7 Form 3160-5 (August 2007)	UNITED STAT DEPARTMENT OF THE BUREAU OF LAND MAN	INTERIOR	OCD obbs	FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No.			
Do l aban	SUNDRY NOTICES AND REP not use this form for proposals a adoned well. Use form 3160-3 (A	ORTS ON WELLS to drill or to re-enter an PD) for such proposals.	S OCD	6. If Indian, Allottee or	Tribe Name		
SUBI	MIT IN TRIPLICATE - Other instr	uctions on reverse side. 2	7 2016	7. If Unit or CA/Agreet	ment, Name and/or No.		
<ol> <li>Type of Well</li> <li>Oil Well Gas</li> </ol>	Well 🗖 Other	RECI	EIVED	8. Well Name and No. ENDURANCE 36 S	STATE COM 702H -		
2. Name of Operator EOG RESOURCES	Contact:			9. API Well No. 30-025-43019			
3a. Address P.O. BOX 2267 MIDLAND, TX 797	, 702	3b. Phone No. (include area Ph: 432-686-3689	code)	10. Field and Pool, or F WC-025 S26332			
	ootage, Sec., T., R., M., or Survey Descripti E Mer NMP SENE 850FSL 360FEL			11. County or Parish, a LEA COUNTY, N			
12. CH	ECK APPROPRIATE BOX(ES)	TO INDICATE NATURE	OF NOTICE, RI	EPORT, OR OTHER	R DATA		
TYPE OF SUBMIS	SSION	TYP	E OF ACTION				
<ul> <li>Notice of Intent</li> <li>Subsequent Report</li> <li>Final Abandonme</li> </ul>		<ul> <li>Deepen</li> <li>Fracture Treat</li> <li>New Construction</li> <li>Plug and Abando</li> <li>n</li> <li>Plug Back</li> </ul>	n Reclam	blete arily Abandon	<ul> <li>Water Shut-Off</li> <li>Well Integrity</li> <li>Other</li> <li>Change to Original A</li> <li>PD</li> </ul>		
Attach the Bond under following completion of testing has been complet determined that the site EOG Resources re design and BHL as Change BHL from	<ul> <li>epen directionally or recomplete horizontal which the work will be performed or provious of the involved operations. If the operation eted. Final Abandonment Notices shall be is ready for final inspection.)</li> <li>equests an amendment to our appresent attached.</li> <li>230 FNL &amp; 630 FEL 25-26S-33E T</li> </ul>	de the Bond No. on file with BLN results in a multiple completion o filed only after all requirements, i oved APD for this well to re O: 230 FNL & 991 FEL 25-	1/BIA. Required su r recompletion in a ncluding reclamatio flect a change ir 26S-33E ATTACH	bsequent reports shall be new interval, a Form 316 n, have been completed, a n casing	filed within 30 days )-4 shall be filed once and the operator has		
Name (Printed/Typed)	Electronic Submission For EOC Committed to AFMSS for	#357144 verified by the BLN RESOURCES, INC., sent to processing by DEBORAH I Title RE	the Hobbs	08/2016 ()	$\square$		
Signature	(Electronic Submission)	Date 11/	07/2016	APPROVE			
	THIS SPACE	FOR FEDERAL OR STA	TE OFFICE U	SE	hal		
certify that the applicant hole which would entitle the appl Title 18 U.S.C. Section 1001	ny, are attached. Approval of this notice do ds legal or equitable title to those rights in licant to conduct operations thereon. 1 and Title 43 U.S.C. Section 1212, make i or fraudulent statements or representations	the subject lease Office	y and willfully to ma	DEC 1 2 2016 ALOF LAND MANAY RLSBAD FIELD OFFIC ake to any department or a	Date ENV agency of the United		
*1	* OPERATOR-SUBMITTED **	OPERATOR-SUBMITTE	ED ** OPERAT	OR-SUBMITTED	Ka		

### 1. GEOLOGIC NAME OF SURFACE FORMATION: Permian

## 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	840'
Top of Salt	1,210'
Base of Salt / Top Anhydrite	5,056'
Base Anhydrite	5,300'
Lamar	5,300°
Bell Canyon	5,324°
Cherry Canyon	6,350°
Brushy Canyon	7,990°
Bone Spring Lime	9,480 <sup>°</sup>
1 <sup>st</sup> Bone Spring Sand	10,275 <sup>°</sup>
2 <sup>nd</sup> Bone Spring Carb	10,540'
2 <sup>nd</sup> Bone Spring Sand	10,974'
3 <sup>rd</sup> Bone Spring Carb	11,500'
3 <sup>rd</sup> Bone Spring Sand	12,100'
Wolfcamp	12,480'
TD	12,710'

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

Upper Permian Sands	0-400'	Fresh Water
Cherry Canyon	6,350'	Oil
Brushy Canyon	7,990'	Oil
1st Bone Spring Sand	10,275'	Oil
2 <sup>nd</sup> Bone Spring Carb	10,540'	Oil
2 <sup>nd</sup> Bone Spring Sand	10,974'	Oil
3rd Bone Spring Carb	11,500'	Oil
3rd Bone Spring Sand	12,100'	Oil
Wolfcamp	12,480'	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 925' and circulating cement back to surface.

1.

