Form 3160 -3 (March 2012)

UNITED STATES

FORM APPROVED OMB No. 1004-0137 Expires October 31, 2014

Lease Serial No.

	DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT										
	APPLICATION FOR PERMIT TO DRILL OR REENTER										
APPLICATION FOR PERMIT TO E	THILL ON	REENIER		- Allen							
la. Type of work: DRILL REENTE	R			7. If Unit or CA Agre GAUCHO / NMNM	eement, Name and No.						
lb. Type of Well: Oil Well Gas Well Other	✓ Sin	gle Zone Multip	le Zone	8. Lease Name and Well No. (30863) GAUCHO UNIT 82H							
2. Name of Operator DEVON ENERGY PRODUCTION COM		(5177)	A	9. API Well No.							
	3b. Phone No. (405)552-6	(include area code) 571		10. Field and Pool, or WC-025 G-06 S22	Exploratory (97922) 3421L; BONE SPRING						
 Location of Well (Report location clearly and in accordance with any At surface NWNW / 313 FNL / 486 FWL / LAT 32.383591 			A STATE OF THE PARTY OF THE PAR	11. Sec., T. R. M. or B							
At proposed prod. zone SWSW / 330 FSL / 380 FWL / LAT 3	At surface WWW / 313 FNL / 450 FWL / LAT 32.3533913 / LONG -103.4994451 SEC 20 / T22S / R34E / NMP At proposed prod. zone SWSW / 330 FSL / 380 FWL / LAT 32.3563273 / LONG -103.4994451										
4. Distance in miles and direction from nearest town or post office*				12. County or Parish LEA	13. State NM						
5. Distance from proposed* location to nearest 313 feet property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of ac 960	cres in lease	17. Spacin 320	g Unit dedicated to this	well						
8. Distance from proposed location* to nearest well, drilling, completed, 175 feet applied for, on this lease, ft.	19. Proposed	Depth / 21126 feet	20. BLM/I	BIA Bond No. on file							
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3472 feet	22. Approxim	nate date work will star	t*	23. Estimated duration 45 days	n						
	24. Attac	hments									
he following, completed in accordance with the requirements of Onshore	Oil and Gas	Order No.1, must be at	tached to th	is form:							
Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System I SUPO must be filed with the appropriate Forest Service Office).	ands, the	Item 20 above). 5. Operator certific	ation		existing bond on file (see						
5. Signature (Electronic Submission)		(Printed/Typed) cca Deal / Ph: (405)228-8429	9	Date 01/03/2017						
itle Regulatory Compliance Professional											
approved by (Signature) (Electronic Submission)		(Printed/Typed) Layton / Ph: (575)2	34-5959		Date 10/31/2017						
itle Supervisor Multiple Resources	Office HOBE	3S			60						
application approval does not warrant or certify that the applicant holds conduct operations thereon. Conditions of approval, if any, are attached.	legal or equit	able title to those right	ts in the sub	ject lease which would o	entitle the applicant to						
Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cri- states any false, fictitious or fraudulent statements or representations as to			villfully to n	nake to any department of	or agency of the United						
(Continued on page 2)				*(Inst	tructions on page 2)						

APPROVED WITH CONDITIONS

11/08/17 HOBBS OCD

NOV 0 6 2017

RECEIVED

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 1: 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 well, 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 directionally 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.

NOTICES

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.S.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 well 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 will 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 collects this information to allow 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 Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

Additional Operator Remarks

Location of Well

1. SHL: NWNW / 313 FNL / 486 FWL / TWSP: 22S / RANGE: 34E / SECTION: 20 / LAT: 32.3835913 / LONG: -103.4990504 (TVD: 0 feet, MD: 0 feet)

PPP: NWNW / 700 FNL / 380 FWL / TWSP: 22S / RANGE: 34E / SECTION: 20 / LAT: 32.3835913 / LONG: -103.4990504 (TVD: 11411 feet, MD: 11686 feet)

BHL: SWSW / 330 FSL / 380 FWL / TWSP: 22S / RANGE: 34E / SECTION: 29 / LAT: 32.3563273 / LONG: -103.4994451 (TVD: 11346 feet, MD: 21126 feet)

BLM Point of Contact

Name: Cody Layton

Title: Supervisor Multiple Resources

Phone: 5752345959 Email: clayton@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Operator Certification Data Report

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Rebecca Deal

Signed on: 01/03/2017

Title: Regulatory Compliance Professional

Street Address: 333 West Sheridan Avenue

City: Oklahoma City

State: OK

Zip: 73102

Phone: (405)228-8429

Email address: Rebecca.Deal@dvn.com

Field Representative

Representative Name: James Crittenden

Street Address: 6488 Seven Rivers Hwy

City: Artesia

State: NM

Zip: 88210

Phone: (575)748-1854

Email address: james.crittenden@dvn.com



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Application Data Report

11/01/2017

APD ID: 10400005933 Submission Date: 01/03/2017

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: GAUCHO UNIT

Well Number: 82H

Well Type: OIL WELL

Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - General

APD ID:

10400005933

Tie to previous NOS?

