BURDER UP LAND MARAGEMENT     SUNDER YNOTCIES AND REPORTS ON WELLS     Do not use this form for proposals to drill or to re-enter an     abandonor dwill, use form if for proposals to drill or to re-enter an     abandonor dwill, use form if for proposals to drill or to re-enter an     abandonor dwill, use form if for proposals to drill or to re-enter an     abandonor dwill, use form if for proposals to drill or to re-enter an     abandonor dwill, use form if for proposals     if Indian, Allotte or Thito Name     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill, use form if for Adgreement, Name and or     abandonor dwill abandon     abandonor dwill abandonor     abandonor dwill abandonor     abandonor dwill abandonor     abandonor dwill abandonor     abandono	Form 3160-5 (August 2007)	DE	UNITED STATES EPARTMENT OF THE INTERIOR OCD Hobbs				FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010		
De not use this form for proposals to drill or to re-enfer an abandrond will, Use form 310-5 (APD) or such proposals.     SUBMIT IN TRIPLICATE - Other Instructions on reverse side.     Trype of Well     Go Well      Go Mell     Go Well      Go Mel				10		5. Lease Serial No.	ase Serial No.		
SUBMIT IN TRIPLICATE - Other Instructions on reverse side.       7. If Unit or CAVAgreement, Name and/or         1. Type of Well       © New of Openation       Contact: STAN WAGNER       B. Well Name and Nome MAWK 2000         2. OD Well Gas Well Other       Contact: STAN WAGNER       9. All Vell Name and Nome MAWK 2000         3. Address       Ph:: 432-486-3889       9. All Vell Name and Nome MAWK 2000         3. Address       Ph:: 432-486-3889       9. Fold and Polot 40. Exploratory WOLFCAMP         5. Bot 75 474 RANGE SWEE ODDRSL 1679FEL       MAY 2 7 2016       11. Compt Parith, and State         1. Caller K APPROPRIATE BOX(ES) TO INDICATE CENCE ENPORTICE, REPORT, OR OTHER DATA       TYPE OF SUBMISSION       I. Calling Repair         1. Other Caller       Address       Phice Barbon 2000       I. Caller K APPROPRIATE BOX(ES) TO INDICATE CENCE ENPORTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION       TYPE OF ACTION       IVPE OF ACTION       IVPE OF Caller Cal	Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.							or Tribe Name	
Construction in the number of the state state of the	abai	nuoneu wen	. 03e10111 3100-3 (AFI		sposais.				
<sup>1</sup> Other       HAME OF DEPART         2 House of Operator       Contact: STAN WAGNER       9. API Vel 1%         3 A Address       9. API Vel 1%       9. API Vel 1%         3 A Address       9. API Vel 1%       9. API Vel 1%         3 A Address       9. API Vel 1%       9. API Vel 1%         3 A Address       9. API Vel 1%       9. API Vel 1%         3 A Address       9. API Vel 1%       9. API Vel 1%         3 A Address       10. Field and Root of Exploratory       WOLFCAMP         3 A Address       10. Field and Root of Exploratory       WOLFCAMP         3 A Address       10. Centro of Exploratory       WOLFCAMP         3 A Address       11. Contany or Parish, and State       LEA COUNTY, NM         3 A Decide of Intent       Acticize       Decepta       Production (Statr/Resume)       Water Shar4         3 Subsequent Report       Convert to Ingiction       Plug and Abandon       Tomportal Abandon       Water Disposed or Complete Derivation (Statr/Resume)       Water Shar4         1 - Decepter Complete Derivation (Statr/Resume)       Convert to Ingiction       Plug and Abandon       Tomportal Abandon       Pup Optical Centre of Charge to Complete Derivation (Statr/Resume)       Water Shar4         1 - Decepter Complete Derivation (Statr/Resume)       Convert to Ingiction       Plug Back	SUE	MIT IN TRIP	LICATE - Other instruc	tions on reve	rse side.		7. If Unit or CA/Agree	ement, Name and/or No.	
A unit of Order     Contact: STAN WAGNER     Contact: Standing of the state state of contact: Standing of the velic.     Contact: STAN WAGNER     Contact: Standing of the state state of the state state of the state state of the state stat								08H	
3a. Address     MIDLAND, TX 79702     10. Field and hold or Explorationy     Will LAND, TX 79702     10. Field and hold or Explorationy     Will LAND, TX 79702     10. Field and hold or Explorationy     Will LAND, TX 79702     10. Field and hold or Explorationy     Will LAND, TX 79702     10. Field and hold or Explorationy     Will LAND, TX 79702     11. Country or Parish, and State     LEA COUNTY, NM     12. CHECK APPROPRIATE BOX(ES) TO INDICATE PLOYED TICE, REPORT, OR OTHER DATA     TYPE OF SUBMISSION     TYPE OF SUBMISSION     TYPE OF SUBMISSION     Address     Addres	2. Name of Operator		Contact:	STAN WAGNE	R	/	9. API Well No.	V	
MIDLAND, TX 79702       Ph: 432-686-3689       WOLFCAMP         4. Location of Well       (Postage, Sec. T. R. M. or Survey Decryption)       HOBBS COD         Sec 26 724S R33E SWSE 0500FSL 1679FEL       MAY 2 7 2016       I. County or Parish, and State         2.162569 N Lat, 103.359533 W Lon       MAY 2 7 2016       I. County or Parish, and State         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NECK POD TICE, REPORT, OR OTHER DATA       TYPE OF SUBMISSION       III. County or Parish, and State         13. Describe Poposed in the Casing       Practure Treat       Reclamation       Water Shu-C         13. Describe Poposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration for prime transfer and non following completion of the involved operation. If the operation results in a multiple completion or necompleted, and hendenden and the worked ad approximate duration there in the date in the date of the involved operation. If the operation results in a multiple completion or the worket ad approximate duration there in the date in the state is start for final inpection.         14. I hereby certify that the foregoing is true and correct.       Electronic State and amendment to our approved APD for this well to reflect a change in casing design and our intention to use a multi-bowl wellhead system in the drilling of the well.         Detailed information regarding the changes is attached.       Date Office USE         14. I hereby certify that the foregoing is true and correct.       Electronic Summission #332898 wurthe by the		S INCORPC	RATEDE-Mail: stan_wagn	er@eogresource	es.com				
4. Location of Well (Prootage, Sec. T. R. M. or Survey Description) Sec 28 T245 R33E SWSE GGOFSL 1879FEL     2. T182588 N Lat, 103.539533 W Lon     MAY 2.7 2016     11. Country or Parish, and State LEA COUNTY, NM     12. CHECK APPROPRIATE BOX(ES) TO INDICATE COUNTY CELL OF DICE, REPORT, OR OTHER DATA     TYPE OF ACTION     Outco of Intent     Actidize     Decepen     Production (Start/Resume)     Water Starc4     Gotter Teat     Reclamation     Well Integrit     Subsequent Report     Converted To Injection     Plug Back     Water Disposal     Converted To Injection     Plug Back     Well Difference of any proposed or Complete     Converted To Injection     Plug Back     Well Difference of any proposed or Complete     Converted To Injection     Torte of this water Disposal     Converted To Injection     Converted To						ie)		Exploratory	
See 28 724S R33E SWSE 0500FSL 1879FEL       MAY 2 7 2016         LEA COUNTY, NM         ILEA COUNTY, NM         INTER OF SUBMISSION         ITY CPE OF ACTION         OP Contraction Submission         Contract To Injection         IP Ing and Abandon         Interverted Ingenetics         IP Ing Back         Interverted Ingenetics			P. M. or Survey Description	н	BBS (	<del>DCD</del>	11 County or Parish	and State	
22.182588 N Lat, 103.539533 W Lon       MAY 2.7 2016         12. CHECK APPROPRIATE BOX(ES) TO INDICATE COLOR OF DEDICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION       TYPE OF ACTION         Bobsquent Report       Acidize       Deepen       Production (Start/Resume)       Water Start         Bobsquent Report       Casing Repair       New Construction       Recompilet       Other         Change Plans       Plug Back       Water Disposal       Other       Other         13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there       Other       Other         The proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there       Other       Other         It the proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there in the bood under which the work will be performed or provide the South South Biolow (South Biolow (South Biolow) (									
TYPE OF SUBMISSION       TYPE OF ACTION            Notice of Intent        Acidize        Deepen       Production (Start/Resume)       Water Shuf-G            Subsequent Report       Casing Repair       New Construction       Reclamation       Well Integrit            Subsequent Report       Casing Repair       New Construction       Recomplete       Connegted Origination of the properties of the processing of the processing of the properties of the processing of the processing of the properties of the processing the sections and measure and on the vertical deprice of all pertinent details, including completion of the work will be performed or provide the Bond No. on file with BLMBLA. Required bill of all pertinematers and and advertime of the processing or provide the Bond No. on file with BLMBLA. Required the site is read/to fall all before on provide the Bond No. on file with BLMBLA. Required the site is read/to fall all before on the test is an autiple of fall avience.            Electronic Submission #338389 verified by the BLM Well Information System For EOG RESOURCES (NEOGPORATED) sent to the Hobbs         Committed to a AMISS for processing by PRIGOLIAL PREPAICE on Bi/12/2016 (16KGR0007SE)             Ital end for the approximation on the size is additioned by the SILM PRICE on Bi/12/2016 (16KGR0007SE)             Mane (Printed/Typed) STAN WAGNER             Electronic Submission)            Bate Off/02/2016				٨	MAY 2720	)16	LEA COUNTY,		
Acidize       Deepen       Production (Start/Resume)       Water Start/         Subsequent Report       Casing Repair       New Construction       Reclamation       Will Integrit         Casing Repair       New Construction       Recomplete       Other Change Plans         Deepen directionally dependence on the integrit       Convert to Injection       Plug Back       Water Disposal         13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there in the proposal is to deepen directionally or recomplete borizontally give subsurface locations and measured and true reports shall be filed with a 30 dire with the work will be pertation clearly state all pertinent markers and zon Attach the Bond Moon of the work will be pertation in the bird on the work will be pertation in the bird on the work will be pertation in the bird on the morphetel.         EGG Resources requests and amendment to our approved APD for this well to reflect a change in casing design and our intention to use a multi-bowl wellhead system in the drilling of the well.         Detailed information regarding the changes is attached.         14. I hereby certify that the foregoing is true and correct.         Elsectronic Submission #338369 verified by the BLM Well information System For EGO RESOURCES INCOMACES INCOMAC	12. CH	IECK APPR	OPRIATE BOX(ES) TO	INDICATE	<b>AGREO</b>	<b>POT</b> ICE, F	REPORT, OR OTHE	R DATA	
Notice of Intent       Alter Casing       Fracture Treat       Reclamation       Well Integrit         Subsequent Report       Casing Repair       New Construction       Recomplete       Other Change to Orig PD         Image Plans       Plug and Abandon       Temporarily Abandon       Other Change to Orig PD       Other Change to Orig PD         Image Plans       Plug Back       Water Disposal       Other Change to Orig PD       Other Change to Orig PD         Image Plans       On the origon of the with Wile Performed or provide the Boal No. On file with BMPA. Required unbequent reports shall be filed only after all requirements, including reclamation, have been completed, and the operator have determined that the site is ready for final inspection.)       EOG Resources requests and amendment to our approved APD for this well to reflect a change in casing design and our intention to use a multi-bowl wellhead system in the drilling of the well.         Detailed information regarding the changes is attached.       For EOG RESOURCES INCOMPORATED, sent to the Hobbs For EOG RESOURCES INCOMPORATED, sent	TYPE OF SUBMI	SSION			TYPE	OF ACTION			
After Casing       Practure Treat       Reclamation       Well Integrit         G Subsequent Report       Casing Repair       New Construction       Recomplete       Change Plans         13. Describe Proposed or Completed Operation (clearly state all peritorent details, including estimated starting date of any proposed work and approximate duration there       Temporarily Abandon       Proposed or any proposed work and approximate duration there         13. Describe Proposed or Completed Operation (clearly state all peritorent details, including estimated starting date of any proposed work and approximate duration there       Temporarily Abandon         14. Describe Proposed or Completed Operation (clearly state all peritorent details, including estimated starting date of any proposed work and approximate duration there interval, a Form 310-4 stall be filed within 30 days       Temporarily Abandon         15. Describe Proposed or Completed Complete Distribution (State State	Notice of Intent		Acidize	Deepo	eepen 🗆 Produ		ction (Start/Resume)	UWater Shut-Off	
14. I hereby certify that the foregoing is true and correct.       Electronic Submission       Big and Abandon Cremporation System         14. I hereby certify that the foregoing is true and correct.       Electronic Submission #338369 verified by the BLM Well Information System       For EGO Resources requests and amenuted and the vertice of the well.         Detailed information regarding the changes is attached.       State of the well.       Detailed for Record Or System         14. I hereby certify that the foregoing is true and correct.       Electronic Submission #338369 verified by the BLM Well Information System         15. Detailed information regarding the changes is attached.       Detailed for Record Or System         14. I hereby certify that the foregoing is true and correct.       Electronic Submission #338369 verified by the BLM Well Information System         16. A state of a state of a state of the well.       Detailed information regarding the changes is attached.	1		□ Alter Casing	G Fractu	ire Treat	🗖 Reclar	nation	U Well Integrity	
I Find Abandonment Notice       Change Finds       I Fing and Abandon       I emportanty Abandon       PD         I Change Finds       Convert to Injection       Plug Back       Water Disposal         I3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there if the proposal is to deepen directionally or ecomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zon Attach the Boen completed or the work will be performed or provide the Bond No. on file with BIAMBIA. Required subsequent reports shall be filed within 30 days following completion or the involved operations. If the operation results in a multiple completion or recompleted, and the operator has determined that the site is ready for final inspection.)         EOG Resources requests and amement to our approved APD for this well to reflect a change in casing design and our intention to use a multi-bowl wellhead system in the drilling of the well.         Detailed information regarding the changes is attached.         I4. I hereby certify that the foregoing is true and correct.         Electronic Submission #338369 verified by the BLM Well Information System For EOG RESOURCES INCORPORATED, sent to the Hobbs         Committed to AFMSS for processing by PRISCLLA PEREZ on 05/18/2016 (IstKGR0007SE)         Name (Printed/Typed)       STAN WAGNER         Title       REGULATORY ANALYST         Signature       (Electronic Submission)       Date 05/04/2016         Date       05/04				and the second second				Change to Original A	
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measure and true vertical depths of all pertinent markers and zon Attack the Bond under which the work will be performed or provide the Bond No. on file will BLM/BIA. Required and the vertical depths of all pertinent markers and zon Attack the Benc completed in the work will be performed or provide the Bond No. on file will BLM/BIA. Required absequent reports shall be filed on stressing has been completed, and the operator has determined that the ait is sready for final inspection.)         EOG Resources requests and amendment to our approved APD for this well to reflect a change in casing design and our intention to use a multi-bowl wellhead system in the drilling of the well.         Detailed information regarding the changes is attached.         14. 1 hereby certify that the foregoing is true and correct.         Electronic Submission #338369 verified by the BLM Well information System For EOG RESOURCES INCORPORATED, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 05/18/2168 (16KGR0007SE).         Name (Printed Typed)       STAN WAGNER         Title       REGULATORY ANALYST         Signature       (Electronic Submission)         Date       05/04/2016         THIS SPACE FOR FEDERAL OR STATE OFFICE USE         Approved By	Final Abandonme	ent Notice							
If the proposal is to deepen directionally or recomplete borizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zon Attach the Bond wald which we observe the period be period to the porvide the Bond No. on file will BLM/BIA. Required subsequent toports shall be filed on testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) EGG Resources requests and amendment Notice shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) EGG Resources requests and amendment Notice shall be filed only after all requirements, including reclamation System (as a multi-boow) wellhead system in the drilling of the well. Detailed information regarding the changes is attached.  If thereby certify that the foregoing is true and correct. Electronic Submission #338369 verified by the BLM Well information System For EOG RESOURCES INCOMPORATED, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 05/18/2016 (16KGR0007SE). Name (Printed/Typed) STAN WAGNER Electronic Submission Date 05/04/2016 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved By		- St						and the start of the	
Committed to AFMSS for processing by PRIS CILLA PEREZ on 05/18/2016 (16KGR0007SE)         Name (Printed/Typed)       STAN WAGNER       Title       REGULATORY ANALYST         Signature       (Electronic Submission)       Date       05/04/2016         THIS SPACE FOR FEDERAL OR STATE OFFICE USE         Approved By       Title       Account of this notice does not warrant or sertify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.       Office       Account of the statements or representations as to any matter within its jurisdiction.       Account of the statement or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.       Account of the states any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	casing design and Detailed information	our intentior	n to use a multi-bowl well the changes is attached the changes is attached	head system in	n the drilling o	of the well.	on System		
Signature       (Electronic Submission)       Date       05/04/2016         THIS SPACE FOR FEDERAL OR STATE OFFICE USE         Approved By       Title       Accounted for Record Only         Conditions of approval, if any, are attached. Approval of this notice does not warrant or retrify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.       Office         Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.       Variant		Comn							
Approved By	Name (Printed/Typed)	STAN WAG	GNER		Title REGU	JLATORY AI	NALYST		
Approved By	Signature	(Electronic S	ubmission)		Date 05/04	/2016	14 Mar 19 19		
Approved By       Title       Date         Conditions of approval, if any, are attached. Approval of this notice does not warrant or sertify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.       Account of the applicant for a provide the applicant to conduct operations thereon.       Date         Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.       Office			THIS SPACE FO	OR FEDERAL	OR STAT	E OFFICE	JSE		
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office Offi						Accost	ed for Record	only	
which would entitle the applicant to conduct operations thereon. Office Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	Approved By			+	Title				
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	ertify that the applicant ho	lds legal or equi	table title to those rights in the		Office	Arees	ed & Recrn	d Only	
I/ n/	Title 18 U.S.C. Section 100 States any false, fictitious	1 and Title 43 U or fraudulent st	J.S.C. Section 1212, make it a atements or representations as	crime for any pers to any matter with	on knowingly a nin its jurisdictio	nd willfully to 1	nake to any department or	agency of the United	
** BLM REVISED **						M DEVICE		D** KK	

## 1. GEOLOGIC NAME OF SURFACE FORMATION: Permian

## 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

D	1 2103
Rustler	1,218'
Top of Salt	1,710'
Base of Salt / Top Anhydrite	5,000'
Base Anhydrite	5,248'
Lamar	5,248'
Bell Canyon	5,279'
Cherry Canyon	6,273'
Brushy Canyon	7,725'
Bone Spring Lime	9,250'
1 <sup>st</sup> Bone Spring Sand	10,220'
2 <sup>nd</sup> Bone Spring Lime	10,670'
2 <sup>nd</sup> Bone Spring Sand	10,940'
3 <sup>rd</sup> Bone Spring Lime	11,360'
3 <sup>rd</sup> Bone Spring Sand	11,960'
Wolfcamp	12,300'
TD	12,500'

# 3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	0-400'	Fresh Water
Cherry Canyon	6,273'	Oil
Brushy Canyon	7,725'	Oil
Bone Spring Lime	9,250'	Oil
1st Bone Spring Sand	10,220'	Oil
2 <sup>nd</sup> Bone Spring Lime	10,670'	Oil
2 <sup>nd</sup> Bone Spring Sand	10,940'	Oil
3rd Bone Spring Lime	11,360'	Oil
3rd Bone Spring Sand	11,960'	Oil
Wolfcamp	12,300'	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 10.75" casing at 1,300' and circulating cement back to surface.

1.

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF <sub>min</sub> Collapse	DF <sub>min</sub> Burst	DF <sub>min</sub> Tension
14.75"	0 - 1,300'	10.75"	40.5#	J55	STC	1.125	1.25	1.60
9.875"	0-8,000'	7.625"	29.7#	HCP-110	LTC	1.125	1.25	1.60
8.75"	8,000' - 11,400'	7.625"	29.7#	HCP-110	Ultra FJ	1.125	1.25	1.60
6.75"	0'-17,818'	5.5"	23#	HCP-110	ULT SFII	1.125	1.25	1.60

## 4. CASING PROGRAM - NEW

Variance is requested to wave the centralizer requirements for the 7-5/8" FJ casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation. Centralizers will be placed in the 9-7/8" hole interval at least one every third joint.

Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

Depth	No. Sacks	Wt. ppg	Yld Ft <sup>3</sup> /ft	Mix Water Gal/sk	Slurry Description
10-3/4" 1,300	700	13.5	1.73	9.13	Class C + 4.0% Bentonite + $0.6\%$ CD- $32 + 0.5\%$ CaCl <sub>2</sub> + $0.25$ lb/sk Cello-Flake (TOC @ Surface)
	300	14.8	1.34	6.34	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
7-5/8"	780	9.0	2.86	11.14	D195 LiteFill (Beads) + 0.50% Retarder + D046 Antifoam
11,400'	525	13.5	1.55	7.47	50:50 Class H:Poz + 0.10% D065 + 0.20% D112 + 10% D154 + 2.0% D174 + 0.40% D800
5-1/2" 17,818'	575	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17

#### **Cementing Program:**

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

#### 5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line).

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 5000/250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

#### 6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal.

The applicable depths and properties of the drilling fluid systems are as follows.

Depth	Туре	Weight (ppg)	Viscosity	Water Loss
0 - 1,300'	Fresh - Gel	8.6-8.8	28-34	N/c
1,300' - 11,400'	Brine	8.8-10.0	28-34	N/c
11,400' - 17,818'	Oil Base	10.0-11.5	58-68	3 - 6
Lateral				

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

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

#### 7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- (A) A kelly cock will be kept in the drill string at all times.
- (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) H<sub>2</sub>S monitoring and detection equipment will be utilized from surface casing point to TD.

#### 8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logs are not planned for this well.

GR-CCL Will be run in cased hole during completions phase of operations.

# 9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:

The estimated bottom-hole temperature (BHT) at TD is 170 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7475 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major loss circulation zones have been reported in offsetting wells.

#### **10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:**

The drilling operation should be finished in approximately one month. If the well is productive, an additional 60-90 days will be required for completion and testing before a decision is made to install permanent facilities.

#### 11. WELLHEAD:

A multi-bowl wellhead system will be utilized.

After running the 10-3/4" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi pressure test. This pressure test will be repeated at least every 30 days, as per Onshore Order No. 2

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 5000 psi.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

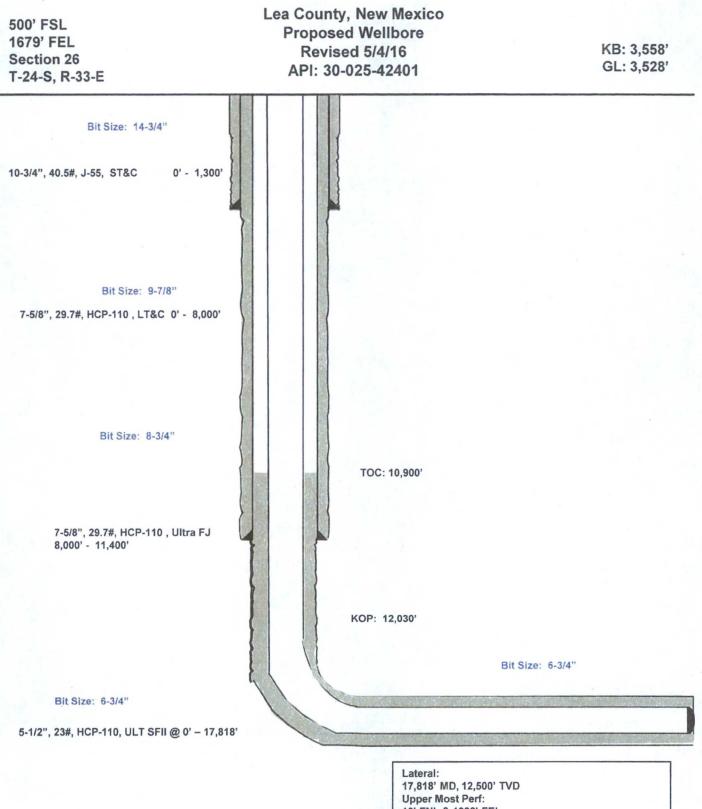
All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi. Prior to running the intermediate casing, the rams will be changed out to accommodate the 7-5/8" casing. The bonnet seals will be tested to 1500 psi. After installing the intermediate casing the casing rams will be removed and replaced with variable bore rams. The remaining BOPE will not be retested after installing the intermediate casing.

Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

Wellhead drawing Attached.

## Hawk 26 Fed #708H



Opper Most Perr: 10' FNL & 1388' FEL Lower Most Perf: 330' FSL & 1394' FEL BH Location: 230' FSL & 1394' FEL Section 35 T-24-S, R-33-E