### 4. CASING PROGRAM - NEW

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"	0-925'	10.75"	40.5#	J55	STC	1.125	1.25	1.60
8.75"	0'-11,600'	7.625"	29.7#	HCP-110	FlushMax III	1.125	1.25	1.60
6.75"	0'-11,100'	5.5"	23#	HCP-110	VAM Top HT	1.125	1.25	1.60
6.75"	11,100`-20,037`	5.5"	23#	HCP-110	VAM SG	1.125	1.25	1.60

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.

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" 925'	400	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)
	200	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"	250	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2
11,600'	2000	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2
	550	14.4	1.20	4.81	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P
5-1/2" 20,037'	890	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 11,100')

### **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 3500/ 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 3500/250 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
0-925'	Fresh - Gel	8.6-8.8	28-34	N/c
925' - 11,600'	Brine	8.8-10.0	28-34	N/c
11,600' - 20,037'	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 182 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7600 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. Severe loss circulation is expected from 7,300' to Intermediate casing point.

### **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, the pre-welded Stream Flo 11" FBD100 wellhead will be run in the casing string and landed on the 20" Conductor. BOPE will be nippled up and tested, immediately after rigging down cement crew, with no WOC time as the weight of casing/BOPE is supported by the Conductor. No pipe will be run in the hole until cement reaches a minimum compressive strength of 500 psi at the shoe.

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

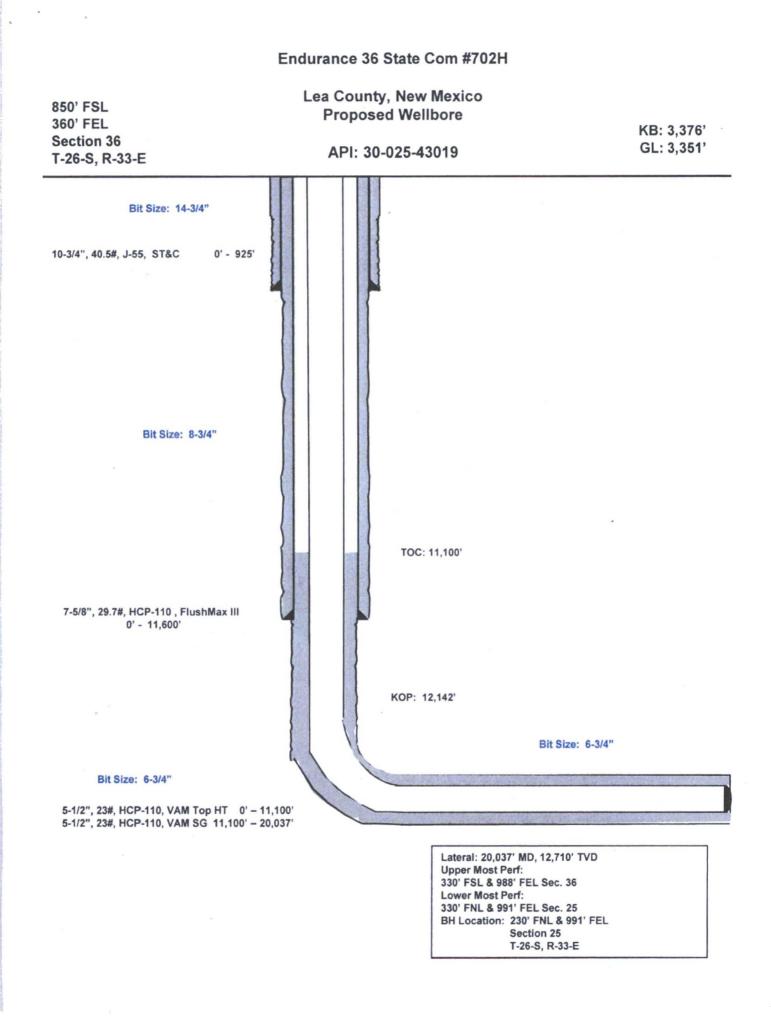
The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 5000 psi.

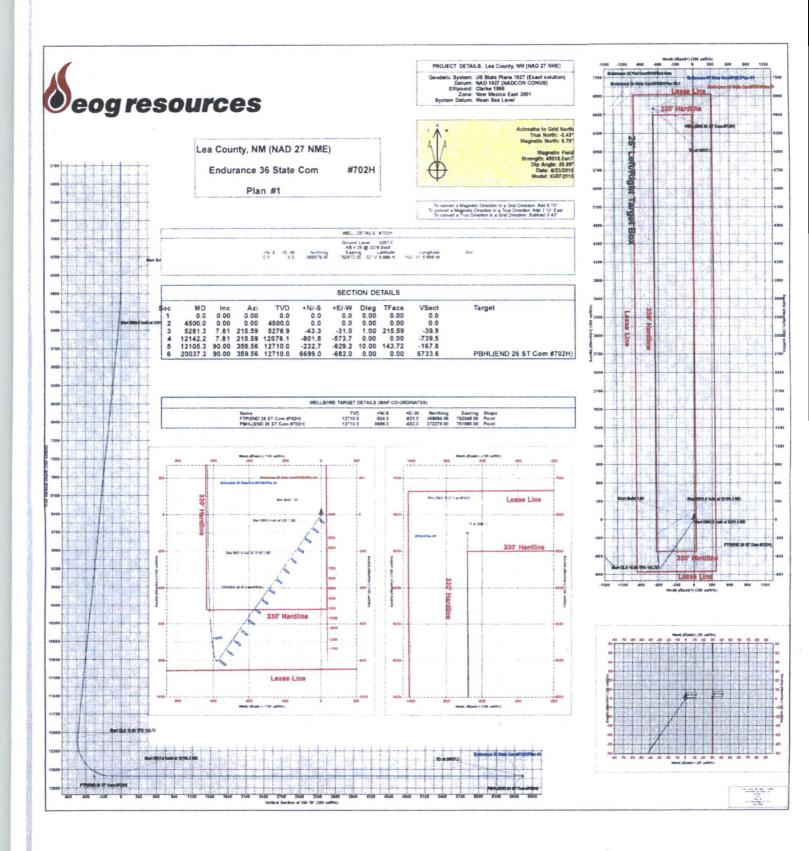
The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

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.







