UNITED STATES DEPARTMENT OF THE INTERIOR

OCD HOBBS 06/24/2020

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

| DEPARTMENT OF THE INTERIOR | RECE | 5. Lease Serial No. |
|----------------------------|------|---------------------|
| BUREAU OF LAND MANAGEMENT | | |

| APPLICATION FO | OR PERMIT TO DRILL | OR REENTER | ł | 6. If Indian, Allotee or 1 | ribe Name |
|--|--|----------------------------|--------------------|--|-------------------------|
| 1a. Type of work: DRILL 1b. Type of Well: Oil Well 1c. Type of Completion: Hydraulic | REENT Gas Well Other Fracturing Single Z | | one | 7. If Unit or CA Agreem 8. Lease Name and Well [328507 | No. |
| 2. Name of Operator | [373986] | | | 9. API Well No. 30-0 | 25-47635 |
| 3a. Address | 3b. F | Phone No. (include ar | ea code) | 10. Field and Pool, or Ex | xploratory [17644 |
| Location of Well (Report location clean At surface At proposed prod. zone | urly and in accordance with ar | ny State requirements. | *) | 11. Sec., T. R. M. or Blk | and Survey or Area |
| 14. Distance in miles and direction from | nearest town or post office* | | | 12. County or Parish | 13. State |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any | | No of acres in lease | 17. Space | ng,Unit dedicated to this v | vell |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | | Proposed Depth | 20. BLM | /BIA Bond No. in file | |
| 21. Elevations (Show whether DF, KDB, | RT, GL, etc.) 22. A | Approximate date wor | k will start* | 23. Estimated duration | |
| | 24. | Attachments | | | |
| The following, completed in accordance (as applicable) | with the requirements of Onsh | ore Oil and Gas Orde | r No. 1, and the l | Hydraulic Fracturing rule p | per 43 CFR 3162.3-3 |
| 1. Well plat certified by a registered surve 2. A Drilling Plan. | eyor. | 4. Bond to c Item 20 al | | ns unless covered by an exi | sting bond on file (see |
| A Surface Use Plan (if the location is o SUPO must be filed with the appropria | | ds, the 5. Operator | certification. | rmation and/or plans as may | be requested by the |
| 25. Signature | | Name (Printed/Type | d) | Dat | i.e |
| Title | | | | | |
| Approved by (Signature) | | Name (Printed/Type | d) | Dat | ie . |
| Title | | Office | | 1 | |
| Application approval does not warrant or applicant to conduct operations thereon. Conditions of approval, if any, are attached | | s legal or equitable tit | le to those rights | in the subject lease which | would entitle the |
| Title 18 U.S.C. Section 1001 and Title 43 of the United States any false fictitious of | | * * | | - | lepartment or agency |

GCP Rec 06/24/2020

SL(Continued on page 2) APPROVED WITH CONDITIONS **Approval Date: 06/04/2020**

*(Instructions on page 2)



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

Well Name: WILD SALSA 24-13 FED

Application Data Report

06/11/2020

APD ID: 10400046208 **Submission Date:** 08/22/2019

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Number: 223H

recent changes
Show Final Text

Highlighted data reflects the most

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

BLM Office: CARLSBAD User: Ryan DeLong Title: Regulatory Manager

Federal/Indian APD: FED Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMLC0063228 Lease Acres: 1600

Surface access agreement in place? Allotted? Reservation:

Agreement in place? NO Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? Y

Permitting Agent? NO APD Operator: TITUS OIL AND GAS PRODUCTION LLC

Operator letter of designation:

Operator Info

Operator Organization Name: TITUS OIL AND GAS PRODUCTION LLC

Operator Address: 420 Throckmorton St., Suite 1150

Zip: 76102

Operator PO Box:

Operator City: Fort Worth State: TX

Operator Phone: (817)852-6358

Operator Internet Address: rdelong@titusoil.com

Section 2 - Well Information

Well in Master Development Plan? NO Master Development Plan name:

Well in Master SUPO? NO Master SUPO name:

Well in Master Drilling Plan? NO Master Drilling Plan name:

Well Name: WILD SALSA 24-13 FED Well Number: 223H Well API Number:

Field/Pool or Exploratory? Field and Pool Field Name: DIAMONDTAIL Pool Name: BONE SPRING

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

Page 1 of 3

Well Name: WILD SALSA 24-13 FED Well Number: 223H

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

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

Type of Well Pad: MULTIPLE WELL Multiple Well Pad Name: Wild Number: 1

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill
Well Type: OIL WELL
Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: Distance to nearest well: 25 FT Distance to lease line: 653 FT

Reservoir well spacing assigned acres Measurement: 600 Acres

Well plat: WILD_SALSA_24_13_FED_223H_REV._2__CERTIFIED_FORM_C_102_20200213122912.pdf

Well work start Date: 01/31/2020 Duration: 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 Vertical Datum: NAVD88

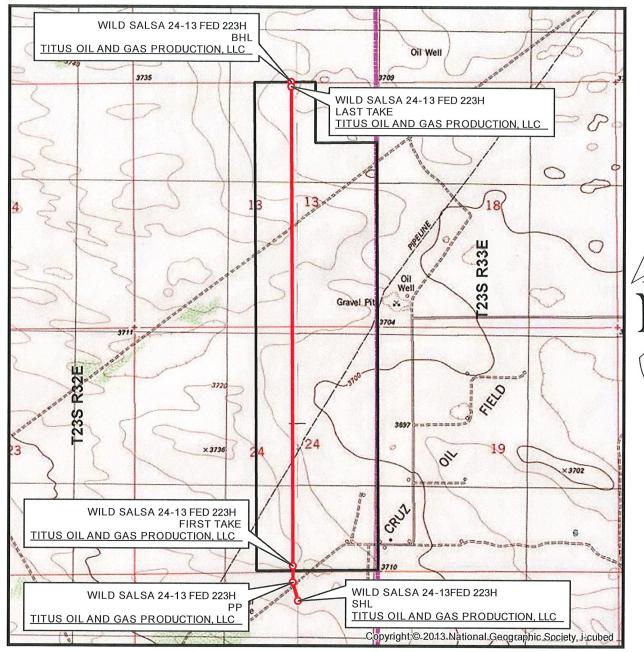
Survey number: Reference Datum: GROUND LEVEL

| Wellbore | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD | Will this well produce from this lease? |
|----------|---------|--------------|---------|--------------|------|-------|---------|-------------------|----------|-----------|--------|-------|----------|------------|--------------|-----------|-----|-----|--|
| SHL | 653 | FNL | 174 | FEL | 23S | 32E | 25 | Tract | 32.28119 | - | LEA | NEW | NEW | F | NMLC0 | 371 | 0 | 0 | Υ |
| Leg | | | 1 | | | | | Α | 87 | 103.6254 | | 1 | | | 063228 | 7 | | | |
| #1 | | | | | | | | | | 122 | | CO | СО | | | | | | |
| KOP | 253 | FNL | 196 | FEL | 23S | 32E | 25 | Tract | 32.56522 | - | LEA | NEW | NEW | F | NMLC0 | - | 106 | 106 | Υ |
| Leg | | | 0 | | | | | Α | 8 | 103.7174 | | 1 | MEXI | | 063228 | 693 | 80 | 55 | |
| #1 | | | | | | | | | | 97 | | СО | СО | | | 8 | | | |
| PPP | 253 | FNL | 185 | FEL | 23S | 32E | 25 | Tract | 32.28229 | - | LEA | NEW | NEW | F | NMLC0 | - | 106 | 106 | Υ |
| Leg | | | 1 | | | | | Α | 79 | 103.6257 | | MEXI | I | | 063228 | 693 | 80 | 56 | |
| #1-1 | | | | | | | | | | 645 | | CO | CO | | | 9 | | | |

Well Name: WILD SALSA 24-13 FED Well Number: 223H

| Wellbore | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD | Will this well produce from this lease? |
|----------|---------|--------------|---------|--------------|------|-------|---------|-------------------|----------|-----------|--------|-------|----------|------------|--------------|-----------|-----|-----|---|
| EXIT | 10 | FNL | 185 | FEL | 23S | 32E | 13 | Tract | 32.31199 | - | LEA | 1 | NEW | ı | NMNM | | 217 | 111 | Υ |
| Leg | | | 0 | | | | | В | 93 | 103.6257 | | MEXI | MEXI | | 053634 | 745 | 67 | 71 | |
| #1 | | | | | | | | | | 622 | | CO | СО | | 4 | 4 | | | |
| BHL | 10 | FNL | 185 | FEL | 23S | 32E | 13 | Tract | 32.31199 | - | LEA | NEW | NEW | F | NMNM | - | 217 | 111 | Υ |
| Leg | | | 0 | | | | | В | 93 | 103.6257 | | MEXI | MEXI | | 053634 | 745 | 67 | 71 | |
| #1 | | | | | | | | | | 622 | | СО | CO | | 4 | 4 | | | |

LOCATION VERIFICATION MAP



SEC. 25 TWP. 23-S RGE. 32-E

SURVEY: N.M.P.M. COUNTY: LEA

OPERATOR: TITUS OIL & GAS PRODUCTION, LLC

DESCRIPTION: 653' FNL & 1741' FEL

ELEVATION: 3717'

LEASE: WILD SALSA 24-13 FED

U.S.G.S. TOPOGRAPHIC MAP: BOOTLEG RIDGE, NM.

1 " = 2,000 ' CONTOUR INTERVAL = 10'



SHEET 2 OF 3

PREPARED BY: R-SQUARED GLOBAL, LLC 1309 LOUISVILLE AVENUE, MONROE, LA 71201 318-323-6900 OFFICE

JOB No. R4009_001_G

VICINITY MAP

| 33 | 34 | T22S R32E | 36 | 31 | ³² T22S R33E | 33 | 34 |
|---------------|----------------------------------|--|--------------------|-----------|-----------------------------------|----|----|
| 4 | 3 | 2 | 1 | 6 | 5 | 4 | 3 |
| 9 <u>TIT</u> | 10 WILD SAL US OIL AND GAS | 11 SA 24-13 FED PRODUCTION | BHL | 7 | 8 | 9 | 10 |
| 16 <u>TIT</u> | WILD SAL | SA 24-13 FED LAST PRODUCTION | TAKE | T23S R33E | 17 | 16 | 15 |
| 21 <u>TIT</u> | 22 WILD SAL JS OIL AND GAS | 23 SA 24-13 FED 2 FIRST PRODUCTION | 24 223Н ГАКЕ | 19 | 20 | 21 | 22 |
| 28 <u>TIT</u> | WILD SAL US OIL AND GAS | PRODUCTION 1 26 | PP | SHL | SA 24-13 FED 22 | | 27 |
| 33 | 34 | 35 | 36 | 31 | 32 | 33 | 34 |
| 4 | 3 | T24S R32E | 1 | 6 | T24S R33E | 4 | 3 |

SEC. 25 TWP. 23-S RGE. 32-E

SURVEY: N.M.P.M. COUNTY: LEA

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DESCRIPTION: 653' FNL & 1741' FEL

ELEVATION: 3717'

LEASE: WILD SALSA 24-13 FED

U.S.G.S. TOPOGRAPHIC MAP: BOOTLEG RIDGE, NM.





1"=1 MILE

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-8900 OFFICE
JOB No. R4009_001_G



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

Drilling Plan Data Report

06/11/2020

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Geologic Formations

| Formation | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing |
|-----------|------------------|-----------|------------------------|-------------------|--------------------------------|-------------------|-----------|
| 520019 | QUATERNARY | 3721 | 0 | 0 | ALLUVIUM | NONE | N |
| 520020 | RUSTLER | 2814 | 907 | 907 | ANHYDRITE | USEABLE WATER | N |
| 520021 | SALADO | 2484 | 1237 | 1247 | SALT | NONE | N |
| 520022 | BASE OF SALT | -1096 | 4817 | 4817 | SALT | NONE | N |
| 520023 | LAMAR | -1361 | 5082 | 5082 | LIMESTONE | NONE | N |
| 520024 | DELAWARE | -1376 | 5097 | 5097 | SANDSTONE, SHALE, SILTSTONE | NONE | N |
| 520028 | BONE SPRING LIME | -5141 | 8862 | 8862 | LIMESTONE | NATURAL GAS, OIL | N |
| 520029 | BONE SPRING 1ST | -6281 | 10002 | 10002 | SANDSTONE | NATURAL GAS, OIL | N |
| 520030 | BONE SPRING 2ND | -6901 | 10622 | 10656 | SANDSTONE | NATURAL GAS, OIL | N |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M Rating Depth: 5110

Equipment: 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.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See specs and hydrostatic test chart attached in part 8 as "Flex Hose Certifications."

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

Choke Diagram Attachment:

Well Name: WILD SALSA 24-13 FED Well Number: 223H

2M_Choke_Diagram_20190821113825.pdf

BOP Diagram Attachment:

2M_BOP_Diagram_20190821113829.pdf

Pressure Rating (PSI): 3M Rating Depth: 11171

Equipment: 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.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See specs and hydrostatic test chart attached in part 8 as "Flex Hose Certifications."

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

Choke Diagram Attachment:

3M_Choke_Diagram_20190821113901.pdf

BOP Diagram Attachment:

3M_BOP_Diagram_20190821113905.pdf

Section 3 - Casing

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|------------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-----------|--------|------------|-------------|----------|---------------|-----------|--------------|-----------|
| 1 | SURFACE | 17.5 | 13.375 | NEW | API | N | 0 | 935 | 0 | 935 | 3717 | 2782 | 935 | J-55 | 54.5 | ST&C | 2.64 | 1.25 | DRY | 10.0 9 | DRY | 10.0 9 |
| 2 | INTERMED IATE | 12.2 5 | 9.625 | NEW | API | N | 0 | 5110 | 0 | 5110 | 3721 | -1393 | 5110 | J-55 | 40 | LT&C | 1 | 1 | DRY | 2.54 | DRY | 2.54 |
| 3 | PRODUCTI ON | 8.75 | 5.5 | NEW | API | N | 0 | 21767 | 0 | 11171 | 3721 | -7454 | 21767 | P- 110 | 17 | LT&C | 1.38 | 2.48 | DRY | 2.34 | DRY | 2.34 |

| Operator Name: TITUS OIL AND GAS PRODUCTION LLC |
|--|
| Well Name: WILD SALSA 24-13 FED Well Number: 223H |
| |
| Casing Attachments |
| |
| Casing ID: 1 String Type: SURFACE |
| Inspection Document: |
| Spec Document: |
| Tapered String Spec: |
| Casing Design Assumptions and Worksheet(s): |
| Casing_AssumptionsshallowWILD_SALSA_20190821114014.pdf |
| Casing ID: 2 String Type: INTERMEDIATE |
| Inspection Document: |
| Spec Document: |
| Tapered String Spec: |
| Casing Design Assumptions and Worksheet(s): |
| Casing_AssumptionsshallowWILD_SALSA_20190821114103.pdf |
| Casing ID: 3 String Type: PRODUCTION |
| Inspection Document: |
| |
| Spec Document: |
| Tapered String Spec: |
| |
| Casing Design Assumptions and Worksheet(s): |
| Casing_AssumptionsshallowWILD_SALSA_20190821114210.pdf |

Section 4 - Cement

Well Name: WILD SALSA 24-13 FED Well Number: 223H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|------------|---------|------------------|------------------|
| SURFACE | Lead | | 0 | 935 | 370 | 1.75 | 13.5 | 647.5 | 50 | Class C | 4% Gel, 1% CaCl2 |
| SURFACE | Tail | | 0 | 935 | 250 | 1.34 | 14.8 | 335 | 50 | Class C | 2% CaCl2 |
| INTERMEDIATE | Lead | | 0 | 5110 | 990 | 2 | 12.7 | 1980 | 50 | 35:65:6 C Blend | N/A |
| INTERMEDIATE | Tail | | 0 | 5110 | 250 | 1.34 | 14.8 | 335 | 50 | Class C | N/A |
| PRODUCTION | Lead | | 0 | 2176 7 | 850 | 2.5 | 11.9 | 2125 | 25 | 50:50:10 H Blend | N/A |
| PRODUCTION | Tail | | 0 | 2176 7 | 2820 | 1.24 | 14.4 | 3496. 8 | 40 | 50:50:2 H Blend | N/A |

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | НА | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|--------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|--|
| 0 | 935 | WATER-BASED MUD | 8.6 | 8.8 | | | | | | | Viscosity: 28-34 (note: AFMSS field will not accept a range, nor will it accept a value greater than 25); please refer to the drilling plan PDF attached for corresponding information |

Well Name: WILD SALSA 24-13 FED Well Number: 223H

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | ЬН | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|-------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|--|
| 935 | 5110 | SALT SATURATED | 10 | 10.2 | | | | | | | Viscosity: 28-34 (note: AFMSS field will not accept a range, nor will it accept a value greater than 25); please refer to the drilling plan PDF attached for corresponding information |
| 5110 | 1117 | OIL-BASED MUD | 8.6 | 9.3 | | | | | | | Viscosity: 28-34 (note: AFMSS field will not accept a range, nor will it accept a value greater than 25); please refer to the drilling plan PDF attached for corresponding information |

Section 6 - Test, Logging, Coring

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

GR from TD to surface (horizontal well - vertical portion of hole). Logs run will be stated in the completion report and submitted to the BLM.

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

DIRECTIONAL SURVEY,

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5405 Anticipated Surface Pressure: 2947

Anticipated Bottom Hole Temperature(F): 170

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Wild_Salsa_24_13_Fed_223H_20190821115459.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Wild_Salsa_24_13_223H___Plan_2_08_15_19_AC_Report_20190821115512.pdf Wild_Salsa_24_13_223H___Plan_2_08_15_19_20190821115518.pdf

Other proposed operations facets description:

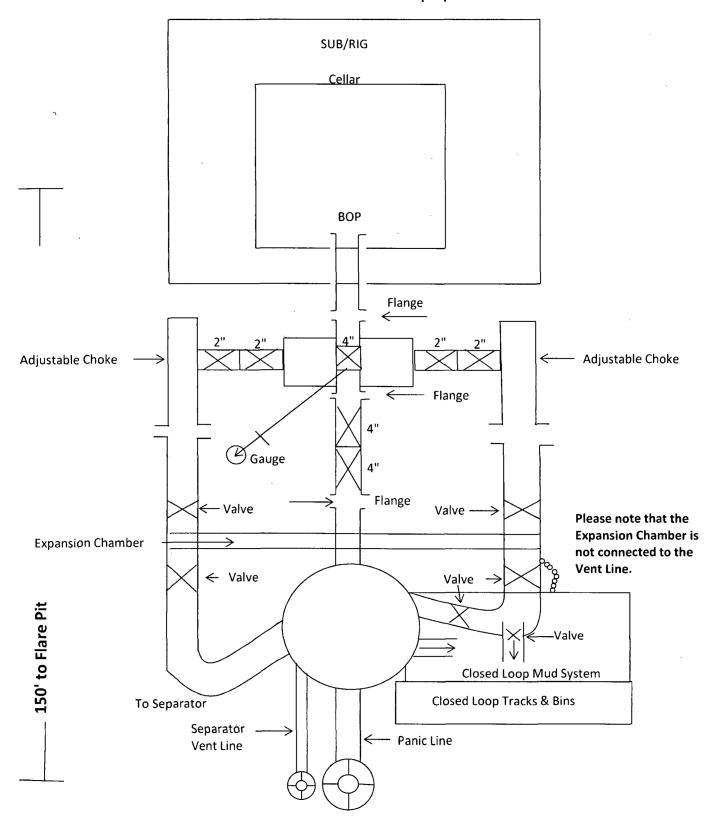
- -Flex Hose Certifications
- -Gas Capture Plan
- -Drilling Plan APD

Other proposed operations facets attachment:

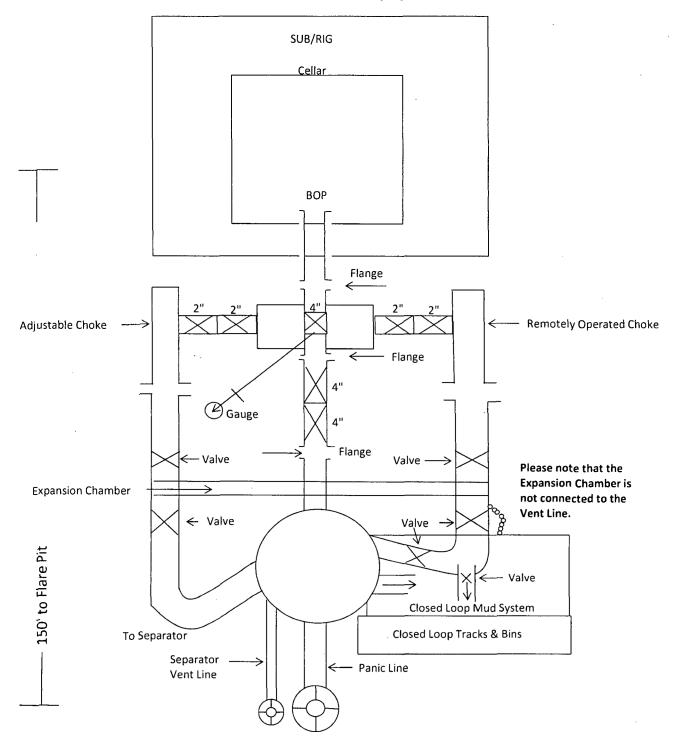
H_P_614_Flex_Hose_Certs_20190815152026.pdf
Wild_Salsa_24_13_Fed_223H___Drilling_Plan_20190821115544.pdf
Gas_Capture_Plan_V2_WILD_SALSA_20190822132926.pdf

Other Variance attachment:

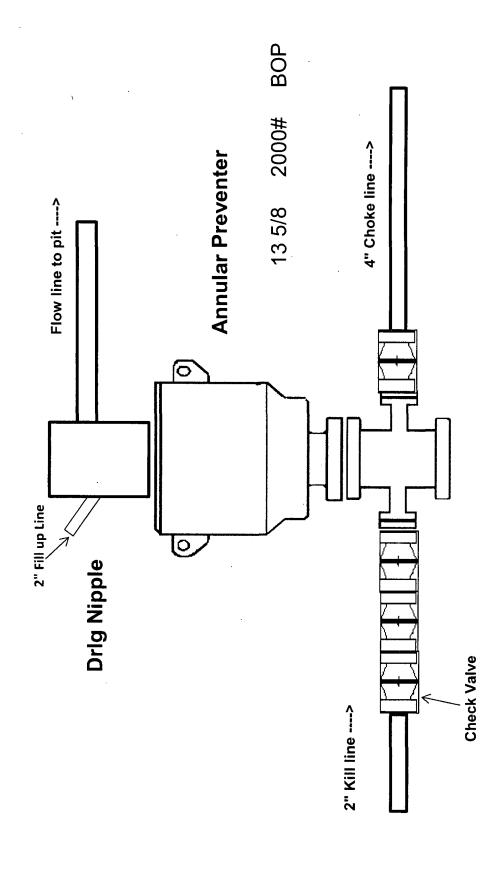
2M Choke Manifold Equipment



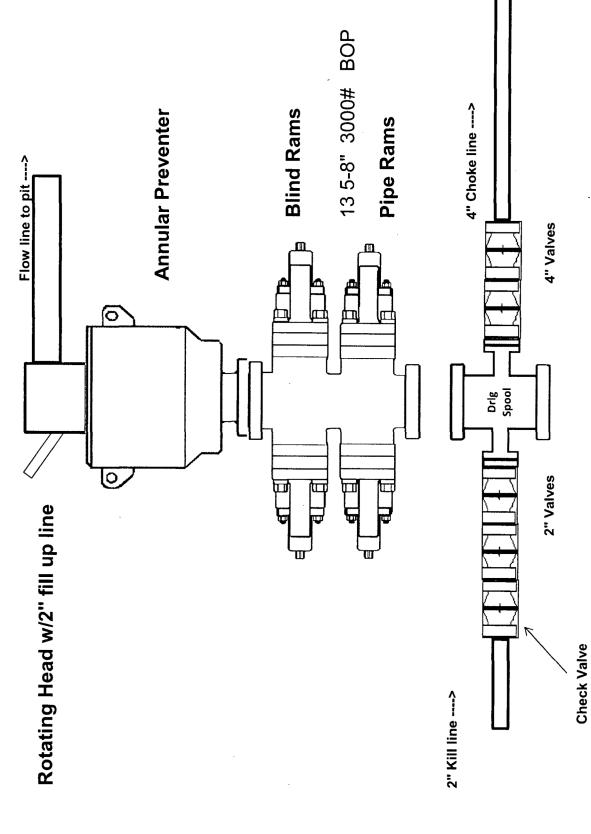
3M Choke Manifold Equipment



2,000 psi BOP Schematic



3,000 psi BOP Schematic



Wild Salsa Casing Assumptions – Titus Oil & Gas Production, LLC

- Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse.
- Intermediate burst based on 0.7 frac gradient at the shoe with a Gas Gradient 0.1 psi/ft to surface.
- All casing strings will be tested in accordance with Onshore Order 2 III.B.1.h

Wild Salsa Casing Assumptions – Titus Oil & Gas Production, LLC

- Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse.
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Wild Salsa Casing Assumptions – Titus Oil & Gas Production, LLC

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



TITUS Oil & Gas Production, LLC

100 Throckmorton Street Suite 1630 Fort Worth, TX 76102

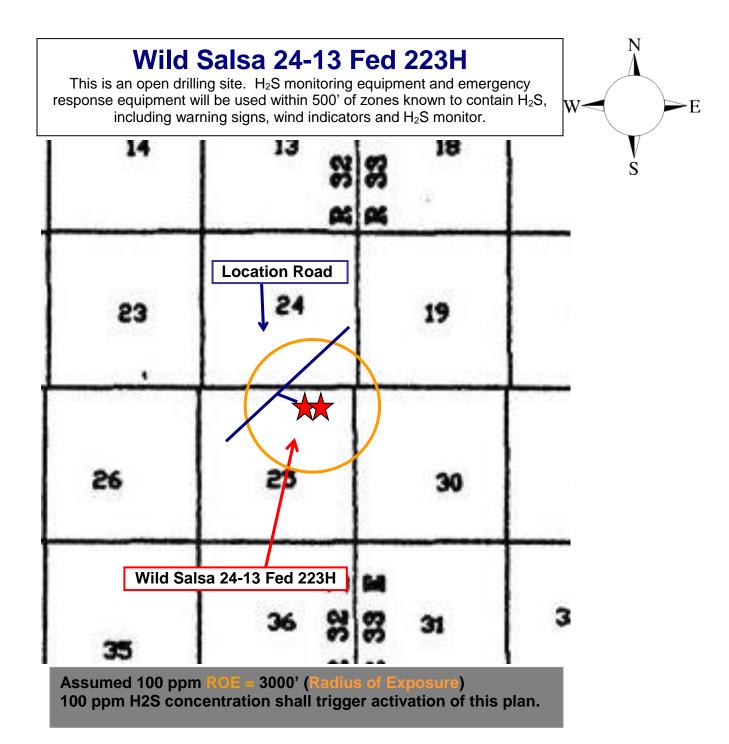
Hydrogen Sulfide (H₂S) Contingency Plan

For

Wild Salsa 24-13 Fed 223H

Sec-25 T-23S R-32E 653 FNL & 1741' FEL LAT. = 32.281199' N (NAD83) LONG = 103.625412' W

Lea County NM



Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated from the location entrance road. Crews should then block the entrance to the location from the lease road so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. There are no homes or buildings in or near the ROE.

Assumed 100 ppm ROE = 3000'

100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - Detection of H₂S, and
 - Measures for protection against the gas,
 - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

| Common Name | Chemical Formula | Specific Gravity | Threshold Limit | Hazardous Limit | Lethal Concentration |
|---------------------|---------------------|---------------------|--------------------|--------------------|-------------------------|
| Hydrogen Sulfide | H ₂ S | 1.189 Air = 1 | 10 ppm | 100 ppm/hr | 600 ppm |
| Sulfur Dioxide | SO ₂ | 2.21 Air = 1 | 2 ppm | N/A | 1000 ppm |

Contacting Authorities

Titus Oil & Gas personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Titus Oil & Gas Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE (H₂S) TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- 1. The hazards and characteristics of hydrogen sulfide (H₂S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H₂S metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H₂S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan.

II. HYDROGEN SULFIDE TRAINING

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

1. Well Control Equipment

- A. Flare line
- B. Choke manifold Remotely Operated
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- D. Auxiliary equipment may include if applicable: annular preventer and rotating head.
- E. Mud/Gas Separator

2. Protective equipment for essential personnel:

30-minute SCBA units located at briefing areas, as indicated on well site diagram, with escape units available in the top doghouse. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

3. H₂S detection and monitoring equipment:

Portable H₂S monitors positioned on location for best coverage and response. These units have warning lights which activate when H₂S levels reach 10 ppm and audible sirens which activate at 15 ppm. Sensor locations:

- Bell nipple
- Possum Belly/Shale shaker
- Rig floor
- Choke manifold
- Cellar

Visual warning systems:

- A. Wind direction indicators as shown on well site diagram
- B. Caution/ Danger signs shall be posted on roads providing direct access to locations. Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

4. Mud program:

The mud program has been designed to minimize the volume of H₂S circulated to surface. Proper mud weight, safe drilling practices and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.

5. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H₂S trim.
- B. All elastomers used for packing and seals shall be H₂S trim.

6. Communication:

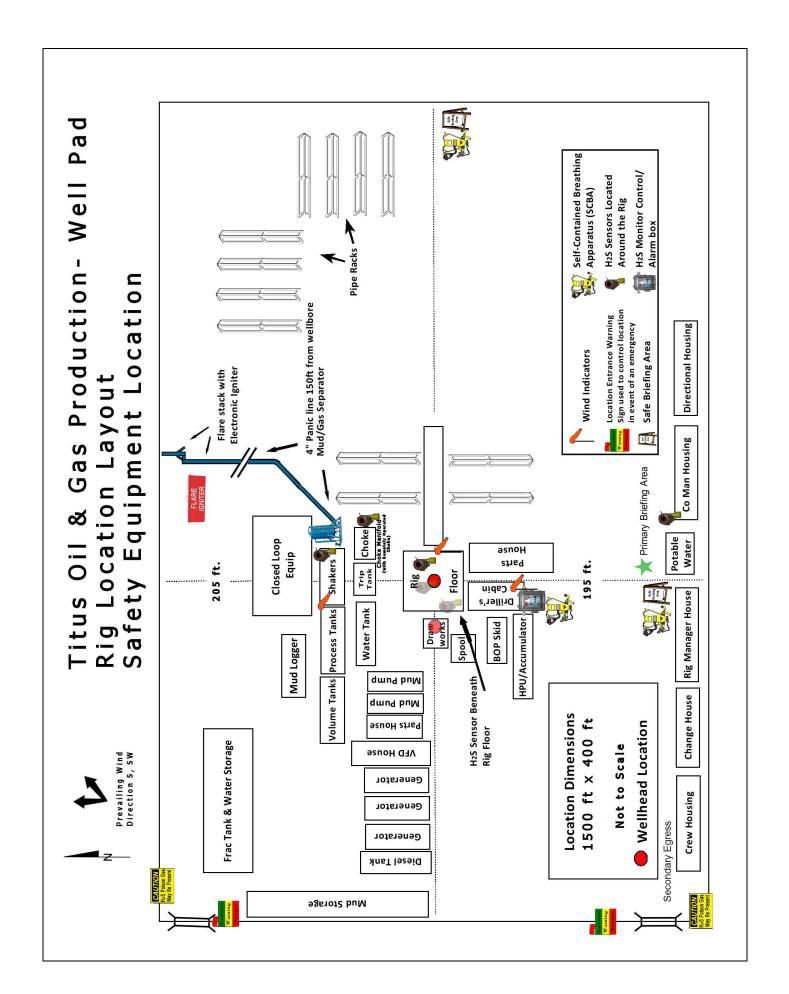
- A. Company personnel have/use cellular telephones in the field.
- B. Land line (telephone) communications at Office

7. Well testing:

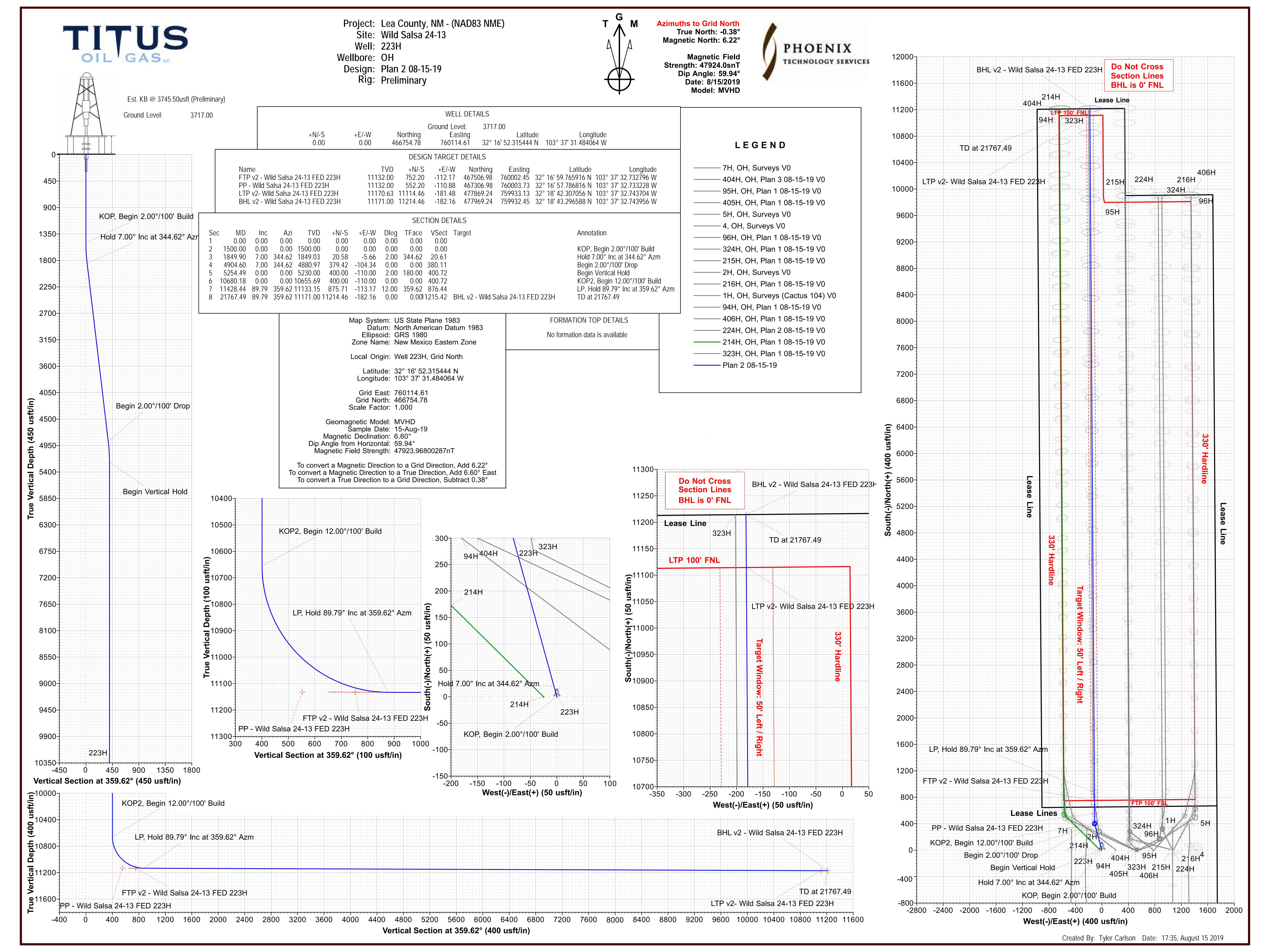
- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safety and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H₂S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

| Drillina Su | pervisor – | |
|-----------------|---|----------------|
| Ryan DeL | | |
| | J | |
| | | |
| Agency | <u>' Call List</u> | |
| | | |
| <u>Lea</u> | Hobbs | |
| County | Lea County Communication Authority | 393-3981 |
| <u>(575)</u> | State Police | 392-5588 |
| | City Police | 397-9265 |
| | Sheriff's Office | 393-2515 |
| | Ambulance | 911 |
| | Fire Department | 397-9308 |
| | LEPC (Local Emergency Planning Committee) | 393-2870 |
| | NMOCD | 393-6161 |
| | US Bureau of Land Management | 393-3612 |
| | | |
| Eddy | Carlsbad | |
| County (575) | State Police | 885-3137 |
| <u>(575)</u> | City Police | 885-2111 |
| | Sheriff's Office | 887-7551 |
| | Ambulance | 911 |
| | Fire Department | 885-3125 |
| | LEPC (Local Emergency Planning Committee) | 887-3798 |
| | US Bureau of Land Management | 887-6544 |
| | NM Emergency Response Commission (Santa Fe) | (505) 476-9600 |
| | 24 HR | (505) 827-9126 |
| | National Emergency Response Center | (800) 424-8802 |
| | National Pollution Control Center: Direct | (703) 872-6000 |
| | For Oil Spills | (800) 280-7118 |
| | Emergency Services | |
| | Wild Well Control | (281) 784-4700 |
| | Cudd Pressure Control 915-699-0139 | (915) 563-3356 |
| | Halliburton | (575) 746-2757 |
| | B. J. Services | (575) 746-3569 |
| Give | Native Air – Emergency Helicopter – Hobbs | (575) 392-6429 |
| GPS | Flight For Life - Lubbock, TX | (806) 743-9911 |
| position: | Aerocare - Lubbock, TX | (806) 747-8923 |
| | Med Flight Air Amb - Albuquerque, NM | (575) 842-4433 |
| | Lifeguard Air Med Svc. Albuquerque, NM | (800) 222-1222 |
| | Poison Control (24/7) | (575) 272-3115 |
| | Oil & Gas Pipeline 24 Hour Service | (800) 364-4366 |
| | NOAA – Website - www.nhc.noaa.gov | |





Titus Oil & Gas Cont. Plan - Page 8





Titus Oil & Gas Production, LLC

Lea County, NM - (NAD83 NME) Wild Salsa 24-13 223H

OH

Plan: Plan 2 08-15-19

Standard Planning Report

15 August, 2019







Database: USA Compass

Company: Titus Oil & Gas Production, LLC
Project: Lea County, NM - (NAD83 NME)

Site: Wild Salsa 24-13

Well: 223H Wellbore: OH

Design: Plan 2 08-15-19

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 223H

Est. KB @ 3745.50usft (Preliminary) Est. KB @ 3745.50usft (Preliminary)

Grid

Minimum Curvature

| Project | Lea County, NM - | (NAD83 NMF) |
|---------|------------------|-------------|
| | | |

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

System Datum: Mean Sea Level

Site Wild Salsa 24-13

Site Position: Northing: 466,759.47 usft Latitude: 32° 16' 52.363056 N From: Lat/Long Easting: 760,096.73 usft Longitude: 103° 37' 31.692000 W **Position Uncertainty:** 1.00 usft **Slot Radius:** 13-3/16 " **Grid Convergence:** 0.38°

Well 223H

 Well Position
 +N/-S
 -4.69 usft
 Northing:
 466,754.78 usft
 Latitude:
 32° 16' 52.315444 N

 +E/-W
 17.88 usft
 Easting:
 760,114.61 usft
 Longitude:
 103° 37' 31.484064 W

Position Uncertainty 1.00 usft Wellhead Elevation: Ground Level: 3,717.00 usft

Wellbore OH

 Magnetics
 Model Name
 Sample Date
 Declination (°)
 Dip Angle (°)
 Field Strength (nT)

 MVHD
 8/15/2019
 6.60
 59.94
 47,923.96800287

Design Plan 2 08-15-19

Audit Notes:

Version:Phase:PLANTie On Depth:0.00

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

 0.00
 0.00
 0.00
 0.00
 359.62

Plan Survey Tool Program Date 8/15/2019

Depth From Depth To

(usft) (usft) Survey (Wellbore) Tool Name Remarks

1 0.00 21,767.49 Plan 2 08-15-19 (OH) MWD+HRGM

OWSG MWD + HRGM

Plan Sections Vertical Build Measured Dogleg Turn Depth Inclination **Azimuth** Depth +N/-S +E/-W Rate Rate Rate **TFO** (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (usft) (usft) (°) (°) (°) Target 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 1,500.00 0.00 0.00 1,500.00 0.00 0.00 0.00 0.00 0.00 0.00 1,849.03 20.58 -5.66 2.00 0.00 344.62 1,849.90 7.00 344.62 2.00 4.880.97 4.904.60 7.00 344.62 379.42 -104.34 0.00 0.00 0.00 0.00 5,230.00 0.00 400.00 -110.00 2 00 -2 00 0.00 180.00 5,254.49 0.00 0.00 10,680.18 0.00 0.00 10,655.69 400.00 -110.00 0.00 0.00 0.00 11,428.44 89.79 359.62 11,133.15 875.71 -113.17 12.00 12.00 -0.05 359.62 21,767.49 89.79 359.62 11,171.00 11,214.46 -182.16 0.00 0.00 0.00 0.00 BHL v2 - Wild Salsa





Database: USA Compass

Company: Titus Oil & Gas Production, LLC
Project: Lea County, NM - (NAD83 NME)

Site: Wild Salsa 24-13

Well: 223H Wellbore: OH

Design: Plan 2 08-15-19

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 223H

Est. KB @ 3745.50usft (Preliminary) Est. KB @ 3745.50usft (Preliminary)

Grid

Minimum Curvature

| ned Survey | | | | | | | | | |
|--|---|--------------------------------------|--|--|--|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | n 2.00°/100' Bui | | 4 500 00 | 4.00 | 0.40 | 4.00 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 2.00 | 344.62 | 1,599.98 | 1.68 | -0.46 | 1.69 | 2.00 | 2.00 | 0.00 |
| 1,700.00 | 4.00 | 344.62 | 1,699.84 | 6.73 | -1.85 | 6.74 | 2.00 | 2.00 | 0.00 |
| 1,800.00 | 6.00 | 344.62 | 1,799.45 | 15.13 | -4.16 | 15.16 | 2.00 | 2.00 | 0.00 |
| 1,849.90 | 7.00 Inc at 344.62° | 344.62 | 1,849.03 | 20.58 | -5.66 | 20.61 | 2.00 | 2.00 | 0.00 |
| 1,900.00 | 7.00 | 344.62 | 1,898.76 | 26.46 | -7.28 | 26.51 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 7.00 | 344.62 | 1,998.01 | 38.21 | -10.51 | 38.28 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 7.00 | 344.62 | 2,097.27 | 49.96 | -13.74 | 50.05 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 7.00 | 344.62 | 2,196.52 | 61.70 | -16.97 | 61.82 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 7.00 | 344.62 | 2,295.78 | 73.45 | -20.20 | 73.58 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 7.00 | 344.62 | 2,395.03 | 85.20 | -23.43 | 85.35 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 7.00 | 344.62 | 2,494.29 | 96.95 | -26.66 | 97.12 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 7.00 | 344.62 | 2,593.54 | 108.69 | -29.89 | 108.89 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 7.00 | 344.62 | 2,692.80 | 120.44 | -33.12 | 120.66 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 7.00 | 344.62 | 2,792.05 | 132.19 | -36.35 | 132.43 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 7.00 | 344.62 | 2,891.31 | 143.94 | -39.58 | 144.20 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 7.00 | 344.62 | 2,990.56 | 155.68 | -42.81 | 155.96 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 7.00 | 344.62 | 3,089.82 | 167.43 | -46.04 | 167.73 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 7.00 | 344.62 | 3,189.07 | 179.18 | -49.27 | 179.50 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 7.00 | 344.62 | 3,288.33 | 190.93 | -52.50 | 191.27 | | 0.00 | 0.00 |
| 3,400.00 | 7.00 | 344.62 | 3,387.58 | 202.67 | -55.74 | 203.04 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 7.00 | 344.62 | 3,486.84 | 214.42 | -58.97 | 214.81 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 7.00 | 344.62 | 3,586.09 | 226.17 | -62.20 | 226.57 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 7.00 | 344.62 | 3,685.35 | 237.91 | -65.43 | 238.34 | 0.00 | 0.00 | 0.00 |
| 3,800.00 3,900.00 4,000.00 4,100.00 4,200.00 | 7.00 7.00 7.00 7.00 7.00 | 344.62 344.62 344.62 344.62 | 3,784.60 3,883.86 3,983.11 4,082.37 4,181.62 | 249.66 261.41 273.16 284.90 296.65 | -68.66 -71.89 -75.12 -78.35 -81.58 | 250.11 261.88 273.65 285.42 297.19 | 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 |
| 4,300.00 4,400.00 4,500.00 4,600.00 4,700.00 | 7.00 7.00 7.00 7.00 7.00 | 344.62 344.62 344.62 344.62 | 4,280.88 4,380.13 4,479.39 4,578.64 4,677.90 | 308.40 320.15 331.89 343.64 355.39 | -84.81 -88.04 -91.27 -94.50 -97.73 | 308.95 320.72 332.49 344.26 356.03 | 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 |
| 4,800.00 4,900.00 4,904.60 | 7.00 7.00 7.00 0°/100' Drop | 344.62 344.62 344.62 | 4,777.15 4,876.41 4,880.97 | 367.14 378.88 379.42 | -100.96 -104.19 -104.34 | 367.80 379.57 380.11 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 5,000.00 | 5.09 | 344.62 | 4,975.84 | 389.11 | -107.00 | 389.81 | 2.00 | -2.00 | 0.00 |
| 5,100.00 | 3.09 | 344.62 | 5,075.58 | 395.98 | -108.90 | 396.70 | 2.00 | -2.00 | 0.00 |
| 5,200.00 | 1.09 | 344.62 | 5,175.51 | 399.50 | -109.86 | 400.22 | 2.00 | -2.00 | 0.00 |
| 5,254.49 | 0.00 | 0.00 | 5,230.00 | 400.00 | -110.00 | 400.72 | 2.00 | -2.00 | 28.22 |
| Begin Ver | | 2.22 | 40.055.00 | 400.00 | 440.00 | 400 70 | 2.22 | 2.22 | 2.22 |
| 10,680.18 | 0.00 | 0.00 | 10,655.69 | 400.00 | -110.00 | 400.72 | 0.00 | 0.00 | 0.00 |
| 10,700.00 10,800.00 | gin 12.00°/100' i 2.38 14.38 | 359.62 359.62 | 10,675.50 10,774.25 | 400.41 414.95 | -110.00 -110.10 | 401.13 415.68 | 12.00 12.00 | 12.00 12.00 | 0.00 0.00 |
| 10,900.00 | 26.38 | 359.62 | 10,867.82 | 449.71 | -110.33 | 450.43 | 12.00 | 12.00 | 0.00 |
| 11,000.00 | 38.38 | 359.62 | 10,952.12 | 503.16 | -110.69 | 503.88 | 12.00 | 12.00 | 0.00 |
| 11,100.00 | 50.38 | 359.62 | 11,023.47 | 572.97 | -111.15 | 573.70 | 12.00 | 12.00 | 0.00 |





Database: USA Compass

Company: Titus Oil & Gas Production, LLC
Project: Lea County, NM - (NAD83 NME)

Site: Wild Salsa 24-13

Well: 223H Wellbore: OH

Design: Plan 2 08-15-19

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 223H

Est. KB @ 3745.50usft (Preliminary) Est. KB @ 3745.50usft (Preliminary)

Grid

Minimum Curvature

| Planned Surv | vey | | | | | | | | | |
|-------------------------|-------|-------------------------|----------------------------|-------------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|------------------------------|-----------------------------|
| Measu Dep (usf | th | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 11,20 11,30 | | 62.38 74.38 | 359.62 359.62 | 11,078.74 11,115.52 | 656.09 748.88 | -111.71 -112.33 | 656.81 749.61 | 12.00 12.00 | 12.00 12.00 | 0.00 0.00 |
| 11,40 11,42 | | 86.38 89.79 | 359.62 359.62 | 11,132.20 11,133.15 | 847.29 875.71 | -112.98 -113.17 | 848.02 876.44 | 12.00 12.00 | 12.00 12.00 | 0.00 0.00 |
| | | 9.79° Inc at 35 | | 44 400 44 | 0.47.07 | 440.05 | 040.00 | 0.00 | 0.00 | 0.00 |
| 11,50 11,60 11,70 | 00.00 | 89.79 89.79 89.79 | 359.62 359.62 359.62 | 11,133.41 11,133.78 11,134.15 | 947.27 1,047.26 1,147.26 | -113.65 -114.32 -114.99 | 948.00 1,048.00 1,148.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 11,80 | | 89.79 | 359.62 | 11,134.51 | 1,247.26 | -115.65 | 1,248.00 | 0.00 | 0.00 | 0.00 |
| 11,90 12,00 | | 89.79 89.79 | 359.62 359.62 | 11,134.88 11,135.24 | 1,347.26 1,447.25 | -116.32 -116.99 | 1,348.00 1,448.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 12,00 | | 89.79 | 359.62 | 11,135.24 | 1,547.25 | -117.66 | 1,548.00 | 0.00 | 0.00 | 0.00 |
| 12,20 | 00.00 | 89.79 | 359.62 | 11,135.98 | 1,647.25 | -118.32 | 1,648.00 | 0.00 | 0.00 | 0.00 |
| 12,30 | | 89.79 | 359.62 | 11,136.34 | 1,747.24 | -118.99 | 1,748.00 | 0.00 | 0.00 | 0.00 |
| 12,40 12,50 | | 89.79 89.79 | 359.62 359.62 | 11,136.71 11,137.07 | 1,847.24 1,947.24 | -119.66 -120.32 | 1,847.99 1,947.99 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 12,60 | 00.00 | 89.79 | 359.62 | 11,137.44 | 2,047.24 | -120.99 | 2,047.99 | 0.00 | 0.00 | 0.00 |
| 12,70 | | 89.79 | 359.62 | 11,137.81 | 2,147.23 | -121.66 | 2,147.99 | 0.00 | 0.00 | 0.00 |
| 12,80 | | 89.79 | 359.62 | 11,138.17 11,138.54 | 2,247.23 | -122.33 | 2,247.99 | 0.00 | 0.00 | 0.00 |
| 12,90 13,00 | | 89.79 89.79 | 359.62 359.62 | 11,138.90 | 2,347.23 2,447.22 | -122.99 -123.66 | 2,347.99 2,447.99 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 13,10 | 00.00 | 89.79 | 359.62 | 11,139.27 | 2,547.22 | -124.33 | 2,547.99 | 0.00 | 0.00 | 0.00 |
| 13,20 | | 89.79 | 359.62 | 11,139.64 | 2,647.22 | -125.00 | 2,647.99 | 0.00 | 0.00 | 0.00 |
| 13,30 13,40 | | 89.79 89.79 | 359.62 359.62 | 11,140.00 11,140.37 | 2,747.22 2,847.21 | -125.66 -126.33 | 2,747.99 2,847.99 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 13,50 | | 89.79 | 359.62 | 11,140.37 | 2,947.21 | -120.33 | 2,947.99 | 0.00 | 0.00 | 0.00 |
| 13,60 | | 89.79 | 359.62 | 11,141.10 | 3,047.21 | -127.66 | 3,047.99 | 0.00 | 0.00 | 0.00 |
| 13,70 | | 89.79 | 359.62 | 11,141.47 | 3,147.20 | -128.33 | 3,147.99 | 0.00 | 0.00 | 0.00 |
| 13,80 13,90 | | 89.79 89.79 | 359.62 359.62 | 11,141.83 11,142.20 | 3,247.20 3,347.20 | -129.00 -129.67 | 3,247.99 3,347.98 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 14,00 | 00.00 | 89.79 | 359.62 | 11,142.57 | 3,447.20 | -130.33 | 3,447.98 | 0.00 | 0.00 | 0.00 |
| 14,10 | | 89.79 | 359.62 | 11,142.93 | 3,547.19 | -131.00 | 3,547.98 | 0.00 | 0.00 | 0.00 |
| 14,20 | | 89.79 | 359.62 | 11,143.30 | 3,647.19 | -131.67 | 3,647.98 | 0.00 | 0.00 | 0.00 |
| 14,30 14,40 | | 89.79 89.79 | 359.62 359.62 | 11,143.66 11,144.03 | 3,747.19 3,847.18 | -132.34 -133.00 | 3,747.98 3,847.98 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 14,50 | 00.00 | 89.79 | 359.62 | 11,144.40 | 3,947.18 | -133.67 | 3,947.98 | 0.00 | 0.00 | 0.00 |
| 14,60 | | 89.79 89.79 | 359.62 359.62 | 11,144.76 11,145.13 | 4,047.18 4,147.17 | -134.34 -135.00 | 4,047.98 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 14,70 14.80 | | 89.79 | 359.62 | • | · | | 4,147.98 | 0.00 | 0.00 | 0.00 |
| 14,80 | | 89.79 89.79 | 359.62 359.62 | 11,145.49 11,145.86 | 4,247.17 4,347.17 | -135.67 -136.34 | 4,247.98 4,347.98 | 0.00 | 0.00 | 0.00 |
| 15,00 | 00.00 | 89.79 | 359.62 | 11,146.23 | 4,447.17 | -137.01 | 4,447.98 | 0.00 | 0.00 | 0.00 |
| 15,10 15,20 | | 89.79 89.79 | 359.62 359.62 | 11,146.59 11,146.96 | 4,547.16 4,647.16 | -137.67 -138.34 | 4,547.98 4,647.98 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 15,20 | | 89.79 | 359.62 | 11,147.32 | 4,747.16 | -139.01 | 4,747.98 | 0.00 | 0.00 | 0.00 |
| 15,40 | | 89.79 | 359.62 | 11,147.32 | 4,747.16 | -139.61 | 4,747.96 | 0.00 | 0.00 | 0.00 |
| 15,50 | 00.00 | 89.79 | 359.62 | 11,148.06 | 4,947.15 | -140.34 | 4,947.97 | 0.00 | 0.00 | 0.00 |
| 15,60 15,70 | | 89.79 89.79 | 359.62 359.62 | 11,148.42 11,148.79 | 5,047.15 5,147.15 | -141.01 -141.68 | 5,047.97 5,147.97 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 15,80 | | 89.79 | 359.62 | 11,149.15 | 5,247.14 | -142.34 | 5.247.97 | 0.00 | 0.00 | 0.00 |
| 15,90 | 00.00 | 89.79 | 359.62 | 11,149.52 | 5,347.14 | -143.01 | 5,347.97 | 0.00 | 0.00 | 0.00 |
| 16,00 | | 89.79 | 359.62 | 11,149.89 | 5,447.14 5,547.12 | -143.68 | 5,447.97 5,547.07 | 0.00 | 0.00 | 0.00 |
| 16,10 16,20 | | 89.79 89.79 | 359.62 359.62 | 11,150.25 11,150.62 | 5,547.13 5,647.13 | -144.35 -145.01 | 5,547.97 5,647.97 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 10,20 | .0.00 | 03.18 | 555.02 | 11,100.02 | 0,077.10 | - 1-10.01 | 5,041.51 | 0.00 | 0.00 | 0.00 |





Database: USA Compass

Company: Titus Oil & Gas Production, LLC
Project: Lea County, NM - (NAD83 NME)

Site: Wild Salsa 24-13

Well: 223H Wellbore: OH

Design: Plan 2 08-15-19

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 223H

Est. KB @ 3745.50usft (Preliminary) Est. KB @ 3745.50usft (Preliminary)

Grid

Minimum Curvature

| Planned Survey | | | | | | | | | |
|---|---|--|---|--|---|---|--------------------------------------|--------------------------------------|--------------------------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 16,300.00 | 89.79 | 359.62 | 11,150.99 | 5,747.13 | -145.68 | 5,747.97 | 0.00 | 0.00 | 0.00 |
| 16,400.00 | 89.79 | 359.62 | 11,151.35 | 5,847.13 | -146.35 | 5,847.97 | 0.00 | 0.00 | 0.00 |
| 16,500.00 | 89.79 | 359.62 | 11,151.72 | 5,947.12 | -147.02 | 5,947.97 | 0.00 | 0.00 | 0.00 |
| 16,600.00 | 89.79 | 359.62 | 11,152.08 | 6,047.12 | -147.68 | 6,047.97 | 0.00 | 0.00 | 0.00 |
| 16,700.00 | 89.79 | 359.62 | 11,152.45 | 6,147.12 | -148.35 | 6,147.97 | 0.00 | 0.00 | 0.00 |
| 16,800.00 16,900.00 17,000.00 17,100.00 17,200.00 | 89.79 89.79 89.79 89.79 | 359.62 359.62 359.62 359.62 359.62 | 11,152.82 11,153.18 11,153.55 11,153.91 11,154.28 | 6,247.11 6,347.11 6,447.11 6,547.11 6,647.10 | -149.02 -149.68 -150.35 -151.02 -151.69 | 6,247.97 6,347.96 6,447.96 6,547.96 6,647.96 | 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 |
| 17,300.00 | 89.79 | 359.62 | 11,154.65 | 6,747.10 | -152.35 | 6,747.96 | 0.00 | 0.00 | 0.00 |
| 17,400.00 | 89.79 | 359.62 | 11,155.01 | 6,847.10 | -153.02 | 6,847.96 | 0.00 | 0.00 | 0.00 |
| 17,500.00 | 89.79 | 359.62 | 11,155.38 | 6,947.09 | -153.69 | 6,947.96 | 0.00 | 0.00 | 0.00 |
| 17,600.00 | 89.79 | 359.62 | 11,155.74 | 7,047.09 | -154.35 | 7,047.96 | 0.00 | 0.00 | 0.00 |
| 17,700.00 | 89.79 | 359.62 | 11,156.11 | 7,147.09 | -155.02 | 7,147.96 | 0.00 | 0.00 | 0.00 |
| 17,800.00 | 89.79 | 359.62 | 11,156.48 | 7,247.09 | -155.69 | 7,247.96 | 0.00 | 0.00 | 0.00 |
| 17,900.00 | 89.79 | 359.62 | 11,156.84 | 7,347.08 | -156.36 | 7,347.96 | 0.00 | 0.00 | 0.00 |
| 18,000.00 | 89.79 | 359.62 | 11,157.21 | 7,447.08 | -157.02 | 7,447.96 | 0.00 | 0.00 | 0.00 |
| 18,100.00 | 89.79 | 359.62 | 11,157.57 | 7,547.08 | -157.69 | 7,547.96 | 0.00 | 0.00 | 0.00 |
| 18,200.00 | 89.79 | 359.62 | 11,157.94 | 7,647.07 | -158.36 | 7,647.96 | 0.00 | 0.00 | 0.00 |
| 18,300.00 | 89.79 | 359.62 | 11,158.31 | 7,747.07 | -159.03 | 7,747.96 | 0.00 | 0.00 | 0.00 |
| 18,400.00 | 89.79 | 359.62 | 11,158.67 | 7,847.07 | -159.69 | 7,847.95 | 0.00 | 0.00 | 0.00 |
| 18,500.00 | 89.79 | 359.62 | 11,159.04 | 7,947.06 | -160.36 | 7,947.95 | 0.00 | 0.00 | 0.00 |
| 18,600.00 | 89.79 | 359.62 | 11,159.40 | 8,047.06 | -161.03 | 8,047.95 | 0.00 | 0.00 | 0.00 |
| 18,700.00 | 89.79 | 359.62 | 11,159.77 | 8,147.06 | -161.69 | 8,147.95 | 0.00 | 0.00 | 0.00 |
| 18,800.00 | 89.79 | 359.62 | 11,160.14 | 8,247.06 | -162.36 | 8,247.95 | 0.00 | 0.00 | 0.00 |
| 18,900.00 | 89.79 | 359.62 | 11,160.50 | 8,347.05 | -163.03 | 8,347.95 | 0.00 | 0.00 | 0.00 |
| 19,000.00 | 89.79 | 359.62 | 11,160.87 | 8,447.05 | -163.70 | 8,447.95 | 0.00 | 0.00 | 0.00 |
| 19,100.00 | 89.79 | 359.62 | 11,161.24 | 8,547.05 | -164.36 | 8,547.95 | 0.00 | 0.00 | 0.00 |
| 19,200.00 | 89.79 | 359.62 | 11,161.60 | 8,647.04 | -165.03 | 8,647.95 | 0.00 | 0.00 | 0.00 |
| 19,300.00 19,400.00 19,500.00 19,600.00 19,700.00 | 89.79 89.79 89.79 89.79 | 359.62 359.62 359.62 359.62 359.62 | 11,161.97 11,162.33 11,162.70 11,163.07 11,163.43 | 8,747.04 8,847.04 8,947.04 9,047.03 9,147.03 | -165.70 -166.37 -167.03 -167.70 -168.37 | 8,747.95 8,847.95 8,947.95 9,047.95 9,147.95 | 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 |
| 19,800.00 | 89.79 | 359.62 | 11,163.80 | 9,247.03 | -169.03 | 9,247.94 | 0.00 | 0.00 | 0.00 |
| 19,900.00 | 89.79 | 359.62 | 11,164.16 | 9,347.02 | -169.70 | 9,347.94 | 0.00 | 0.00 | 0.00 |
| 20,000.00 | 89.79 | 359.62 | 11,164.53 | 9,447.02 | -170.37 | 9,447.94 | 0.00 | 0.00 | 0.00 |
| 20,100.00 | 89.79 | 359.62 | 11,164.90 | 9,547.02 | -171.04 | 9,547.94 | 0.00 | 0.00 | 0.00 |
| 20,200.00 | 89.79 | 359.62 | 11,165.26 | 9,647.02 | -171.70 | 9,647.94 | 0.00 | 0.00 | 0.00 |
| 20,300.00 | 89.79 | 359.62 | 11,165.63 | 9,747.01 | -172.37 | 9,747.94 | 0.00 | 0.00 | 0.00 |
| 20,400.00 | 89.79 | 359.62 | 11,165.99 | 9,847.01 | -173.04 | 9,847.94 | 0.00 | 0.00 | 0.00 |
| 20,500.00 | 89.79 | 359.62 | 11,166.36 | 9,947.01 | -173.71 | 9,947.94 | 0.00 | 0.00 | 0.00 |
| 20,600.00 | 89.79 | 359.62 | 11,166.73 | 10,047.00 | -174.37 | 10,047.94 | 0.00 | 0.00 | 0.00 |
| 20,700.00 | 89.79 | 359.62 | 11,167.09 | 10,147.00 | -175.04 | 10,147.94 | 0.00 | 0.00 | 0.00 |
| 20,800.00 20,900.00 21,000.00 21,100.00 21,200.00 | 89.79 89.79 89.79 89.79 89.79 | 359.62 359.62 359.62 359.62 | 11,167.46 11,167.82 11,168.19 11,168.56 11,168.92 | 10,247.00 10,347.00 10,446.99 10,546.99 | -175.71 -176.37 -177.04 -177.71 -178.38 | 10,247.94 10,347.94 10,447.94 10,547.94 10,647.94 | 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 |
| 21,300.00 | 89.79 | 359.62 | 11,169.29 | 10,746.98 | -179.04 | 10,747.93 | 0.00 | 0.00 | 0.00 |
| 21,400.00 | 89.79 | 359.62 | 11,169.65 | 10,846.98 | -179.71 | 10,847.93 | 0.00 | 0.00 | 0.00 |
| 21,500.00 | 89.79 | 359.62 | 11,170.02 | 10,946.98 | -180.38 | 10,947.93 | 0.00 | 0.00 | 0.00 |
| 21,600.00 | 89.79 | 359.62 | 11,170.39 | 11,046.98 | -181.05 | 11,047.93 | 0.00 | 0.00 | 0.00 |





Database: Company: **USA Compass**

Titus Oil & Gas Production, LLC

Project: Lea County, NM - (NAD83 NME) Wild Salsa 24-13 Site:

Well: 223H ОН Wellbore:

Design: Plan 2 08-15-19 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 223H

Est. KB @ 3745.50usft (Preliminary) Est. KB @ 3745.50usft (Preliminary)

Minimum Curvature

| | | | | _ | | |
|----|----|----|----|---|------|------------|
| PI | an | ne | ρ¢ | S | ıırı | vev |

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 21,700.00 | 89.79 | 359.62 | 11,170.75 | 11,146.97 | -181.71 | 11,147.93 | 0.00 | 0.00 | 0.00 |
| 21,767.49 | 89.79 | 359.62 | 11,171.00 | 11,214.46 | -182.16 | 11,215.42 | 0.00 | 0.00 | 0.00 |
| TD at 2176 | 7.49 | | | | | | | | |

Design Targets

Target Name

| hit/miss target | Dip Angle | Dip Dir. | TVD | +N/-S | +E/-W | Northing | Easting | | |
|-------------------------------------|-----------|----------|--------|--------|--------|----------|---------|----------|-----------|
| - Shape | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (usft) | Latitude | Longitude |

0.00 PP - Wild Salsa 24-13 0.00 11,132.00 552.20 -110.88 467,306.98 760,003.7332° 16' 57.786816 N 3° 37' 32.733228 W

plan misses target center by 99.32usft at 11142.88usft MD (11049.29 TVD, 607.18 N, -111.38 E)
 Point

FTP v2 - Wild Salsa 2

0.00 11,132.00 0.00

752.20 -112.17 467.506.98

760,002.4432° 16' 59.765916 N 3° 37' 32.732796 W

- plan misses target center by 15.11usft at 11306.04usft MD (11117.11 TVD, 754.70 N, -112.37 E)

- Point

LTP v2- Wild Salsa 24 359.62 11,170.63 11,114.46 -181.48 477,869.24 759,933.1332° 18' 42.307056 N 3° 37' 32.743704 W 0.21

- plan misses target center by 0.01usft at 21667.49usft MD (11170.63 TVD, 11114.46 N, -181.50 E)

- Rectangle (sides W100.00 H10,462.50 D0.00)

BHL v2 - Wild Salsa 2

0.22 359.63 11,171.00 11,214.46

-182.16

477,969.24

759,932.45 32° 18' 43.296588 N 3° 37' 32.743956 W

- plan hits target center

- Point

| Plan Annotations |
|------------------|
|------------------|

| Measured Depth (usft) | Vertical Depth (usft) | Local Coor +N/-S (usft) | dinates +E/-W (usft) | Comment |
|-----------------------------|-----------------------------|-------------------------------|----------------------------|------------------------------------|
| 1,500.00 | 1,500.00 | 0.00 | 0.00 | KOP, Begin 2.00°/100' Build |
| 1,849.90 | 1,849.03 | 20.58 | -5.66 | Hold 7.00° Inc at 344.62° Azm |
| 4,904.60 | 4,880.97 | 379.42 | -104.34 | Begin 2.00°/100' Drop |
| 5,254.49 | 5,230.00 | 400.00 | -110.00 | Begin Vertical Hold |
| 10,680.18 | 10,655.69 | 400.00 | -110.00 | KOP2, Begin 12.00°/100' Build |
| 11,428.44 | 11,133.15 | 875.71 | -113.17 | LP, Hold 89.79° Inc at 359.62° Azm |
| 21,767.49 | 11,171.00 | 11,214.46 | -182.16 | TD at 21767.49 |

Titus Oil & Gas Production, LLC - Wild Salsa 24-13 Fed 223H

1. Geologic Formations

| TVD of target | 11,171' EOL | Pilot hole depth | NA |
|---------------|-------------|-------------------------------|------|
| MD at TD: | 21,767' | Deepest expected fresh water: | 400' |

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/ Target Zone? | Hazards* |
|----------------------|------------------------|--|----------|
| Quaternary Fill | Surface | Water | |
| Rustler | 907 | Water | |
| Top of Salt | 1237 | Salt | |
| Base of Salt | 4817 | Salt | |
| Lamar | 5082 | Salt Water | |
| Delaware | 5097 | Salt Water | |
| Bone Spring Lime | 8862 | Oil/Gas | |
| Leonard | 9065 | Oil/Gas | |
| 1st Bone Spring Sand | 10002 | Oil/Gas | |
| 2nd Bone Spring Sand | 10622 | Target Oil/Gas | |
| 3rd Bone Spring Sand | 11900 | Not Penetrated | |
| Wolfcamp | 12208 | Not Penetrated | |
| X | X | Not Penetrated | |
| X | X | Not Penetrated | |
| Χ | Х | Not Penetrated | |