Submission Date: 01/03/2017

BLM Office: HOBBS

User: Rebecca Deal

Title: Regulatory Compliance

Professional

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM61360

Lease Acres: 960

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? YES

Federal/Indian APD: FED

Federal or Indian agreement: FEDERAL

Agreement number: NMNM94480X

Agreement name: GAUCHO

Keep application confidential? YES

Permitting Agent? NO

APD Operator: DEVON ENERGY PRODUCTION COMPANY LP

Operator letter of designation:

Operator Info

Operator Organization Name: DEVON ENERGY PRODUCTION COMPANY LP

Operator Address: 333 West Sheridan Avenue

Operator PO Box:

Zip: 73102

Operator City: Oklahoma City

State: OK

Operator Phone: (405)552-6571

Operator Internet Address: aletha.dewbre@dvn.com

Section 2 - Well Information

Well in Master Development Plan? NEW

Mater Development Plan name: Gaucho 1 MDP

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: GAUCHO UNIT

Well Number: 82H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WC-025 G-06

Pool Name: BONE SPRING

S223421L: BONE SPRING

Well Name: GAUCHO UNIT

Well Number: 82H

Is the proposed well in an area containing other mineral resources? USEABLE WATER

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? YES

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name:

Number: 14H, 15H, 81H & 82H

Well Class: HORIZONTAL

GAUCHO UNIT

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to nearest well: 175 FT

Distance to lease line: 313 FT

Distance to town:

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat:

GAUCHO_UNIT_82H_C-102 Signed_01-23-2017.pdf

Well work start Date: 06/01/2018

Duration: 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 3678E

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	DVT
SHL Leg #1	313	FNL	486	FWL	22S	34E	20	Aliquot NWN W	32.38359 13	- 103.4990 504	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 61360	347 2	0	0
KOP Leg #1	313	FNL	486	FWL	228	34E	20	Aliquot NWN W	32.38359 13		LEA	NEW	NEW MEXI CO	F	NMNM 61360	- 746 1	109 37	109 33
PPP Leg #1	700	FNL	380	FWL	22S	34E	20	Aliquot NWN W	32.38359 13	- 103.4990 504	LEA		NEW MEXI CO	F	NMNM 61360	- 793 9	116 86	114 11

Well Name: GAUCHO UNIT

Well Number: 82H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
EXIT	330	FSL	380	FWL	22S	34E	29	Aliquot	32.35632		LEA		NEW	F	NMNM	-	211	113
Leg								SWS	73	103.4994 451		CO	CO		69596	787	26	46
#1								W		431		CO	CO			4		
BHL	330	FSL	380	FWL	22S	34E	29	Aliquot	32.35632	-	LEA	NEW	NEW	F	NMNM	-	211	113
Leg								sws	73	103.4994		MEXI	MEXI		69596	787	26	46
#1								W		451		CO	CO			4		



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

11/01/2017

APD ID: 10400005933

Submission Date: 01/03/2017

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

MPANY LP

Highlighted data reflects the most recent changes

Well Name: GAUCHO UNIT
Well Type: OIL WELL

Well Number: 82H

Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

Formation			True Vertical	Measured			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1	UNKNOWN	3472	0	0	OTHER : Surface	NONE	No
2	RUSTLER	1906	1566	1566	ANHYDRITE	NATURAL GAS,OIL	No
3	TOP OF SALT	1656	1816	1816	SALT	NONE	No
4	BASE OF SALT	-128	3600	3600	SALT	NONE	No
5	CAPITAN REEF	-607	4079	4079	LIMESTONE	NONE	No
6	DELAWARE	-1696	5168	5168	SANDSTONE	NATURAL GAS,OIL	No
7	BRUSHY CANYON LOWER	-4848	8320	8320	SANDSTONE	NATURAL GAS,OIL	No
8	BONE SPRING LIME	-5043	8515	8515	LIMESTONE	NATURAL GAS,OIL	No
9	BONE SPRING 1ST	-6069	9541	9541	SANDSTONE	NATURAL GAS,OIL	No
10	BONE SPRING LIME	-6369	9841	9841	LIMESTONE	NATURAL GAS,OIL	No
11	BONE SPRING 2ND	-6646	10118	10118	SANDSTONE	NATURAL GAS,OIL	No
12	BONE SPRING 3RD	-7107	10579	10579	LIMESTONE	NATURAL GAS,OIL	No
13	BONE SPRING 3RD	-7640	11112	11112	SANDSTONE	NATURAL GAS,OIL	Yes
14	WOLFCAMP	-7969	11441	11441	SHALE	NATURAL GAS,OIL	No