# **EOG Resources - Midland**

Lea County, NM (NAD 27 NME) Endurance 36 State Com #702H

OH

Plan: Plan #1

# **Standard Planning Report**

07 November, 2016

eog re	sourc	ces		Planning Re	eport				
Database: Company: Project: Site: Vell: Vellbore: Design:	EOG Resor Lea County	1 Single User Db urces - Midland r, NM (NAD 27 N 36 State Com		TVD Refer MD Refer North Ref	ance:		Well #702H KB = 25 @ 3 KB = 25 @ 3 Grid Minimum Cu	376.0usft	
Project	Lea County,	NM (NAD 27 NM	E)						
Map System: Geo Datum: Map Zone:		ne 1927 (Exact so ADCON CONUS) East 3001		System Dat	tum:		Mean Sea Lev	el	÷
Site	Endurance 3	36 State Com	1 1			<del>ala ber milala</del>	and a standard and the		
Site Position: From: Position Uncertainty	Мар	0.0 usft	Northing: Easting: Slot Radius:		.036.00 usft .506.00 usft 13-3/16 "	Latitude: Longitude Grid Conv			32° 0′ 3.760 1 103° 31' 42.470 V 0.43
Well	#702H		1 62						
Well Position Position Uncertainty	+N/-S +E/-W	543.0 usft 3,166.0 usft 0.0 usft	Northing: Easting: Wellhead Elev	vation:	365,579.0 752,672.0 0.	0 usft	Latitude: Longitude: Ground Level:		32° 0' 8.898 103° 31' 5.659 \ 3,351.0 us
Wellbore	ОН						· · · · · · · · · · · · · · · · · · ·		
Magnetics	Model N	lame	Sample Date	Declina (°)	tion	D	lip Angle (°)	Fle	ld Strength (nT)
	K	GRF2015	6/23/2015		7.13		59.8	9	48,016
Design Audit Notes:	Plan #1								
Version:			Phase:	PLAN	т	e On Depth	:	0.0	
Vertical Section:		(u	rom (TVD) sft) ).0	+N/-S (usft) 0.0	(	E/-W usft) 0.0		(°) 354.19	
•									and the first of the second

(usft)	(°)	(°)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)	(*)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,281.3	7.81	215.59	5,278.9	-43.3	-31.0	1.00	1,00	0.00	215.59	
12,142.2	7,81	215.59	12,076.1	-801.8	-573.7	0.00	0.00	0.00	0.00	
13,105.3	90.00	359.56	12.710.0	-232.7	-629.2	10.00	8.53	14.95	143.72	
20,037.2	90.00	359.56	12,710.0	6,699.0	-682.0	0.00	0.00	0.00	0.00	PBHL(END 26 ST Co



Planning Report

TVD Reference:

MD Reference: North Reference:

Local Co-ordinate Reference:

Survey Calculation Method:

Well #702H

Grid

KB = 25 @ 3376.0usft KB = 25 @ 3376.0usft

Minimum Curvature

Database:	EDM 5000.1 Single User Db
Company:	EOG Resources - Midland
Project:	Lea County, NM (NAD 27 NME)
Site:	Endurance 36 State Com
Well:	#702H
Wellbore:	OH
Design:	Plan #1

### Planned Survey

						Sig and the		15 States	
Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)
0.0		0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0		0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0		0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0		0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0		0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0		0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0		0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0			800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0		0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0		0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0		0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0		0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0		0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0		0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0		0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2.300.0		0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0		0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0		0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0		0.00	2,600.0		0.0	0.0	0.00	0.00	0.00
2,700.0		0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0		0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0		0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0		0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0		0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500,0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0		0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0		0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0		0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0		0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0		0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0		0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0		0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0		0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0		0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0		215.59	4,600.0	-0.7	-0.5	-0.7	1.00	1.00	0.00
4,700.0		215.59	4,700.0	-2.8	-2.0	-2.6	1.00	1.00	0.00
4,800.0		215.59	4,799.9	-6.4	-4.6	-5.9	1.00	1.00	0.00
4,900.0	4.00	215.59	4,899.7	-11.4	-8.1	-10.5	1.00	1.00	0.00
5,000.0		215.59	4,999.4	-17.7	-12.7	-16.4	1.00	1.00	0.00
5,100.0		215.59	5,098.9	-25,5	-18.3	-23.5	1.00	1.00	0.00
5,200.0		215.59	5,198.3	-34.7	-24.9	-32.0	1.00	1.00	0.00
5,281.3	3 7.81	215.59	5,278.9	-43.3	-31.0	-39.9	1.00	1.00	0.00

11/7/2016 9:27:00AM

COMPASS 5000.1 Build 78



Planning Report

TVD Reference:

MD Reference:

North Reference: Survey Calculation Method:

Local Co-ordinate Reference:

