Form 3160-3 (March 2012)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

HOBBS OCD

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

JAN 3 0 2018

5. Lease Serial No. NMNM02965A

APPLICATION FOR PERMIT TO DRILL OR REENTERCEIVE 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. DRILL REENTER la. Type of work: 8. Lease Name and Well No. Oil Well Gas Well Other lb. Type of Well: ✓ Single Zone Multiple Zone MAGNOLIA 15 FED COM 712H Name of Operator 9. API Well No. EOG RESOURCES INCORPORATED 10-026-3b. Phone No. (include area code) 3a. Address 10. Field and Pool, or Exploratory 1111 Bagby Sky Lobby2 Houston TX 77002 (713)651-7000 RED HILLS / WC-025 S263327G UPPR 11. Sec., T. R. M. or Blk. and Survey or Area 4. Location of Well (Report location clearly and in accordance with any State requirements.\*) At surface NENE / 740 FNL / 683 FEL / LAT 32.0486928 / LONG -103.5538556 SEC 15 / T26S / R33E / NMP At proposed prod. zone SENE / 2410 FNL / 993 FEL / LAT 32.0295861 / LONG -103.5548454 12. County or Parish 13. State 14. Distance in miles and direction from nearest town or post office\* LEA NM 22.5 miles 15. Distance from proposed\* 16. No. of acres in lease 17. Spacing Unit dedicated to this well location to nearest 2174.12 240 property or lease line, ft. (Also to nearest drig. unit line, if any) 20. BLM/BIA Bond No. on file 18. Distance from proposed location\* 19. Proposed Depth to nearest well, drilling, completed, 333 feet applied for, on this lease, ft. 12350 feet / 19820 feet FED: NM2308 22 Approximate date work will start\* 23. Estimated duration 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3331 feet 01/01/2018 25 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form: 1. Well plat certified by a registered surveyor. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 2. A Drilling Plan. Operator certification 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). Such other site specific information and/or plans as may be required by the 25. Signature Name (Printed/Typed) Stan Wagner / Ph: (432)686-3689 (Electronic Submission) 08/17/2017 Title Regulatory Specialsit Approved by (Signature) Name (Printed/Typed) Date Cody Layton / Ph: (575)234-5959 01/19/2018 (Electronic Submission) Office CARLSBAD Supervisor Multiple Resources Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

oproval Date: 01/19/2018

(Continued on page 2)

\*(Instructions on page 2)

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#### 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 agéncies, 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.

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**Approval Date: 01/19/2018** 

#### **Additional Operator Remarks**

#### Location of Well

1. SHL: NENE / 740 FNL / 683 FEL / TWSP: 26S / RANGE: 33E / SECTION: 15 / LAT: 32.0486928 / LONG: -103.5538556 ( TVD: 0 feet, MD: 0 feet )

PPP: SESE / 1170 FSL / 994 FEL / TWSP: 26S / RANGE: 33E / SECTION: 15 / LAT: 32.0394274 / LONG: -103.5548531 ( TVD: 12300 feet, MD: 16200 feet )

PPP: NENE / 330 FNL / 995 FEL / TWSP: 26S / RANGE: 33E / SECTION: 15 / LAT: 32.049821 / LONG: -103.5548614 ( TVD: 12306 feet, MD: 12452 feet )

BHL: SENE / 2410 FNL / 993 FEL / TWSP: 26S / RANGE: 33E / SECTION: 22 / LAT: 32.0295861 / LONG: -103.5548454 ( TVD: 12350 feet, MD: 19820 feet )

#### **BLM Point of Contact**

Name: Deborah Ham

Title: Legal Landlaw Examiner

Phone: 5752345965 Email: dham@blm.gov

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**Approval Date: 01/19/2018** 

#### **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.

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

## Application Data Report

APD ID: 10400018254

Submission Date: 08/17/2017

Highlighted data reflects the most

recent changes

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

**Show Final Text** 

Well Type: OIL WELL

Well Work Type: Drill

#### Section 1 - General

**Operator Name: EOG RESOURCES INCORPORATED** 

APD ID:

10400018254

Tie to previous NOS?

Submission Date: 08/17/2017

**BLM Office: CARLSBAD** 

User: Stan Wagner

Title: Regulatory Specialsit

Federal/Indian APD: FED

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

Lease number: NMNM02965A

Lease Acres: 2174.12

Surface access agreement in place?

Aliotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? NO

Permitting Agent? NO

APD Operator: EOG RESOURCES INCORPORATED

Operator letter of designation:

#### Operator Info

Operator Organization Name: EOG RESOURCES INCORPORATED

Operator Address: 1111 Bagby Sky Lobby2

**Zip:** 77002

Operator PO Box:

**Operator City:** Houston

State: TX

**Operator Phone:** (713)651-7000

**Operator Internet Address:** 

#### Section 2 - Well Information

Well in Master Development Plan? NO

Mater Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: RED HILLS

Pool Name: WC-025 S263327G

**UPPR WC** 

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Well Name: MAGNOLIA 15 FED COM Well Number: 712H

Describe other minerals:

Is the proposed well in a Helium production area? N

Use Existing Well Pad? NO

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name:

Number: 712H/713H/714H

Well Class: HORIZONTAL

MAGNOLIA 15 FED COM Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

**Describe Well Type:** 

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 22.5 Miles

Distance to nearest well: 333 FT

Distance to lease line: 330 FT

Reservoir well spacing assigned acres Measurement: 240 Acres

Magnolia\_15\_Fed\_Com\_712H\_signed\_C\_102\_08-17-2017.pdf

Well work start Date: 01/01/2018

**Duration: 25 DAYS** 

#### **Section 3 - Well Location Table**

Survey Type: RECTANGULAR

**Describe Survey Type:** 

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	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	740	FNL.	683	FEL	26S	33E	15	Aliquot NENE	32.04869 28	- 103.5538 556	l		NEW MEXI CO	F	NMNM 02965A	333 1	0	0
KOP Leg #1	56	FNL	979	FEL	26S	33E	15	Aliquot NENE	32.05057 66	- 103.5547 972		NEW MEXI CO	NEW MEXI CO		NMNM 02965A	- 849 8	118 65	118 29
PPP Leg #1	330	FNL	995	FEL	26S	33E	15	Aliquot NENE	32.04982 1	- 103.5548 614		NEW MEXI CO	NEW MEXI CO		NMNM 02965A	- 897 5	124 52	123 06



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

Well Name: MAGNOLIA 15 FED COM

## Drilling Plan Data Report

01/24/2018

APD ID: 10400018254

Submission Date: 08/17/2017

Highlighted data reflects the most recent changes

Operator Name: EOG RESOURCES INCORPORATED

Well Number: 712H

**Show Final Text** 

Well Type: OIL WELL

Well Work Type: Drill

#### **Section 1 - Geologic Formations**

Formation			True Vertical	1			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	
. 1	PERMIAN	3323	0	0		NONE	No
2	RUSTLER	2477	830	830	ANHYDRITE	NONE	No
3	TOP SALT	2147	1160	1160	SALT	NONE	No
4	BASE OF SALT	-1478	4785	4785	SALT	NONE	No
5	LAMAR	-1733	5040	5040	LIMESTONE	NONE	No
6	BELL CANYON	-1763	5070	5070	SANDSTONE	NATURAL GAS,OIL	No
7	CHERRY CANYON	-2793	6100	6100	SANDSTONE	NATURAL GAS,OIL	No
8	BRUSHY CANYON	-4383	7690	7690	SANDSTONE	NATURAL GAS,OIL	No .
9	BONE SPRING LIME	-5953	9260	9260	LIMESTONE	NONE	No
10	FIRST BONE SPRING SAND	-6878	10185	10185	SANDSTONE	NATURAL GAS,OIL	No
11	BONE SPRING 2ND	-7383	10690	10690	SANDSTONE	NATURAL GAS,OIL	No
12	BONE SPRING 3RD	-8458	11765	11765	SANDSTONE	NATURAL GAS,OIL	No
13	WOLFCAMP	-8928	12235	12235	SHALE	NATURAL GAS,OIL	Yes

#### **Section 2 - Blowout Prevention**

Well Name: MAGNOLIA 15 FED COM Well Number: 712H

Pressure Rating (PSI): 10M Rating Depth: 12350

**Equipment:** 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 and Gas order No. 2.

**Requesting Variance? YES** 

**Variance request:** Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line). 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.

**Testing Procedure:** Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 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 5000/ 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.

#### **Choke Diagram Attachment:**

Magnolia\_15\_FC\_712H\_10\_M\_Choke\_Manifold\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_Co\_Flex\_Hose\_Certification\_08-02-2017.PDF

Magnolia\_15\_FC\_712H\_Co\_Flex\_Hose\_Chart\_08-02-2017.pdf

#### **BOP Diagram Attachment:**

Magnolia\_15\_FC\_712H\_10\_M\_BOP\_Diagram\_08-02-2017.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	14.7 5	10.75	NEW	API	N	0	855	0	855	-9019	-9874	855	J-55	40.5	STC	1.12 5	1.25	BUOY	1.6	BUOY	1.6
2	INTERMED IATE	9.87 5	7.625	ŅΕW	API	Υ	0	1000	0	1000	-9019	- 10019	1000	HCP -110		LTC	1.12 5	1.25	BUOY	1.6	BUOY	1.6
3	PRODUCTI ON	6.75	5.5	NEW	API	Υ	0	10800	0	10800	-9019	- 19819	10800	OTH ER		OTHER - DWC/C-IS MS	1.12 5	1.25	BUOY	1.6	BUOY	1.6

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

#### **Casing Attachments**

Casing ID: 1

String Type: SURFACE

**Inspection Document:** 

**Spec Document:** 

**Tapered String Spec:** 

Casing Design Assumptions and Worksheet(s):

Magnolia\_15\_FC\_712H\_BLM\_Plan\_08-02-2017.pdf

Casing ID: 2

String Type: INTERMEDIATE

**Inspection Document:** 

**Spec Document:** 

#### **Tapered String Spec:**

See\_previously\_attached\_Drill\_Plan\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_7.625in\_29.70\_P\_110\_FlushMax\_III\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_7.625in\_29.7\_P110EC\_VAM\_SLIJ\_II\_08-02-2017.pdf

Casing Design Assumptions and Worksheet(s):

See\_previously\_attached\_Drill\_Plan\_08-02-2017.pdf

Casing ID: 3

String Type:PRODUCTION

**Inspection Document:** 

**Spec Document:** 

#### **Tapered String Spec:**

See\_previously\_attached\_Drill\_Plan\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_5.5in\_20.00\_VST\_P110EC\_VAM\_SFC\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_5.5in\_20.00\_VST\_P110EC\_DWC\_C\_IS\_MS\_08-02-2017.pdf

Casing Design Assumptions and Worksheet(s):

See\_previously\_attached\_Drill\_Plan\_08-02-2017.pdf

Well Name: MAGNOLIA 15 FED COM Well Number: 712H

#### **Section 4 - Cement**

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	855	325	1.73	13.5	562	25	Class C	Class C + 4.0% Bentonite + 0.6% CD- 32 + 0.5% CaCl2 + 0.25 lb/sk Cello-Flake (TOC @ Surface)
SURFACE	Tail		855	855	200	1.34	14.8	268	25	Class C	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
INTERMEDIATE	Lead		0	1130 0	2250	1.38	14.8	3105	25	Class C	Class C + 5% Gypsum + 3% CaCl2 pumped via bradenhead (TOC@surface)
INTERMEDIATE	Tail		1130 0	1130 0	550	1.2	14.4	660	25	Class H	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P pumped conventionally
PRODUCTION	Lead		1080 0	1982 0	850	1.26	14.1	1071	25	Class H	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 10800')

#### **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:** (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. **Describe the mud monitoring system 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.

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

#### **Circulating Medium Table**

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
855	1130 0	SALT SATURATED	8.8	10							
1130 0	1235 0	OIL-BASED MUD	10	14			•				
0	855	WATER-BASED MUD	8.6	8.8							

#### Section 6 - Test, Logging, Coring

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

Open-hole logs are not planned for this well.

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

DS

Coring operation description for the well:

None

#### **Section 7 - Pressure**

**Anticipated Bottom Hole Pressure: 7385** 

**Anticipated Surface Pressure: 7385** 

Anticipated Bottom Hole Temperature(F): 181

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:

Magnolia\_15\_FC\_712H\_H2S\_Plan\_Summary\_08-02-2017.pdf

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

#### **Section 8 - Other Information**

#### Proposed horizontal/directional/multi-lateral plan submission:

Magnolia\_15\_Fed\_Com\_712H\_Planning\_Report\_08-02-2017.pdf
Magnolia\_15\_Fed\_Com\_712H\_Wall\_Plot\_08-02-2017.pdf

#### Other proposed operations facets description:

#### Other proposed operations facets attachment:

Magnolia\_15\_FC\_712H\_Rig\_Layout\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_Wellbore\_08-02-2017.pdf

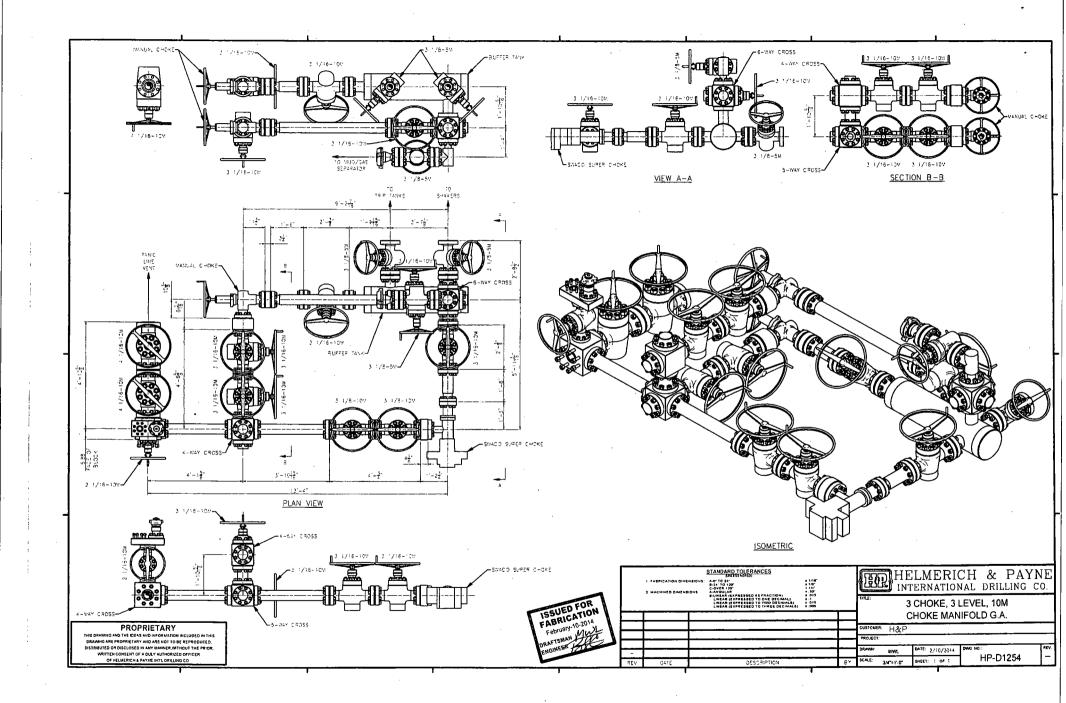
Magnolia\_15\_FC\_712H\_Wellhead\_Cap\_08-02-2017.pdf

Magnolia\_15\_Fed\_Com\_712H\_gas\_capture\_08-02-2017.pdf

Magnolia\_15\_FC\_712H\_deficiency\_response\_20171017121254.pdf

Magnolia\_15\_FC\_712H\_gas\_capture\_20171017121254.pdf

#### Other Variance attachment:



Manufacturer: Midwest Hose & Specialty

Serial Number: SN#90067

Length: 35'

Size: OD = 8" ID = 4"

Ends: Flanges Size: 4-1/16"

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

## MIDWEST

## HOSE AND SPECIALTY INC.

INTE	RNAL	HYDROST	ATIC TEST	REPOR	T
Customer:			******	P.O. Numb	er:
CACTUS				RIG #123	
				Asset # N	A10761
	<del></del>	HOSE SPECIF	FICATIONS		
Туре: СНС	KE LIN	E		Length:	35'
I.D.	4"	INCHES	O.D.	8"	INCHES
WORKING PRES	SURE	TEST PRESSUR	E	BURST PRES	SURE
10,000	PSI	15,000	PSI		PSI_
		COUP	LINGS		· 
Type of End F 4 1/	itting 16 10K F	LANGE			
Type of Coup SWI	ling: EDGED		MANUFACTU MIDWEST HOS		ALTY
		PROC	EDURE		
4400			44b	-1.1	· ·- <del>-</del>
		<i>y pressure tested w</i> TEST PRESSURE	1	BURST PRESSI	
	1	MIN.			0 PSI
Hos wra	90067 e is cov		ermiculite coat	ed fibergias	l 8
Date: 6/6/2	2011	Tested By: BOBBY FINK		Approved: MENDI	IACKSON





#### **Internal Hydrostatic Test Graph**

**Customer: CACTUS** 

SALES ORDER# 90067

**Verification** 

#### **Hose Specifications**

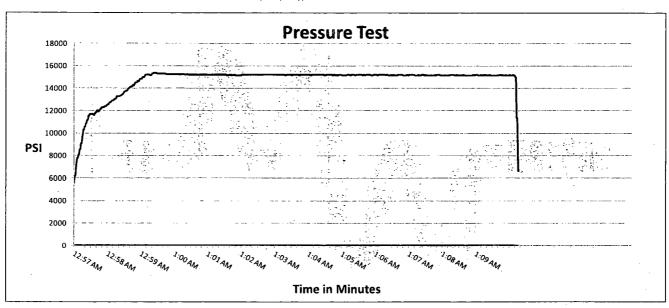
Hose Type
C & K
LD.
4"
Working Pressure
10000 PSI

Length
35'
O.D.
8"
Burst Pressure
Standard Safety Multiplier Applies

Type of Fitting
4 1/16 10K
Die Size
6.62"
Hose Serial #

Coupling Method
Swage
Final O.D.
6.68"

Hose Assembly Serial #



Test Pressure 15000 PSI <u>Time Held at Test Pressure</u> 11 1/4 Minutes **Actual Burst Pressure** 

Peak Pressure 15439 PSI

**Comments:** Hose assembly pressure tested with water at ambient temperature.

Tested By: Bobby Fink

Approved By: Mendi Jackson

Mendi Jackson

#### **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 16) 1 5. 10,000 PSI WP - 1502 Union to kill line 17 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 **ሐሰ ሐ ሐ ሐ**ሰ 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 2 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 **a**aaaaaa 17. 2" Fill Line <u>ሐ</u>ኩ ሐ ሐ ሐ ሐ

Exhibit 1



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

PIPEPROPERME	<u> </u>	
Nominal OD	1, 4 <b>4</b> 1, 4 4	7.625 in.
Nominal ID	,	6.875 in.
Nominal Cross Section Area	٠.	8.541 sqin.
Grade Type	High (	Collapse
Min. Yield Strength		110 ksi
Max. Yield Strength		140 ksi
Min. Ultimate Tensile Strength	•	125 ksi

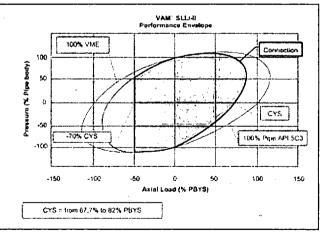
GONNEGHON PROPERHES								
Connection Type	Premium integral semi-flush							
Connection OD (nom)	7.711 in.							
Connection ID (nom)	6.820 in.							
Make-up Loss	4.822 in.							
Critical Cross Section	5.912 sqin.							
Tension Efficiency	69.2 % of pipe							
Compression Efficiency	48.5 % of pipe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

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

REPUTOR EVEN FOR THE PROPERTY OF THE PROPERTY	
Min. Make-up torque	11300 ft.lb
Opti. Make-up torque	12600 ft.lb
Max. Make-up torque	13900 ft.lb

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

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

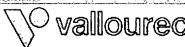


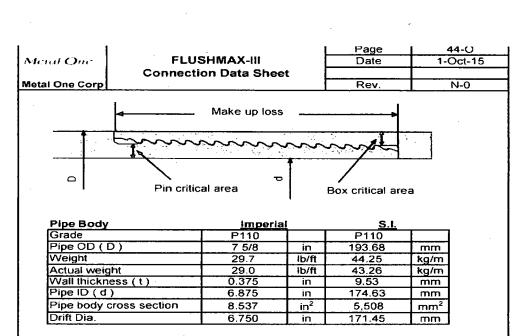
#### Do you need help on this product? - Remember no one knows VAM® like VAM

canada@Vamfieldservice.com vusa@vamfieldservice.com mexico@Vamfieldservice.com brazil@Vamfieldservice.com uk@vamlieldservice.com dubel@vamlieldservice.com nigerie@vamlieldservice.com angole@vamlieldservice.com china@vamfieldservice'com baku@vamfieldservice;com `singapore@vamfieldservice;com austrália@vamfieldservice;com

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

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





		ion

Box OD (W)	7.625	in	193.68	mm
PIN ID	6.875	in	174.63	mm
Pin critical area	4.420	in <sup>2</sup>	2,852	mm²
Box critical area	4.424	in <sup>2</sup>	2,854	.mm²
Joint load efficiency	60	%	60	%
Make up loss	3.040	in	77.22	mm
Thread taper		/16 ( 3/4	in per ft )	
Number of threads		5 thread	per in.	

#### **Connection Performance Properties**

Tensile Yield load	563.4	kips	2,506	kN
M.I.Y.P.	7,574	psi	52.2	MPa
Collapse strength	5,350	psi	36.9	MPa

Note

M.I.Y.P. = Minimum Internal Yield Pressure of the connection

**Torque Recommended** 

. c. qcc ccc				
Min.	8,700	ft-lb	11,700	N-m
Opti.	9,700	ft-Ib	13,100	N-m
Max.	10,700	ft-lb	14,500	N-m
Operational Max.	23,600	ft-lb	32,000	N-m

Note: Operational Max. torque can be applied for high torque application

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

Permian

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

Rustler	830'
Top of Salt	1,160'
Base of Salt / Top Anhydrite	4,785'
Base Anhydrite	5,040'
Lamar	5,040'
Bell Canyon	5,070'
Cherry Canyon	6,100'
Brushy Canyon	7,690'
Bone Spring Lime	9,260'
1 <sup>st</sup> Bone Spring Sand	10,185
2 <sup>nd</sup> Bone Spring Shale	10,370'
2 <sup>nd</sup> Bone Spring Sand	10,690'
3 <sup>rd</sup> Bone Spring Carb	11,205'
3 <sup>rd</sup> Bone Spring Sand	11,765'
Wolfcamp	12,235
TD	12,350'

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

Upper Permian Sands	0-400'	Fresh Water
Cherry Canyon	6,100'	Oil
Brushy Canyon	7,690'	Oil
1st Bone Spring Sand	10,185'	Oil
2 <sup>nd</sup> Bone Spring Shale	10,370'	Oil
2 <sup>nd</sup> Bone Spring Sand	10,690'	Oil
3 <sup>rd</sup> Bone Spring Carb	11,205'	Oil
3 <sup>rd</sup> Bone Spring Sand	11,765'	Oil
Wolfcamp	12,235'	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 855' and circulating cement back to surface.

#### 4. CASING PROGRAM - NEW

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF <sub>min</sub> Collapse	DF <sub>min</sub> Burst	DF <sub>min</sub> Tension
14.75"	0 – 855'	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#	<del></del>		1.125	1.25	1.60
8.75"	3,000' – 11,300'	7.625"	29.7#	HCP- 110	FlushMax III	1.125	1.25	1.60
6.75"	0'-10,800'	5.5"	20#	P-110EC	DWC/C-IS MS	1.125	1.25	1.60
6.75"	10,800'-19,820'	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:**

Depth	No. Sacks	Wt.	Yld Ft <sup>3</sup> /ft	Mix Water Gal/sk	Slurry Description
10-3/4" 855"	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)
	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" 11,300°	250	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead (TOC @ Surface)
	2000	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead
	550	14.4	1.20	4.81	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P pumped Conventionally
5-1/2" 19,820'	850	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 10,800')

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 5,000/250 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 – 855'	Fresh - Gel	8.6-8.8	28-34	N/c			
855' – 11,300' ·	Brine	8.8-10.0	28-34	N/c			
11,300' – 19,820'	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.

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 7385 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. After WOC 8 hours or 500 psi compressive strength (whichever is greater), the Durface Rig will move off so 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 (diagram attached). 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.

2. Missing Necessary Information (The BLM can start, but cannot complete the analysis until you submit the identified items. This is an early notice and the BLM will restate this in a 30-day deferral letter, if you have not submitted the information at that time. You will have two (2) years from the date of the deferral to submit this information or the BLM will deny your APD.)

[Please See Addendum for further clarification of deficiencies]

NOTE: The BLM will return your APD package to you, unless you correct all deficiencies identified above (item 1) within 45 calendar days.

• The BLM will not refund an APD processing fee or apply it to another APD for any returned APD.

#### **Extension Requests:**

- If you know you will not be able to meet the 45-day timeframe for reasons beyond your control, you must submit a written request through email/standard mail for extension prior to the 45<sup>th</sup> calendar day from this notice, 11/30/2017.
- The BLM will consider the extension request if you can demonstrate your diligence (providing reasons and examples of why the delay is occurring beyond your control) in attempting to correct the deficiencies and can provide a date by which you will correct the deficiencies. If the BLM determines that the request does not warrant an extension, the BLM will return the APD as incomplete after the 45 calendar days have elapsed.
  - The BLM will determine whether to grant an extension beyond the required 45 calendar days and will document this request in the well file. If you fail to submit deficiencies by the date defined in the extension request, the BLM will return the APD.

#### APDs remaining Incomplete:

- If the APD is still not complete, the BLM will notify you and allow 10 additional business days to submit a written request to the BLM for an extension. The request must describe how you will address all outstanding deficiencies and the timeframe you request to complete the deficiencies.
  - o The BLM will consider the extension request if you can prove your diligence (providing reasons and examples of why the delay is occurring) in attempting to correct the deficiencies and you can provide a date by which you will correct the deficiencies. If the BLM determines that the request does not warrant an additional extension, the BLM will return the APD as incomplete.

If you have any questions, please contact Deborah Ham at (575) 234-5965.

Sincerely.

Cody Layton Assistant Field Manager

cc: Official File

#### ADDENDUM - Deficient

#### **Engineering Comments**

- Engineering Review: Other identified drilling plan deficiencies

Not a deficiency but cannot approve APD without a waste minimization plan. Please attach state submitted gas capture plan (this will be a sufficient substitute for waste minimization plan).



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

SUPO Data Report

APD ID: 10400018254 Submission Date: 08/17/2017

**Operator Name: EOG RESOURCES INCORPORATED** 

Well Name: MAGNOLIA 15 FED COM

Well Type: OIL WELL

Well Number: 712H

Well Work Type: Drill

Highlighted data reflects the most

recent changes

**Show Final Text** 

#### Section 1 - Existing Roads

Will existing roads be used? YES

**Existing Road Map:** 

MAGNOLIA15FEDCOM712H\_vicinity\_08-03-2017.pdf

**Existing Road Purpose:** ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

**Existing Road Improvement Description:** 

**Existing Road Improvement Attachment:** 

#### Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

MAGNOLIA15FEDCOM INFRASTRUCTURE 08-03-2017.pdf

MAGNOLIA15FEDCOM712H\_padsite\_08-03-2017.pdf

MAGNOLIA15FEDCOM712H\_wellsite\_08-03-2017.pdf

New road type: RESOURCE

Length: 830

Feet

Width (ft.): 24

Max slope (%): 2

Max grade (%): 20

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 24

**New road access erosion control:** Newly constructed or reconstructed roads will be constructed as outlined in the BLM "Gold Book" and to meet the standards of the anticipated traffic flow and all anticipated weather requirements as needed. Construction will include ditching, draining, crowning and capping or sloping and dipping the roadbed as necessary to provide a well-constructed and safe road. We plan to grade and water twice a year.

New road access plan or profile prepared? NO

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: 6" of Compacted Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: An adequate amount of topsoil/root zone will be stripped by dozer from the proposed well location and stockpiled along the side of the well location as depicted on the well site diagram / survey plat.

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

#### **Drainage Control**

New road drainage crossing: OTHER

Drainage Control comments: No drainage crossings

Road Drainage Control Structures (DCS) description: N/A

Road Drainage Control Structures (DCS) attachment:

#### **Access Additional Attachments**

Additional Attachment(s):

#### **Section 3 - Location of Existing Wells**

**Existing Wells Map?** YES

Attach Well map:

MAGNOLIA15FEDCOM712H\_radius\_08-03-2017.pdf

**Existing Wells description:** 

#### Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Magnolia 15 Fed Com central battery is located in the NW/4 of section 15

**Production Facilities map:** 

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

MAGNOLIA15FEDCOM INFRASTRUCTURE\_08-03-2017.pdf

#### Section 5 - Location and Types of Water Supply

#### Water Source Table

Water source use type: OTHER

Water source type: RECYCLED

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: WATER RIGHT

Source land ownership: FEDERAL

Water source transport method: PIPELINE, TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 0

Source volume (acre-feet): 0

Source volume (gal): 0

Water source and transportation map:

Magnolia\_15\_Fed\_Com\_water\_source\_and\_caliche\_map\_08-03-2017.pdf

Water source comments:

New water well? NO

#### **New Water Well Info**

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

**Drilling method:** 

Drill material:

**Grout material:** 

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

**Completion Method:** 

Water well additional information:

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

State appropriation permit:

Additional information attachment:

#### Section 6 - Construction Materials

Construction Materials description: Caliche will be supplied from pits shown on the attached caliche source map. Caliche utilized for the drilling pad will be obtained either from an existing approved mineral pit, or by benching into a hill, which will allow the pad to be level with existing caliche from the cut, or extracted by "Flipping" the well location. A mineral material permit will be obtained from BLM prior to excavating any caliche on Federal Lands. Amount will vary for each pad. The procedure for "Flipping" a well location is as follows: \* -An adequate amount of topsoil/root zone (usually top 6 inches of soil) will be stripped from the proposed well location and stockpiled along the side of the well location as depicted on the well site diagram/survey plat. -An area will be used within the proposed well site dimensions to excavate caliche. Subsoil will be removed and stockpiled within the surveyed well pad dimensions. -Once caliche/surfacing mineral is found, the mineral material will be excavated and stock piled within the approved drilling pad dimensions. -Then, subsoil will be pushed back in the excavated hole and caliche will be spread accordingly across the entire well pad and road (if available). -Neither caliche, nor subsoil will be stock piled outside of the well pad dimensions. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat. \* In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or federal land.

**Construction Materials source location attachment:** 

Magnolia 15 Fed Com water source and caliche map 08-03-2017.pdf

#### **Section 7 - Methods for Handling Waste**

Waste type: DRILLING

Waste content description: Drill fluids and produced oil and water from the well during drilling and completion operations will be stored safely and disposed of properly in an NMOCD approved disposal facility. Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly. Human waste and grey water will be properly contained of and disposed of properly. After drilling and completion operations; trash, chemicals, salts, frac sand, and other waste material will be removed and disposed of properly at a state approved disposal facility.

Amount of waste: 0

barrels

Waste disposal frequency: Daily

Safe containment description: Steel Tanks

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL

Disposal location ownership: COMMERCIAL

**FACILITY** 

Disposal type description:

Disposal location description: Trucked to NMOCD approved disposal facility

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.)

Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

#### **Cuttings Area**

**Cuttings Area being used? NO** 

Are you storing cuttings on location? YES

**Description of cuttings location** Closed Loop System. Drill cuttings will be disposed of into steel tanks and taken to an NMOCD approved disposal facility.

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

#### Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

**Ancillary Facilities attachment:** 

#### Comments:

#### Section 9 - Well Site Layout

#### Well Site Layout Diagram:

Magnolia\_15\_FC\_712H\_Rig\_Layout\_08-02-2017.pdf

MAGNOLIA15FEDCOM712H\_padsite\_08-03-2017.pdf

MAGNOLIA15FEDCOM712H\_wellsite\_08-03-2017.pdf

Comments: Exhibit 2A-Wellsite & Exhibit 2B-Padsite Rig Layout Exhibit 4

Well Name: MAGNOLIA 15 FED COM Well Number: 712H

#### **Section 10 - Plans for Surface Reclamation**

Type of disturbance: New Surface Disturbance Multiple Well Pad Name: MAGNOLIA 15 FED COM

Multiple Well Pad Number: 712H/713H/714H

#### Recontouring attachment:

MAGNOLIA15FEDCOM712H\_reclamation\_08-03-2017.pdf

**Drainage/Erosion control construction:** Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.

**Drainage/Erosion control reclamation:** The interim reclamation will be monitored periodically to ensure that vegetation has reestablished and that erosion is controlled.

Wellpad long term disturbance (acres): 3.05326

Access road long term disturbance (acres): 0.4573

Pipeline long term disturbance (acres): 3.6108816

Other long term disturbance (acres): 0

Total long term disturbance: 7.1214414

Wellpad short term disturbance (acres): 4.499541

Access road short term disturbance (acres): 0.4573

Pipeline short term disturbance (acres): 6.018136

Other short term disturbance (acres): 0

Total short term disturbance: 10.974977

Reconstruction method: In areas planned for interim reclamation, all the surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. Areas planned for interim reclamation will be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.

**Topsoil redistribution:** Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts and fills. To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting in order to break the soil crust and create seed germination micro-sites. **Soil treatment:** Re-seed according to BLM standards. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, and that erosion is controlled.

Existing Vegetation at the well pad: Grass, forbs, and small woody vegetation, such as mesquite will be excavated as the topsoil is removed. Large woody vegetation will be stripped and stored separately and respreads evenly on the site following topsoil respreading. Topsoil depth is defined as the top layer of soil that contains 80% of the roots. In areas to be heavily disturbed, the top 6 inches of soil material, will be stripped and stockpiled on the perimeter of the well location and along the perimeter of the access road to control run-on and run-off, to keep topsoil viable, and to make redistribution of topsoil more efficient during interim reclamation. Stockpiled topsoil should include vegetative material. Topsoil will be clearly segregated and stored separately from subsoils.

Existing Vegetation at the well pad attachment:

**Existing Vegetation Community at the road:** All disturbed areas, including roads, pipelines, pads, will be recontoured to the contour existing prior to the initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

**Existing Vegetation Community at the road attachment:** 

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

**Existing Vegetation Community at the pipeline**: All disturbed areas, including roads, pipelines, pads, will be recontoured to the contour existing prior to the initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

**Existing Vegetation Community at the pipeline attachment:** 

**Existing Vegetation Community at other disturbances:** All disturbed areas, including roads, pipelines, pads, will be recontoured to the contour existing prior to the initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to recontouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

**Existing Vegetation Community at other disturbances attachment:** 

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed S Seed Type	ummary Pounds/Acre	Total pounds/Acre:
PLS pounds per acre:		Proposed seeding season:
Seed use location:		
Seed cultivar:		
Source phone:		
Source name:		Source address:
Seed name:		
Seed type:		Seed source:
Seed Table		
Seed Managemer	1	

Seed reclamation attachment:

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

#### **Operator Contact/Responsible Official Contact Info**

First Name: Stan

Last Name: Wagner

Phone: (432)686-3689

Email: stan\_wagner@eogresources.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

**Existing invasive species treatment attachment:** 

Weed treatment plan description: All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, erosion is controlled, and free of noxious weeds. Weeds will be treated if found.

Weed treatment plan attachment:

**Monitoring plan description:** Reclamation will be completed within 6 months of well plugging. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not redisturbed, erosion is controlled, and free of noxious weeds.

Monitoring plan attachment:

Success standards: N/A

Pit closure description: NA

Pit closure attachment:

#### Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

**BIA Local Office:** 

**BOR Local Office:** 

**COE Local Office:** 

**DOD Local Office:** 

**NPS Local Office:** 

**State Local Office:** 

Military Local Office:

**USFWS Local Office:** 

**Other Local Office:** 

**USFS** Region:

Operator Name: EOG RESOURCES INCORPORATED Well Number: 712H Well Name: MAGNOLIA 15 FED COM USFS Forest/Grassland: **USFS Ranger District:** Fee Owner Address: P.O. Box 135 Orla, TX 79770 Fee Owner: Oliver Kiehne Phone: (575)399-9281 Email: Surface use plan certification: NO Surface use plan certification document: Surface access agreement or bond: Agreement Surface Access Agreement Need description: surface use agreement **Surface Access Bond BLM or Forest Service: BLM Surface Access Bond number: USFS Surface access bond number:** Disturbance type: PIPELINE Describe: Surface Owner: PRIVATE OWNERSHIP Other surface owner description: **BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office:** State Local Office: Military Local Office:

**USFS Ranger District:** 

USFWS Local Office:
Other Local Office:

**USFS** Forest/Grassland:

**USFS** Region:

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

Fee Owner: Oliver Kiehne

Fee Owner Address:

Phone: (575)399-9281

Email:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: EOG has a surface use agreement w/ Mr. Kiehne.

Surface Access Bond BLM or Forest Service:

**BLM Surface Access Bond number:** 

**USFS Surface access bond number:** 

#### **Section 12 - Other Information**

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

**ROW Applications** 

**SUPO Additional Information:** An onsite meeting was conducted 5/23/17. Poly lines are planned to transport water for operations. Will truck if necessary. See attached SUPO Plan. **Use a previously conducted onsite?** NO

**Previous Onsite information:** 

#### Other SUPO Attachment

SUPO\_Magnolia\_15\_Fed\_Com\_712H\_08-03-2017.pdf
MAGNOLIA15FEDCOM712H\_location\_08-03-2017.pdf
Magnolia\_15\_FC\_712H\_deficiency\_response\_20171017121412.pdf

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#### United States Department of the Interior

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 E. GREENE ST. CARLSBAD. NM 88220



In Reply To:

3160 (Office Code) [ NMNM02965A ]

10/16/2017

Attn: STAN WAGNER
EOG RESOURCES INCORPORATED
1111 BAGBY SKY LOBBY2
HOUSTON, TX: 77002

Re: Receipt and Acceptability of Application for Permit to Drill (APD)

FEDERAL -	NMNM02965A
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Well Name / Number:

MAGNOLIA 15 FED COM / 712H

Legal Description:

T26S, R33E, SEC 15, NENE

County, State: Date APD Received: LEA, NM 08/17/2017

Dear Operator:

The BLM received your Application for Permit to Drill (APD), for the referenced well, on 08/17/2017. The BLM reviewed the APD package pursuant to part III.D of Onshore Oil and Gas Order No.1 and it is:

1.	,	e/Deficient (The BLM cannot process the APD until you submit the identified calendar days of the date of this notice or the BLM will return your APD.)
		Well Plat
	$\checkmark$	Drilling Plan
		Surface Use Plan of Operations (SUPO)
		Certification of Private Surface Owner Access Agreement
		Bonding
		Onsite (The BLM has scheduled the onsite to be on )
		This requirement is exempt of the 45-day timeframe to submit deficiencies. This requirement will be satisfied on the date of the onsite
		Other

[Please See Addendum for further clarification of deficiencies]

2. Missing Necessary Information (The BLM can start, but cannot complete the analysis until you submit the identified items. This is an early notice and the BLM will restate this in a 30-day deferral letter, if you have not submitted the information at that time. You will have two (2) years from the date of the deferral to submit this information or the BLM will deny your APD.)

[Please See Addendum for further clarification of deficiencies]

NOTE: The BLM will return your APD package to you, unless you correct all deficiencies identified above (item 1) within 45 calendar days.

• The BLM will not refund an APD processing fee or apply it to another APD for any returned APD.

#### **Extension Requests:**

- If you know you will not be able to meet the 45-day timeframe for reasons beyond your control, you must submit a written request through email/standard mail for extension prior to the 45<sup>th</sup> calendar day from this notice, 11/30/2017.
- The BLM will consider the extension request if you can demonstrate your diligence (providing reasons and examples of why the delay is occurring beyond your control) in attempting to correct the deficiencies and can provide a date by which you will correct the deficiencies. If the BLM determines that the request does not warrant an extension, the BLM will return the APD as incomplete after the 45 calendar days have elapsed.
  - The BLM will determine whether to grant an extension beyond the required 45 calendar days and will document this request in the well file. If you fail to submit deficiencies by the date defined in the extension request, the BLM will return the APD.

#### APDs remaining Incomplete:

- If the APD is still not complete, the BLM will notify you and allow 10 additional business days to submit a written request to the BLM for an extension. The request must describe how you will address all outstanding deficiencies and the timeframe you request to complete the deficiencies.
  - The BLM will consider the extension request if you can prove your diligence (providing reasons and examples of why the delay is occurring) in attempting to correct the deficiencies and you can provide a date by which you will correct the deficiencies. If the BLM determines that the request does not warrant an additional extension, the BLM will return the APD as incomplete.

If you have any questions, please contact Deborah Ham at (575) 234-5965.

Sincerely,

Cody Layton Assistant Field Manager

cc: Official File

#### ADDENDUM - Deficient

#### **Engineering Comments**

- Engineering Review: Other identified drilling plan deficiencies

Not a deficiency but cannot approve APD without a waste minimization plan. Please attach state submitted gas capture plan (this will be a sufficient substitute for waste minimization plan).

#### 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 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 channel:	
Unlined pit PWD discharge volume (bbl/day):	•
Unlined pit specifications:	
Precipitated solids disposal:	
Decribe precipitated solids disposal:	•
Precipitated solids disposal permit:	
Unlined pit precipitated solids disposal schedule:	
Unlined pit precipitated solids disposal schedule attachment:	
Unlined pit reclamation description:	
Unlined pit reclamation attachment:	
Unlined pit Monitor description:	
Unlined pit Monitor attachment:	
Do you propose to put the produced water to beneficial use?	
Beneficial use user confirmation:	•
Estimated depth of the shallowest aquifer (feet):	·
Does the produced water have an annual average Total Disso that of the existing water to be protected?	lved Solids (TDS) concentration equal to or less than
TDS lab results:	
Geologic and hydrologic evidence:	
State authorization:	
Unlined Produced Water Pit Estimated percolation:	
Unlined pit: do you have a reclamation bond for the pit?	
Is the reclamation bond a rider under the BLM bond?	
Unlined pit bond number:	•
Unlined pit bond amount:	
Additional bond information attachment:	
Section 4 - Injection	
Would you like to utilize Injection PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Injection PWD discharge volume (hhl/day):	

Injection well type: Injection well name: Injection well number: 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 disturbance (acres): PWD surface owner: Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment: Have other regulatory requirements been met? Other regulatory requirements attachment:

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

## Bond Info Data Report

#### **Bond Information**

Federal/Indian APD: FED

**BLM Bond number: NM2308** 

**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:

Well Name: MAGNOLIA 15 FED COM

Well Number: 712H

	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	dyT
PPP Leg #1	117 0	FSL	994	FEL	26S	33E	15	Aliquot SESE	32.03942 74	- 103.5548 531	LEA	1	NEW MEXI CO	F	FEE	- 896 9	162 00	123 00
EXIT Leg #1	231 0	FNL	993	FEL	268	33E	22	Aliquot SENE	32.02986 1	- 103.5548 456	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 02965A	- 901 9	197 20	123 50
BHL Leg #1	241 0	FNL	993	FEL	26S	33E	22	Aliquot SENE	32.02958 61	- 103.5548 454	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 02965A	- 901 9	198 20	123 50



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

## Operator Certification Data Report 01/24/2018

#### **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: Stan Wagner

Signed on: 08/17/2017

Title: Regulatory Specialsit

Street Address: 5509 Champions Drive

City: Midland

State: TX

Zip: 79702

Phone: (432)686-3689

Email address: Stan\_Wagner@eogresources.com

#### Field Representative

Representative Name: James Barwis

Street Address: 5509 Champions Drive

City: Midland

State: TX

**Zip**: 79706

Phone: (432)425-1204

Email address: james\_barwis@eogresources.com