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

.

.

### 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	911'	
Top of Salt Base of Salt / Top Anhydrite Base Anhydrite	1,307' 4,033' 5,379'	HOBBS OCD
Lamar Bell Canyon	5,379' 5,422'	SEP 1 1 2017
Cherry Canyon Brushy Canyon	6,410' 7,829'	RECEIVED
Bone Spring Lime	9,494'	
1 <sup>st</sup> Bone Spring Sand 2 <sup>nd</sup> Bone Spring Shale	10,521' 10,745'	
3 <sup>rd</sup> Bone Spring Carb	11,610'	
3 <sup>rd</sup> Bone Spring Sand Wolfcamp TD	12,135' 12,612' 12,764'	
3 <sup>rd</sup> Bone Spring Sand Wolfcamp	12,135' 12,612'	

Water

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

0-400'	Fresh
6,410'	Oil
7,829'	Oil
10,521'	Oil
10,745'	Oil
11,068'	Oil
11,610'	Oil
12,135'	Oil
12,612'	Oil
	6,410' 7,829' 10,521' 10,745' 11,068' 11,610' 12,135'

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 935' and circulating cement back to surface.

Hole		Csg				DFmin	DFmin	$\mathbf{DF}_{\min}$
Size	Interval	OD	Weight	Grade	Conn	Collapse	Burst	Tension
14.75"	0-935'	10.75"	40.5#	J55	STC	1.125	1.25	1.60
9.875"	0 - 1,000'	7.625"	29.7#	HCP-	LTC	1.125	1.25	1.60
				110				
9.875"	1,000' -	7.625"	29.7#	P-110EC	SLIJ II	1.125	1.25	1.60
	3,000'				P			
8.75"	3,000' - 11,700'	7.625"	29.7#	HCP-	FlushMax III	1.125	1.25	1.60
				110				
6.75"	0'-11,200'	5.5"	20#	P-110EC	DWC/C-IS	1.125	1.25	1.60
					MS			
6.75"	11,200'-17,531'	5.5"	20#	P-110EC	VAM SFC	1.125	1.25	1.60

#### 4. CASING PROGRAM - NEW

5

.

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" 935'	325	13.5	1.73	9.13	Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% $CaCl_2$ + 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" 11,700'	250	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead (TOC @ Surface)
	2000	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead
	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 pumped Conventionally
5-1/2" 17,531'	850	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 @ 11,200')

#### **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:

ы

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.

Depth	Туре	Weight (ppg)	Viscosity	Water Loss
0 - 935'	Fresh - Gel	8.6-8.8	28-34	N/c
935' - 11,700'	Brine	8.8-10.0	28-34	N/c
11,700' - 17,531'	Oil Base	10.0-14.0	58-68	3 - 6
Lateral				

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

The highest mud weight needed to balance formation is expected to be 11.5 ppg. In order to maintain hole stability, mud weights up to 14.0 ppg may be utilized.

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 181 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7632 psig (based on 11.5 ppg MW). 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.

(A)EOG Resources requests the option to contract a Surface Rig to drill, set surface casing, and cement on the subject well. If the timing between rigs is such that EOG Resources would not be able to preset the surface, the Primary Rig will MIRU and drill the well in its entirety per the APD.

#### **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.

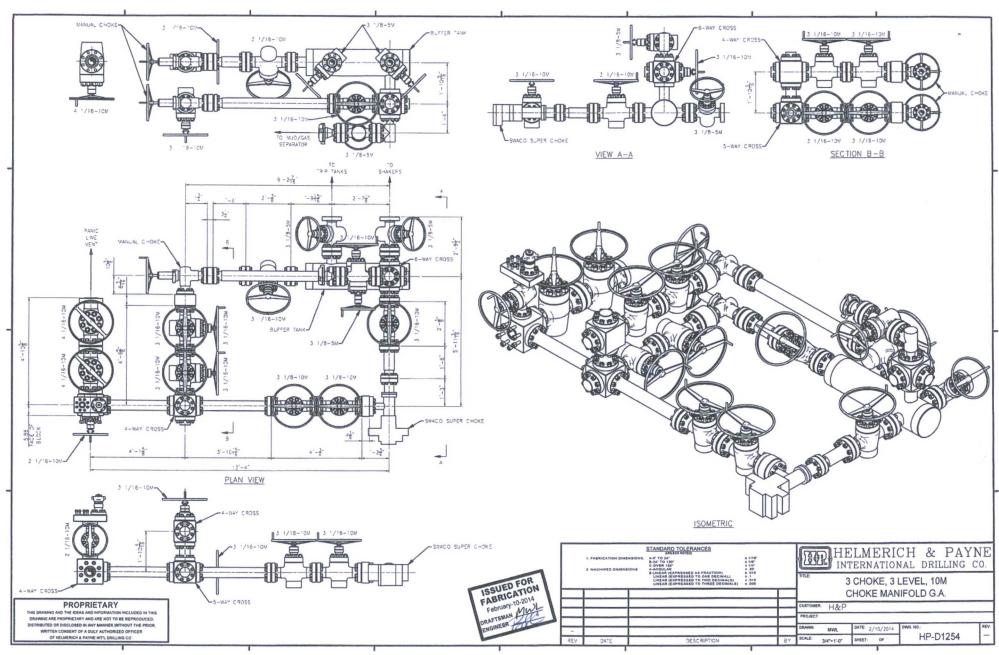
The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

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

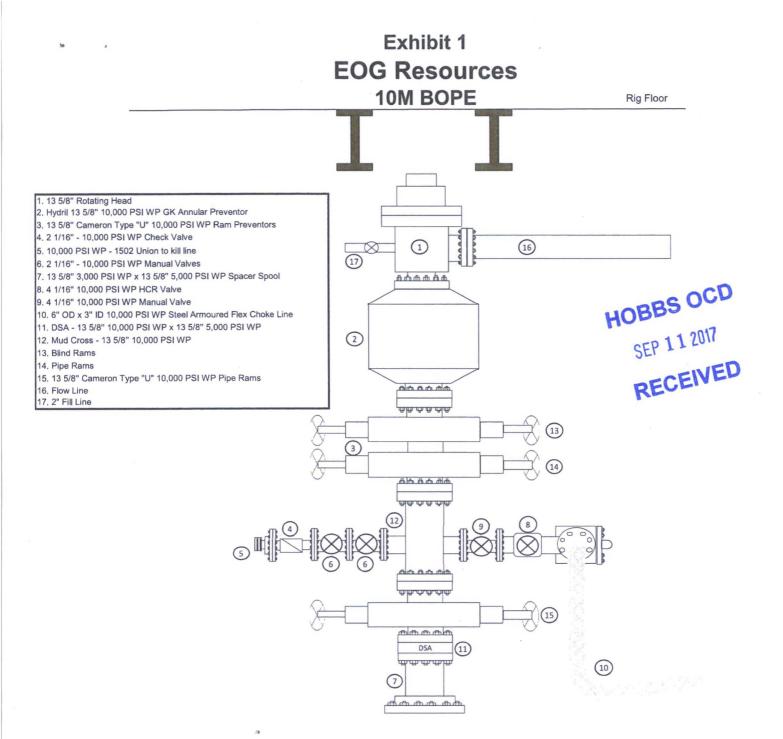
All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

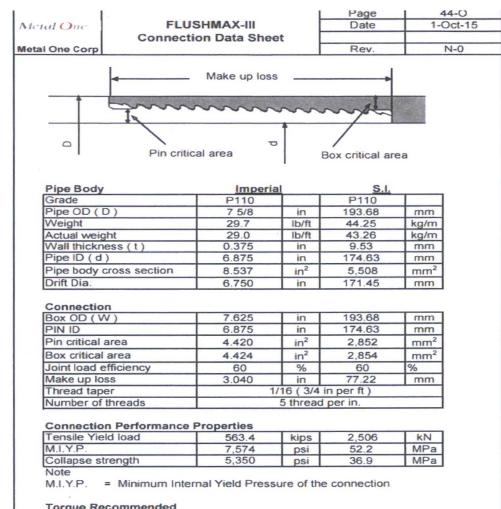
A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

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.



-





Min.	8,700	ft-lb	11,700	N-m
Opti.	9,700	ft-lb	13,100	N-m
Max.	10,700	ft-lb	14,500	N-m
Operational Max.	23.600	ft-lb	32,000	N-m

#### Issued on: 24 Jan. 2017



	ict Auto Manite 4	S. Pinter S. S. L.			March Meles Long
OD	Weight	Wall Th.	Grade	API Drift	Connection
7 5/8 in.	29.70 lb/ft	0.375 in.	VM 110 HC	6.750 in.	VAM® SLIJ-II

PIPE PROPER	<b>FIES</b>
Nominal OD	7.625 in.
Nominal ID	6.875 in.
Nominal Cross Section Area	8.541 sqin.
Grade Type	High Collapse
Min. Yield Strength	110 ksi
Max. Yield Strength	140 ksi
Min. Ultimate Tensile Strength	125 ksi

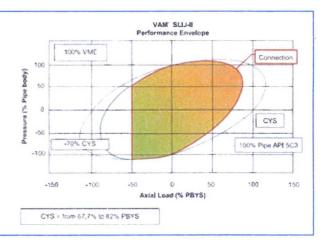
CONNECTION PROPERTIES							
Connection Type	Premium integral semi-flush						
Connection OD (nom)	7.711 in.						
Connection ID (nom)	6.820 in.						
Make-up Loss	4.822 in.						
Critical Cross Section	5.912 sqin.						
Tension Efficiency	69.2 % of pipe						
Compression Efficiency	48.5 % of pipe						
Internal Pressure Efficiency	100 % of pipe						
External Pressure Efficiency	100 % of pipe						

CONNECTION PERFORMANCES							
Tensile Yield Strength	651	klb					
Compression Resistance	455	klb					
Internal Yield Pressure	9470	psi					
Uniaxial Collapse Pressure	7890	psi					
Max. Bending Capacity	TDB						
Max Bending with Sealability	20	°/100 ft					

FIELD TORQUE VA	ALUES
Min. Make-up torque	11300 ft.lb
Opti. Make-up torque	12600 ft.lb
Max. Make-up torque	13900 ft.lb

**VAM® SLIJ-II** is a semi-flush integral premium connection for all casing applications. It combines a near flush design with high performances in tension, compression and gas sealability.

VAM® SLIJ-II has been validated according to the most stringent tests protocols, and has an excellent performance history in the world's most prolific HPHT wells.



Do you need help on this product? - Remember no one knows VAM® like VAM

canada@vamfieldservice.com usa@vamfieldservice.com mexico@vamfieldservice.com brazil@vamfieldservice.com uk@vamfieldservice.com dubal@vamfieldservice.com nigeria@vamfieldservice.com angola@vamfieldservice.com

baku@vamfieldservice.com singapore@vamfieldservice.com australia@vamfieldservice.com

china@vamfieldservice.com

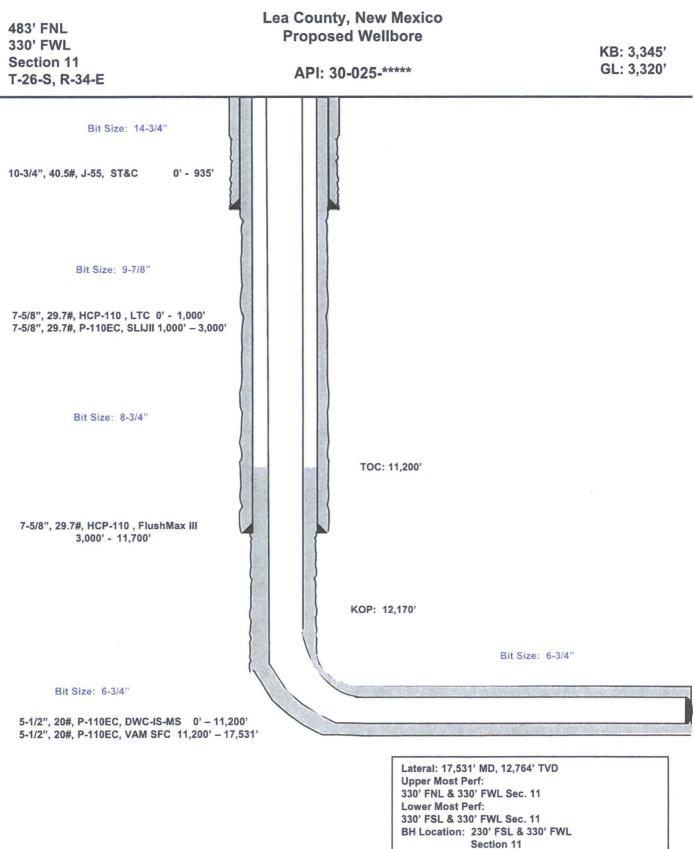
Over 140 VAM® Specialists available worldwide 24/7 for Rig Site Assistance

Other Connection Data Sheets are available at www.vamservices.com



Vallourec Group

#### Topaz 11 Fed #701H



T-26-S, R-34-E

Manufacturer: Midwest Hose & Specialty

Serial Number: SN#90067

Length: 35'

Size: OD = 8" ID = 4"

Ends: Flanges Size: 4-1/16"

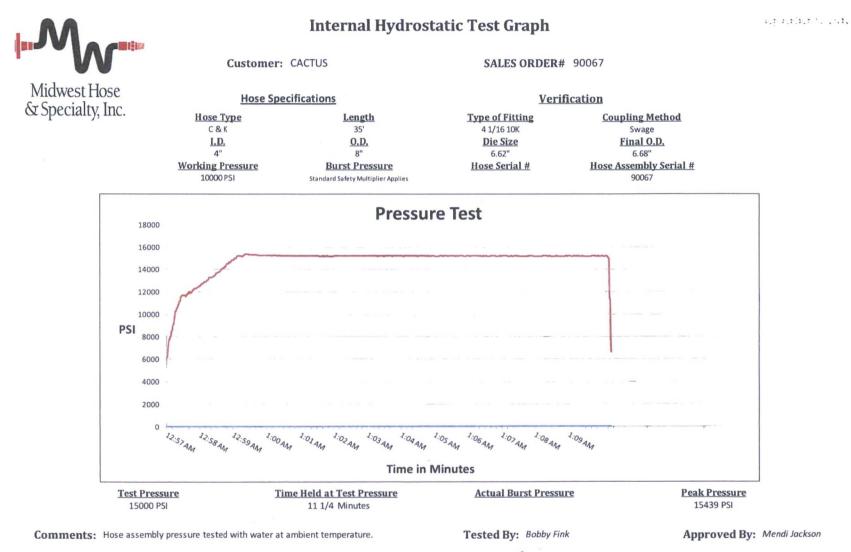
WP Rating: 10,000 psi Anchors required by manfacturer: No

# MIDWEST

.

## HOSE AND SPECIALTY INC.

IN	<b>FERNAL</b>	HYDROST	ATIC TEST	REPOR	Г		
Customer:				P.O. Numb	Br:		
CACTUS				<b>RIG #123</b>			
				Asset # M	10761		
		HOSE SPECI	ICATIONS				
Туре: С	HOKE LIN	E		Length:	35'		
I.D.	4"	INCHES	O.D.	8"	INC	HES	
WORKING PR	ESSURE	TEST PRESSUR	E	BURST PRES	SURE		
10,000	PSI	15,000	PSI			PSI	
	1	COUP	LINGS				
Type of En 4	d Fitting 1/16 10K F						
Type of Co	upling:		MANUFACTU	RED BY			
	WEDGED		MIDWEST HOS	SE & SPECIA	LTY		
		PROC	EDURE				
н	ose assembl	, pressure tested w	ith water at embler	t temperatura			
		TEST PRESSURE		URST PRESSU	RE:		
<b>W</b> ir	1	MIN.			0	PSI	
COMMENTS: SN#90067 M10761 Hose is covered with stainless steel armour cover and wraped with fire resistant vermiculite coated fiberglass insulation rated for 1500 degrees complete with lifting eyes							
Date:	6/2011	Tested By: BOBBY FINK	group complet	Approved: MENDI J		NC	



Souly 26

x Mendi Jackson