Well #702H

Grid

KB = 25 @ 3376.0usft

KB = 25 @ 3376.0usft

Minimum Curvature

Database:	EDM 5000.1 Single User Db
Company:	EOG Resources - Midland
Project:	Lea County, NM (NAD 27 NME)
Site:	Endurance 36 State Com
Well:	#702H
Wellbore:	OH
Design:	Plan #1

#### Plann

ned Survey									
Measured Depth	Inclination	Animath	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(usft)	Inclination (°)	Azimuth (°)	(usft)	+N/-S (usft)	+E/-W (usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
5,300.0	7.81	215.59	5,297.4	-45.3	-32.4	-41.8	0.00	0.00	0.00
5,400.0	7.81	215.59	5,396,5	-56.4	-40.3	-52.0	0.00	0.00	0.00
5,500.0	7.81	215.59	5,495.6	-67.4	-48.3	-62.2	0.00	0.00	0.00
5,600.0	7.81	215.59	5,594.6	-78.5	-56.2	-72.4	0.00	0.00	0.00
5,700.0	7.81	215.59	5,693.7	-89.5	-64.1	-82.6	0.00	0.00	0.00
									0.00
5,800.0	7.81	215.59	5,792.8	-100.6	-72.0	-92.8	0.00	0.00	0.00
5,900.0	7.81	215.59	5.891.8	-111.7	-79.9	-103.0	0.00	0.00	0.00
6,000.0	7.81	215.59	5,990.9	-122.7	-87.8	-113.2	0.00	0.00	0.00
6,100.0	7.81	215.59	6,090.0	-133.8	-95.7	-123.4	0.00	0.00	0.00
6,200.0	7.81	215.59	6,189.1	-144.8	-103.6	-133.6	0.00	0.00	0.00
6,300.0	7.81	215.59	6,288.1	-155.9	-111.5	-143.8	0.00	0.00	0.00
6,300.0	7.01	215.59	0,200.1	-100.9	-111.5	-143.0	0.00	0.00	
6,400.0	7.81	215.59	6,387.2	-166.9	-119.5	-154.0	0.00	0.00	0.00
6,500.0	7.81	215.59	6,486.3	-178.0	-127.4	-164.2	0.00	0.00	0.00
6,600.0	7.81	215.59	6,585.3	-189.0	-135.3	-174.4	0.00	0.00	0.00
6,700.0	7.81	215.59	6,684.4	-200.1	-143.2	-184.6	0.00	0.00	0.00
							0.00	0.00	0.00
6,800.0	7.81	215.59	6,783.5	-211.2	-151.1	-194.8	0.00	0.00	0.00
6,900.0	7.81	215,59	6.882.6	-222.2	-159.0	-205.0	0.00	0.00	0.00
7,000.0	7.81	215.59	6,981,6	-233.3	-166.9	-215.2	0.00	0.00	0.00
7,100.0	7.81	215.59	7,080.7	-244.3	-174.8	-225.4	0.00	0.00	0.00
7,200.0	7.81	215.59	7,179.8	-255.4	-182.7	-235.6	0.00	0.00	0.00
7,200.0									
7,300.0	7.81	215.59	7,278.8	-266.4	-190.7	-245.8	0.00	0.00	0.00
7,400.0	7.81	215.59	7,377.9	-277.5	-198.6	-256.0	0.00	0.00	0.00
7,500.0	7.81	215.59	7,477.0	-288.5	-206.5	-266.2	0.00	0.00	0.00
7,600.0	7.81	215.59	7,576.1	-299.6	-214.4	-276.3	0.00	0.00	0.00
	7.81	215.59	7,675.1	-310.7		-286.5	0.00	0.00	0.00
7,700.0					-222.3				
7,800.0	7.81	215.59	7,774.2	-321.7	-230.2	-296.7	0.00	0.00	0.00
7,900.0	7.81	215.59	7,873.3	-332.8	-238.1	-306.9	0.00	0.00	0.00
8,000.0	7.81	215.59	7,972.3	-343.8	-246.0	-317.1	0.00	0.00	0.00
8,100.0	7.81	215.59	8,071.4	-354.9	-253.9	-327.3	0.00	0.00	0.00
8,200.0	7.81	215.59	8,170.5	-365.9	-261.9	-337.5	0.00	0.00	0.00
8,300.0	7.81	215,59	8,269.6	-377.0	-269.8	-347.7	0.00	0.00	0.00
8,400.0	7,81	215.59	8,368.6	-388.0	-277.7	-357.9	0.00	0.00	0.00
8,500.0	7.81	215.59	8,467.7	-399.1	-285.6	-368.1	0,00	0.00	0.00
8,600.0	7.81	215.59	8,566.8	-410.2	-293.5	-378.3	0.00	0.00	0.00
8,700.0	7.81	215.59	8,665.8	-421.2	-301.4	-388.5	0.00	0.00	0.00
						-398.7		0.00	
8,800.0	7.81	215.59	8,764.9	-432.3	-309.3	-390./	0.00	0.00	0.00
8,900.0	7.81	215.59	8,864.0	-443.3	-317.2	-408.9	0.00	0.00	0.00
9,000.0	7.81	215.59	8,963,1	-454.4	-325.1	-419.1	0.00	0.00	0.00
9,100.0	7.81	215.59	9,062.1	-465.4	-333.1	-429.3	0.00	0.00	0.00
9,200.0	7.81	215.59	9,161.2	-476.5	-341.0	-439.5	0.00	0.00	0.00
9,300.0	7.81	215.59	9,260.3	-487.5	-348.9	-449.7	0.00	0.00	0.00
9,300.0	7.01	210.00	0,200.3	-407.0	-340.9	-443./	0.00	0.00	0.00
9,400.0	7.81	215.59	9,359.3	-498.6	-356.8	-459.9	0.00	0.00	0.00
9,500.0	7.81	215.59	9,458.4	-509.7	-364.7	-470.1	0.00	0.00	0.00
9,600.0	7.81	215.59	9,557.5	-520.7	-372.6	-480.3	0.00	0.00	0.00
9,700.0	7.81	215.59	9,656.6	-531.8	-380.5	-490.5	0.00	0.00	0.00
9,800.0	7.81	215.59	9,755.6	-542.8	-388.4	-500.7	0.00	0.00	0.00
3,000.0	1.01	210.00	0,100,0	-542.0		-000,1	0.00	0.00	0.00
9,900.0	7.81	215.59	9,854.7	-553.9	-396.3	-510.9	0.00	0.00	0.00
10.000.0	7.81	215.59	9,953.8	-564.9	-404.3	-521 1	0.00	0.00	0.00
10,100.0	7.81	215.59	10,052.8	-576.0	-412.2	-531.3	0.00	0.00	0.00
10,200.0	7.81	215.59	10,151.9	-587.1	-420.1	-541.5	0.00	0.00	0.00
10.300.0	7.81		10,251.0	-598.1	-428.0	-551.7	0.00	0.00	0.00
10,300.0	7.01	215.59	10,251.0	-390.1	-420.U	-551.7	0.00	0.00	0.00
10,400.0	7.81	215.59	10,350.1	-609.2	-435.9	-561.9	0.00	0.00	0.00
10,500.0	7.81	215.59	10,449.1	-620.2	-443.8	-572.1	0.00	0.00	0.00
10,600.0	7.81	215.59	10 548.2	-631.3	-451.7	-582.3	0.00	0.00	0.00

