HOBBS OCD

NOV 0 6 2017

# 1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

# RECEIVED

# 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1,105
Top of Salt	1,350
Base of Salt / Top Anhydrite	4,885
Base Anhydrite	5,140'
Lamar	5,140
Bell Canyon	5,160
Cherry Canyon	6,150
Brushy Canyon	7,805
Bone Spring Lime	9,240
1 <sup>st</sup> Bone Spring Sand	10,168
2 <sup>nd</sup> Bone Spring Shale	10,380
2 <sup>nd</sup> Bone Spring Sand	10,729
3 <sup>rd</sup> Bone Spring Carb	11,212
3 <sup>rd</sup> Bone Spring Sand	11,787
Wolfcamp	12,301
TD	12.500

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

0-400	Fresh Water
6.150	Oil
7,805	Oil
10.168	Oil
10.380	Oil
10.729	Oil
11.212	Oil
11.787	Oil
12.301	Oil
	6.150° 7.805° 10.168° 10.380° 10.729° 11.212° 11.787°

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 1.130' and circulating cement back to surface.

# 4. CASING PROGRAM - NEW - DSEE COA

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 - 1.130 119	10.75"	40.5#	J55	STC	1.125	1.25	1.60
9.875"	0 – 1,000'	7.625"	29.7#	HCP-110	LTC	1.125	1.25	1.60
9.875"	1,000' - 3,000'	7.625"	29.7#	P-110EC	SLIJ II	1.125	1.25	1.60
8.75"	3,000` - 11,400`	7.625"	29.7#	HCP-110	FlushMax III	1.125	1.25	1.60
6.75"	0' - 10,900'	5.5"	20#	P-110EC	DWC/C-IS MS	1.125	1.25	1.60
6.75"	10,900`-19,095`	5.5"	20#	P-110EC	VAM SFC	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.

# Cementing Program: -DSE COA

Depth	No. Sacks	Wt.	Yld Ft <sup>3</sup> /ft	Mix Water Gal/sk	Slurry Description
10-3/4"	325	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)
1190	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" 11,400	250	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead (TOC @ Surface)
	2200	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" 19,095	1000	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 @ 10.900')

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 (10,000-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 10,000/250 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 10,000/250 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	Type	Weight (ppg)	Viscosity	Water Loss
0-1-130. 1190	Fresh - Gel	8.6-8.8	28-34	N/c
1+130 - 11,400	Brine	8.8-10.0	28-34	N/c
11,400 - 19,095	Oil Base	10.0-14.0	58-68	3 - 6
Lateral				

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.

588

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 7475 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: -DSCE COA

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 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 10,000 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 10,000 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.

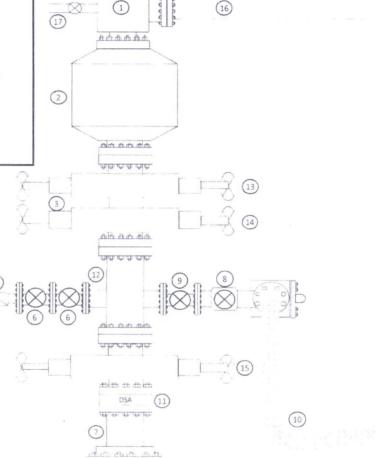
Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

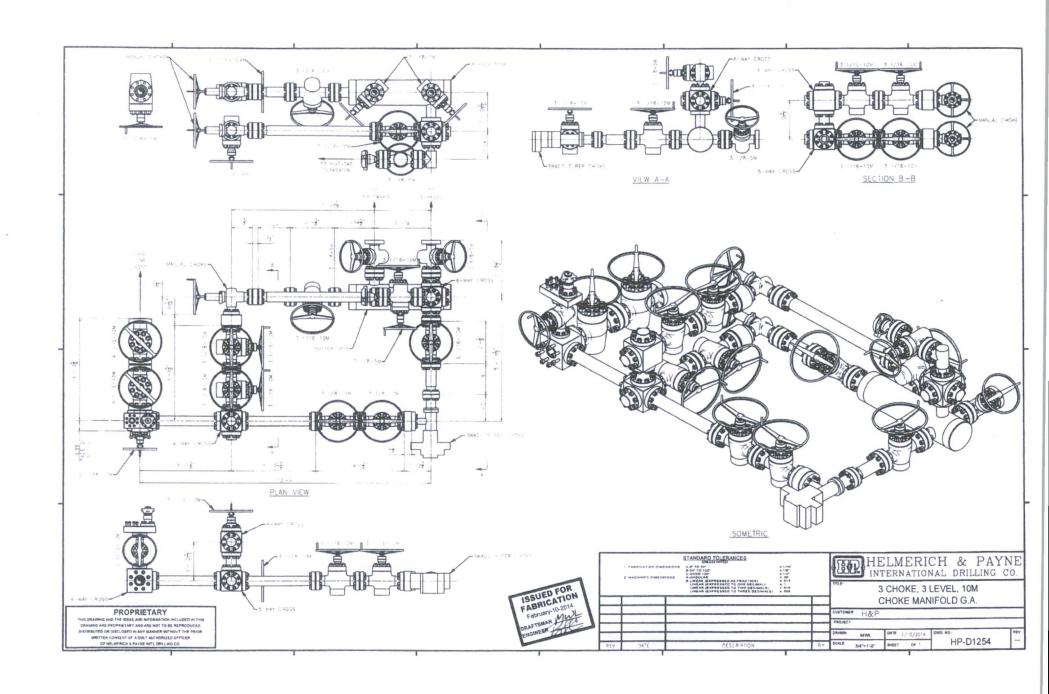
# Exhibit 1 EOG Resources 10M BOPE

Rig Floor



- 1 13 5/8" Rotating Head
- 2. Hydril 13 5/8" 10,000 PSI WP GK Annular Preventor
- 3 13 5/8" Cameron Type "U" 10,000 PSI WP Ram Preventors
- 4. 2 1/16" 10,000 PSI WP Check Valve
- 5. 10,000 PSI WP 1502 Union to kill line
- 6. 2 1/16" 10,000 PSI WP Manual Valves
- 7 13 5/8" 3,000 PSI WP x 13 5/8" 5,000 PSI WP Spacer Spool
- 8 4 1/16" 10,000 PSI WP HCR Valve
- 9. 4 1/16" 10,000 PSI WP Manual Valve
- 10. 6" OD x 3" ID 10,000 PSI WP Steel Armoured Flex Choke Line
- 11. DSA 13 5/8" 10.000 PSI WP x 13 5/8" 5.000 PSI WP
- 12 Mud Cross 13 5/8" 10,000 PSI WP
- 13. Blind Rams
- 14. Pipe Rams
- 15. 13 5/8" Cameron Type "U" 10,000 PSI WP Pipe Rams
- 16. Flow Line
- 17 2" Fill Line





### **VAM® SFC** Make-Up Loss 5.132 -Box Critical Area -0.361 Wall Pin Critical Connection Pipe O.D. Pipe Area Connection O.D. 5.701 I.D. I.D. 5.500 4.719 4.778

O.D. 5.500 WEIGHT 20.00 WALL 0.361 GRADE VST P110EC

**Connection OD** 

DRIFT 4.653

5.701 in

### PIPE BODY PROPERTIES

Material Grade	VST P110EC
Min. Yield Strength	125 ksi
Min. Tensile Strength	135 ksi
Outside Diameter	5.500 in
Inside Diameter	4.778 in
Nominal Area	5.828 sq.ii

Yield Strength	729	kips
Ultimate Strength	787	kips
Min Internal Yield	14,360	psi
*High Collapse	12,090	psi

Contact: <u>tech.support@vam-usa.com</u> Ref. Drawing: SI-PD 100414 Rev.B

Date: Time:

14-Jun-16 2:31 PM

### CONNECTION PROPERTIES

Connection ID	4.719 in
Make up Loss	5.132 in
Box Critical Area	4.083 sq.in.
%PB Section Area	70.1%
Pin Critical Area	4.123 sq.in.
%PB Section Area	70.7%
Yield Strength Parting Load Min Internal Yield *High Collapse Wk Compression Max Pure Bending	510 kips 551 kips 14,360 psi 12,090 psi 357 kips 20 °/100 ft

#### TORQUE DATA ft-lb

min	opt	max
8,700	9,700	10,700



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### **TECHNICAL SPECIFICATIONS**

These specifications are furnished for general information only and are not intended for design purposes. This information is preliminary and may change subject to a final design by VAM-USA Engineering. This is not a controlled document.

DWC/C-IS MS standard		Casing	5.500" O.D.	20.00 lb./	ft. VST P-110EC
VST P-110EC 125,000 135,000		Material Grade Minimum Yield Strength (p: Minimum Ultimate Strength	,		TAME
5.500 4.778 0.361 20.00 19.83 5.828		Pipe Dimensions  Nominal Pipe Body OD (in.)  Nominal Pipe Body ID (in.)  Nominal Wall Thickness (in Nominal Weight (lbs./ft.)  Plain End Weight (lbs./ft.)  Nominal Pipe Body Area (s	n.)	44 Ho Ph Fa	M-USA 24 W. Sam Houston Pkwy, Suite 150 puston, TX 77041 one: (713) 479-3200 x: (713) 479-3234 mail: VAMUSAsales@na.vallourec.com
729,000 12,090 14,360 13,100		Pipe Body Performance R Minimum Pipe Body Yield S Minimum Collapse Pressur Minimum Internal Yield Pre Hydrostatic Test Pressure	Strength (lbs.) re (psi.) ressure (psi.)		
6.115 4.778 4.653 4.13 5.828 100.0		Connection Dimensions Connection OD (in.) Connection ID (in.) Connection Drift Diameter Make-up Loss (in.) Critical Area (sq. in.) Joint Efficiency (%)	(in.)		
729,000 26,040 728,000 729,000 12,090 14,360 104.2	(1) (2) (3)	Connection Performance Joint Strength (lbs.) Reference String Length (f API Joint Strength (lbs.) Compression Rating (lbs.) API Collapse Pressure Rat API Internal Pressure Resi Maximum Uniaxial Bend R	t.) 1.4 Design F ting (psi.) stance (psi.)		
16,600 19,100 21,600	(5) (5) (6)	Approximated Field End Minimum Final Torque (ft Maximum Final Torque (ft Connection Yield Torque (f	bs.) -lbs.)		

- (1) Joint Strength is the minimum pipe body yield strength multiplied by the connection critical area.
- (2) Reference String Length is the joint strength divided by both the weight in air and the design factor.
- (3) API Joint Strength is for reference only. It is calculated from Formulas 42 and 43 in the API Bulletin 5C3.
- (4) API Internal Pressure Resistance is calculated from Formulas 31, 32, and 35 in the API Bulletin 5C3.
- (5) Torque values are approximated and may be affected by field conditions.
- (6) Connection yield torque is not to be exceeded.

Connection specifications within the control of VAM-USA were correct as of the date printed. Specifications are subject to change without notice. Certain connection specifications are dependent on the mechanical properties of the pipe. Mechanical properties of mill proprietary pipe grades obtained from mill publications and are subject to change. Properties of mill proprietary grades should be confirmed with the mill. Users are advited obtain current connection specifications and verify pipe mechanical properties for each application.



Connection Data Sheet

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

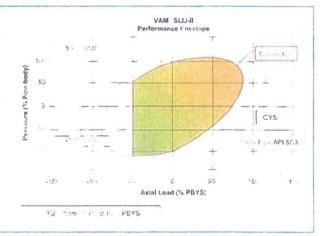
PIPE PROPERT	IES	CONNECTION	PROPERTIES
Nominal OD	7.625 in.	Connection Type	Premium integral semi-flus
Nominal ID	6.875 in.	Connection OD (nom)	7 711 in.
Nominal Cross Section Area	8.541 sqin.	Connection ID (nom)	6.820 in.
Grade Type	High Collapse	Make-up Loss	4.822 in.
Min. Yield Strength	110 ksi	Critical Cross Section	5.912 sqin.
Max. Yield Strength	140 ksi	Tension Efficiency	69.2 % of pipe
Min. Ultimate Tensile Strength	125 ksi	Compression Efficiency	48.5 % of pipe
		Internal Pressure Efficiency	100 % of pipe
		External Pressure Efficiency	100 % of pipe

ı	CONNECTION PERFORMANC	ES		L
	Tensile Yield Strength	651	klb	
۱	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	VALUES
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 $\mathsf{VAM}^{\text{(E)}}$ like $\mathsf{VAM}$

canada@vamfieldservice.com usa@vamfieldservice.com mexico@vamfieldservice.com brazil@vamfieldservice.com

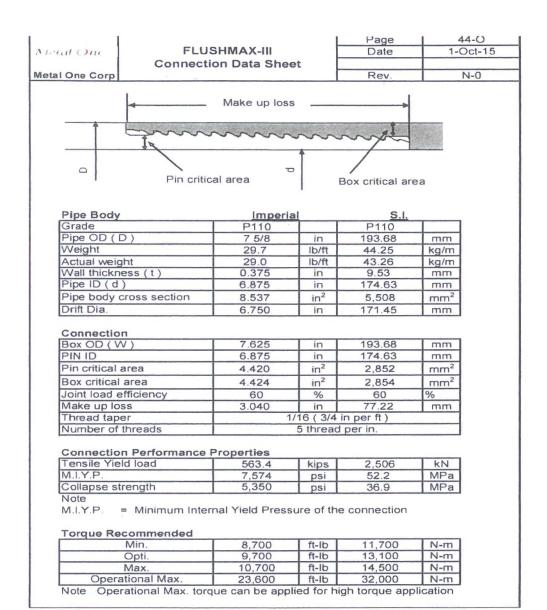
uk@vamfieldservice.com dubai@vamfieldservice.com nigeria@vamfieldservice.com angola@vamfieldservice.com

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

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

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





# **EOG Resources Surface Casing Option Request**

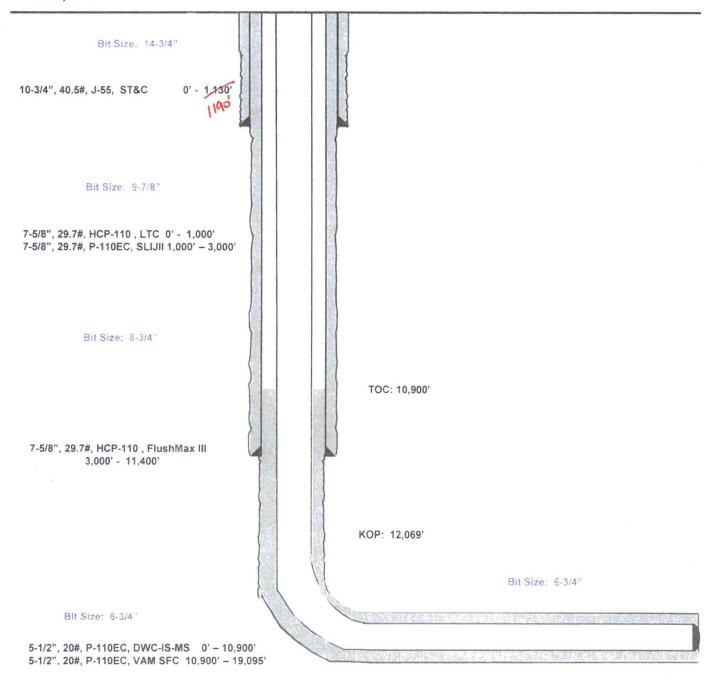
- 1. Request for variance for the option to preset surface casing with surface rig:
  - a) EOG Requests the option to contract a Surface Rig to drill, set surface casing, and cement on the following subject wells. After WOC 8 hours or 500 psi compressive strength (whichever is greater), the Surface Rig will move off so that the wellhead can be installed. A welder will cut the casing to the proper height and weld on the wellhead (both "A" and "B" sections). The weld will be tested to 1000 psi. All valves will be closed and a wellhead cap will be installed. See attached wellhead diagram below. If the timing between rigs is such that EOG Resources would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. But needs to be contacted and

prior to commencing the spudder rig operation & moves back on the pre-set Vocation. The larger ANTIETAM/9 FED COM#701A ANTIETAN 9 FED COM #702H ANT/ETAM 9 FED COM #703H ANTIETAM 9 FED/COM #7/04H CÓLGROVE FED COM #707H ¢OLGRΦVE FED COM#708H ENDURANCE 36 STATE/COM! #707/H ENDURANCE \$6 STATE COM #70\$H HOUND 30 FED #701H HOUND 30 FED #702H HOUND 30 FED #70BH HOUND 30 FED #704H LUCKY 13/FED COM #8H LUCKY 13 FED COM #9H TRIGG 5 FED #1

# Lucky 13 Fed Com #701H

2100' FSL 690' FWL Section 13 T-25-S, R-33-E Lea County, New Mexico Proposed Wellbore Revised 8/9/17 API: 30-025-42606

KB: 3,376' GL: 3,351'



Lateral: 19,095' MD, 12,500' TVD Upper Most Perf: 2591' FNL & 330' FWL Sec. 13

Lower Most Perf:

1650' FNL & 330' FWL Sec. 12 BH Location: 1550' FNL & 330' FWL

Section 12 T-25-S, R-33-E