BOP installed and tested before drilling which hole?	Size?	Min. Require d WP	Тур	e	✓	Tested to:	
			Annu	lar	х	70% of working pressure	
12 1/4"	13 5/8		Blind F	Ram	X		
		10000	Pipe R	Pipe Ram		10000	
		10000	Double	Ram	X] 10000	
			Other*				
		5000	Annular		x	70% of working pressure	
8 3/4"	13 5/8	10000	Blind I	Ram	Х		
			Pipe R		10000		
		10000	Double Ram			X	
			Other*				
		5000	Annular		x	70% of working pressure	
6 1/8"	13 5/8		Blind F	Ram	X	10000	
		10000	Pipe R	am			
		10000	Double	Ram	X		
			Other*				

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock, full opening safety valve / inside BOP and choke lines and choke manifold. See attached schematics.

Y	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.					
Y	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.					
	N Are anchors required by manufacturer?					
Y	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.					
	See attached schematic.					

6. MUD PROGRAM:

ı	Top	Bottom	Mud Type	Min. Weight	Max. Weight	Additional
	Depth	Depth		(ppg)	(ppg)	Characteristics
	0	<u>950</u>	Water Based Mud	<u>8.4</u>	<u>8.8</u>	
	<u>950</u>	<u>5406</u>	<u>Brine</u>	<u>9.9</u>	<u>10.2</u>	
	<u>5406</u>	<u>11764</u>	<u>Cut Brine</u>	8.8	<u>9.4</u>	
	<u>11764</u>	<u>19481</u>	Oil Based mud	<u>11.5</u>	<u>13.5</u>	

Losses or gains in the mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times.

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT

- **a.** A Kelly cock will be in the drill string at all times.
- **b.** A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor unobstructed and readily accessible at all times.
- **c.** Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production casing is cemented. Breathing equipment will be on location upon

drilling the surface casing shoe until total depth is reached. <u>If Hydrogen Sulfide is encountered</u>, measured amounts and formations will be reported to the BLM

8. LOGGING / CORING AND TESTING PROGRAM:

A. Mud Logger: None.

B. DST's: None.

C. Open Hole Logs: GR while drilling from Intermediate casing shoe to TD.

9. POTENTIAL HAZARDS:

- A. H2S detection equipment will be in operation after drilling out the surface casing shoe until the production casing has been cemented. Breathing equipment will be on location from drilling out the surface shoe until production casing is cemented. If H2S is encountered the operator will comply with Onshore Order #6.
- B. No abnormal temperatures or pressures are anticipated. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.
- C. No losses are anticipated at this time.
- D. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well
- E. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon as possible after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 30 days.

Batch Drilling Plan

- Marathon Oil Permian LLC. respectfully requests the option to "batch" drill sections of a well with intentions of returning to the well for later completion.
- When it is determined that the use of a "batch" drilling process to increase overall efficiency and reduce rig time on location, the following steps will be utilized to ensure compliant well control before releasing drilling rig during the batch process.
- Succeeding a successful cement job, fluid levels will be monitored in both the annulus and casing string to be verified static.
- A mandrel hanger packoff will be ran and installed in the multi-bowl wellhead isolating and creating a barrier on the annulus. This packoff will be tested to 5,000 PSI validating the seals.
- At this point the well is secure and the drilling adapter will be removed from the wellhead.
- A 13-5/8" 5M temporary abandonment cap will be installed on the wellhead by stud and nut flange. The seals of the TA cap will then be pressure tested to 5,000 PSI.
- The drilling rig will skid to the next well on the pad to continue the batch drilling process.
- When returning to the well with the TA cap, the TA cap will be removed and the BOP will be nippled up on the wellhead.
- A BOP test will then be conducted according to Onshore Order #2 and drilling operations will resume on the subject well.

Request for Surface Rig

 Marathon Oil Permian LLC. Requests the option to contract a surface rig to drill, set surface casing and cement on the subject well. If the timing between rigs is such that Marathon Oil Permian LLC. would not be able to preset the surface section, the primary drilling rig will drill the well in its entirety per the APD.