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10,600.0

7.81

215.59

10,548.2

-451.7

-582.3

0.00

0.00

0.00 COMPASS 5000.1 Build 78



Planning Report

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well #702H
Company:	EOG Resources - Midland	TVD Reference:	KB = 25 @ 3376.0ust
Project:	Lea County, NM (NAD 27 NME)	MD Reference:	KB = 25 @ 3376.0us
Site:	Endurance 36 State Com	North Reference:	Grid
Well:	#702H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

### Planned Survey

Design:

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4

			Vertical			Vertical	Dogleg	Build	Turn
Depth (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (*/100usft)	Rate (°/100usft)	Rate (°/100usft)
10.700.0	7.81	215.59	10,647.3	-642.3	-459.6	-592.5	0.00	0.00	0.00
10.800.0	7.81	215.59	10,746.3	-653.4	-467.5	-602.7	0.00	0.00	0.00
10,900.0	7.81	215.59	10,845.4	-664.4	-475.5	-612.9	0.00	0.00	0.00
11,000.0	7.81	215.59	10,944.5	-675.5	-483.4	-623.1	0.00	0.00	0.00
11,100.0	7.81	215.59	11,043.6	-686.6	-491.3	-633.3	0.00	0.00	0.00
11,200.0	7.81	215.59	11,142.6	-697.6	-499.2	-643.5	0.00	0.00	0.00
11.300.0	7.81	215.59	11,241.7	-708.7	-507.1	-653.7	0.00	0.00	0.00
11,400.0	7.81	215.59	11,340.8	-719.7	-515.0	-663.9	0.00	0.00	0.00
11,500.0	7.81	215.59	11,439.8	-730.8	-522.9	-674.1	0.00	0.00	0.00
11,600.0	7.81	215.59	11,538.9	-741.8	-530.8	-684.3	0.00	0.00	0 00
11,700.0	7.81	215.59	11,638.0	-752.9	-538.7	-694.4	0.00	0.00	0.00
11.800.0	7.81	215.59	11,737.1	-763.9	-546.7	-704.6	0.00	0.00	0.00
11,900.0	7.81	215.59	11,836.1	-775.0	-554.6	-714.8	0.00	0.00	0.00
12,000.0	7.81	215.59	11,935.2	-786.1	-562.5	-725.0	0.00	0.00	0.00
12,100.0	7.81	215.59	12,034.3	-797.1	-570.4	-735.2	0.00	0.00	0.00
12,142.2	7.81	215.59	12,076.1	-801.8	-573.7	-739.5	0.00	0.00	0.00
12,150.0	7.20	219.26	12,083.8	-802.6	-574.3	-740.3	10.00	-7.87	47.24
12.200.0	4.64	262.95	12,133.6	-805.3	-578.3	-742.5	10.00	-5.11	87.37
12,250.0	6.42	313.72	12,183.4	-803.6	-582.4	-740.5	10.00	3.55	101.54
12,300.0	10.52	333.81	12,232.8	-797.5	-586.4	-734.1	10.00	8.21	40.18
12,350.0	15.17	342.25	12,281.6	-787.2	-590.4	-723.4	10.00	9.30	16.88
12,400.0	19.98	346 74	12,329.2	-772.7	-594.4	-708.5	10.00	9.63	8.99
12,450.0	24.87	349.54	12,375.4	-754.0	-598.2	-689.5	10.00	9.77	5.59
12,500.0	29.79	351.46	12,419.8	-731.4	-602.0	-666.6	10.00	9.84	3.85
12,550.0	34.74	352.88	12,462.1	-704.9	-605.6	-640.0	10.00	9.89	2.84
12,600.0	39.69	353.98	12,501.9	-674.9	-609.1	-609.7	10.00	9.91	2.21
12,650.0	44.65	354.88	12,538.9	-641.5	-612.3	-576.2	10.00	9.93	1.79
12,700.0	49.62	355.63	12,572.9	-605.0	-615.3	-539.5	10.00	9.94	1.50
12,750.0	54.60	356.28	12,603.6	~565.6	-618.1	-500.1	10.00	9.95	1.29
12,800.0	59.57	356.85	12,630.8	-523.7	-620.6	-458.2	10.00	9.95	1.14
12,837.0	63.26	357.23	12.648.5	-491.3	-622.3	-425.8	10.00	9.96	1.04
12,850.0	6 ST Com #702H) 64.55	357.36	12,654.2	-479.6	-622.8	-414.1	10.00	9.96	1.00
12,900.0	69.53 74.52	357.84 358.28	12,673.7 12,689.1	-433.6	-624.8 -626.4	-368.1	10.00	9.96 9.96	0.95
12,950.0 13,000.0	79.50	358.28	12.009.1	-337.4	-627.6	-272.1	10.00	9.90	0.85
13,000.0	84.48	359.12	12,700.4	-337.4	-628.6	-222.8	10.00	9.97	0.82
13,100.0	89.47	359.52	12,710.0	-238.0	-629.2	-173.1	10.00	9.97	0.81
13,105.3	90,00	359.56	12,710.0	-232.7	-629.2	-167.8	10.00	9.97	0.80
13,200.0	90.00	359.56	12.710.0	-138.0	-629.9	-73.5	0.00	0.00	0.00
13,300.0	90.00	359.56	12,710.0	-38.1	-630.7	26.0	0.00	0.00	0.00
13,400.0	90.00	359.56	12,710.0	61.9	-631.5	125.6	0.00	0.00	0.00
13,500.0	90.00	359.56	12,710.0	161.9	-632.2	225.1	0.00	0.00	0.00
13,600.0	90.00	359.56	12,710.0	261.9	-633.0	324.7	0.00	0.00	0.00
13,700.0	90.00	359.56	12,710.0	361.9	-633.7	424.3	0.00	0.00	0.00
13,800.0	90.00	359.56	12,710.0	461.9	-634.5	523.8	0.00	0.00	0.00
13,900.0	90.00	359.56	12,710.0	561.9	-635.3	623.4	0.00	0.00	0.00
14,000.0	90.00	359.56	12,710.0	661.9	-636.0	722.9	0.00	0.00	0.00
14,100.0	90.00	359.56	12,710.0	761.9	-636.8	822.5	0.00	0.00	0.00
14,200.0	90.00	359.56	12,710.0	861.9	-637.6	922.1	0.00	0.00	0.00
14,300.0	90.00	359.56	12,710.0	961.9	-638.3	1.021.6	0.00	0.00	0.00
14,400.0	90.00	359 56	12,710.0	1,061.9	-639.1	1,121.2	0.00	0.00	0.00
14,500.0	90.00	359.56	12,710.0	1,161.9	-639.8	1,220.7	0.00	0.00	0.00

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COMPASS 5000.1 Build 78



Planning Report

TVD Reference:

MD Reference:

North Reference:

Local Co-ordinate Reference:

Survey Calculation Method:

Well #702H

Grid

KB = 25 @ 3376.0usft

KB = 25 @ 3376.0usft

Minimum Curvature

EDM 5000.1 Single User Db
EOG Resources - Midland
Lea County, NM (NAD 27 NME)
Endurance 36 State Com
#702H
OH
Plan #1

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Planne	lanned Survey									
	Measured ·			Vertical			Vertical	Dogleg	Build	Turn
	Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
	(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
	14,600.0	90.00	359.56	12.710.0	1,261.9	-640.6	1,320.3	0.00	0.00	0.00
	14,700.0	90.00	359.56	12,710.0	1,361.9	-641.4	1.419.9	0.00	0.00	0.00
	14.800.0	90.00	359.56	12,710.0	1.461.9	-642.1	1,519.4	0.00	0.00	0.00
	14,900.0	90.00	359.56	12,710.0	1,561.9	-642.9	1,619.0	0.00	0.00	0.00
	15,000.0	90.00	359.56	12.710.0	1.661.9	-643.6	1,718.5	0.00	0.00	0.00
	15,100.0	90.00	359.56	12,710.0	1,761.9	-644.4	1,818.1	0.00	0.00	0.00
	15,200.0	90.00	359.56	12,710.0	1,861.9	-645.2	1,917.7	0.00	0.00	0.00
	15,300.0	90.00	359.56	12,710.0	1,961.9	-645.9	2,017.2	0.00	0.00	0.00
	15,400.0	90.00	359.56	12,710.0	2,061.9	-646.7	2,116.8	0.00	0.00	0.00
	15,500.0	90.00	359.56	12,710.0	2,161.9	-647.5	2,216.3	0.00	0.00	0.00
	15,600.0	90.00	359.56	12,710.0	2,261.9	-648.2	2,315.9	0.00	0.00	0.00
	15,700.0	90.00	359.56	12,710.0	2,361.9	-649.0	2.415.5	0.00	0.00	0.00
	15,800.0	90.00	359.56	12,710.0	2,461.9	-649.7	2,515.0	0.00	0.00	0.00
	15,900.0	90.00	359.56	12,710.0	2,561.9	-650.5	2,614.6	0.00	0.00	0.00
	16.000.0	90.00	359.56	12.710.0	2,661.9	-651.3	2,714.1	0.00	0.00	0.00
	16,100.0	90.00	359.56	12,710.0	2,761,9	-652.0	2,813.7	0.00	0.00	0.00
	16,200.0	90.00	359.56	12,710.0	2,861.9	-652.8	2,913.3	0.00	0.00	0.00
	16,300.0	90.00	359.56	12,710.0	2,961.9	-653.5	3.012.8	0.00	0.00	0.00
	16,400.0	90.00	359.56	12,710.0	3,061.9	-654.3	3.112.4	0.00	0.00	0.00
	16.500.0	90.00	359.56	12,710.0	3,161.9	-655.1	3,211.9	0.00	0.00	0.00
	16,600.0	90.00	359.56	12,710.0	3,261.9	-655.8	3,311.5	0.00	0.00	0.00
	16,700.0	90.00	359.56	12,710.0	3,361.9	-656.6	3.411.1	0.00	0.00	0.00
	16,800.0	90.00	359.56	12,710.0	3,461.8	-657.4	3,510.6	0.00	0.00	0.00
	16,900.0	90.00	359.56	12,710.0	3,561.8	-658.1	3,610.2	0.00	0.00	0.00
	17,000.0	90.00	359.56	12,710.0	3,661.8	-658.9	3,709.7	0.00	0.00	0.00
	17,100.0	90.00	359.56	12,710.0	3,761.8	-659.6	3,809.3	0.00	0.00	0.00
	17,200.0	90.00	359.56	12,710.0	3,861.8	-660.4	3,908.9	0.00	0.00	0.00
	17,300.0	90.00	359.56	12,710.0	3,961.8	-661.2	4,008.4	0.00	0.00	0.00
	17,400.0	90.00	359.56	12,710.0	4,061.8	-661.9	4,108.0	0.00	0.00	0.00
	17,500.0	90.00	359.56	12.710.0	4,161.8	-662.7	4,207.5	0.00	0.00	0.00
	17,600.0	90.00	359.56	12,710.0	4,261.8	-663.4	4,307.1	0.00	0.00	0.00
	17,700.0	90.00	359.56	12,710.0	4,361.8	-664.2	4,406.7	0.00	0.00	0.00
	17,800.0	90.00	359.56	12,710.0	4,461.8	-665.0	4,506.2	0.00	0.00	0.00
	17,900.0	90.00	359.56	12,710.0	4,561.8	-665.7	4,605.8	0.00	0.00	0.00
	18,000.0	90.00	359.56	12,710.0	4,661.8	-666.5	4,705.3	0.00	0.00	0.00
	18,100.0	90.00	359.56	12,710.0	4,761.8	-667.2	4.804.9	0.00	0.00	0.00
	18,200.0	90.00	359.56	12,710.0	4,861.8	-668.0	4,904.5	0.00	0.00	0.00
	18,300.0	90.00	359.56	12,710.0	4,961.8	-668.8	5,004.0	0.00	0.00	0.00
	18,400.0	90.00	359.56	12,710.0	5,061.8	-669.5	5.103.6	0.00	0.00	0.00
	18,500.0	90.00	359.56	12,710.0	5,161.8	-670.3	5.203.1	0.00	0.00	0.00
	18,600.0	90.00	359.56	12,710.0	5,261.8	-671.1	5,302.7	0.00	0.00	0.00
	18,700.0	90.00	359.56	12,710.0	5,361.8	-671.8	5,402.3	0.00	0.00	0.00
	18,800.0	90.00	359.56	12,710.0	5,461.8	-672.6	5,501.8	0.00	0.00	0.00
	18,900.0	90.00	359.56	12,710.0	5,561.8	-673.3	5,601.4	0.00	0.00	0.00
	19,000.0	90.00	359.56	12,710.0	5,661.8	-674.1	5,700.9	0.00	0.00	0.00
	19,100.0	90.00	359.56	12,710.0	5,761.8	-674.9	5,800.5	0.00	0.00	0.00
	19,200.0	90.00	359.56	12.710.0	5,861.8	-675.6	5,900.1	0.00	0.00	0.00
	19,300.0	90.00	359.56	12,710.0	5,961.8	-676.4	5,999.6	0.00	0.00	0.00
	19,400.0	90.00	359.56	12,710.0	6,061.8	-677.1	6,099.2	0.00	0.00	0.00
	19,500.0	90.00	359.56	12,710.0	6,161.8	-677.9	6,198.7	0.00	0.00	0.00
	19,600.0	90.00	359.56	12,710.0	6,261.8	-678.7	6.298.3	0.00	0.00	0.00
	19,700.0	90.00	359.56	12,710.0	6,361.8	-679.4	6.397.9	0.00	0.00	0.00
	19,800.0	90.00	359.56	12,710.0	6,461.8	-680.2	6,497.4	0.00	0.00	0.00
	19,900.0	90.00	359.56	12,710.0	6,561.8	-681.0	6,597.0	0.00	0.00	0.00
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COMPASS 5000.1 Build 78



Planning Report

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Well #702H
Company:	EOG Resources - Midland	TVD Reference:	KB = 25 @ 3376.0usft
Project:	Lea County, NM (NAD 27 NME)	MD Reference:	KB = 25 @ 3376.0usft
Site:	Endurance 36 State Com	North Reference:	Grid
Well:	#702H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan #1		

### Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
20,000.0	90.00	359.56	12,710.0	6,661.8	-681.7	6,696.5	0.00	0.00	0.00
20.037.2	90.00	359,56	12,710,0	6,699,0	-682.0	6,733.6	0.00	0.00	0.00

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL(END 26 ST Com ; - plan hits target cente - Point	0.00 er	0.00	12.710.0	6,699.0	-682.0	372,278.00	751,990.00	32° 1' 15.241 N	103° 31' 12.993 W
FTP(END 26 ST Com #7 - plan misses target c - Point	0.00 enter by 69.7		12.710.0 7.0usft MD (	-524.0 12648.5 TVD.	-623.0 -491.3 N -622	365,055.00 2.3 E)	752,049.00	32° 0' 3.759 N	103° 31' 12.939 W

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ai One		ion Data Sheet	. ł	Date	1-000-1
One Corp	Connect	on Data Sheet	•	Rev.	N-0
ļ	4	Make up loss			
CLEAR STREAM	1		Dira Par-Sila		
		q			
-	Pin critic			Box critical are	a
			1		
Dine Dest					
Pipe Body Grade		Imperial		<u>S.I.</u>	
Pipe OD ( D	\ \	P110	im	P110	
	/	7 5/8	in	193.68	mm
Weight	6	29.7	Ib/ft	44.25	kg/m
Actual weigh		29.0	Ib/ft	43.26	kg/m
Wall thickness Pipe ID ( d )		0.375	in	9.53	mm
			in	174.63	mm
Pipe body cro Drift Dia.	oss section	8.537	in <sup>2</sup>	5,508	mm <sup>2</sup>
Drift Dia.		6.750	in	171.45	mm
Connection					
Box OD (W		7.625	in	193.68	mm
PIN ID	/	6.875	in	174.63	mm
Pin critical an	ea	4.420	in <sup>2</sup>	2,852	mm <sup>2</sup>
Box critical a		4.424	in <sup>2</sup>	2,854	mm <sup>2</sup>
Joint load eff		60	1n %	60	%
Make up loss		3.040	in 70	77.22	mm
				in per ft )	1 11111
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Thread taper Number of th Connection Tensile Yield M.I.Y.P. Collapse stre Note	Performance load	563.4 7,574 5,350	psi psi	52.2 36.9	MPa
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# PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	EOG Resources, Inc.
LEASE NO.:	NMNM122622
WELL NAME & NO.:	Endurance 36 State Com 702H
SURFACE HOLE FOOTAGE:	850'/S & 360'/E
BOTTOM HOLE FOOTAGE	230'/N & 630/E sec 25
LOCATION:	Section 36, T.26 S., R.33 E., NMPM
COUNTY:	Lea County, New Mexico

## The original COAs still stand with the following drilling modifications:

# I. DRILLING

### A. DRILLING OPERATIONS 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)
  - **Lea County**

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

- 1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delaware** 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.**
- 2. Option Setting surface casing with Surface Rig
  - a. Notify the BLM when removing the Surface Rig.
  - b. Notify the BLM when moving in the Primary Drilling Rig. Rig to be moved in within 60 days of notification that Surface Rig has left the location. Failure to notify or have rig on location within 60 days will result in an Incident of Non-Compliance.

- c. Once the Primary Drilling Rig is on location, it shall not be removed from over the hole without prior approval unless the production casing has been run and cemented or the well has been properly plugged. If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.
- d. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as Primary Rig is rigged up on well. CIT for the surface casing shall be performed and results recorded on subsequent sundry – pressure to be 1200 psi.
- 3. 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 is located, this does not include the dog house or stairway area.
- 4. 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.

### **B.** 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.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

### Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <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. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE.

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.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

### **Risks:**

Possibility of Water Flows in the Castile and in the Salado Possibility of Lost Circulation in the Rustler, in the Red Beds and in the Delaware Abnormal pressures may be encountered upon penetrating the 3<sup>rd</sup> Bone Spring Sandstones and the Wolfcamp Formation.

- 1. The 10-3/4 inch surface casing shall be set at approximately 925 feet (in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet 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 is to include the lead cement slurry.
  - 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.

Formation below the 10-3/4 inch shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

2. The minimum required fill of cement behind the 7-5/8 inch intermediate is:

Cement to surface. If cement does not circulate see B.1.a, c-d above.

Formation below the 7-5/8 inch shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

3. The minimum required fill of cement behind the 5 1/2 inch production casing is:

4. 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.

### C. 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 53.
- 2. Variance approved to use flex line from BOP to choke manifold. 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. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).
- 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.
   5M 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. (Installation of 10,000 WP Double Ram and 5000 WP Annular, only will test to a 5M system.)

Cement should tie-back at least **500** feet into previous casing string. Operator shall provide method of verification.

- 4. 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. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
  - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
  - d. The results of the test shall be reported to the appropriate BLM office.
  - e. 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.
  - f. 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.
  - g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the 3<sup>rd</sup> Bone Springs 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.

### D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the  $3^{rd}$  Bone Springs and Wolfcamp formation, and shall be used until production casing is run and cemented.

Proposed mud weight may not be adequate for drilling through 3<sup>rd</sup> Bone Springs and Wolfcamp.

### E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

### F. 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.

### JAM 121216