Section 2 - Blowout Prevention

Well Name: GAUCHO UNIT Well Number: 82H

Pressure Rating (PSI): 5M

Rating Depth: 5000

Equipment: 5M rotating head, mud-gas separator, panic line, and flare will be rigged up prior to drilling out surface casing.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. Devon proposes using 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 3000 (3M) psi. • Wellhead will be installed by wellhead representatives. • If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal. • Wellhead representative will install the test plug for the initial BOP test. • Wellhead company will install a solid steel body pack-off to completely isolate the lower head after cementing intermediate casing. After installation of the pack-off, the pack-off and the lower flange will be tested to 3M, as shown on the attached schematic. Everything above the pack-off will not have been altered whatsoever from the initial nipple up. Therefore the BOP components will not be retested at that time. • If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head will be cut and top out operations will be conducted. • Devon will pressure test all seals above and below the mandrel (but still above the casing) to full working pressure rating. • Devon will test the casing to 0.22 psi/ft or 1500 psi, whichever is greater, as per Onshore Order #2. After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum rating of 3M will be installed on the wellhead system and will undergo a 250 psi low pressure test followed by a 3,000 psi high pressure test. The 3,000 psi high and 250 psi low test will cover testing requirements a maximum of 30 days, as per Onshore Order #2. If the well is not complete within 30 days of this BOP test, another full BOP test will be conducted, as per Onshore Order #2. After running the 9-5/8' intermediate casing with a mandrel hanger, the 13-5/8" BOP/BOPE system with a minimum rating of 3M will already be installed on the wellhead. The pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These tests will be logged in the daily driller's log. A 2" kill line and 3" choke line will be incorporated into the drilling spool below the ram BOP. In addition to the rams and annular preventer, additional BOP accessories include a kelly cock, floor safety valve, choke lines, and choke manifold rated at 3,000 psi WP.

Choke Diagram Attachment:

Gaucho Unit 82H 5M BOPE Double Ram and CLS Schematic 09-20-2016.pdf

BOP Diagram Attachment:

Gaucho Unit 82H_5M BOPE Double Ram and CLS Schematic_09-20-2016.pdf

Pressure Rating (PSI): 5M

Rating Depth: 11411

Equipment: 5M rotating head, mud-gas separator, panic line, and flare will be rigged up prior to drilling out surface casing.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.

Testing Procedure: A multibowl wellhead may be used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. Devon proposes using 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 3000 (3M) psi. • Wellhead will be installed by wellhead representatives. • If the welding is performed by a third party, the wellhead representative will monitor the temperature to verify that it does not exceed the maximum temperature of the seal. • Wellhead representative will install the test plug for the initial BOP test. • Wellhead company will install a solid steel body pack-off to completely isolate the lower head after cementing intermediate casing. After installation of the pack-off, the pack-off and the lower flange will be tested to 3M, as shown on the attached schematic. Everything above the pack-off will not have been altered whatsoever from the initial nipple

Well Name: GAUCHO UNIT Well Number: 82H

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Choke Diagram Attachment:

Gaucho Unit 82H 5M BOPE Double Ram and CLS Schematic 09-20-2016.pdf

BOP Diagram Attachment:

Gaucho Unit 82H 5M BOPE Double Ram and CLS Schematic 09-20-2016.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1600	0	1600	-7874	-9474	1600	H-40	48	STC	1.18	2.64	BUOY	8.05	BUOY	8.05
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	5000	0	5000	-7874	- 12874	5000	J-55	-	OTHER - BTC	1.15	1.77	BUOY	3.98	BUOY	3.98
3	INTERMED IATE	12.2 5	9.625	NEW	API	N	4300	5000	4300	5000	- 12174	- 12874		HCK -55	81	OTHER - BTC	1.58	1.47	BUOY	4.5	BUOY	4.5
355	PRODUCTI ON	8.75	5.5	NEW	API	N	0	21126	0	11411	-7874	-7939	21126	P- 110	500	OTHER - BTC	1.56	1.93	BUOY	2.09	BUOY	2.09

Casing Attachments

Casing Attachments
Casing ID: 1 String Type:SURFACE
Inspection Document:
Spec Document:
Tapered String Spec:
Casing Design Assumptions and Worksheet(s):
Gaucho Unit 82H_Surface Casing Assumptions_09-20-2016.docx
Casing ID: 2 String Type:INTERMEDIATE
Inspection Document:
Spec Document:
Tapered String Spec:
Casing Design Assumptions and Worksheet(s):
Gaucho Unit 82H_Intermediate Casing Assumptions_09-20-2016.docx
Casing ID: 3 String Type:INTERMEDIATE Inspection Document:
Spec Document:
Tapered String Spec:
Casing Design Assumptions and Worksheet(s):
Gaucho Unit 82H_Intermediate Casing Assumptions_09-20-2016.docx

Well Number: 82H

Operator Name: DEVON ENERGY PRODUCTION COMPANY LP

Well Name: GAUCHO UNIT

Well Name: GAUCHO UNIT

Well Number: 82H

Casing Attachments

Casing ID: 4

String Type:PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Gaucho Unit 82H_Production Casing Assumptions_09-20-2016.docx

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Lead		0	800	180	1.85	12.9	326	30	С	Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sks Poly-E-Flake
INTERMEDIATE	Tail		800	1800	310	1.33	14.8	407	30	С	0.125 lbs/sks Poly-R- Flake
SURFACE	Lead		0	1600	1245	1.34	14.8	1667	50	С	1% Calcium Chloride

INTERMEDIATE	Lead	1800	0	4000	880	1.85	12.9	1629	30	С	Poz (Fly Ash): 6% BWOC Bentonite + 5% BWOW Sodium Chloride + 0.125 lbs/sks
											Poly-E-Flake
INTERMEDIATE	Tail		4000	5000	310	1.33	14.8	407	30	С	0.125 lbs/sks Poly-R- Flake
PRODUCTION	Lead	n	4800	1120 0	1155	2.31	11.9	2667	25	Н	Poz (Fly Ash) + 0.3% BWOC HR-601 + 10% bwoc Bentonite
PRODUCTION	Tail		1120 0	2112 6	2300	1.2	14.5	2758	25	Н	Poz (Fly Ash) + 0.5% bwoc HALAD-344 + 0.4% bwoc CFR-3 + 0.2% BWOC HR-601 +

Well Name: GAUCHO UNIT Well Number: 82H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
-------------	-----------	---------------------	--------	-----------	--------------	-------	---------	-------	---------	-------------	-----------

2% bwoc Bentonite

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1600	WATER-BASED MUD	8.4	8.5				2			
1600	5000	SALT SATURATED	9.8	10				2			
5000	2112 6	LSND/GEL	8.4	9				12			

Well Name: GAUCHO UNIT Well Number: 82H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Will run GR/CNL fromTD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.

List of open and cased hole logs run in the well:

GR

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5006

Anticipated Surface Pressure: 2495.58

Anticipated Bottom Hole Temperature(F): 165

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Gaucho Unit 82H_H2S Plan_09-20-2016.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Gaucho Unit 82H_Directional Plan Rev_09-20-2016.pdf

Other proposed operations facets description:

MULTI-BOWL VERBIAGE MULTI-BOWL WELLHEAD CLOSED-LOOP DESIGN PLAN ANTICOLLISION PLAN

Other proposed operations facets attachment:

Gaucho Unit 82H_Multi-Bowl Verbiage_3M_09-20-2016.pdf Gaucho Unit 82H_Closed Loop Design Plan_09-20-2016.pdf Gaucho Unit 82H_Multi-Bowl Wellhead_09-20-2016.pdf Gaucho Unit 82H_AC Report_09-20-2016.pdf

Other Variance attachment:

Gaucho Unit 82H H P Co-flex hose 09-20-2016.pdf





Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

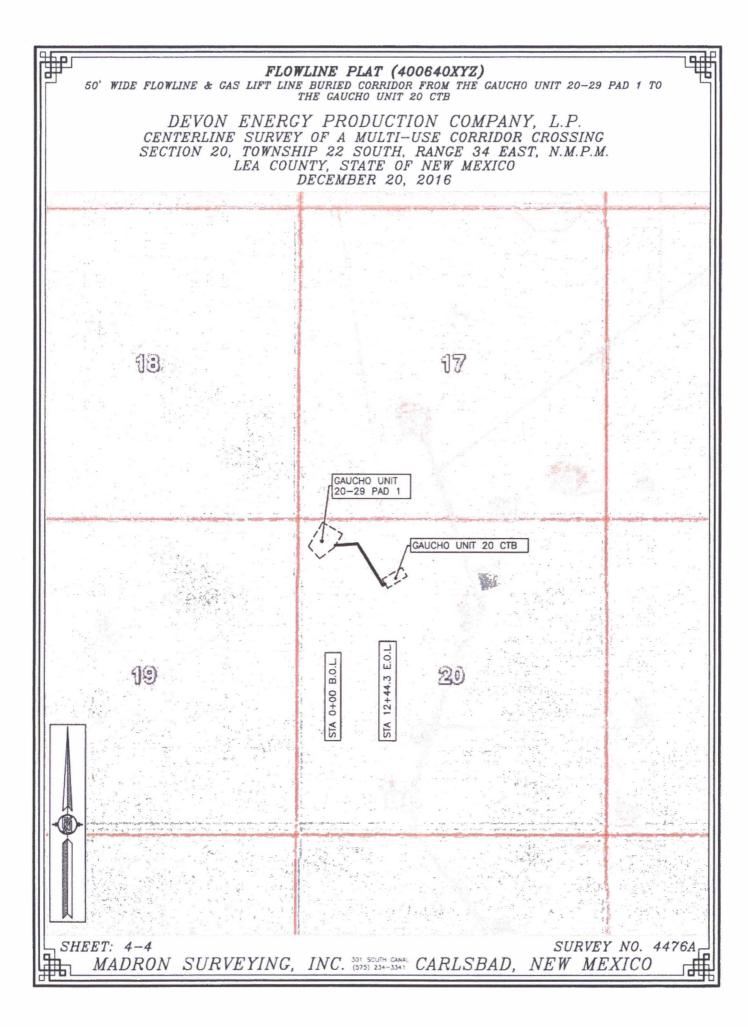
Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

PWD disturbance (acres):



Section 3 - Unlined Pits

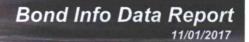
Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal ((PWD) Location:	
PWD surface owner:		PWD disturbance (acres):
Unlined pit PWD on or off of	channel:	
Unlined pit PWD discharge	volume (bbl/day):	
Unlined pit specifications:		
Precipitated solids disposa	al:	
Decribe precipitated solids	disposal:	
Precipitated solids disposa	al permit:	
Unlined pit precipitated so	lids disposal schedule:	
Unlined pit precipitated so	lids disposal schedule attachment:	
Unlined pit reclamation des	scription:	
Unlined pit reclamation atta	achment:	
Unlined pit Monitor descrip	otion:	
Unlined pit Monitor attachr	nent:	
Do you propose to put the	produced water to beneficial use?	
Beneficial use user confirm	nation:	
Estimated depth of the sha	illowest aquifer (feet):	
Does the produced water he that of the existing water to		ved Solids (TDS) concentration equal to or less than
TDS lab results:		
Geologic and hydrologic e	vidence:	
State authorization:		
Unlined Produced Water Pi	it Estimated percolation:	
Unlined pit: do you have a	reclamation bond for the pit?	
Is the reclamation bond a r	ider under the BLM bond?	
Unlined pit bond number:		
Unlined pit bond amount:		
Additional bond informatio	n attachment:	
Section 4 - Injection	on	
Would you like to utilize Inj	jection PWD options? NO	
Braduard Water Dianasal /	(DWD) Location:	
Produced Water Disposal (The artist of the control of the con	DWD disturbance (cores):
PWD surface owner:		PWD disturbance (acres):

Injection well type: Injection well number: Injection well name: Assigned injection well API number? Injection well API number: Injection well new surface disturbance (acres): Minerals protection information: Mineral protection attachment: **Underground Injection Control (UIC) Permit? UIC Permit attachment:** Section 5 - Surface Discharge Would you like to utilize Surface Discharge PWD options? NO **Produced Water Disposal (PWD) Location:** PWD surface owner: PWD disturbance (acres): Surface discharge PWD discharge volume (bbl/day): **Surface Discharge NPDES Permit? Surface Discharge NPDES Permit attachment:** Surface Discharge site facilities information: Surface discharge site facilities map: Section 6 - Other Would you like to utilize Other PWD options? NO Produced Water Disposal (PWD) Location: PWD surface owner: PWD disturbance (acres): Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment: Have other regulatory requirements been met? Other regulatory requirements attachment:





Bond Information

Federal/Indian APD: FED

BLM Bond number: CO1104

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: