Form 3160-5 (June 2015)	UNITED STATES		OCD Hobbs	FORM A	APPROVED D. 1004-0137		
	JREAU OF LAND MANA	GEMENT	BBS OC	Expires: Ja 5. Lease Serial No. NMNM30400	nuary 31, 2018		
Do not use this abandoned well	s form for proposals to I. Use form 3160-3 (API	drill or to re-enter an D) for such proposals.	NOV 27 2015	6. If Indian, Allottee of	r Tribe Name		
SUBMIT IN 1	RIPLICATE - Other inst	tructions on page 2	ECEIV	EDUnit or CA/Agree	ement, Name and/or No.		
 Type of Well Oil Well Gas Well Oth 	er		KEC	8. Well Name and No. LUCKY 13 FED C	COM 702H		
2. Name of Operator EOG RESOURCES INCORPO	Contact: DRATEDE-Mail: stan_wagn	STAN WAGNER er@eogresources.com		9. API Well No. 30-025-42607-0	00-X1		
3a. Address MIDLAND, TX 79702		3b. Phone No. (include area Ph: 432-686-3689	code)	10. Field and Pool or I RED HILLS-BO	Exploratory Area NE SPRING, NORTH		
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description			11. County or Parish,	State		
Sec 13 T25S R33E NWSW 21 32.128932 N Lat, 103.531808	00FSL 720FWL 🖌 W Lon			LEA COUNTY,	NM		
12. CHECK THE AF	PROPRIATE BOX(ES)	TO INDICATE NATUR	RE OF NOTICE	, REPORT, OR OTH	HER DATA		
TYPE OF SUBMISSION		TYI	PE OF ACTION				
Notice of Intent	Acidize	Deepen	Produc	tion (Start/Resume)	□ Water Shut-Off		
	□ Alter Casing	Hydraulic Fractu	ring 🔲 Reclam	nation	U Well Integrity		
Subsequent Report	Casing Repair	New Construction	n 🗖 Recom	plete	Other		
Final Abandonment Notice	Change Plans	Plug and Abando	on 🗖 Tempo	rarily Abandon	PD		
	Convert to Injection	Plug Back	U Water	Disposal			
If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fin EOG Resources requests and	Illy or recomplete horizontally, k will be performed or provide operations. If the operation re bandonment Notices must be fi inal inspection.	, give subsurface locations and the Bond No. on file with BLI sults in a multiple completion led only after all requirements, ved APD for this well to re	measured and true v M/BIA. Required so or recompletion in a including reclamation efflect changes in	ertical depths of all pertir ibsequent reports must be new interval, a Form 316 on, have been completed BHL,	nent markers and zones. filed within 30 days 50-4 must be filed once and the operator has		
casing, and well name/numbe	r.						
Change BHL to: 1550 FNL &	907 FVVL 12-255-33E		0.5				
Change TVD to: 12500' (1908	5' MD) Upper Wolfcamp	Shale	SEE ATTACHED FOR				
Change well name to: Lucky 1	3 Fed Com 702H		001101				
14. I hereby certify that the foregoing is	true and correct.						
Com	For EOG RESOL	JRCES INCORPORATED, essing by PRISCILLA PER	sent to the Hobb EZ on 10/25/2017	s 7 (18PP0032SE)			
Name(Printed/Typed) STAN WA	GNER	litle RE	GULATORY AN	IALYST			
Signature (Electronic S	Submission)	Date 08	/09/2017				
	THIS SPACE FO	OR FEDERAL OR STA	TE OFFICE U	ISE			
Approved By CHARLES NIMMER		TitlePETF	OLEUM ENGIN	IEER	Date 11/15/201		
Conditions of approval, if any, are attached certify that the applicant holds legal or equ which would entitle the applicant to condu	d. Approval of this notice does itable title to those rights in the ct operations thereon.	s not warrant or e subject lease Office Hol	obs				
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a statements or representations as	crime for any person knowing to any matter within its jurisd	ly and willfully to m ction.	ake to any department or	agency of the United		
(Instructions on page 2) ** BLM REV	SED ** BLM REVISE	D ** BLM REVISED **	BLM REVISE	D ** BLM REVISE	D ** 44		

 District I

 1625 N. French Dr., Hobbs, NM 88240

 Phone (575) 393-6161 Fax (575) 393-0720

 District II

 811 S First St. Artesia, NM 88210

 Phone (575) 748-1283 Fax (575) 748-9720

 District III

 1000 Rio Brazos Road, Aztec, NM 87410

 Phone (505) 334-6178 Fax (505) 334-6170

 District IV

 District IV

 1220 S
 St Francis Dr. Sante Fe. NM 87505

 Phone (505) 476-3460
 Fax (505) 476-3462

200

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sante Fe, NM 87505 FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r		² Pool Code	130	PACAT DRAW	³ Pool Na	me				
30-025	5-42607	7	980	094	WC	-025 G-09 S2	2 53336 D; Up	per Wo	lfcam	p		
⁴ Property C	ode				⁵ Property N	operty Name				⁶ Well Number		
314875	5			L		#702H						
⁷ OGRID N	io.				⁸ Operator N	Name			⁹ Elevation			
7377		EOG RESOURCES, INC. 3350'							3350'			
	¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Eas	t/West line	County		
L	13	25-S	33-E	-	2100'	SOUTH	720'	WES	ST	LEA		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Eas	st/West line	County		
E	12	25-S	33-E	-	1550'	NORTH	907'	WES	ST	LEA		
12 Dedicated Acres	13 Joint or	Infill ¹⁴ C	onsolidation Cod	de ¹⁵ Orde	er No.							

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



S SURVEYEOG_MIDLANDILUCKY_13_FED_COMIFINAL_PRODUCTSILO_LUCKY13FEDCOM_702H DWG 3/20/2017 11:05:16 AM ccastor

1. GEOLOGIC NAME OF SURFACE FORMATION: Permian

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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
1st Bone Spring Sand	10,168
2 nd Bone Spring Shale	10,380*
2 nd Bone Spring Sand	10,729
3rd Bone Spring Carb	11,212
3rd Bone Spring Sand	11,787
Wolfcamp	12,301
TD	12,500*

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

Upper Permian Sands	0-400'	Fresh Water
Cherry Canyon	6,150'	Oil
Brushy Canyon	7,805	Oil
1 st Bone Spring Sand	10,168	Oil
2 nd Bone Spring Shale	10,380'	Oil
2 nd Bone Spring Sand	10,729	Oil
3rd Bone Spring Carb	11,212	Oil
3rd Bone Spring Sand	11.787	Oil
Wolfcamp	12.301	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 10.75" casing at 1,130° and circulating cement back to surface.

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
14.75"	0 - 1,130	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 - 19,085	5.5"	20#	P-110EC	VAM SFC	1.125	1.25	1.60

4. CASING PROGRAM - NEW

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

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 ³ /ft	Mix Water Gal/sk	Slurry Description
10-3/4" 1,130'	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" 11,400°	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" 19.085	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')

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 (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	Туре	Weight (ppg)	Viscosity	Water Loss	
0 - 1,130'	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' - 19,085'	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) H₂S 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 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:

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.

Lucky 13 Fed Com #702H







EOG Resources - Midland

Lea County, NM (NAD 83 NME) Lucky 13 Fed Com #702H

OH

Plan: Plan #0.1

Standard Planning Report

07 August, 2017

A CONTRACTOR	
Oeog res	ources

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Database: Company: Project: Site: Well: Wellbore: Design:	tabase:EDM 5000.14 Single User Dbmpany:EOG Resources - Midlandoject:Lea County, NM (NAD 83 NME)e:Lucky 13 Fed ComII:#702HIlbore:OHsign:Plan #0.1				inate Reference: ce: e: nce: ilation Method:			
Project	Lea County, M	NM (NAD 83 NM	E)					
Map System: Geo Datum: Map Zone:	US State Plane North Americar New Mexico Ea	e 1983 n Datum 1983 astern Zone		System Datum	к	Mean Sea Le	evel	
Site	Lucky 13 Fed	i Com						
Site Position: From: Position Uncertainty	Map :	0.0 usft	Northing: Easting: Slot Radius:	411,60 789,28	9.00 usft Latitude 0.00 usft Longitu 13-3/16 " Grid Co	e: ide: invergence:		32° 7' 44.610 N 103° 31' 56.552 W 0.43 °
Well	#702H			na ina anti i approva anti "Artidan - anti		and the second sec		
Well Position Position Uncertainty	+N/-S +E/-W	0.0 usft 30.0 usft 0.0 usft	Northing: Easting: Wellhead Elev	vation:	411.609.00 usft 789,310.00 usft	Latitude: Longitude: Ground Level	:	32° 7' 44.608 N 103° 31' 56.203 W 3,350.0 usft
Wellbore	ОН							
Magnetics	Model Na	ame	Sample Date	Declinatio (°)	n	Dip Angle (°)		Field Strength (nT)
	IG	RF2015	8///2017		0.91	59.	.90	47,872.00764853
Design Audit Notes:	Plan #0.1							
Version:			Phase:	PLAN	Tie On Dep	th:	0.0	
Vertical Section:		Depth F	rom (TVD) sft)	+N/-S (usft)	+E/-W (usft)		Direction (°)	
			0.0	0.0	0.0		1.12	
Plan Survey Tool Pro	ogram	Date 8/7/20	17		n na na na na na na na Si la sa			
Depth From (usft)	Depth To (usft)	Survey (Wellb	ore)	Tool Name	Rema	arks		
1 0.0	19,085.5	Plan #0 1 (OH)		MWD MWD - Standard				

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,000.0	0.00	0.00	4.000.0	0.0	0.0	0.00	0 00	0.00	0.00	
4,154.7	1.55	54.82	4.154.6	1.2	17	1.00	1.00	0.00	54.82	
12,032.9	1.55	54.82	12.030.0	123.7	175.5	0.00	0.00	0.00	0.00	
12.775 5	90.00	359.57	12,500.0	601.2	182.4	12.00	11.91	-7.44	-55.26	
19.085.5	90.00	359.57	12,500.0	6,911.0	135.0	0.00	0.00	0.00	0.00	PBHL (Lucky 13 Fed)

8/7/2017 2:59:21PM



Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:

Planned Survey

EDM 5000.14 Single User Db EOG Resources - Midland Lea County, NM (NAD 83 NME) Lucky 13 Fed Com #702H OH Plan #0.1 Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #702H KB = 25' @ 3375.0usft KB = 25' @ 3375.0usft Grid Minimum Curvature

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)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	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
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	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
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	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	0.00	3,000,0	0.0	0.0	0.0	0.00	0.00	0.00
3 100.0	0.00	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	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
2 500 0	0.00	0.00	2 500 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
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,800,0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	5,500.0	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
4,100.0	1.00	54.82	4,100.0	0.5	0.7	0 5	1.00	1.00	0.00
4,154.7	1.55	54.82	4,154.6	1.2	1.7	1.2	1.00	1.00	0.00
4,200.0	1.55	54.82	4,200.0	1.9	2.7	2.0	0.00	0.00	0.00
4,300.0	1.55	54.82	4,299.9	3.5	4.9	3.6	0.00	0.00	0.00
4,400.0	1.55	54.82	4,399.9	5.0	7 1	5.2	0.00	0.00	0.00
4,500,0	1 55	54.82	4,499.9	6.6	9.3	6.8	0.00	0.00	0.00
4,600.0	1.55	54.82	4,599.8	8.1	11.5	8.4	0.00	0.00	0.00
4,700.0	1.55	54.82	4,699.8	9.7	13.7	9.9	0.00	0.00	0.00
4,800.0	1.55	54.82	4,799.7	11.2	15 9	11.5	0.00	0.00	0.00
		C 4 00	4 800 7	40.0	10.1	40.4	0.00	0.00	
4.900.0	1.55	54.82	4,899.7	12.8	18.1	13.1	0.00	0.00	0.00
5,000.0	1.55	54.82	4,999.7	14.3	20.4	14.7	0.00	0.00	0.00
5.100.0	1.55	54.82	5,099.6	15.9	22.0	17.0	0.00	0.00	0.00
5,200.0	1.55	54.82	2,133.0	17.5	24.8	17.9	0.00	0.00	0.00

8/7/2017 2:59:21PM



Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:

Planned Survey

EDM 5000.14 Single User Db EOG Resources - Midland Lea County, NM (NAD 83 NME) Lucky 13 Fed Com #702H OH Plan #0.1 Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #702H KB = 25' @ 3375.0usft KB = 25' @ 3375.0usft Grid Minimum Curvature

Measured	Inclination	Azimuth	Vertical	+N/-S	+E/_W	Vertical Section	Dogleg	Build *	Turn Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
5,300.0	1.55	54.82	5,299.6	19.0	27.0	19.5	0.00	0.00	0.00
5,400.0	1.55	54.82	5.399.5	20.6	29.2	21.1	0.00	0.00	0.00
5,500.0	1.55	54.82	5,499,5	22.1	31.4	22.7	0.00	0.00	0.00
5,600.0	1.55	54.82	5,599,5	23.7	33.6	24.3	0.00	0.00	0.00
5,700.0	1.55	54.82	5.699.4	25.2	35.8	25.9	0.00	0.00	0.00
5,800.0	1.55	54.82	5,799.4	26.8	38.0	27.5	0.00	0.00	0.00
5,900.0	1.55	54.82	5,899.3	28.3	40.2	29.1	0.00	0.00	0.00
6,000.0	1.55	54.82	5,999.3	29.9	42.4	30.7	0.00	0.00	0.00
6,100.0	1.55	54.82	6,099.3	31.5	44.6	32.3	0.00	0.00	0.00
6,200.0	1.55	54.82	6,199.2	33.0	46.8	33.9	0.00	0.00	0.00
6,300.0	1,55	54.82	6,299.2	34.6	49.0	35.5	0.00	0.00	0.00
6,400.0	1.55	54.82	6,399.2	36.1	51.2	37.1	0.00	0.00	0.00
6,500.0	1.55	54.82	6,499.1	37.7	53.4	38.7	0.00	0.00	0.00
6,600.0	1.55	54.82	6,599.1	39.2	55.7	40.3	0.00	0.00	0.00
6,700.0	1.55	54.82	6,699.1	40.8	57.9	41.9	0.00	0.00	0.00
6,800.0	1.55	54.82	6,799.0	42.3	60.1	43.5	0.00	0.00	0.00
6,900.0	1.55	54.82	6,899.0	43.9	62.3	45.1	0.00	0.00	0.00
7,000.0	1.55	54.82	6,998.9	45.4	64.5	46.7	0.00	0.00	0.00
7.100.0	1.55	54.82	7,098.9	47.0	66.7	48.3	0.00	0.00	0.00
7,200.0	1.55	54.82	7.198.9	48.6	68.9	49.9	0.00	0.00	0.00
7,300.0	1.55	54.82	7,298.8	50.1	71 1	51.5	0.00	0.00	0.00
7,400.0	1.55	54.82	7,398.8	51.7	73.3	53.1	0.00	0.00	0.00
7,500.0	1.55	54.82	7,498.8	53.2	75.5	54.7	0.00	0.00	0.00
7,600.0	1.55	54.82	7,598.7	54.8	77.7	56.3	0.00	0.00	0.00
7.700.0	1.55	54.82	7,698.7	56.3	79.9	57.9	0.00	0.00	0.00
7,800.0	1.55	54.82	7,798.7	57.9	82.1	59.5	0.00	0.00	0.00
7,900.0	1.55	54.82	7,898.6	59.4	84.3	61.1	0.00	0.00	0.00
8,000.0	1.55	54.82	7,998.6	61.0	86.5	62.7	0.00	0.00	0.00
8.100.0	1.55	54.82	8,098.5	62.6	88.7	64.3	0.00	0.00	0.00
8,200.0	1.55	54.82	8,198.5	64.1	91.0	65.9	0.00	0.00	0.00
8.300.0	1.55	54.82	8,298.5	65.7	93.2	67.5	0.00	0.00	0.00
8,400.0	1.55	54.82	8,398.4	67.2	95.4	69.1	0.00	0.00	0.00
8,500.0	1.55	54.82	8,498.4	68.8	97.6	70.7	0.00	0.00	0.00
8,600.0	1.55	54.82	8,598.4	70.3	99.8	72.3	0.00	0.00	0.00
8,700.0	1.55	54.82	8,698.3	71.9	102.0	73.9	0.00	0.00	0.00
8,800.0	1.55	54.82	8,798.3	73.4	104.2	75.5	0.00	0.00	0.00
8,900.0	1.55	54.82	8.898.3	75.0	106.4	77.1	0.00	0.00	0.00
9,000.0	1.55	54.82	8,998.2	76.5	108.6	78.7	0.00	0.00	0.00
9,100.0	1.55	54.82	9,098.2	78.1	110.8	80.2	0.00	0.00	0.00
9,200.0	1.55	54.82	9,198.1	79.7	113.0	81.8	0.00	0.00	0.00
9,300.0	1.55	54.82	9,298.1	81.2	115.2	83.4	0.00	0.00	0.00
9,400.0	1.55	54.82	9,398.1	82.8	117.4	85.0	0.00	0.00	0.00
9,500.0	1.55	54.82	9,498.0	84.3	119.6	86.6	0.00	0.00	0.00
9,600.0	1.55	54.82	9,598.0	85.9	121.8	88.2	0.00	0.00	0.00
9,700.0	1.55	54.82	9,698.0	87.4	124.0	89.8	0.00	0.00	0.00
9,800.0	1.55	54.82	9,797.9	89.0	126.3	91.4	0.00	0.00	0.00
9,900.0	1.55	54.82	9,897.9	90.5	128.5	93.0	0.00	0.00	0.00
10.000.0	1.55	54.82	9,997.9	92.1	130.7	94.6	0.00	0.00	0.00
10.100.0	1.55	54.82	10,097.8	93.6	132.9	96.2	0.00	0.00	0.00
10,200.0	1.55	54.82	10,197.8	95.2	135.1	97.8	0.00	0.00	0.00
10.300.0	1.55	54.82	10.297.7	96.8	137.3	99.4	0.00	0.00	0.00
10,400.0	1.55	54.82	10.397.7	98.3	139.5	101.0	0.00	0.00	0.00
10.500.0	1.55	54.82	10,497.7	99.9	141.7	102.6	0.00	0.00	0.00
10,600.0	1.55	54.82	10,597.6	101.4	143.9	104.2	0.00	0.00	0.00

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EOG Resources, Inc.

Planning Report

Database: Company: Project: Site: Well: Wellbore: Design: EDM 5000.14 Single User Db EOG Resources - Midland Lea County, NM (NAD 83 NME) Lucky 13 Fed Com #702H OH Plan #0.1 Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #702H KB = 25' @ 3375.0usft KB = 25' @ 3375.0usft Grid Minimum Curvature

Planned 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)	
10 700 0		54.00	10.007.0	100.0		105.0	2.00	0.00	0.00	
10,700.0	1.55	54.82	10,697.6	103.0	146.1	105.8	0.00	0.00	0.00	
10,800.0	1.55	54.82	10,797.6	104.5	148.3	107.4	0.00	0.00	0.00	
10,900.0	1.55	54.82	10,897.5	106.1	150.5	109.0	0.00	0.00	0.00	
11,000.0	1.55	54.82	10,997.5	107.6	152.7	110.6	0.00	0.00	0.00	
11,100.0	1.55	54.82	11,097.5	109.2	154.9	112.2	0.00	0.00	0.00	
11,200,0	1.55	54.82	11,197,4	110.8	157.1	113.8	0.00	0.00	0.00	
11,300.0	1.55	54.82	11.297.4	112.3	159.3	115.4	0.00	0.00	0.00	
11 400 0	1 55	54.82	11 397 3	113 0	161.5	117.0	0.00	0.00	0.00	
11,500.0	1.55	54.82	11 497 3	115.0	163.8	118.6	0.00	0.00	0.00	
11,500.0	1.55	54.82	11 507 3	117.0	166.0	120.2	0.00	0.00	0.00	
11,000.0	1.55	54.02	11,007.0	119.5	169.0	120.2	0.00	0.00	0.00	
11,700.0	1.55	54.02	11,097.2	120.1	170.4	121.0	0.00	0.00	0.00	
11.800.0	1.55	54.02	11,797.2	120.1	170.4	123.4	0.00	0.00	0.00	
11,900.0	1.55	54.82	11,897.2	121.6	172.6	125.0	0.00	0.00	0.00	
12,000.0	1.55	54.82	11,997.1	123.2	174.8	126.6	0.00	0.00	0.00	
12.032.9	1.55	54.82	12,030.0	123.7	175.5	127 1	0.00	0.00	0.00	
12,050.0	3.20	22.96	12,047.1	124.3	175.9	127.7	12.00	9.65	-186.16	
12,075.0	6.07	11.61	12,072.0	126.2	176.4	129.6	12.00	11.48	-45.39	
12,100,0	9.02	7.60	12.096.8	129.5	177.0	132.9	12.00	11.82	-16.05	
12,125,0	12.00	5.56	12,121,4	134.0	177.5	137.4	12.00	11.91	-8.16	
12 150 0	14 99	4.32	12 145 7	139.8	178.0	143.2	12.00	11.95	-4.95	
12 175 0	17 98	3.49	12 169 6	146.9	178.4	150.3	12.00	11.00	-3.33	
12,170.0	20.97	2.89	12,103.0	155.2	178.9	158.7	12.00	11.97	-2.41	
12,200.0	20.07	2.00	12,100.2	100.2	110.0	100.7	12.00	11.07	-2.41	
12.225.0	23.97	2.43	12.216.3	164.7	179.3	168.2	12.00	11.98	-1.83	
12,250.0	26.96	2.07	12,238.9	175.5	179.8	179.0	12.00	11.98	-1.44	
12,275.0	29.96	1.78	12,260.9	187.4	180.2	190.9	12.00	11.99	-1.17	
12,300.0	32.96	1.53	12,282.2	200.4	180.5	203.9	12.00	11.99	-0.98	
12.325.0	35.95	1.32	12,302.8	214.6	180,9	218.1	12.00	11.99	-0.83	
12,350.0	38.95	1.14	12.322.6	229.8	181.2	233.3	12.00	11.99	-0.72	
12,375.0	41,95	0.98	12,341.7	246.0	181 5	249.5	12.00	11.99	-0.63	
12.400.0	44.95	0.84	12.359.8	263.2	181.8	266.7	12.00	11.99	-0.56	
12,425,0	47.95	0.72	12,377.0	281.3	182.0	284.8	12.00	11,99	-0.51	
12,450.0,	50.95	0.60	12,393.3	300.3	182.2	303.8	12.00	11.99	-0.46	
12 475 0	53.95	0.50	12 408 5	320.1	182.4	373.6	12.00	12.00	-0.42	
12,475.0	56.04	0.00	12,400.3	340.7	192.4	244.2	12.00	12.00	0.20	
12,500.0	50.04	0.40	12,422.7	363.0	192.0	365 E	12.00	12.00	-0.35	
12,525.0	59.94	0.31	12,433.0	302.0	102.7	303.3	12.00	12.00	-0.37	
12,550.0	65.94	0.22	12,447.7	406.5	182.0	410.0	12.00	12.00	-0.33	
12,575.0	05.54	0.14	12,400.0	400.5	102.5	410.0	12.00	12.00	-0.33	
12,600.0	68.94	0.06	12.468 1	429.6	182.9	433.1	12.00	12.00	-0.31	
12.625.0	71.94	359.98	12.476.5	453.1	182.9	456.6	12.00	12.00	-0.30	
12,650.0	74.94	359.91	12,483.6	477 1	182.9	480.6	12.00	12.00	-0.29	
12,675.0	77.94	359.84	12,489.5	501.4	182.9	504.9	12.00	12.00	-0.28	
12,700.0	80.94	359.77	12,494.0	526.0	182.8	529.4	12.00	12.00	-0.28	
12,725.0	83,94	359.71	12,497,3	550.7	182.7	554.2	12.00	12.00	-0.27	
12 750 0	86.94	359 64	12 499 3	575 7	182.5	579 1	12 00	12 00	-0.27	
12 766 4	88.90	359 59	12 499 9	592.0	182.4	595.5	12 00	12.00	-0.27	
FTP /l ucky 1	3 Fed Com #70	2H)	12.100.0	002 0	102.1	000.0	12.00	12.00	0.27	
12 775 5	90.00	350 57	12 500 0	601 2	182 4	604 6	12.00	12.00	0.27	
12.775.5	90.00	359.57	12,500,0	625.6	182.2	629 1	0.00	0.00	-0.27	
12.000.0	30.00	000.01	12,000.0	020.0	102.2	023.1	0.00	0.00	0.00	
12,900.0	90.00	359.57	12.500.0	725.6	181.4	729.0	0.00	0.00	0.00	
13.000.0	90.00	359.57	12.500.0	825.6	180.7	829.0	0.00	0.00	0.00	
13.100.0	90.00	359.57	12.500.0	925.6	179.9	929.0	0.00	0.00	0.00	
13.200.0	90.00	359.57	12,500.0	1.025.6	179.2	1.028.9	0.00	0.00	0.00	
13 300.0	90.00	359.57	12,500.0	1,125.6	178.4	1 128.9	0.00	0.00	0.00	
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Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:

Planned Survey

EDM 5000.14 Single User Db EOG Resources - Midland Lea County, NM (NAD 83 NME) Lucky 13 Fed Com #702H OH Plan #0.1 Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #702H KB = 25' @ 3375.0usft KB = 25' @ 3375.0usft Grid Minimum Curvature

Measured Vertical Vertical Dogleg Build Turn Depth Section Rate Depth Inclination Azimuth +N/-S +E/-W Rate Rate (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (usft) (usft) (usft) (°) (°) 359.57 12,500.0 1.225.6 0.00 13 400 0 90.00 177.7 1.228.9 0.00 0.00 13,500.0 90.00 359.57 12,500.0 1.325.6 176.9 1.328.8 0.00 0.00 0.00 13,600.0 90.00 359.57 12,500.0 1.425.6 176.2 1,428.8 0.00 0.00 0.00 13,700.0 90.00 359.57 12,500.0 1,525.6 175.4 1,528.7 0.00 0.00 0.00 12,500.0 13,800.0 90.00 359.57 1.625.6 174.7 1.628.7 0.00 0.00 0.00 13,900.0 90.00 359.57 12,500.0 1,725.6 173.9 1,728.7 0.00 0.00 0.00 90.00 359.57 12,500.0 1,825.6 173.2 1,828.6 0.00 0.00 0.00 14,000.0 359.57 12,500.0 14 100 0 90.00 1.925.6 172.4 1,928.6 0.00 0.00 0.00 14,200.0 90.00 359 57 12 500 0 2.025.6 171.7 2.028.6 0.00 0.00 0.00 14,300.0 90.00 359.57 12,500.0 2,125.6 170.9 2,128.5 0.00 0.00 0.00 14,400.0 90.00 359 57 12 500 0 2 225 6 170 2 2.228.5 0.00 0.00 0.00 14,500.0 90.00 359.57 12,500.0 2.325.6 169.4 2.328.5 0.00 0.00 0.00 14,600.0 90.00 359.57 12,500.0 2,425.6 168.7 2,428.4 0.00 0.00 0.00 14,700.0 90.00 359.57 12,500.0 2,525.6 167.9 2,528.4 0.00 0.00 0.00 359.57 12,500.0 90.00 2.625.6 167.2 2.628.3 0.00 0.00 0.00 14 800.0 14,900.0 90.00 359.57 12,500.0 2,725.6 166.4 2,728.3 0.00 0.00 0.00 90.00 359.57 12,500.0 2,825.6 2,828.3 0.00 0.00 0.00 15,000.0 165.7 15,100.0 90.00 359.57 12,500.0 2,925.6 164.9 2.928.2 0.00 0.00 0.00 15.200.0 90.00 359 57 12,500.0 3.025.6 164.2 3.028.2 0.00 0 00 0.00 15,300.0 90.00 359.57 12,500.0 3,125.6 163.4 3,128.2 0.00 0.00 0.00 90.00 12,500.0 15 400 0 359.57 3.225.6 162.7 3 228.1 0.00 0.00 0.00 15,500.0 90 00 359.57 12 500.0 3 325 6 161.9 3 328 1 0.00 0.00 0 00 15,600.0 90.00 359.57 12,500.0 3,425.6 161.2 3,428.1 0.00 0.00 0.00 15,700.0 90 00 359 57 12,500.0 3 525 6 160.4 3.528.0 0.00 0.00 0.00 359.57 12,500.0 3,625.6 159.7 90.00 3,628,0 0.00 0.00 0.00 15,800.0 15.900.0 90.00 359.57 12,500.0 3,725.6 158.9 3,727.9 0.00 0.00 0.00 16,000.0 90.00 359.57 12,500.0 3,825.5 158.2 3,827.9 0.00 0.00 0.00 12 500 0 90 00 359 57 3 925 5 157.4 3 927 9 0.00 0.00 0.00 16,100.0 16,200.0 90.00 359.57 12 500 0 4.025.5 156 7 4.027.8 0.00 0.00 0.00 16,300.0 90.00 359.57 12.500.0 4,125.5 155.9 4,127.8 0.00 0.00 0.00 12 500 0 0.00 0.00 0.00 90.00 359 57 4.225.5 155 2 4 227 8 16 400 0 16,500.0 90.00 359.57 12,500.0 4.325.5 154.4 4.327.7 0.00 0.00 0.00 16,600.0 90.00 359.57 12,500.0 4,425.5 153.7 4.427.7 0.00 0.00 0.00 16,700.0 90.00 359.57 12.500.0 4.525.5 152.9 4.527.7 0.00 0.00 0.00 90.00 359.57 12,500.0 4.625.5 152.2 4,627.6 0.00 0.00 0.00 16.800.0 16,900.0 90.00 359.57 12,500.0 4,725.5 151.4 4.727.6 0.00 0.00 0.00 17.000.0 90.00 359.57 12,500.0 4,825.5 150.7 4.827.5 0.00 0.00 0.00 359.57 12,500.0 4.925.5 90.00 149.9 4,927.5 0.00 0.00 0.00 17,100.0 0 00 17.200.0 90.00 359 57 12 500 0 5.025.5 1492 5 027 5 0.00 0.00 17,300.0 90.00 359.57 12,500.0 5,125.5 148.4 5,127 4 0.00 0.00 0.00 90 00 359 57 12 500.0 5 225 5 147.6 5 227 4 0.00 0.00 0.00 17,400.0 17,500.0 90.00 359 57 12 500 0 5 325 5 146.9 5 327 4 0 00 0.00 0.00 17.600.0 90.00 359.57 12,500.0 5.425.5 146.1 5.427.3 0.00 0.00 0.00 17.700.0 90.00 359.57 12.500.0 5,525.5 145.4 5.527.3 0.00 0.00 0.00 17.800.0 90.00 359.57 12,500.0 5.625.5 144.6 5.627.2 0.00 0.00 0.00 17.900.0 90.00 359.57 12,500.0 5,725.5 143.9 5727.2 0.00 0 00 0.00 18.000.0 90.00 359.57 12,500.0 5.825.5 143.1 5.827.2 0.00 0.00 0.00 5,925.5 359.57 12,500.0 142.4 5 927 1 0.00 0.00 0.00 18 100 0 90.00 18,200.0 90.00 359 57 12,500.0 6.025.5 1416 6.027.1 0.00 0.00 0.00 18.300.0 90.00 359.57 12.500.0 6.125.5 140.9 6.127 1 0.00 0.00 0.00 0.00 0.00 0.00 18.400.0 90.00 359 57 12 500 0 6 225 5 140.1 6 227 0 359.57 12,500.0 6,325.5 139.4 6.327.0 0.00 0.00 0.00 18.500.0 90.00 18,600.0 90.00 359.57 12,500.0 6,425.5 138.6 6.427.0 0.00 0.00 0.00 359.57 12 500.0 6 525 5 137.9 6 526.9 0.00 0.00 0.00 18.700.0 90.00

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EOG Resources, Inc.

Planning Report

Database:	EDM 5000.14				
Company:	EOG Resource				
Project:	Lea County, NM				
Site:	Lucky 13 Fed C				
Well:	#702H				
Wellbore:	OH				
Design:	Plan #0.1				

Single User Db es - Midland M (NAD 83 NME) Com

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #702H KB = 25' @ 3375.0usft KB = 25' @ 3375.0usft Grid Minimum Curvature

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)
18,800.0	90.00	359.57	12,500.0	6,625.5	137.1	6,626.9	0.00	0.00	0.00
18,900.0	90.00	359.57	12,500.0	6,725.5	136.4	6,726.8	0.00	0.00	0.00
19,000.0	90.00	359.57	12,500.0	6,825.5	135.6	6,826.8	0.00	0.00	0.00
19,085.5	90.00	359.57	12,500.0	6,911.0	135.0	6,912.3	0.00	0.00	0.00
PBHL (Lucky	y 13 Fed Com #7	'02H)							

Design Targets									
Target Name - hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting		
- Shape	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)	Latitude	Longitude
FTP (Lucky 13 Fed Com - plan misses target - Point	0.00 center by 0.4u	0.00 usft at 12766	12,500.0 .4usft MD (1	592.0 2499.9 TVD, 5	182.0 592.0 N, 182.4	412,201.00 E)	789,492.00	32° 7' 50.452 N	103° 31' 54.035 W
PBHL (Lucky 13 Fed Co	0.00 ter	0.00	12,500.0	6,911.0	135.0	418,520.00	789,445.00	32° 8' 52.984 N	103° 31' 54.035 W

- Point



EOG 5M BOPE Diagram (6/10/14)



PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

OPERATOR'S NAME:	EOG Resources Inc
LEASE NO.:	NMNM19623
WELL NAME & NO.:	Lucky 13 Fed Com – 702H
SURFACE HOLE FOOTAGE:	2100'/S & 720/W
BOTTOM HOLE FOOTAGE	1550'/N & 907'/W, sec. 31
LOCATION:	Sec. 13, T. 25 S, R. 33 E
COUNTY:	Lea County

I.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

- Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.
- Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.
- 2. 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.
- 3. 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.

II.CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. 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.

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 3rd Bone Spring Sandstone and all subsequent formations.

- A. The 10-3/4 inch surface casing shall be set at approximately <u>1190</u> feet (in a competent bed <u>below the Magenta Dolomite</u>, which is a <u>Member of the Rustler</u>, and if salt is encountered, set casing at least 25 feet above the salt) and cemented to the surface.
 - 1. 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.

2. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.

- 3. 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.
- 4. 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.

The intermediate casing shall be kept fluid filled to avoid approaching the minimum collapse pressure rating of the casing.

B. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

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

Formation below the 9 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.

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

Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

D. 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.

III.PRESSURE CONTROL

A. 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 RP 53 Sec. 17.

- B. 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).
- C. Operator has proposed 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 10,000 (10M) psi. Variance approved to use a 5M annular. The annular must be tested to full working pressure (5000 psi.)
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be Acut off, cementing operations performed and another wellhead installed.

10M 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.

- D. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - 1. 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).

- 2. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- 3. 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.
- 4. The results of the test shall be reported to the appropriate BLM office.
- 5. 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.
- 6. 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.
- BOP/BOPE must be tested by an independent service company within 500 feet of the top of the 3rd Bone Spring Sandstone 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.

IV.DRILLING MUD

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

V.DRILL STEM TEST

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

VI.WASTE MATERIAL AND FLUIDS

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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.

VII.SPECIAL REQUIREMENT(S)

Communitization Agreement:

- 1. The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- 2. If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- 3. In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

CLN 11152017