2. Casing Program

| Hole Size | Casing Interval | | Csg. Size | 70 | Weight | Grade | Conn. | SF | SF Burst | SF |
|-----------|-----------------|--------|-----------|---------------------------|--------|-------|-------|----------|----------|--------------------|
| | From | То | Csy. Size | | (lbs) | | | Collapse | | Tension |
| 17.5" | 0 | 935 | 13.375" | | 54.5 | J55 | STC | 2.64 | 1.25 | 10.09 |
| 12.25" | 0 | 5110 | 9.625" | | 40 | J55 | LTC | 0.95 | 0.92 | 2.54 |
| 8.75" | 0 | 21,767 | 5.5" | | 17 | P110 | LTC | 1.38 | 2.48 | 2.34 |
| | | | | BLM Minimum Safety Factor | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing.to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface. All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Titus Oil & Gas Production, LLC - Wild Salsa 24-13 Fed 223H

| | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Υ |
| 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 (loading assumptions, casing design criteria). | Y |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? | Y |
| | |
| 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? | |
| Is well located in critical Cave/Karst? | N |
| If yes, are there three strings cemented to surface? | |

3. Cementing Program

| Casing | # Sks | Wt. lb/ | Yld ft3/ | H₂0 gal/sk | 500# Comp. Strength (hours) | Slurry Description |
|----------|-------|---------|----------|------------|-----------------------------------|-----------------------------------|
| Surf. | 370 | 13.5 | 1.75 | 9 | 12 | Lead: Class C + 4% Gel + 1% CaCl2 |
| Suii. | 250 | 14.8 | 1.34 | 6.34 | 8 | Tail: Class C + 2% CaCl2 |
| leter | 990 | 12.7 | 2.0 | 9.6 | 16 | Lead: 35:65:6 C Blend |
| Inter. | 250 | 14.8 | 1.34 | 6.34 | 8 | Tail: Class C |
| 5.5 Prod | 850 | 11.9 | 2.5 | 19 | 72 | Lead: 50:50:10 H Blend |
| | 2820 | 14.4 | 1.24 | 5.7 | 19 | Tail: 50:50:2 Class H Blend |

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

| Casing String | TOC | % Excess |
|------------------------------|--------|---|
| Surface | 0' | 50% |
| 1 st Intermediate | 0' | 50% |
| Production | 4,610' | 25% OH in Lateral (KOP to EOL) – 40% OH in Vertical |

4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

| BOP installed and tested before drilling which hole? | Size? | Min. Required WP | Ту | pe | x | Tested to: |
|--|---------|------------------------|--------|-------|---|----------------------------|
| | | | Ann | ular | Χ | 2000 psi |
| | | | Blind | Ram | | |
| 12-1/4" | 13-5/8" | 2M | Pipe | Ram | | 2M |
| | | | Double | e Ram | | ZIVI |
| | | | Other* | | | |
| | | | Ann | ular | X | 50% testing pressure |
| 8-3/4" | 13-5/8" | 3M | Blind | Ram | Х | |
| | | | Pipe | Ram | Χ | 3M |
| | | | Double | e Ram | | JIVI |
| | | | Other* | | | |

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

| | Formation integrity test will be performed per Onshore Order #2. |
|---|--|
| X | 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. |
| Υ | 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? |
| N | 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. |

5. Mud Program

| | Depth | Type | Weight | Vicesity | Water Loss | |
|-----------------|-----------------|-----------------|-----------|-----------|------------|--|
| From To | | Type | (ppg) | Viscosity | water Loss | |
| 0 | Surf. Shoe | FW Gel | 8.6 - 8.8 | 28-34 | N/C | |
| Surf csg | 9-5/8" Int shoe | Saturated Brine | 10 - 10.2 | 28-34 | N/C | |
| 9-5/8" Int shoe | Lateral TD | Cut Brine | 8.6 - 9.3 | 28-34 | N/C | |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

| What will be used to monitor the loss or gain of fluid? | PVT/Pason/Visual Monitoring |
|---|-----------------------------|

6. Logging and Testing Procedures

| Logging, Coring and Testing. | | | |
|------------------------------|---|--|--|
| Y | Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. | | |
| Y | No Logs are planned based on well control or offset log information. | | |
| N | Drill stem test? If yes, explain. | | |
| N | Coring? If yes, explain. | | |

| Additional logs planned | | Interval | | |
|-------------------------|-------------|---|--|--|
| N | Resistivity | Pilot Hole TD to ICP | | |
| N | Density | Pilot Hole TD to ICP | | |
| Y | CBL | Production casing (If cement not circulated to surface) | | |
| Υ | Mud log | Intermediate shoe to TD | | |
| N | PEX | | | |

7. Drilling Conditions

| Condition | Specify what type and where? | |
|----------------------------|------------------------------|--|
| BH Pressure at deepest TVD | 5405 psi at 11171' TVD | |
| Abnormal Temperature | NO 170 Deg. F. | |

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

| | ZEI/E | | | | |
|---|-------------------|--|--|--|--|
| N | H2S is present | | | | |
| Y | H2S Plan attached | | | | |

8. Other Facets of Operation

| Y | Is it a walking operation? | |
|---|----------------------------|--|
| N | Is casing pre-set? | |

| х | H2S Plan. | |
|---|-------------------------|--|
| Х | BOP & Choke Schematics. | |
| X | Directional Plan | |



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

PWD Data Report

PWD disturbance (acres):

APD ID: 10400046208 **Submission Date:** 08/22/2019

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Well Type: OIL WELL Well Work Type: Drill

Section 1 - General

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

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? N

Produced Water Disposal (PWD) Location:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

PWD surface owner:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Lined pit Monitor description:

Lined pit Monitor attachment:

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

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD disturbance (acres): PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

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

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

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

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

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

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number: Injection well name:

Assigned injection well API number? Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



APD ID: 10400046208

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

Bond Info Data Report

Submission Date: 08/22/2019

Operator Name: TITUS OIL AND GAS PRODUCTION LLC

Well Name: WILD SALSA 24-13 FED Well Number: 223H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001532

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

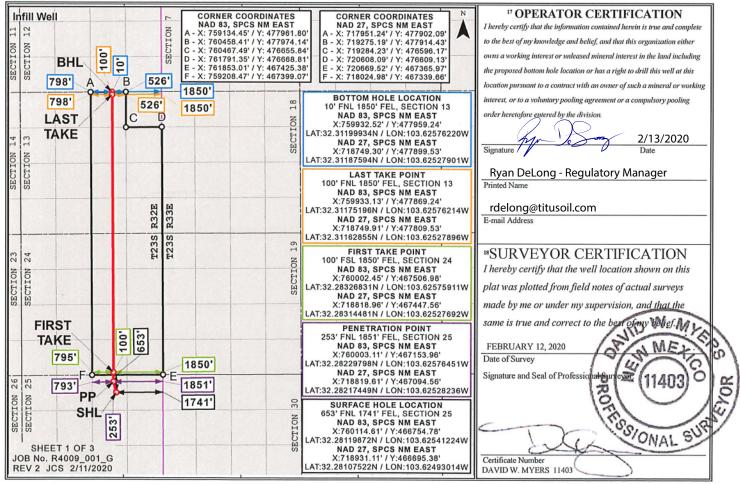
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | 1 A | API Numbe | r | ² Pool Code | | | ³ Pool Name | | | | | |
|--|--------------------------------|-----------|---------------------------------|------------------------|---------|---------------|------------------------|---------------|--------------------------|-------------|---|--------|
| | | | | | 17644 | | DIAMONDTAIL; BONE | | | | 3 | |
| | ⁴ Property Code | | ⁵ Property Name | | | | | | ⁶ Well Number | | | |
| | | | WILD SALSA 24-13 FED | | | | | | 223H | | | |
| | ⁷ OGRID No. | | 8 Operator Name | | | | | | ⁹ Elevation | | | |
| | 373986 | | TITUS OIL & GAS PRODUCTION, LLC | | | | | | 3717' | | | |
| | ¹⁰ Surface Location | | | | | | | | | | | |
| | UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East | t/West line | | County |

B 25 23S 32E NORTH 653 1741 EAST LEA ¹¹ Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County 23S В 13 32E NORTH 1850 10 EAST LEA 12 Dedicated Acres Joint or Infill ¹⁴ Consolidation Code 15 Order No. 600.0

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



District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

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

tment
Submit Original to Appropriate District Office 06|24|2020 RECEIVED

GAS CAPTURE PLAN

| Date: 8/21/2019 | | |
|-----------------------------------|-----------------------|--------|
| ☑ Original | Operator & OGRID No.: | 373986 |
| ☐ Amended - Reason for Amendment: | | |
| | | |

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

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

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

| Well Name | API | Well Location (ULSTR) | | Footages | Expected MCF/D | Flared or Vented | Comments |
|---|--------|--------------------------|-------|-------------------------|----------------|---------------------|---------------------------------|
| Wild Salsa 24-13 Fed 323H | | Sec 25, R32E | T23S, | 653' FNL & 1236' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 324H | | Sec 25, R32E | T23S, | 653' FNL & 1186' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 404H | | Sec 25, R32E | T23S, | 653' FNL & 1261' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 405H | | Sec 25, R32E | T23S, | 653' FNL & 1211' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 406H | | Sec 25, R32E | T23S, | 653' FNL & 1161' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 214H | | Sec 25, R32E | T23S, | 653' FNL & 1766' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 215H | | Sec 25, R32E | T23S, | 653' FNL & 706' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 216H | | Sec 25, R32E | T23S, | 653' FNL & 656' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 223H 30-025 - | -47635 | Sec 25, R32E | T23S, | 653' FNL & 1741' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 224H | | Sec 25, R32E | T23S, | 653' FNL & 681' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 094H | | Sec 25, R32E | T23S, | 653' FNL & 1526' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 095H | | Sec 25, R32E | T23S, | 653' FNL & 971' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |
| Wild Salsa 24-13 Fed 096H | | Sec 25, R32E | T23S, | 678' FNL & 971' FEL | 4024 | None Planned | Wild Salsa CTB will be utilized |

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Lucid and is connected to a Lucid high pressure gathering system located in Lea County, New Mexico. Titus provides (periodically) to Lucid a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Titus and Lucid have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at a Lucid's Red Hills Plant located in Sec 13, T24S, R33E near Jal, NM. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the well(s) start flowing through the production facilities, unless there are operational issues on Lucid's system at that time. Based on current information, it is Titus's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines