Form 3160-3		I FORM	APPROVED
(June 2015)		OMB N	o. 1004-0137 anuary 31, 2018
UNITED STATES DEPARTMENT OF THE INTE	RIOR	5. Lease Serial No.	
BUREAU OF LAND MANAGE		NMNM132945	
APPLICATION FOR PERMIT TO DRIL	LOR REENTER JAN 31 2020	6. If Indian, Allotee	or Tribe Name
ia. Type of work: I DRILL REENT	÷	7. If Unit or CA Ag	reement, Name and No.
Ib. Type of Well: 🚺 Oil Well 🔲 Gas Well 🗌 Other	RECEIVED	8. Lease Name and	Well No
1c. Type of Completion: Hydraulic Fracturing Single 2	_	EAGLECLAW 5-8	
2. Name of Operator CAZA OPERATING LLC (32.7081)	N	9. API-Well No.	
	Phone No. <i>(include area code)</i>	HO, Field and Pool, BONE SPRING / V	or Exploratory 97983 NC-025 G-08 S203506[
4. Location of Well (Report location clearly and in accordance with a	ny State requirements.*)	11. Sec., T. R. M. of	Blk. and Survey or Area
At surface NENW / 240 FNL / 2173 FWL / LAT 32.6089332	/ LONG -103.4805301	SEC 57 T205 1 R3	5E / NMP
At proposed prod. zone SENW / 2385 FNL / 1760 FWL / LAT	32.588405 / LONG -103.482327		
14. Distance in miles and direction from nearest town or post office* 13 miles		12. County or Parisl LEA	NM
15. Distance from proposed* 330 feet 16. 1 location to nearest 330 feet 322. property or lease line, ft. 322. 322. (Also to nearest drig, unit line, if any) 323. 323.		B Unit dedicated to t	his well
18 Distance from proposed location*	Proposed Depth 20/BLM/	BIA Bond No. in file	
to nearest well, drilling, completed, applied for, on this lease, ft. 130 feet	5,1001 / 17371 feet FED: NN	IB000471	
	Approximate date work will start*	23. Estimated durati 30 days	ion
	. Attachments	Jo days	
The following, completed in accordance with the requirements of Onst		ludroulio Erroturino -	
(as applicable)	Inte off and Gas Order No. 1, and the H	lydraune Practuring P	ule per 45 CFK 5102.5-5
1. Well plat certified by a registered surveyor.	4. Bond to cover the operation	s unless covered by ar	n existing bond on file (see
 A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lan SUPO must be filed with the appropriate Forest Service Office). 	Item 20 above). ds, the 5. Operator certification. 6. Such other site specific infor BLM.	mation and/or plans as	may be requested by the
25. Signature	Name (Printed/Typed)		Date
(Electronic Submission)	Tony B Sam / Ph: (432)682-7424		11/10/2018
Title VP Operations			1 <u></u>
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959		Date 01/29/2020
Title Assistant Field Manager Lands & Minerals	Office CARLSBAD		
Application approval does not warrant or certify that the applicant hold applicant to conduct operations thereon. Conditions of approval, if any, are attached.	Is legal or equitable title to those rights	in the subject lease w	hich would entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it of the United States any false, fictitious or fraudulent statements or repu		unicdiction	
GCP Rec 01/91/2020		KE 102/02/	april
-	0.810	021	v
	CONDITIONS	04	
	WITH CURVICE	•	
(Continued on page 2)	WITH CONDITIONS	/ *(In	structions on page 2)
(commune on page 2)	Date: 01/29/2020	(e) (1)	en actions on page 2)

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.



The Privacy Act of 1974 and regulation in 43 CFR 2,48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U(\$.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

Approval Date: 01/29/2020

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

SHL: NENW / 240 FNL / 2173 FWL / TWSP: 20S / RANGE: 35E / SECTION: 5 / LAT: 32.6089332 / LONG: -103.4805301 (TVD: Offeet, MD: Offeet)
PPP: NENW / 503 FNL / 1696 FWL / TWSP: 20S / RANGE: 35E / SECTION: 5 / LAT: 32.609173 / LONG: -103.4825650 (TVD: 9549 feet, MD: 9619 feet)
PPP: NENW / 1 FNL / 1723 FWL / TWSP: 20S / RANGE: 35E / SECTION: 8 / LAT: 32.59509 / LONG: -103.482611 (TVD: 9680 feet, MD: 14780 feet)
BHL: SENW / 2385 FNL / 1760 FWL / TWSP: 20S / RANGE: 35E / SECTION: 8 / LAT: 32.588405 / LONG: -103.482327 (TVD: 9675 feet, MD: 17371 feet)

BLM Point of Contact

Name: Priscilla Perez Title: Legal Instruments Examiner Phone: 5752345934 Email: pperez@blm.gov

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Caza Operating LLC
WELL NAME & NO.:	Eagleclaw 5-8 Fed Com 6H
SURFACE HOLE FOOTAGE:	190'/N & 417'/W
BOTTOM HOLE FOOTAGE	2310'/N & 420'/W
LOCATION:	Section 5, T.20 S., R.35 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	• Yes	r No	
Potash	None	C Secretary	C R-111-P
Cave/Karst Potential	د Low		High High
Cave/Karst Potential	Critical		
Variance	∧ None	Flex Hose	C Other
Wellhead	Conventional		Both
Other	□ □ 4 String Area	Capitan Reef	Г WIPP
Other	Fluid Filled	☐ Cement Squeeze	
Special Requirements	✓ Water Disposal	COM	Γ Unit

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the Yates-Seven Rivers formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

Primary Casing Design/Alternate Casing Design:

- 1. The **20** inch conductor casing shall be set at approximately 120 feet 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

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<u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The **13-3/8** inch surface casing shall be set at approximately 2000 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 <u>8</u> <u>hours</u> 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.
- 3. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

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- Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.
- 4. The minimum required fill of cement behind the 6 inch production casing is:
 - Cement should tie-back at least 50 feet on top of Capitan Reef top. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

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 **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.

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D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, 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. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

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)
 - Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

Lea County Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 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

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- 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

- 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.
- <u>Wait on cement (WOC) for Potash Areas:</u> 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 <u>24 hours</u>. 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. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. 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.

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- 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.

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- 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

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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.

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Caza Operating LLC
LEASE NO.:	NMNM132945
LOCATION:	T20S R35E S5
COUNTY:	Lea County, NM

Wells:

Eagleclaw 5-8 Federal Com 4H

Surface Hole Location: 210' FNL & 2173' FWL, Section 5, T. 20 S., R. 35 E. Bottom Hole Location: 2310' FNL & 2105' FWL, Section 8, T. 20 S., R. 35 E.

Eagleclaw 5-8 Federal Com 6H

Surface Hole Location: 240' FNL & 2173' FWL, Section 5, T. 20 S., R. 35 E. Bottom Hole Location: 2385' FNL & 1760' FWL, Section 8, T. 20 S., R. 35 E.

Eagleclaw 5-8 Federal Com 8H

Surface Hole Location: 270' FNL & 2173' FWL, Section 5, T. 20 S., R. 35 E. Bottom Hole Location: 2385' FNL & 1920' FWL, Section 8, T. 20 S., R. 35 E.

TABLE OF CONTENTS

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
Watershed
Lesser Prairie Chicken Stipulations
Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
Road Section Diagram
Production (Post Drilling)
Well Structures & Facilities

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Interim Reclamation
Final Abandonment & Reclamation

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I. 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.

II. 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.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a

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Notice to Proceed is issued by the BLM. See information below discussing NAGPRA.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

IV. 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.

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V. SPECIAL REQUIREMENT(S)

Watershed:

The entire well pad(s) will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The 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.

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

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

Timing Limitation Exceptions:

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

Page 5 of 14

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.

VI. 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.

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

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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 fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) 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

Page 7 of 14

Ditching shall be required on both sides of the road.

Turnouts

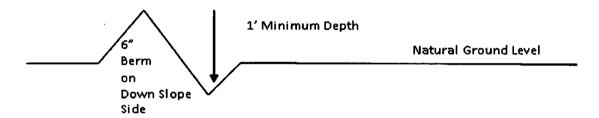
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

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: 400' + 100' = 200' lead-off ditch interval 4%

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

Page 8 of 14

condition of the existing cattle guards that are in place and are utilized during lease operations.

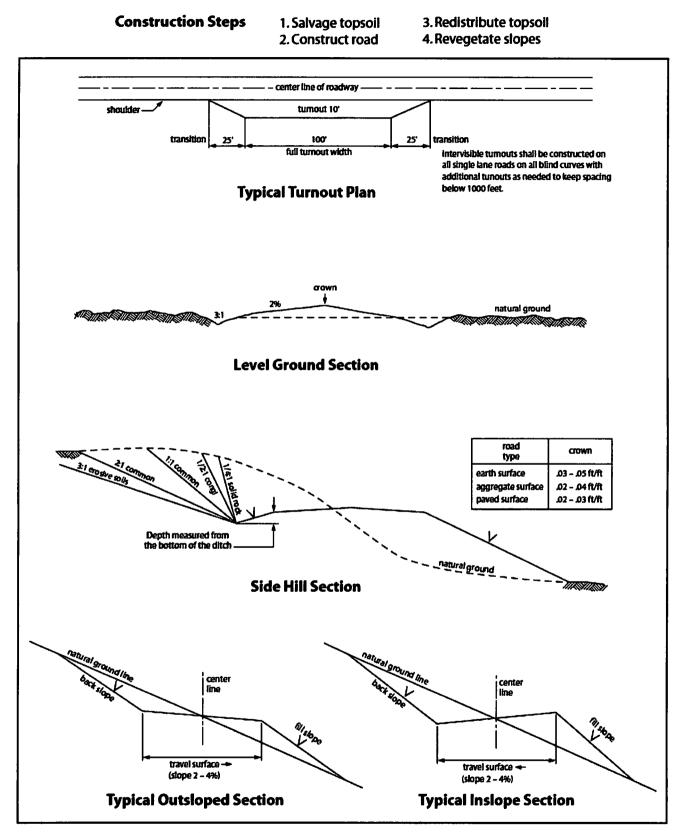
Fence Requirement

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.

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VII. 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 1 ½ 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 exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ 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

Page 11 of 14

equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

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, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

VIII. 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).

IX. FINAL ABANDONMENT & RECLAMATION

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

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

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding 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.

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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 <u>doubled</u>. 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:

Species	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

Page 14 of 14

Operator	Caza Operating LLC	Colors:	Name	Remarks
Well Name & No.	Eaglaciew Gri	Choose casings	Date	
County	Lea	Fill in, if applicable	Version	
Location (S/T/R/Ail)				
Lease Number				
ATS or EC #		APD### or EC###		

									Setting Depth (TVD)					
Type of Casing	Size of Hole	Size of Casing	Weight per Foot	Grade	Yield	Coupling #:	Тор	Bottom (MD)	(TVD of entire string)	Min Mud Weight	Max Mud Weight	ID	Drift ID	Cptg OD
	(in)	(in)	(lbs/ft)				(ft)	(ft)	(ft)	(ppg)	(PPB)			
Surface	17.500	13.375	54.50		55	stc	0	2000	2000	8.40	8.90	12.6150	12.4900	14.3750
int 1	12.250	9.625	40.00	hcl	80	btc	0	5450	5442	9.20	10.00	8.8350	8.7500	10.6250
int 1 Taper 1														
<choose casing=""></choose>														
Prod 1	8.750	6.000	24.50	ρ	110	btc	0	17371	9675	9.20	10.00	5.2000	5.0750	6.8750
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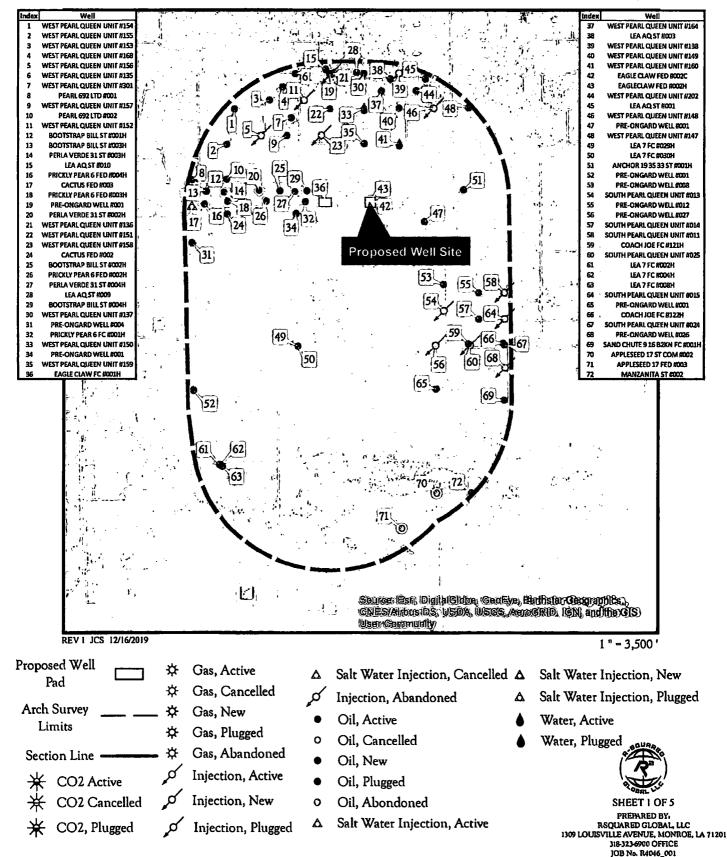
	Cement													
	Surface			int 1			Prod 1			<choose casing=""></choose>			<choose casing<="" th=""><th>></th></choose>	>
TOC	0		TOC	0		TOC	0		TOC			TOC		
DV Depth		1	DV Depth	3900]	DV Depth			DV Depth			DV Depth		
	Sacks	Yield (ft3/sx)			Yield (ft3/sx)		Secks	Yield (ft3/sx)		Sacks	Yield (ft3/sx)		Sacks	Yield (ft3/sx)
Lead	1230	1.93	Lead	310	2.13	Lead 1	1770	2.38	Lead 1			Lead 1		
Tali	309	1.35	Tall	232	1.35	Tail 1	2200	1.62	Tail 1			Tail 1		
DV Lead			DV Lead	1140	2.13	DV Lead			DV Lead			DV Lead		
DV Tail			DV Teil	150	1.35	OV Tail			OV Tail			DV Tali		
Crnt Added	2791.05	cuft	Cement Added	973.5 / 2630.7	cuft	Cement Added	7776.60	auft.	Cement Added	#N/A	ait	Cement Added	#N/A	cuft
Cmt Req.	1389	cuft	Cement Req.	485.4 / 1320.4	ant	Cement Req.	3887	cuft	Cement Req.	0	cuft	Cement Req.	0	cuft
Excess	100.9%		Excess	100.5% / 99.2%]	Excess	100.04%		Excess	#N/A]	Excess	#N/A	

Clearances	in Hole	In Surface	In Int 1	in int 1 Taper 1		in Prod 1		
Surface		n e de Ma						
tert 1								
int 1 Taper 1				ing state of				
Prod 1				No Overlap	No Overlap			
							and the second second	_}i
							1	

Safety Factors	Joint/Body	Collapse	Burst	Alt Burst
Surface	4.72	1.22		1.68
Int 1	4.21	1.50	1.14	1.98
Int 1 Taper 1				
Prod 1	3.38	2.27	2.56	4.44

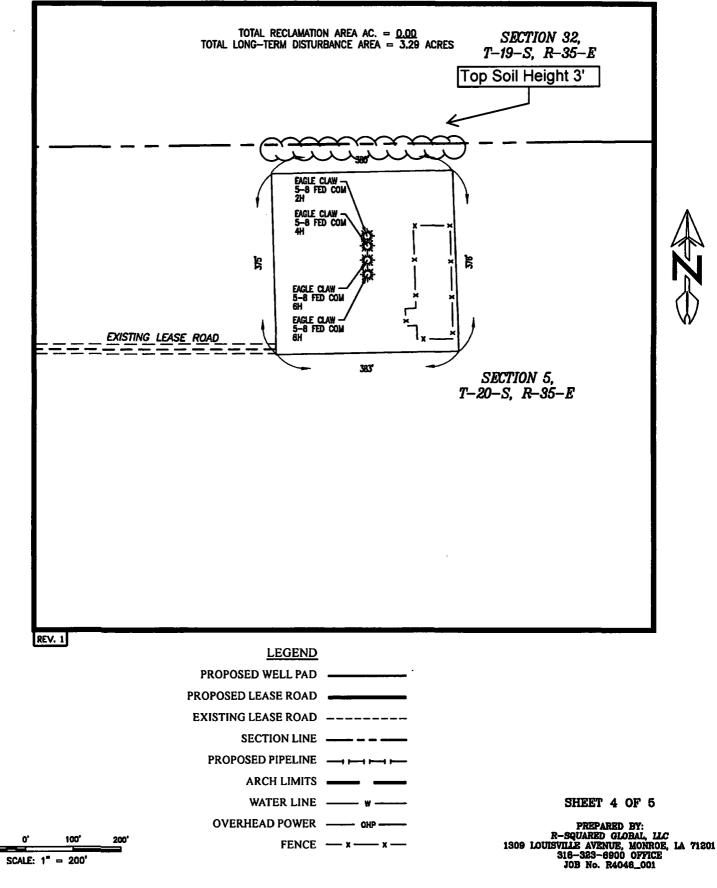
BOP Requirements Åiter the Shoe					
Surface		int 1		Prod 1	
Max. Surf. Pressure	1630 psi	Max. Surf. Pressure	2897 psi	Max. Surf. Pressur	psi
BOP Required	2M System	BOP Required	3M System	BOP Reguired	System
Choose Casing>					
Max. Surf. Pressure	psi]			
BOP Required	System				

ONE-MILE RADIUS MAP EAGLE CLAW 5-8 FED COM SEC. 5 TWP. 20S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: MARATHON OIL PERMIAN LLC U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, NM.



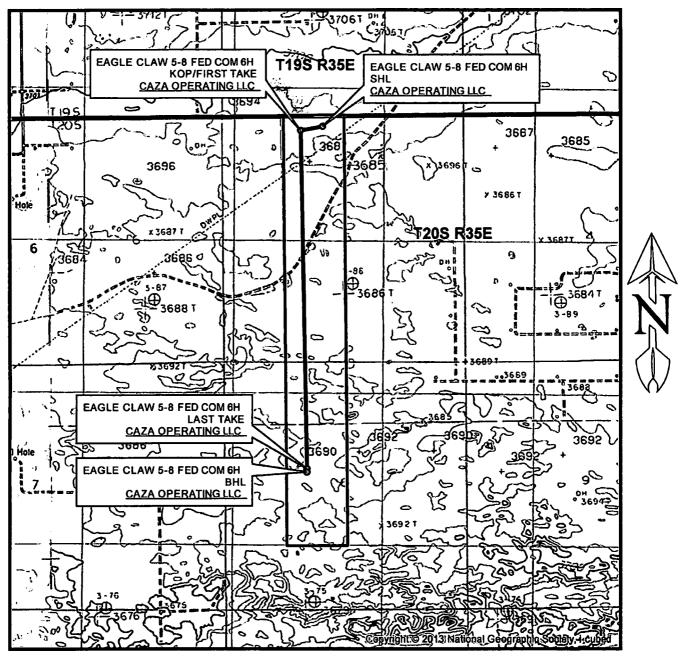
INTERIM RECLAMATION (IR) PLAT

EAGLE CLAW 5-8 FEDERAL SEC. 5 TWP. 20-S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: CAZA OPERATING, LLC U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, N.M.



100'

LOCATION VERIFICATION MAP



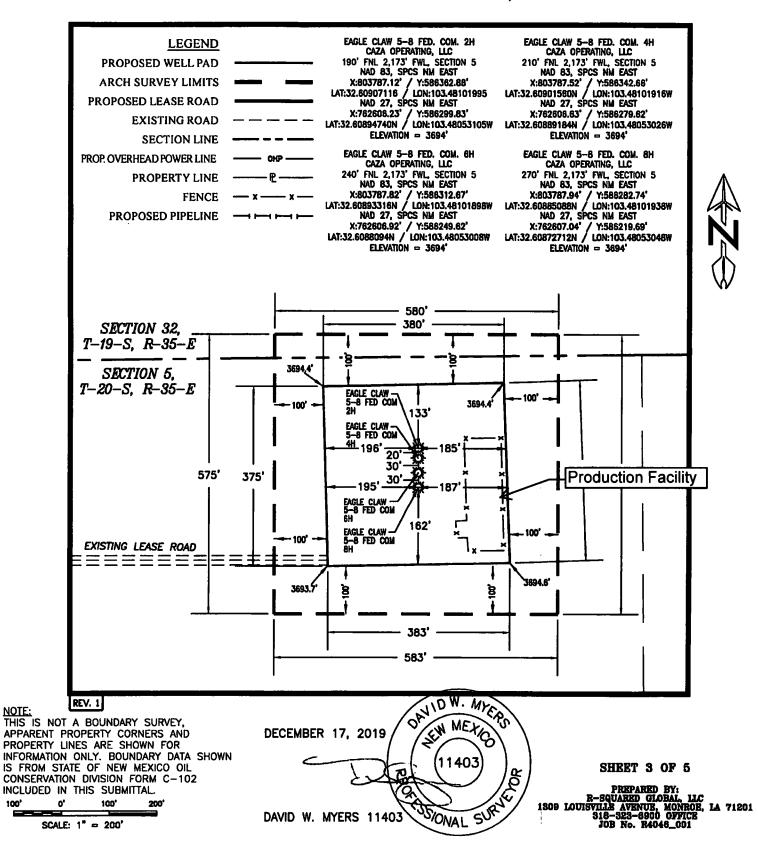
SEC. 5 TWP. 20-S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: CAZA OPERATING LLC DESCRIPTION: 240' FNL & 2173' FWL ELEVATION: 3694' LEASE: EAGLE CLAW 5-8 FED COM U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, NM. 1 " = 2,000 ' CONTOUR INTERVAL = 10'



SHEET 2 OF 3 PREPARED BY: R-SQUARED GLOBAL, LLC 1309 LOUISVILLE AVENUE, MONROE, LA 71201 318-322-6900 OFFICE JOB No. R4048_001_C

WELL LOCATION PLAT

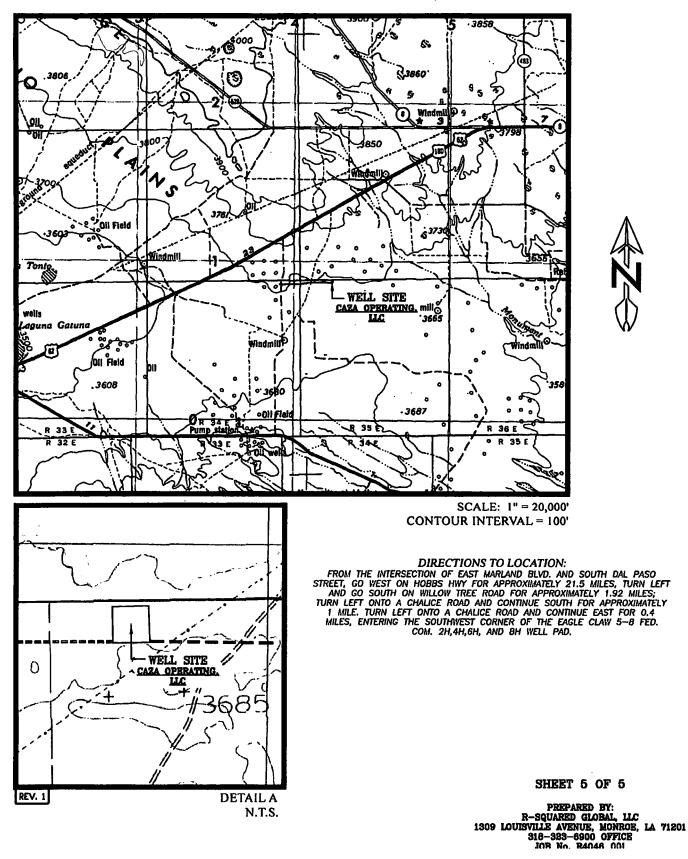
EAGLE CLAW 5-8 FEDERAL SEC. 5 TWP. 20-S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: CAZA OPERATING, LLC U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, N.M.



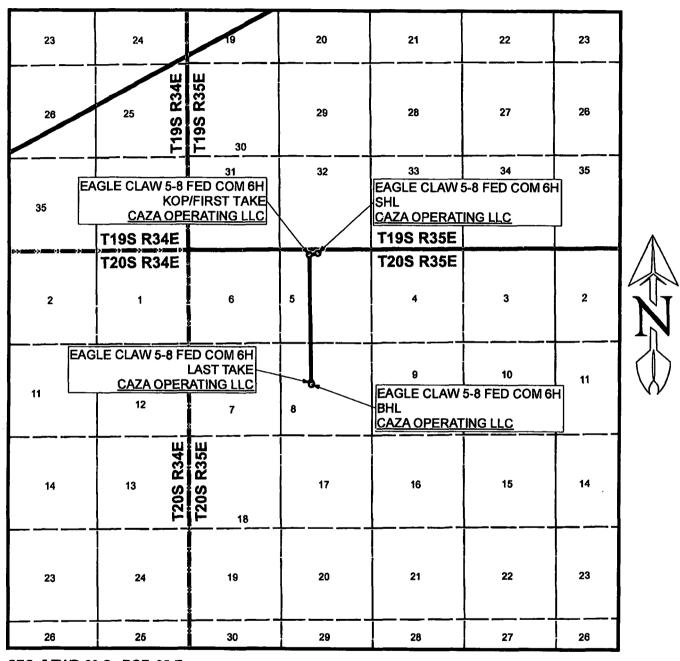
VICINITY AND EXISTING ROADS MAP

EAGLE CLAW 5-8 FEDERAL SEC. 5 TWP. 20-S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: CAZA OPERATING, LLC

U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, N.M.



VICINITY MAP



SEC. 5 TWP. 20-S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: CAZA OPERATING LLC DESCRIPTION: 240' FNL & 2173' FWL ELEVATION: 3694' LEASE: EAGLE CLAW 5-8 FED COM U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, NM.

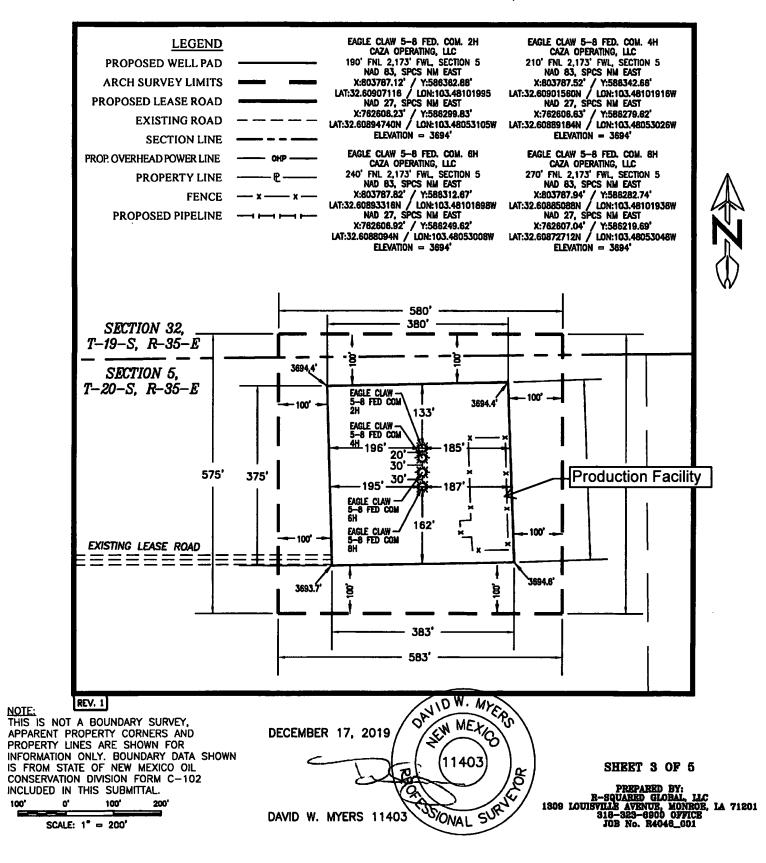
1 " = 1 MILE

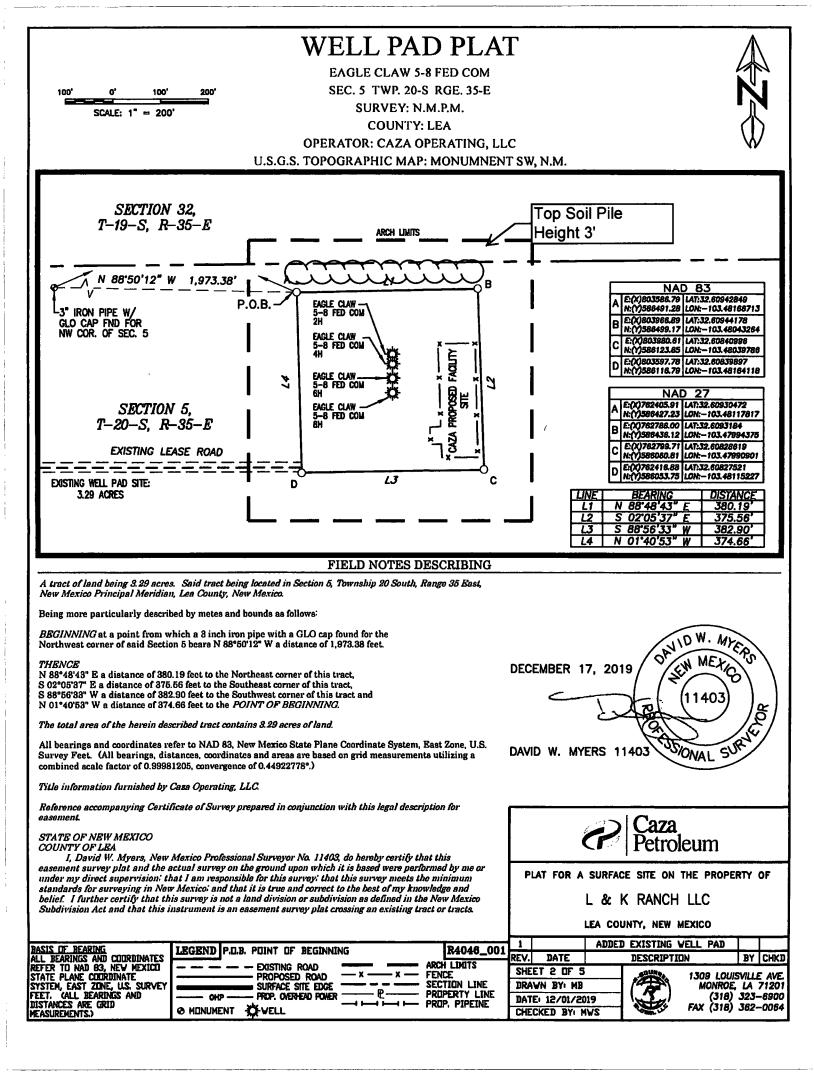


PREPARED BY: R-SQUARED GLOBAL, LLC 1309 LOUISVILLE AVENUE, MONROE, LA 71201 318-323-6800 OFFICE JOB No. R4048_601_C

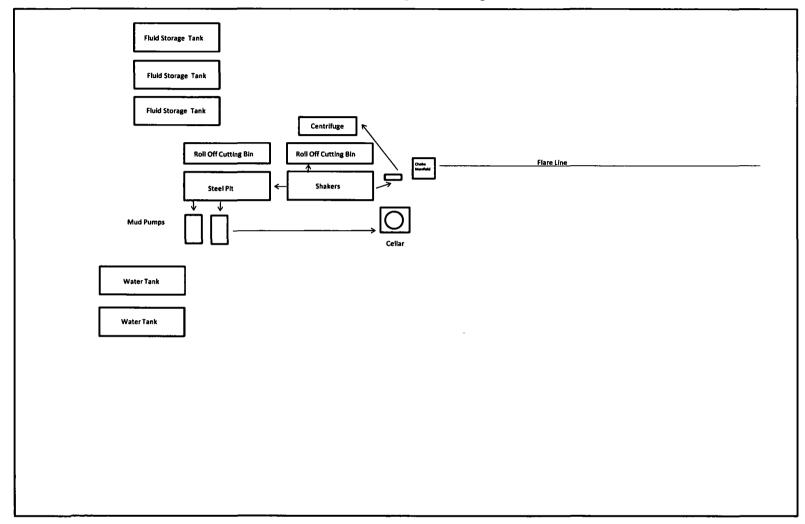
WELL LOCATION PLAT

EAGLE CLAW 5-8 FEDERAL SEC. 5 TWP. 20-S RGE. 35-E SURVEY: N.M.P.M. COUNTY: LEA OPERATOR: CAZA OPERATING, LLC U.S.G.S. TOPOGRAPHIC MAP: MONUMENT SW, N.M.





Closed Loop Diagram Design Plan



Design Plan, Operating Plan and Maintenance Plan, and Closure Plan for the OCD form C-144

Design Plan:

Fluid and cuttings coming from drilling operations will pass over the shale shaker with the cuttings going to the haul off bin and the cleaned fluid returning to the working steel pits.

Equipment Includes:

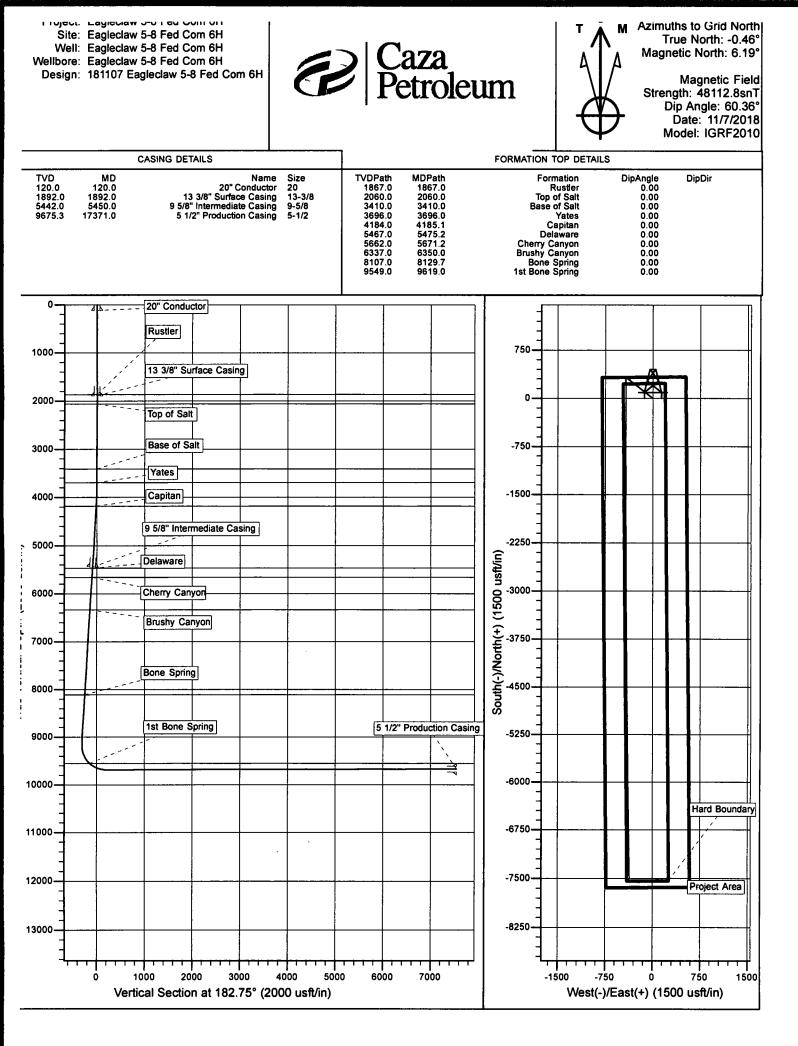
1-670bbl steel working pit 2-100bbl steel working suction pits 2-500bbl steel tanks 2-20yd³ steel haul off bins 2-pumps (HHF-1600) 2-Shale shakers 1-Centrifuge 1-Desilter/Desander

Operating and Maintenance Plan:

Inspection to occur every tour for proper operation of system and individual components. If any problems are found they will be repaired and/or corrected immediately.

Closure Plan:

All haul off bins containing cuttings will be removed from location and hauled to R-360 (NM-01-0006) disposal site located 30 miles east of Carlsbad.





Caza Operating LLC

Eagleclaw 5-8 Fed Com 6H Eagleclaw 5-8 Fed Com 6H Eagleclaw 5-8 Fed Com 6H Eagleclaw 5-8 Fed Com 6H

Plan: 181107 Eagleclaw 5-8 Fed Com 6H

Morcor Standard Plan

07 November, 2018

MORCOR ENGINEERING



Morcor Engineering

Company:	Caza Operating LLC				Local Co-ord	linate Reference:	Well Eagleciaw 5-8 Fe	≥d Com 6H
Project:	Eagleclaw 5-8 Fed Co	om 6H			TVD Referen		WELL @ 3716.0usft (
lite:	Eagleciaw 5-8 Fed Co				MD Referenc			
Nell:	Eagleciaw 5-8 Fed Co						WELL @ 3716.0usft (Grid	Juginal Well Elev)
	-				North Refere			
Wellbore:	Eagleclaw 5-8 Fed Co				-	lation Method:	Minimum Curvature	-
Design:	181107 Eagleclaw 5-4	3 Fed Com 6H			Database:		EDM 5000.1 Single U	ser Db
Project	Eaglecia	w 5-8 Fed Com 6H						
Map System:	US State Plane 19	983			System Date	um:	Mean Sea Level	
Geo Datum:	North American D	atum 1983			-			
Map Zone:	New Mexico Easte	ern Zone						
Site	Eaglecia	w 5-8 Fed Com 6H						
					500 000 04			· ·
Site Position:			Northing		586,222.34 usft	Latitude:		32° 36' 31.270 N
From:	Lat/Long		Easting:		803,738.03 usft	Longitude:		103° 28' 52.259 W
Position Uncertai	inty:	1.0 usft	Slot Rad	ius:	17-1/2 "	Grid Conve	rgence:	0.46 °
Well	Eaglecia	w 5-8 Fed Com 6H						··· · · · · · · · · · · · · · · · · ·
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Audit Notes: Version:	181107 E	agleclaw 5-8 Fed Corn 6H	8 6	3.65	60.36			
Audit Notes: Version:	181107 E	Eagleclaw 5-8 Fed Com 6H Phase:	8 6 PLAN	3.65 Tie On Depth:	60.36 0.0		 	
Audit Notes: Version:	181107 E	Eagleclaw 5-8 Fed Com 6H Phase: Depth From (TVD)	8 6 PLAN +N/-S	3.65 Tie On Depth: +E/-W	60.36 0.0 Direction			
Audit Notes: Version:	181107 E	Eagleclaw 5-8 Fed Com 6H Phase: Depth From (TVD) (usft)	8 6 PLAN +N/-S (usft)	3.65 Tie On Depth: +E/-W (usft)	60.36 0.0 Direction (°)			
Audit Notes: Version: Vertical Section:	181107 E	Eagleclaw 5-8 Fed Com 6H Phase: Depth From (TVD) (usft) 0.0	8 6 PLAN +N/-S (usft)	3.65 Tie On Depth: +E/-W (usft)	60.36 0.0 Direction (°)			
Audit Notes: Version: Vertical Section: Survey Tool Prog From	181107 E gram Date 1 To	Eagleclaw 5-8 Fed Com 6H Phase: Depth From (TVD) (usft) 0.0	8 6 PLAN +N/-S (usft) 0.0	3.65 Tie On Depth: +E/-W (usft) 0.0	60.36 0.0 Direction (°) 182.75			
Audit Notes: Version: Vertical Section: Survey Tool Prog	181107 E gram Date 1 To	Eagleclaw 5-8 Fed Com 6H Phase: Depth From (TVD) (usft) 0.0	8 6 PLAN +N/-S (usft)	3.65 Tie On Depth: +E/-W (usft) 0.0	60.36 0.0 Direction (°)			



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Company: Project: Site: Vell: Vellbore: Design:	Eagleo Eagleo Eagleo Eagleo	Operating LLC Claw 5-8 Fed Col Claw 5-8 Fed Col Claw 5-8 Fed Col Claw 5-8 Fed Col 7 Eagleclaw 5-8	m 6H m 6H m 6H				Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Database:		Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db		
Planned Survey	y										
MD (usft)		inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
	0.0	0.00	0.00	0.0	-3,716.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
10	00.0	0.00	307.50	100.0	-3,616.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
1:	20.0	0.00	307.50	120.0	-3,596.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
20" Cor	nductor										
	00.0	0.00	307.50	200.0	-3,516.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
3	00.0	0.00	307.50	300.0	-3,416.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
4	00.0	0.00	307.50	400.0	-3,316.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
5	00.0	0.00	307.50	500.0	-3,216.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
6	00.0	0.00	307.50	600.0	-3,116.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
7	00.0	0.00	307.50	700.0	-3,016.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
8	00.0	0.00	307.50	800.0	-2,916.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
90	00.0	0.00	307.50	900.0	-2,816.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
1,0	00.0	0.00	307.50	1,000.0	-2,716.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,10	00.0	0.00	307.50	1,100.0	-2,616.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,20	200.0	0.00	307.50	1,200.0	-2,516.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,30	00.0	0.00	307.50	1,300.0	-2,416.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1.4	00.0	0.00	307.50	1,400.0	-2,316.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,5	600.0	0.00	307.50	1,500.0	-2,216.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,6	00.0	0.00	307.50	1,600.0	-2,116.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,70	00.0	0.00	307.50	1,700.0	-2,016.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,8	0.00	0.00	307.50	1,800.0	-1,916.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
1,8	67.0	0.00	307.50	1,867.0	-1,849.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
Rustler	r										
	192.0	0.00	307.50	1,892.0	-1,824.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
	Surface (-	207.50	4 000 0	4 040 0			000 700 00	500 000 0 1		
	0.00	0.00	307.50	1,900.0	-1,816.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
2,0	0.00	0.00	307.50	2,000.0	-1,716.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0

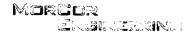


Morice Engineeuws

ompany: roject: ite: /ell: /ellbore: esign:	Eaglect Eaglect Eaglect Eaglect	Operating LLC law 5-8 Fed Cor law 5-8 Fed Cor law 5-8 Fed Cor law 5-8 Fed Cor 7 Eagleclaw 5-8	n 6H n 6H n 6H			Local Co-ordina TVD Reference: MD Reference: North Reference Survey Calculat Database:	:	Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db			
lanned Survey	_ _										
MD (usft)		lnc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
2,06	0.0	0.00	307.50	2,060.0	-1,656.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
Top of S	ait										
2,10	0.0	0.00	307.50	2,100.0	-1,616.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,20	0.0	0.00	307.50	2,200.0	-1,516.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,30	0.0	0.00	307.50	2,300.0	-1,416.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,40	0.0	0.00	307.50	2,400.0	-1,316.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,50	0.0	0.00	307.50	2,500.0	-1,216.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,60	0.0	0.00	307.50	2,600.0	-1,116.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,70	0.0	0.00	307.50	2,700.0	-1,016.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,80	0.0	0.00	307.50	2,800.0	-916.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
2,90	0.0	0.00	307.50	2,900.0	-816.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
3,00	0.0	0.00	307.50	3,000.0	-716.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,10	0.0	0.00	307.50	3,100.0	-616.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
3,20		0.00	307.50	3,200.0	-516.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,30		0.00	307.50	3,300.0	-416.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,40		0.00	307.50	3,400.0	-316.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,41	0.0	0.00	307.50	3,410.0	-306.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
Base of	Salt										
3,50	0.0	0.00	307.50	3,500.0	-216.0	0.0	0.0	803,738.03	586,222.34	0.00	0.00
3,60		0.00	307.50	3,600.0	-116.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,69	6.0	0.00	307.50	3,696.0	-20.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
Yates				·				·	·		
3,70	0.0	0.00	307.50	3,700.0	-16.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,80	0.0	0.00	307.50	3,800.0	84.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
3,85	i0.0	0.00	307.50	3,850.0	134.0	0.0	0.0	803,738.03	586,222.34	0.00	0.0
Start Bu 3,90		1.50	307.50	3,900.0	184.0	0.4	-0.5	803,737.51	586,222.74	-0.37	3.0

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ompany: roject: lte: /ell: /ellbore: esign:	Eagle Eagle Eagle Eagle	Operating LLC claw 5-8 Fed Col claw 5-8 Fed Col claw 5-8 Fed Col claw 5-8 Fed Col 7 Eagleclaw 5-8	m 6H m 6H m 6H			Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Database:		Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db			
lanned Survey	y										
MD (usft)		inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
4,00	00.0	4.50	307.50	3,999.8	283.8	3.6	-4.7	803,733.36	586,225.93	-3.36	3.0
4,05	50.0	6.00	307.50	4,049.6	333.6	6.4	-8.3	803,729.73	586,228.71	-5.96	3.0
Start 49	50.0 hold	i at 4050.0 MD									
4,10	00.0	6.00	307.50	4,099.4	383.4	9.6	-12.4	803,725.58	586,231.89	-8.94	0.0
4,18	85.1	6.00	307.50	4,184.0	468.0	15.0	-19.5	803,718.53	586,237.31	-14.01	0.0
Capitan											
	00.0	6.00	307.50	4,198.8	482.8	15.9	-20.7	803,717.29	586,238.26	-14.90	0.0
	00.0	6.00	307.50	4,298.3	582.3	22.3	-29.0	803,709.00	586,244.62	-20.86	0.0
-	00.0	6.00	307.50	4,397.7	681.7	28.6	-37.3	803,700.71	586,250.98	-26.81	0.0
4,50	00.0	6.00	307.50	4,497.2	781.2	35.0	-45.6	803,692.41	586,257.35	-32.77	0.0
4,60	00.0	6.00	307.50	4,596.6	880.6	41.4	-53.9	803,684.12	586,263.71	-38.73	0.0
4,70	00.0	6.00	307.50	4,696.1	980.1	47.7	-62.2	803,675.83	586,270.07	-44.69	0.0
4,80	00.0	6.00	307.50	4,795.5	1,079.5	54.1	-70.5	803,667.54	586,276.44	-50.64	0.0
4,90	00.0	6.00	307.50	4,895.0	1,179.0	60.5	-78.8	803,659.24	586,282.80	-56.60	0.0
5,00	00.0	6.00	307.50	4,994.4	1,278.4	66.8	-87.1	803,650.95	586,289.16	-62.56	0.0
5,10	00.0	6.00	307.50	5,093.9	1,377.9	73.2	-95.4	803,642.66	586,295.53	-68.52	0.0
5,20	00.0	6.00	307.50	5,193.3	1,477.3	79.5	-103.7	803,634.36	586,301.89	-74.47	0.0
5,30	00.0	6.00	307.50	5,292.8	1,576.8	85.9	-112.0	803,626.07	586,308.25	-80.43	0.0
5,40	00.0	6.00	307.50	5,392.2	1,676.2	92.3	-120.3	803,617.78	586,314.62	-86.39	0.0
5,45	50.0	6.00	307.50	5,442.0	1,726.0	95.5	-124.4	803,613.63	586,317.80	-89.37	0.0
9 5/8" In	ntermedia	ate Casing									
5,47	75.2	6.00	307.50	5,467.0	1,751.0	97.1	-126.5	803,611.54	586,319.40	-90.87	0.0
Delawa	re										
5,50	00.0	6.00	307.50	5,491.7	1,775.7	98.6	-128.5	803,609.49	586,320.98	-92.35	0.0
-	00.0	6.00	307.50	5,591.1	1,875.1	105.0	-136.8	803,601.19	586,327.34	-98.30	0.0
5,67	71.2	6.00	307.50	5,662.0	1,946.0	109.5	-142.7	803,595.28	586,331.88	-102.55	0.0
-	Canyon 00.0	6.00	307.50	5,690.6	1,974.6	111.4	-145.1	803,592.90	586,333.71	-104.26	0.0





Company: Project: Site: Well: Wellbore: Design:	Eaglec Eaglec Eaglec Eaglec	Operating LLC law 5-8 Fed Cor law 5-8 Fed Cor law 5-8 Fed Cor law 5-8 Fed Cor 7 Eagleclaw 5-8	m 6H m 6H m 6H				Local Co-ordina TVD Reference: MD Reference: North Reference Survey Calculat Database:		Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db		
Planned Survey											
MD (usft)		Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)
5,80	0.0	6.00	307.50	5,790.0	2,074.0	117.7	-153.4	803,584.61	586,340.07	-110.22	0.00
5,90	0.0	6.00	307.50	5,889.5	2,173.5	124.1	-161.7	803,576.31	586,346.43	-116.18	0.00
6,00	0.0	6.00	307.50	5,989.0	2,273.0	130.5	-170.0	803,568.02	586,352.80	-122.13	0.00
6,10	0.0	6.00	307.50	6,088.4	2,372.4	136.8	-178.3	803,559.73	586,359.16	-128.09	0.00
6,20	0.0	6.00	307.50	6,187.9	2,471.9	143.2	-186.6	803,551.44	586,365.52	-134.05	0.00
6,30	0.0	6.00	307.50	6,287.3	2,571.3	149.5	-194.9	803,543.14	586,371.89	-140.00	0.00
6,35	0.0	6.00	307.50	6,337.0	2,621.0	152.7	-199.0	803,539.00	586,375.07	-142.98	0.00
Brushy (Canyon										
6,40	0.0	6.00	307.50	6,386.8	2,670.8	155.9	-203.2	803,534.85	586,378.25	-145.96	0.00
6,50	0.0	6.00	307.50	6,486.2	2,770.2	162.3	-211.5	803,526.56	586,384.61	-151.92	0.00
6,60	0.0	6.00	307.50	6,585.7	2,869.7	168.6	-219.8	803,518.26	586,390.98	-157.88	0.00
6,70	0.0	6.00	307.50	6,685.1	2,969.1	175.0	-228.1	803,509.97	586,397.34	-163.83	0.00
6,80	0.0	6.00	307.50	6,784.6	3,068.6	181.4	-236.4	803,501.68	586,403.70	-169.79	0.00
6,90	0.0	6.00	307.50	6,884.0	3,168.0	187.7	-244.6	803,493.39	586,410.07	-175.75	0.00
7,00	0.0	6.00	307.50	6,983.5	3,267.5	194.1	-252.9	803,485.09	586,416.43	-181.71	0.00
7,10	0.0	6.00	307.50	7,082.9	3,366.9	200.4	-261.2	803,476.80	586,422.79	-187.66	0.00
7,20	0.0	6.00	307.50	7,182.4	3,466.4	206.8	-269.5	803,468.51	586,429.16	-193.62	0.00
7,30	0.0	6.00	307.50	7,281.8	3,565.8	213.2	-277.8	803,460.22	586,435.52	-199.58	0.00
7,40	0.0	6.00	307.50	7,381.3	3,665.3	219.5	-286.1	803,451.92	586,441.88	-205.54	0.00
7,50	0.0	6.00	307.50	7,480.7	3,764.7	225.9	-294.4	803,443.63	586,448.25	-211.49	0.00
7,60	0.0	6.00	307.50	7,580.2	3,864.2	232.3	-302.7	803,435.34	586,454.61	-217.45	0.00
7,70	0.0	6.00	307.50	7,679.6	3,963.6	238.6	-311.0	803,427.04	586,460.97	-223.41	0.00
7,80	0.0	6.00	307.50	7,779.1	4,063.1	245.0	-319.3	803,418.75	586,467.34	-229.37	0.00
7,90	0.0	6.00	307.50	7,878.5	4,162.5	251.4	-327.6	803,410.46	586,473.70	-235.32	0.00
8,00	0.0	6.00	307.50	7,978.0	4,262.0	257.7	-335.9	803,402.17	586,480.06	-241.28	0.00
8,10	0.0	6.00	307.50	8,077.4	4,361.4	264.1	-344.2	803,393.87	586,486.43	-247.24	0.00





Company:Caza Operating LLCProject:Eagleclaw 5-8 Fed Com 6HSite:Eagleclaw 5-8 Fed Com 6HWell:Eagleclaw 5-8 Fed Com 6HWellbore:Eagleclaw 5-8 Fed Com 6HDesign:181107 Eagleclaw 5-8 Fed Com 6H						Local Co-ordina TVD Reference: MD Reference: North Reference Survey Calculat Database:	: :	Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db			
lanned Survey	/										
MD	Inc	A	zi (azimuth)	TVD	TVDSS	N/S	E/W	Easting	Northing	V. Sec	DLeg
(usft)	(°) 29.7	8.00	(°) 307.50	(usft) 8,107.0	(usft) 4,391.0	(usft) 266.0	(usft) -346.6	(usft) 803,391.41	(usft) 586,488.32	(usft) -249.01	(°/100usft) 0.0
		5.00	307.50	8,107.0	4,391.0	200.0	-340.0	603,391.41	500,400.52	-249.01	0.0
Bone Sj 8.20	-	6.00	307.50	8,176.9	4,460.9	270.4	-352.5	803,385.58	586,492.79	-253.20	0.0
		6.00	307.50	8,276.4	4,560.4	276.8	-360.7	803,377.29	586,499.15	-259.15	0.0
		6.00	307.50	8,375.8	4,659.8	283.2	-369.0	803,368.99	586,505.52	-265.11	0.0
8,50	0.0	6.00	307.50	8,475.3	4,759.3	289.5	-377.3	803,360.70	586,511.88	-271.07	0.0
8.60	0.0	6.00	307.50	8,574.7	4,858.7	295.9	-385.6	803,352.41	586,518.24	-277.03	0.0
8,70	0.0	6.00	307.50	8,674,2	4,958.2	302.3	-393.9	803,344.12	586,524,61	-282.98	0.0
8,80		6.00	307.50	8,773.6	5,057.6	308.6	-402.2	803,335.82	586,530.97	-288.94	0.0
8,90	00.0	6.00	307.50	8,873.1	5,157.1	315.0	-410.5	803,327.53	586,537.33	-294.90	0.0
9,00	00.0	6.00	307.50	8,972.5	5,256.5	321.4	-418.8	803,319.24	586,543.70	-300.86	0.0
Start Dr	op -3.00										
9,10	00.0	3.00	307.50	9,072.2	5,356.2	326.1	-425.0	803,313.01	586,548.47	-305.33	3.0
9,20	00.0	0.00	0.00	9,172.2	5,456.2	327.7	-427.1	803,310.94	586,550.06	-306.82	3.0
Start 15	.0 hold at 9200.0 ME)									
9,21	15.0	0.00	180.00	9,187.2	5,471.2	327.7	-427.1	803,310.94	586,550.06	-306.82	0.0
	uild 11.41										
		9.70	180.00	9,271.7	5,555.7	320.5	-427.1	803,310.94	586,542.89	-299.65	11.4
9,40	00.0 2	1.10	180.00	9,368.0	5,652.0	294.0	-427.1	803,310.94	586,516.38	-273.17	11.4
9,50	00.0 3	2.51	180.00	9,457.1	5,741.1	249.0	-427.1	803,310.94	586,471.36	-228.20	11.4
9,60	00.0 4	3.91	180.00	9,535.6	5,819.6	187.3	-427.1	803,310.94	586,409.61	-166.52	11.4
9,61	19.0 4	6.08	180.00	9,549.0	5,833.0	173.8	-427.1	803,310.94	586,396.16	-153.09	11.4
	e Spring										
		5.32	180.00	9,600.2	5,884.2	111.2	-427.1	803,310.94	586,333.56	-90.56	11.4
9,80	00.0 6	6.73	180.00	9,648.6	5,932.6	23.9	-427.1	803,310.94	586,246.22	-3.32	11.4
9,90	00.0 7	8.13	180.00	9,678.7	5,962.7	-71.3	-427.1	803,310.94	586,151.04	91.74	11.4
10,00	00.0 8	9.54	180.00	9,689.5	5,973.5	-170.6	-427.1	803,310.94	586,051.78	190.89	11.4



MORCOR

Project:	Caza Operating LLC Eagleclaw 5-8 Fed Cor					Local Co-ordina TVD Reference: MD Reference:		Well Eagleclaw 5-8 WELL @ 3716.0us	•		
	Eagleclaw 5-8 Fed Co							WELL @ 3716.0usft (Original Well Elev)			
	•						9:	Grid			
Velibore: Eagleclaw 5-8 Fed Com 6H Design: 181107 Eagleclaw 5-8 Fed Com 6H						Survey Calculat Database:	ion Method:	Minimum Curvatur EDM 5000.1 Single	-		
								EDW 5000, I Sirigi			
Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)	
10,005.	.0 90.11	180.00	9,689.5	5,973.5	-175.6	-427.1	803,310.94	586,046.78	195.88	11.4	
Start DLS	0.01 TFO -90.00										
10,100.	.0 90.11	179.99	9,689.3	5,973.3	-270.6	-427.1	803,310.95	585,951.78	290.77	0.	
10,200.	.0 90.11	179.97	9,689.1	5,973.1	-370.6	-427.0	803,310.98	585,851.79	390.65	0.0	
10,300.	.0 90.11	179.96	9,688.9	5,972.9	-470.6	-427.0	803,311.04	585,751.79	490.53	0.	
10,400.	.0 90.11	179.95	9,688.7	5,972.7	-570.6	-426.9	803,311.12	585,651.79	590.41	0.0	
10,500.	.0 90.11	179.93	9,688.5	5,972.5	-670.6	-426.8	803,311.23	585,551.79	690.29	0.	
10,600.	.0 90.11	179.92	9,688.3	5,972.3	-770.6	-426.7	803,311.36	585,451.79	790.17	0.	
10,700.	.0 90.11	179.91	9,688.1	5,972.1	-870.6	-426.5	803,311.51	585,351.79	890.05	0.	
10,800.	.0 90.11	179.89	9,687.9	5,971.9	-970.6	-426.3	803,311.69	585,251.79	989.92	0.	
10,900.	.0 90.11	179.88	9,687.7	5,971.7	-1,070.6	-426.1	803,311.89	585,151.79	1,089.80	0.	
11,000.	.0 90.11	179.86	9,687.6	5,971.6	-1,170.6	-425.9	803,312.11	585,051.79	1,189.67	0.	
11,100.	.0 90.11	179.85	9,687.4	5,971.4	-1,270.6	-425.7	803,312.36	584,951.79	1,289.54	0.	

-1,370.6

-1,470.6

-1,570.6

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-425.1

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-424.1

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-422.8

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-420.9

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803,312.63

803,312.92

803,313.24

803,313.59

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584,851.79

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584,251.79

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583,751.80

583,651.80

583,551.80

1,389.41

1,489.28

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1,689.02

1,788.89

1,888.75

1,988.61

2,088.48

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2,587.77

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179.67

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9,687.2

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5,968.9

5,968.7

COMPASS 5000.1 Build 56





Caza Operating LLC Company: Local Co-ordinate Reference: Well Eagleclaw 5-8 Fed Com 6H Project: Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) **TVD Reference:** Site: Eagleclaw 5-8 Fed Com 6H MD Reference: WELL @ 3716.0usft (Original Well Elev) Well: Eagleclaw 5-8 Fed Com 6H Grid North Reference: Wellbore: Eagleclaw 5-8 Fed Com 6H Minimum Curvature Survey Calculation Method: Design: 181107 Eagleclaw 5-8 Fed Com 6H Database: EDM 5000.1 Single User Db Planned Survey MD Azi (azimuth) TVD TVDSS DLeg Inc N/S E/W Easting Northing V. Sec (usft) (°) (°) (usft) (usft) (usft) (usft) (usft) (usft) (usft) (°/100usft) 5,968.5 12.600.0 90.11 179.65 9,684.5 -2.770.5 -419.1 803.318.92 583.451.81 2.787.48 0.01 90.11 12,700.0 179.63 9,684.3 5,968.3 -2.870.5 -418.5 803.319.54 0.01 583.351.81 2.887.33 12.800.0 90.11 179.62 9,684.1 5,968.1 -2,970.5 -417.8 803,320.19 583.251.81 2.987.18 0.01 12.900.0 90.11 179.61 9,683.9 5,967.9 -3,070.5 -417.2 803,320.87 583,151,81 3.087.03 0.01 13.000.0 90.11 179.59 9.683.7 5.967.7 -3.170.5 -416.5 803.321.56 583.051.82 3,186.88 0.01 13,100.0 90.11 179.58 9.683.5 5.967.5 -3.270.5 -415.7 803.322.29 582.951.82 3.286.73 0.01 13.200.0 90.11 179.57 9.683.3 5.967.3 -3.370.5 -415.0 803.323.03 582,851.82 3,386.57 0.01 13,300.0 90.11 179.55 9,683.1 -3,470.5 5,967.1 -414.2 803,323.80 582.751.82 3.486.42 0.01 13,400.0 90.11 179.54 9,682.9 5,966.9 -3,570.5 -413.4 803,324.59 582,651.83 3,586.26 0.01 179.53 13,500.0 90.11 9.682.8 5.966.8 -3.670.5 -412.6 803.325.41 582.551.83 3.686.10 0.01 13,600.0 90.11 179.51 9.682.6 5.966.6 -3.770.5 -411.8 803.326.25 582.451.83 3,785.94 0.01 13,700.0 90.11 179.50 9.682.4 5.966.4 -3.870.5 -410.9 803.327.11 582.351.84 3,885.78 0.01 13,800.0 90.11 179.48 9.682.2 5.966.2 -3.970.5 -410.0 803.328.00 582.251.84 3,985.62 0.01 13,900.0 90.11 179.47 9.682.0 5,966.0 -4,070.5 -409.1 803,328.91 582,151.85 4,085.45 0.01 90.11 14,000.0 179.46 9.681.8 5.965.8 -4.170.5 -408.2 803.329.85 582.051.85 4.185.29 0.01 14,100.0 90.11 179.44 9,681.6 -4.270.5 -407.2 5,965.6 803,330,80 581.951.86 4.285.12 0.01 14,200.0 90.11 179.43 -406.2 9,681.4 5,965.4 -4.370.5 803.331.79 581.851.86 4.384.96 0.01 14.300.0 90.11 179.42 9,681.2 5,965.2 -4,470.5 -405.2 803.332.79 581,751.87 4,484.79 0.01 14,400.0 90.11 179.40 9,681.0 5,965.0 -4,570.5 -404.2 803,333.82 581,651,87 4,584.62 0.01 14,500.0 90.11 179.39 -403.2 9,680.8 5,964.8 -4,670.5 803,334.87 581,551.88 4.684.44 0.01 14,600.0 179.38 90.11 9.680.6 5.964.6 -4,770.5 -402.1 803.335.95 581,451.88 4.784.27 0.01 14,700.0 90.11 179 36 9.680.5 803.337.05 5,964.5 -4,870.5 -401.0 581,351.89 0.01 4.884.10 14,800.0 90.11 179.35 9.680.3 5.964.3 -4,970.4 -399.9 803.338.18 581,251.90 4,983.92 0.01 14,900.0 90.11 179.34