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:
LEASE NO.:
LOCATION:
COUNTY:
Marathon Oil Permean LLC
NMNM122624
Section 14, T.25 S., R.34 E., NMPM
Lea County, New Mexico

WELL NAME & NO.: Dogie Draw Fed Com 25 34 14WXY 14H
SURFACE HOLE FOOTAGE: 2590'/S & 1227'/E
BOTTOM HOLE FOOTAGE 330'/S & 1979'/E

WELL NAME & NO.: Dogie Draw Fed Com 25 34 14 TB 17H

SURFACE HOLE FOOTAGE: 2589'/S & 1197'/E

BOTTOM HOLE FOOTAGE 330'/S & 990'/E

WELL NAME & NO.: Dogie Draw Fed Com 25 34 14 WA 18H
SURFACE HOLE FOOTAGE: 2589'/S & 1167'/E
BOTTOM HOLE FOOTAGE 330'/S & 990'/E

WELL NAME & NO.: Dogie Draw Fed Com 25 34 14 WXY 21H

SURFACE HOLE FOOTAGE: 2589'/S & 1137'/E **BOTTOM HOLE FOOTAGE** 330'/S & 330'/E

COA

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

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

- 1. The 13-3/8 inch surface casing shall be set at approximately 950 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing shall be set at approximately 5400 feet is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
- 3. The minimum required fill of cement behind the 7 inch production casing is:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
- 4. The minimum required fill of cement behind the 4-1/2 inch production liner is:
 - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 10,000 (10M) psi. Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

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.
- 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.

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

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

- hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

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

D. WASTE MATERIAL AND FLUIDS

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

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

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME: Marathon Oil Permian LLC LEASE NO.: NMNM122624, NMNM113419 LOCATION: Section 14, T.25 S., R.34 E., NMPM COUNTY: Lea County, New Mexico

Well Pad 1

Ender Wiggins F C 25 34 14 WC 7H

Surface Hole Location: 2602' FSL & 1786' FWL, Section 14, T. 25 S., R. 34 E Bottom Hole Location: 150' FNL & 1325' FWL, Section 11, T. 25 S, R. 34 E.

Ender Wiggins F C 25 34 14 WD 12H

Surface Hole Location: 2602' FSL & 1816' FWL, Section 14, T. 25 S., R. 34 E Bottom Hole Location: 150' FNL & 2319' FWL, Section 11, T. 25 S, R. 34 E.

Ender Wiggins F C 25 34 14 WA 10H

Surface Hole Location: 2602' FSL & 1846' FWL, Section 14, T. 25 S., R. 34 E Bottom Hole Location: 330' FSL & 2315' FWL, Section 23, T. 25 S, R. 34 E.

Well Pad 2

Dogie Draw Fed Com 25 34 14 WXY 14H

Surface Hole Location: 2590' FSL & 1227' FEL, Section 14, T. 25 S., R. 34 E. Bottom Hole Location: 330' FSL & 1979' FEL, Section 23, T. 25 S, R 34 E.

Dogie Draw Fed Com 25 34 14 TB 17H

Surface Hole Location: 2589' FSL & 1197' FEL, Section 14, T. 25 S., R. 34 E. Bottom Hole Location: 330' FSL & 990' FEL, Section 23, T. 25 S, R 34 E.

Dogie Draw Fed Com 25 34 14 WA 18H

Surface Hole Location: 2589' FSL & 1167' FEL, Section 14, T. 25 S., R. 34 E. Bottom Hole Location: 330' FSL & 990' FEL, Section 23, T. 25 S, R 34 E.

Dogie Draw Fed Com 25 34 14 WXY 21H

Surface Hole Location: 2589' FSL & 1137' FEL, Section 14, T. 25 S., R. 34 E. Bottom Hole Location: 330' FSL & 330' FEL, Section 23, T. 25 S, R 34 E.

