Request for Variance

ConocoPhillips Company

Rig: If drilled with H&P 486 Date: 7/11/2014

Request:

ConocoPhillips Company respectfully requests a variance to install a flexible choke line instead of a straight choke line prescribed in the Onshore Order No. 2, III.A.2.b Minimum standards and enforcement provisions for choke manifold equipment. This request is made under the provision of Onshore Order No. 2, IV Variances from Minimum Standard. The rig to be used to drill this well is equipped with a flexible choke line if the requested variance is approved and determined that the proposed alternative meets the objectives of the applicable minimum standards.

Justifications:

The applicability of the flexible choke line will reduce the number of target tees required to make up from the choke valve to the choke manifold. This configuration will facilitate ease of rig up and BOPE Testing.

Attachments:

- Attachment # 1 Specification from Manufacturer
- Attachment # 2 Mill & Test Certification from Manufacturer

Contact Information:

Program prepared by: Jason A. Levinson Drilling Engineer, ConocoPhillips Company Phone (281) 206-5335 Cell (281) 682-2783 Date: 05 February 2014

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Industrial Kft.	Page:	9/50

CONTITECH

Hose Data Sheet

CRI Order No.	516273
Customer	ContiTech Beattie Co,
Customer Order No	P05438 STOCK
Item No.	3
Hose Type	Flexible Hose
Standard	API SPEC 16 C
Inside dia in inches	3
Lengih	35 ft
Type of coupling one end	FLANGE 4 1/16* API SPEC 6A TYPE 6BX FOR 10000 PSIBX155 RING GROOVE
Type of coupling other end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI BX155 RING GROOVE
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psi
Test Pressure	15 000 psi
Safely Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St.steel outer wrap
Internal stripwound tube	No
Lining	OIL RESISTANT
Safety clamp	ND
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
MBR operating [m]	1,60
MBR storage [m]	1,40
Type of packing	WOODEN CRATE ISPM-15

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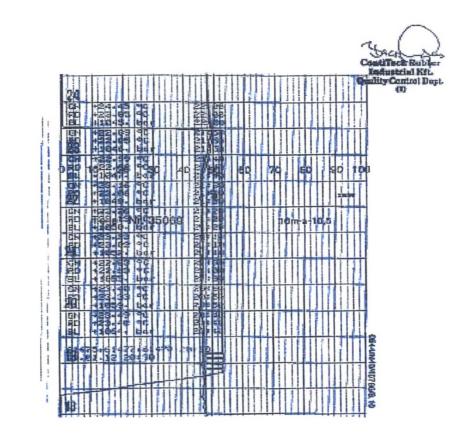
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Fluid Technology

Quality Document

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE					*:	184		
PURCHASER:	CHASER: ContiTech Beattie Co.					005438		
CONTITECH ORDER Nº:	516273	16273 HOSE TYPE: 3" ID			Choke and Kill Hose			
HOSE SERIAL Nº:	61477	51477 NOMINAL / ACTUAL LENGTH:				m / 10,71 m		
W.P. 68,9 MPa	10000 ры	T.P. 103,4 M	NPa 1500	0 psl	Duration:	60	mir	
amblent temperature See attachment. (1 page)								
10 mm = 10 Mi → 10 mm = 20 Mi								
COUPLINGS Type		Serial Nº		Quality		Heat Nº		
3" coupling with	1017	8 10173	A	ISI 4130		20231		
4 1/16" 10K API Flange	end	AISI 4130				33051		
NOT DESIGNED FOR WELL TESTING API Spec 16 C Temperature rate:"B"								
WE CERTIFY THAT THE ABO					THE TERM	IS OF THE ORDE	ER	
STATEMENT OF CONFORM conditions and specification accordance with the reference	ATY: We hereby of sof the above Puro d standards, codes	certify that the above i haser Order and that	liams/equipma those items/or id mest the rela	nt supplied t ulpment we ovant accep	ve fabricate	d inspected and te	sted in	
Data	1							
Date: Inspector Quality Control Contificets Rubhor 30. January 2012. Industrial Kft. Quality Control Dept.				2				
Cowffoch Peister Inclusion Kr. Basilent of U., Speeper H 0228 PC Box 152 Szegel H-6701 Hangay	Fluona: +36 62 605 737 Rax: +36 62 605 736 e-rai: Misühist carete Internet: www.contect-r	Floorstov Co.	Oscentral County as a 11Ng HJ C6-02-000 aUt 102/2019	Contraction	JU ATVEN	2000000		



ATTACHMENT OF QUALITY CONTROL INSPECTION AND TEST CERTIFICATE

No: 182, 184, 185 Page: 171

Request for Variance

ConocoPhillips Company

Rig: If drilled with H&P 453 Date: 7/11/2014

Request:

ConocoPhillips Company respectfully requests a variance to install a flexible choke line instead of a straight choke line prescribed in the Onshore Order No. 2, III.A.2.b Minimum standards and enforcement provisions for choke manifold equipment. This request is made under the provision of Onshore Order No. 2, IV Variances from Minimum Standard. The rig to be used to drill this well is equipped with a flexible choke line if the requested variance is approved and determined that the proposed alternative meets the objectives of the applicable minimum standards.

Justifications:

The applicability of the flexible choke line will reduce the number of target tees required to make up from the choke valve to the choke manifold. This configuration will facilitate ease of rig up and BOPE Testing.

Attachments:

- Attachment # 1 Specification from Manufacturer
- Attachment # 2 Mill & Test Certification from Manufacturer

Contact Information:

Program prepared by: Jason A. Levinson Drilling Engineer, ConocoPhillips Company Phone (281) 206-5335 Cell (281) 682-2783 Date: 05 February 2014

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CONTITECH RUBBER	No: QC-DB- 45/201		
Industrial Kft.	Page:	9/50	

CONTITECH

Hose Data Sheet

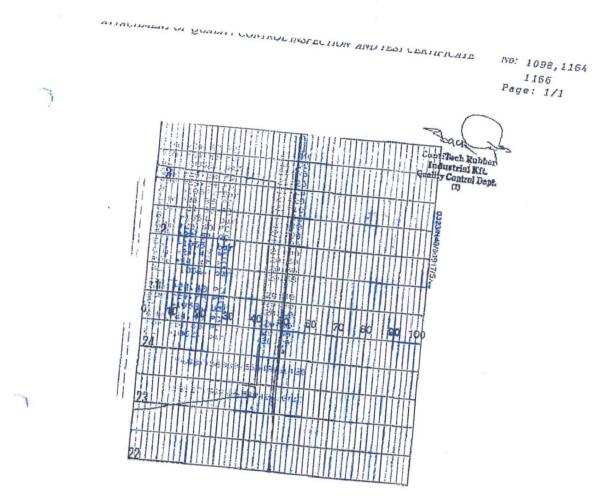
CRI Order No.	516273
Customer	ContlTech Beattie Co.
Customer Order No	P05438 STOCK
Item No.	3
Hose Type	Flexible Hose
Standard	API SPEC 16 C
Inside dia in inches	3
Length	35 ft
Type of coupling one end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSIBX155 RING GROOVE
Type of coupling other end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI BX155 RING GROOVE
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psł
Test Pressure	15 000 psi
Safely Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St.steel outer wrap
Internal stripwound tube	No
Lining	OIL RESISTANT
Safety clamp	No
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
MBR operating [m]	1,60
MBR storage [m]	1,40
Type of packing	WOODEN CRATE ISPM-15

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Fluid Technology

Quality Document 453-369-00/.

PURCHASER:	ContiTech Beattie Co.			P.O. Nº		004452	2
CONTITECH ORDER N":	482598 HOSE TYPE: 3" ID				Choke an	d Kill Ho	se
HOSE SERIAL N*:	56839	NOMINAL / AC	TUAL LENGT	H:	10,67	m / 10,69	9 m
W.P. 68,9 MPa	10000 psi	T.P. 103,4	MPa 150	00 psi	Duration:	60	
Pressure test with water at amblent temperature				-Constantine and			
	S	ee attachm	ent. (1 pag	e)			
	0		enr. (i pag				
and a second							
10 mm = 10 Min	n.						
→ 10 mm = 25 MP	28						
		Serial N*		Quality	-	Наз	at Nº
→ 10 mm = 25 MP COUPLINGS Type 3° coupling with				AISI 4130	-	168	837
→ 10 mm = 25 MF						168 31296	837 31501
→ 10 mm = 25 MF COUPLINGS Type 3" coupling with 4 1/16" Flange end				AISI 4130		168	837 31501 : 16 C
→ 10 mm = 25 MF COUPLINGS Type 3° coupling with 4 1/16° Flange end All motol parts are flawless WE CERTIFY THAT THE ABOV	8436 E HOSE HAS BEE	1662	RED IN ACCOR	AISI 4130 AISI 4130 DANCE WITT	Temp	168 31296 Pl Spec erature	837 31501 : 16 C rate:"
→ 10 mm = 25 MF COUPLINGS Type 3" coupling with 4 1/16" Flange end All motel parts are flawlass WE CERTIFY THAT THE ABOV INSPECTED AND PRESSURE	E HOSE HAS BEE TESTED AS ABOY	1662 En Manufactu Je With Satisf	RED IN ACCOR	AISI 4130 AISI 4130 DANCE WITH	Тетр н тне текж	168 31296 PI Spec erature	837 31501 : 16 C rate:" PRDER
→ 10 mm = 25 MF COUPLINGS Type 3° coupling with 4 1/16° Flange end All motol parts are flawless WE CERTIFY THAT THE ABOV	E HOSE HAS BET TESTED AS ABOY Y: We heleby cr (the above Purch	1662 IN MANUFACTU WITH SATISF.	RED IN ACCORI ACTORY RESU Ive items/aquipm that those items	AISI 4130 AISI 4130 DANCE WITH T.	Temp HTHE TERMS by US are in were fabricate	168 31296 PI Spec erature s of THE o	31501 31501 16 C rate:" RDER with the te
→ 10 mm = 25 MF COUPLINGS Type 3" coupling with 4 1/16" Flange and All motal parts are flawlass WE CERTIFY THAT THE ABOV INSPECTED AND PRESSURE ' STATEMENT OF CONFORMIT confilions and specifications of	E HOSE HAS BEE TESTED AS ABOY Y: We heleby or the above Purch standarda, codes a	1662 IN MANUFACTU WITH SATISF.	RED IN ACCOR ACTORY RESU we items/equipm that these items and meet the rel	AISI 4130 AISI 4130 DANCE WITH T.	Temp HTHE TERMS by US are in were fabricate	168 31296 PI Spec erature s of THE o	31501 31501 16 C rate:" RDER with the te
→ 10 mm = 25 MF COUPLINGS Type 3" coupling with 4 1/16" Flange and All motal parts are flawlass WE CERTIFY THAT THE ABOV INSPECTED AND PRESSURE ' STATEMENT OF CONFORMIT confilions and specifications of	E HOSE HAS BEE TESTED AS ABOY Y: We heleby or the above Purch standarda, codes a	1862 EN-MANUPACTU /E WITH SATISF. arbity that the abo asar Order and to asar Order and to asar Order and to	RED IN ACCOR ACTORY RESU we items/equipm that these items and meet the rel	AISI 4130 AISI 4130 DANCE WITI T. 	Temp HTHE TERMS by US are in were fabricate	168 31296 PI Spec erature s of THE o conformity of dispected ind design ro	31501 31501 16 C rate:" WRDER



Variance Request

Closed Loop System Design, Operating and Maintenance, and Closure Plan

ConocoPhillips Company Well: WAR HAMMER 25 FEDERAL COM TC 16H Location: Sec. 25, T26S, R32E Date: 7/11/2014

ConocoPhillips proposes the following plan for design, operating and maintenance, and closure of our proposed closed loop system for the above named well:

 We propose to use a closed loop system with steel pits, haul-off bins, and frac tanks for containing all cuttings, solids, mud, water, brine, and liquids. We will not dig a pit, nor will we use a drying pad, nor will we build an earth pit above ground level, nor will we dispose of or bury any waste on location.

All drilling waste and all drilling fluids (fresh water, brine, mud, cuttings, drill solids, cement returns, and any other liquid or solid that may be involved) will be contained on location in the rig's steel pits or in hauloff bins or in frac tanks as needed. The intent is as follows:

- We propose to use the rigs' steel pits for containing and maintaining the drilling fluids.
- We propose to remove cuttings and drilled solids from the mud by using solids control equipment and to contain such cuttings and drilled solids on location in haul-off bins.
- We propose that any excess water that may need to be stored on location will be stored in tanks.

The closed loop system components will be inspected daily by each tour and any needed repairs will be made immediately. Any leak in the system will be repaired immediately, and any spilled liquids and/or solids will be cleaned immediately, and the area where any such spill occurred will be remediated immediately.

2. Cuttings and solids will be removed from location in haul-off bins by an authorized contractor and disposed of at an authorized facility. For this well, we propose the following disposal facility:

R-360 Inc. 4507 West Carlsbad Hwy, Hobbs, NM 88240, P.O. Box 388; Hobbs, New Mexico 88241 Toll Free Phone: 877.505.4274, Local Phone Number: **432.**638.4076

The physical address for the plant where the disposal facility is located is Highway 62/180 at mile marker 66 (33 miles East of Hobbs, NM and 32 miles West of Carlsbad, NM).

The Permit Number for R-360 is NM-01-0006.

A photograph showing the type of haul-off bins that will be used is attached.

- 3. Mud will be transported by vacuum truck and disposed of at R-360 Inc. at the facility described above.
- 4. Fresh Water and Brine will be hauled off by vacuum truck and disposed of at an authorized salt water disposal well. We propose the following for disposal of fresh water and brine as needed:
 - Nabors Well Services Company, 3221 NW County Rd; Hobbs, NM 88240, PO 5208 Hobbs, NM, 88241, Permit SWD 092. (Well Location: Section 3, T19S R37E)
 - Basic Energy Services, P.O. Box 1869; Eunice, NM 88231 Phone Number: 575.394.2545, Facility located at Hwy 18, Mile Marker 19; Eunice, NM.

Jason Levinson Drilling Engineer Office: 281-206-5334 Cell: 281-682-2783

SPECIFICATIONS

FLOOR: 3/16" PL one piece CROSS MEMBER: 3 x 4.1 channel 16" on center

WALLS: 3/16" PL solid welded with tubing top, insi de liner hooks

DOOR: 3/16" PL with tubing frame FRONT: 3/16" PL slant formed

PICK U P: Standard cable with 2" x 6" x 1/4" rails, gu sset at each crossmember WHEELS: 10 DIA x 9 long with rease fittings DOOR LATCH: 3 Independent ratchet binders with chains, vertical second latch GASKE TS: Extruded rubber seal with metal retainer s

WELDS: All welds continuous except substructure crossmembers

FINISH: Coated inside and out with direct to metal, rust inhibiting acrylic enamel color coat HYDROTESTING: Full capacity static test DIMENSIONS: 22'-11' long (21'-8' inside), 99" wide (88" inside), see drawing for height OPTIONS: Steel grit blast and special paint, Ampliroll, Heil and Dino pickup

ROOF: 3/16" PL roof panels with tubing and channel support frame

LIDS: (2) 68" x 90" metal rolling lids spring loaded, self raising

ROLLERS: 4" V-groove rollers with delrin bearings and grease fittings OPENING: (2) 60" x 82" openings

with 8" divider centered on container

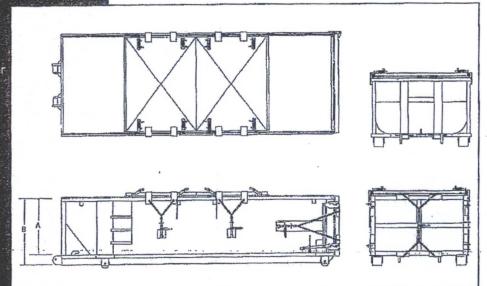
LATCH :(2) independent ratchet binders with chains per lid

GASKETS: Extruded rubber seal with metal relainers

Heavy Duty Split Metal Rolling Lid



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20 YD	41	53
25 YD	53	65
30 YD	65	77



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