-5.070.4

-5.170.4

-5.270.4

-5.370.4

-398.7

-397.5

-396.3

-395.1

803.339.32

803.340.50

803,341.69

803,342.91

581,151.90

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580,951.92

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15.000.0

15,100.0

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5.964.1

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COMPASS 5000.1 Build 56

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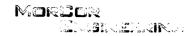
5,083.74

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5,283.38

5.383.20





:ompany: Yroject: iite: Vell: Vellbore: Design:	Caza Operating LLC Eagleclaw 5-8 Fed C Eagleclaw 5-8 Fed C Eagleclaw 5-8 Fed C Eagleclaw 5-8 Fed C 181107 Eagleclaw 5-1	om 6H om 6H om 6H				Local Co-ordina TVD Reference: MD Reference: North Reference Survey Calculati Database:	•:	Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db			
lanned Survey											
MD (usft)	inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	Easting (usft)	Northing (usft)	V. Sec (usft)	DLeg (°/100usft)	
15,300	0.0 90.11	179.28	9,679.3	5,963.3	-5,470.4	-393.9	803,344.15	580,751.93	5,483.02	0.01	
15,400	0.0 90.11	179.27	9,679.1	5,963.1	-5,570.4	-392.6	803,345.42	580,651.94	5,582.83	0.01	
15,500	0.0 90.11	179.25	9,678.9	5,962.9	-5,670.4	-391.3	803,346.71	580,551.95	5,682.65	0.01	
15,600	0.0 90.11	179.24	9,678.7	5,962.7	-5,770.4	-390.0	803,348.02	580,451.96	5,782.46	0.01	
15,700	0.0 90.11	179.23	9,678.5	5,962.5	-5,870.4	-388.7	803,349.36	580,351.97	5,882.27	0.01	
15,800	0.0 90.11	179.21	9,678.3	5,962.3	-5,970.4	-387.3	803,350.72	580,251.98	5,982.08	0.01	
15,900	0.0 90.11	179.20	9,678.1	5,962.1	-6,070.4	-385.9	803,352.11	580,151.99	6,081.89	0.01	
16,000	0.0 90.11	179.19	9,678.0	5,962.0	-6,170.3	-384.5	803,353.52	580,052.00	6,181.70	0.01	
16,100	0.0 90.1 1	179.17	9,677.8	5,961.8	-6,270.3	-383.1	803,354.95	579,952.01	6,281.50	0.01	
16,200	0.0 90.11	179.16	9,677.6	5,961.6	-6,370.3	-381.6	803,356.40	579,852.02	6,381.30	0.01	
16,300	0.0 90.11	179.15	9,677.4	5,961.4	-6,470.3	-380.1	803,357.88	579,752.03	6,481.11	0.01	
16,400	0.0 90.11	179.13	9,677.2	5,961.2	-6,570.3	-378.6	803,359.39	579,652.04	6,580.91	0.01	
16,500	0.0 90.11	179.12	9,677.0	5,961.0	-6,670.3	-377.1	803,360.91	579,552.05	6,680.71	0.01	
16,600	0.0 90.11	179.10	9,676.8	5,960.8	-6,770.3	-375.6	803,362.46	579,452.07	6,780.50	0.01	
16,700	0.0 90.11	179.09	9,676.6	5,960.6	-6,870.3	-374.0	803,364.04	579,352.08	6,880.30	0.01	
16,800	0.0 90.11	179.08	9,676.4	5,960.4	-6,970.3	-372.4	803,365.64	579,252.09	6,980.10	0.01	
16,900	0.0 90.11	179.06	9,676.2	5,960.2	-7,070.2	-370.8	803,367.26	579,152.10	7,079.89	0.01	
17,000	0.0 90.11	179.05	9,676.0	5,960.0	-7,170.2	-369.1	803,368.90	579,052.12	7,179.68	0.01	
17,100	0.0 90.11	179.04	9,675.8	5,959.8	-7,270.2	-367.5	803,370.57	578,952.13	7,279.47	0.01	
17,200	0.0 90.11	179.02	9,675.7	5,959.7	-7,370.2	-365.8	803,372.27	578,852.15	7,379.26	0.01	
17,300	0.0 90.11	179.01	9,675.5	5,959.5	-7,470.2	-364.0	803,373.98	578,752.16	7,479.05	0.01	
17,371	1.0 90.11	179.00	9,675.3	5,959.3	-7,541.2	-362.8	803.375.22	578,681,17	7,549.89	0.04	



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Morcor Engineering Morcor Standard Plan

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Company: Project: Site: Well: Wellbore: Design:	Caza Operating Eagleclaw 5-8 F Eagleclaw 5-8 F Eagleclaw 5-8 F Eagleclaw 5-8 F 181107 Eaglecla	ed Com 6H ed Com 6H ed Com 6H ed Com 6H	n 6H			TVD Re MD Re North I	Co-ordinate Reference: eference: ference: Reference: r Calculation Method: ise:	Well Eagleclaw 5-8 Fed Com 6H WELL @ 3716.0usft (Original Well Elev) WELL @ 3716.0usft (Original Well Elev) Grid Minimum Curvature EDM 5000.1 Single User Db
Casing Points	Measured	Vertical				Casing	Hole	
	Depth	Depth				Diameter	Diameter	
	(usft) 17,371.0	(usft) 9,675.3	5 1/0" Braduction Cooler	Name		(") 5-1/2	(°) 8-3/4	
	120.0	9,675.3	•			5-1/2 20	26	
	5,450.0	5,442.0				9-5/8	12-1/4	
	1,892.0) 13 3/8" Surface Casing			13-3/8	17-1/2	
Formations						·· <u>a</u> · <u>a</u> · <u>a</u> · <u>a·</u> <u>a·</u> <u>a·</u> <u>a·</u> <u>a·</u>		
	Measured Depth (usft)	Vertical Depth (usft)	Name		Lithology	Dip (°)	Dip Direction (°)	
	5,475.2	5,467.0	Delaware			0.00		
	3,410.0	3,410.0	Base of Salt			0.00		
	3,696.0	3,696.0	Yates			0.00		
	5,671.2	5,662.0	Cherry Canyon			0.00		
	6,350.0	6,337.0	Brushy Canyon			0.00		

0.00

0.00

0.00

0.00

0.00

8,107.0 Bone Spring

4,184.0 Capitan

1,867.0 Rustler

2,060.0 Top of Salt

9,549.0 1st Bone Spring

8,129.7

9,619.0

4,185.1

2,060.0

1,867.0





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Company:	Caza Operating LLC	Local Co-ordinate Reference:	Weil Eagleclaw 5-8 Fed Com 6H
Project:	Eagleclaw 5-8 Fed Com 6H	TVD Reference:	WELL @ 3716.0usft (Original Well Elev)
Site:	Eagleclaw 5-8 Fed Com 6H	MD Reference:	WELL @ 3716.0usft (Original Well Elev)
Well:	Eagleclaw 5-8 Fed Com 6H	North Reference:	Grid
Wellbore:	Eagleclaw 5-8 Fed Com 6H	Survey Calculation Method:	Minimum Curvature
Design:	181107 Eagleclaw 5-8 Fed Com 6H	Database:	EDM 5000.1 Single User Db

Plan Annotations

Measure	Verticai	Local Coor	dinates	
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
3,850	0 3,850.0	0.0	0.0	Start Build 3.00
4,050	.0 4,049.6	6.4	-8.3	Start 4950.0 hold at 4050.0 MD
9,000	.0 8,972.5	321.4	-418.8	Start Drop -3.00
9,200	.0 9,172.2	327.7	-427.1	Start 15.0 hold at 9200.0 MD
9,215	.0 9,187.2	327.7	-427.1	Start Build 11.41
10,005	0 9,689.5	-175.6	-427.1	Start DLS 0.01 TFO -90.00
17,371	0 9,675.3	-7,541.2	-362.8	TD at 17371.0

Checked By:

Approved By:

Date:

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