Approval Date: 03/10/2020

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

General Provisions
Permit Expiration
Archaeology, Paleontology, and Historical Sites
☐ Noxious Weeds
Special Requirements
Lesser Prairie-Chicken Timing Stipulations
Ground-level Abandoned Well Marker
Hydrology
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
☐ Road Section Diagram
☐ Production (Post Drilling)
Well Structures & Facilities
Electric Lines
☐ Interim Reclamation
☐ Final Abandonment & Reclamation
GENERAL PROVISIONS

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

I. PERMIT EXPIRATION

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

allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

II. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

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

III. NOXIOUS WEEDS

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

IV. SPECIAL REQUIREMENT(S)

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, 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 feet from the source of the noise.

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

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(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.

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 575-234-5972.

Hydrology:

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 top soil 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.

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. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. 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.

V. CONSTRUCTION

A. NOTIFICATION

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

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

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B. TOPSOIL

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

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

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

D. FEDERAL MINERAL MATERIALS PIT

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

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

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

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

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

G. ON LEASE ACCESS ROADS

Road Width

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

Surfacing

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

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

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

Crowning

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

Ditching

Ditching shall be required on both sides of the road.

Turnouts

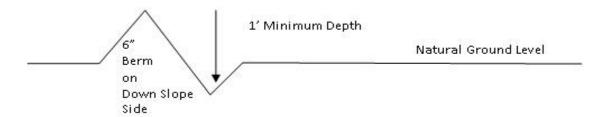
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

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

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

Cross Section of a Typical Lead-off Ditch



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

Formula for Spacing Interval of Lead-off Ditches

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

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

Cattle guards

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

Fence Requirement

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

Public Access

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

Construction Steps

- 1. Salvage topsoil
- Construct road
 Revegetate slopes

3. Redistribute topsoil

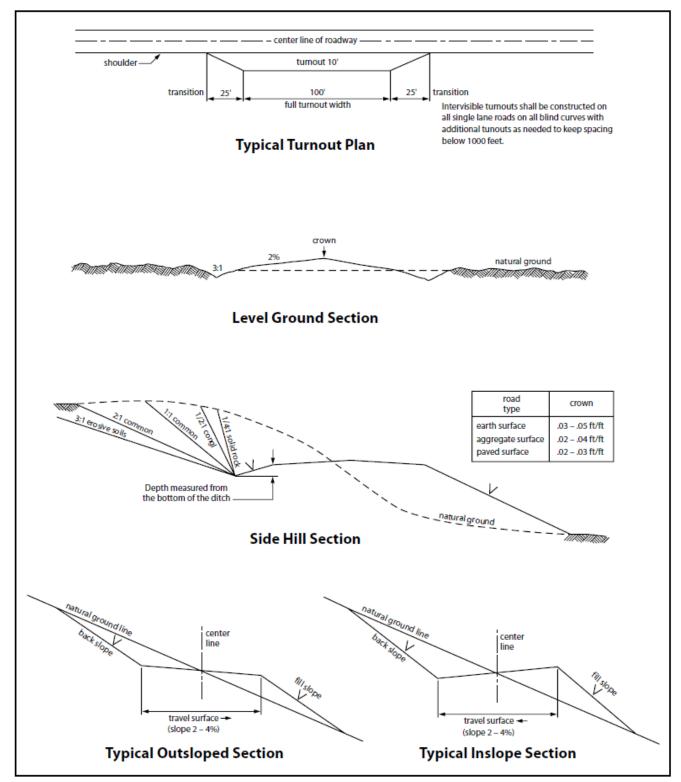


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VI. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

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

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

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Containment Structures

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

Painting Requirement

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

VII. INTERIM RECLAMATION

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

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

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

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

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

VIII. FINAL ABANDONMENT & RECLAMATION

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

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

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After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

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

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.

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> 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 will be planted 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 have a tendency to drop the bottom of the drill and are planted first). The holder 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 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.

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

<u>Species</u>	l <u>b/acre</u>
Sand dropseed (Sporobolus cryptandrus)	1.0
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

^{*}Pounds of pure live seed:

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