

HOBBS OCD

FEB 28 2018

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR REENTER

|  |  |  |
|--|--|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |  | 5. Lease Serial No.<br>NMLC064149  |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone   |  | 6. If Indian, Allottee or Tribe Name                                       |
| 2. Name of Operator<br>CONOCOPHILLIPS COMPANY (217817)   |  | 7. If Unit or CA Agreement, Name and No.                                   |
| 3a. Address<br>600 N. Dairy Ashford Rd Houston TX 77079  | 3b. Phone No. (include area code)<br>(281)293-1748 | 8. Lease Name and Well No.<br>PERIDOT 8 FEDERAL 1H 32080                   |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)<br>At surface SWSE / 615 FSL / 2460 FEL / LAT 32.843608 / LONG -103.788058<br>At proposed prod. zone LOT 4 / 330 FSL / 330 FWL / LAT 32.842853 / LONG -103.813431 |  | 9. API Well No.<br>30-025-44528  |
| 14. Distance in miles and direction from nearest town or post office*<br>1.5 miles   |  | 10. Field and Pool, or Exploratory<br>MALJAMAR / YESO WEST (44500)         |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>180 feet  |  | 11. Sec., T. R. M. or Blk. and Survey or Area<br>SEC 8 / T17S / R32E / NMP |
| 16. No. of acres in lease<br>320   |  | 12. County or Parish<br>LEA  |
| 17. Spacing Unit dedicated to this well<br>241   |  | 13. State<br>NM  |
| 18. Distance from proposed location* to nearest well, drilling, completed, 700 feet applied for, on this lease, ft.  |  | 20. BLM/BIA Bond No. on file<br>FED: ES0085                                |
| 19. Proposed Depth<br>5485 feet / 13133 feet   |  | 21. Estimated duration<br>21 days  |
| 22. Approximate date work will start*<br>02/01/2018  |  |  |
| 23. Estimated duration<br>21 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.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. 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). | 6. Such other site specific information and/or plans as may be required by the BLM.             |

|  |   |                    |
|--|---|--------------------|
| 25. Signature<br>(Electronic Submission)           | Name (Printed/Typed)<br>Susan Maunder / Ph: (281)206-5281 | Date<br>01/06/2017 |
| Title<br>Senior Coordinator, Regulatory MCBU       |   |                    |
| Approved by (Signature)<br>(Electronic Submission) | Name (Printed/Typed)<br>Cody Layton / Ph: (575)234-5959   | Date<br>02/23/2018 |
| Title<br>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.

(Continued on page 2)

\*(Instructions on page 2)

GCP 02/28/18

**APPROVED WITH CONDITIONS**

Approval Date: 02/23/2018

KZ  
02/10/18

\* Double sided \*

## INSTRUCTIONS

**GENERAL:** This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

**ITEM 1:** If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

**ITEM 4:** Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

**ITEM 14:** Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

**ITEMS 15 AND 18:** If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

**ITEM 22:** Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

## NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

**PRINCIPAL PURPOSES:** The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

**ROUTINE USE:** Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

**EFFECT OF NOT PROVIDING INFORMATION:** Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

## **Additional Operator Remarks**

### **Location of Well**

1. SHL: SWSE / 615 FSL / 2460 FEL / TWSP: 17S / RANGE: 32E / SECTION: 8 / LAT: 32.843608 / LONG: -103.788058 ( TVD: 0 feet, MD: 0 feet )

PPP: SESW / 405 FSL / 2622 FWL / TWSP: 17S / RANGE: 32E / SECTION: 8 / LAT: 32.843034 / LONG: -103.788706 ( TVD: 5460 feet, MD: 5524 feet )

BHL: LOT 4 / 330 FSL / 330 FWL / TWSP: 17S / RANGE: 32E / SECTION: 7 / LAT: 32.842853 / LONG: -103.813431 ( TVD: 5485 feet, MD: 13133 feet )

### **BLM Point of Contact**

Name: Priscilla Perez

Title: Legal Instruments Examiner

Phone: 5752345934

Email: pperez@blm.gov

## **Review and Appeal Rights**

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



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

## Application Data Report

02/26/2018

APD ID: 10400008917

Submission Date: 01/06/2017

Highlighted data  
reflects the most  
recent changes

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

### Section 1 - General

APD ID: 10400008917

Tie to previous NOS?

Submission Date: 01/06/2017

BLM Office: HOBBS

User: Susan Maunder

Title: Senior Coordinator, Regulatory

Federal/Indian APD: FED

MCBU

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

Lease number: NMLC064149

Lease Acres: 320

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? NO

Permitting Agent? NO

APD Operator: CONOCOPHILLIPS COMPANY

Operator letter of designation:

Peridot 8 Fed 1H\_JOA Certif Ltr\_12-14-2016.pdf

Peridot 8 Fed 1H\_Leases w-wellsMap\_01-06-2017.pdf

Peridot\_8\_Fed\_SerialRegisterPgs\_08-04-2017.pdf

### Operator Info

Operator Organization Name: CONOCOPHILLIPS COMPANY

Operator Address: 600 N. Dairy Ashford Rd

Zip: 77079

Operator PO Box:

Operator City: Houston

State: TX

Operator Phone: (281)293-1748

Operator Internet Address:

### Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: MALJAMAR

Pool Name: YESO WEST

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**Is the proposed well in an area containing other mineral resources?** NONE

**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:** 1H

**Well Class:** HORIZONTAL

**PERIDOT 8 FEDERAL**

**Number of Legs:**

**Well Work Type:** Drill

**Well Type:** OIL WELL

**Describe Well Type:**

**Well sub-Type:** INFILL

**Describe sub-type:**

**Distance to town:** 1.5 Miles

**Distance to nearest well:** 700 FT

**Distance to lease line:** 180 FT

**Reservoir well spacing assigned acres Measurement:** 241 Acres

**Well plat:** PERIDOT 8 FED 1H C-102 REV 2016-11-09 \_12-12-2016.pdf

Peridot 8 Fed 1H\_SubSurface\_01-06-2017.pdf

**Well work start Date:** 02/01/2018

**Duration:** 21 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       | TVD      |
|------------------|---------|--------------|----------|--------------|------|-------|---------|-------------------|---------------|---------------------|--------|-------------------|-------------------|------------|-----------------|---------------|----------|----------|
| SHL<br>Leg<br>#1 | 615     | FSL          | 246<br>0 | FEL          | 17S  | 32E   | 8       | Aliquot<br>SWSE   | 32.84360<br>8 | -<br>103.7880<br>58 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMLC0<br>64149  | 404<br>5      | 0        | 0        |
| KOP<br>Leg<br>#1 | 406     | FSL          | 246<br>0 | FEL          | 17S  | 32E   | 8       | Aliquot<br>SWSE   | 32.84303<br>3 | -<br>103.7880<br>63 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMLC0<br>64149  | -979<br>4     | 503<br>4 | 502<br>4 |
| PPP<br>Leg<br>#1 | 405     | FSL          | 262<br>2 | FWL          | 17S  | 32E   | 8       | Aliquot<br>SESW   | 32.84303<br>4 | -<br>103.7887<br>06 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMLC0<br>29406B | -<br>141<br>5 | 552<br>4 | 546<br>0 |

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

|                   | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude      | Longitude           | County | State             | Meridian          | Lease Type | Lease Number    | Elevation     | MD        | TVD      |
|-------------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|---------------|---------------------|--------|-------------------|-------------------|------------|-----------------|---------------|-----------|----------|
| EXIT<br>Leg<br>#1 | 330     | FSL          | 330     | FWL          | 17S  | 32E   | 7       | Lot<br>4          | 32.84285<br>3 | -<br>103.8134<br>31 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMLC0<br>29406B | -<br>144<br>0 | 131<br>33 | 548<br>5 |
| BHL<br>Leg<br>#1  | 330     | FSL          | 330     | FWL          | 17S  | 32E   | 7       | Lot<br>4          | 32.84285<br>3 | -<br>103.8134<br>31 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMLC0<br>29406B | -<br>144<br>0 | 131<br>33 | 548<br>5 |



Susan B. Maunder  
Sr. Coordinator, Regulatory  
Phone: (281) 206-5281

ConocoPhillips Company  
600 N. Dairy Ashford Road, Off EC3-10-W285  
Houston, TX 77079-1175

December 13, 2016

Bureau of Land Management  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220-6292

RE: Joint Operating Agreement  
Pending APD – Peridot 8 Federal 1H  
Section 8, T17S, R32E  
Lease Numbers – NMLC 064149, NMLC 029406B

Dear Sir or Madam,

ConocoPhillips Company has negotiated a Joint Operating Agreement ("JOA") with COG Operating LLC, evidenced by the enclosed Memorandum of Operating Agreement, which covers approximately 480 acres in Township 17 South, Range 32 East. The JOA, along with an associated settlement letter, provides access to surface operated by the other party. This mutual access will allow more oil and gas resource recovery by maximizing horizontal wellbore formation contact.

Please accept this letter as certification our two companies agree on operating rights within the Peridot 8 Federal area. In regards to Peridot development, COP respectfully requests the BLM to process the referenced APD to afford the maintenance of the lease in a timely manner.

If you have questions regarding this certification, I can be reached at 281-206-5281 or via email at [Susan.B.Maunder@conocophillips.com](mailto:Susan.B.Maunder@conocophillips.com).

Sincerely,

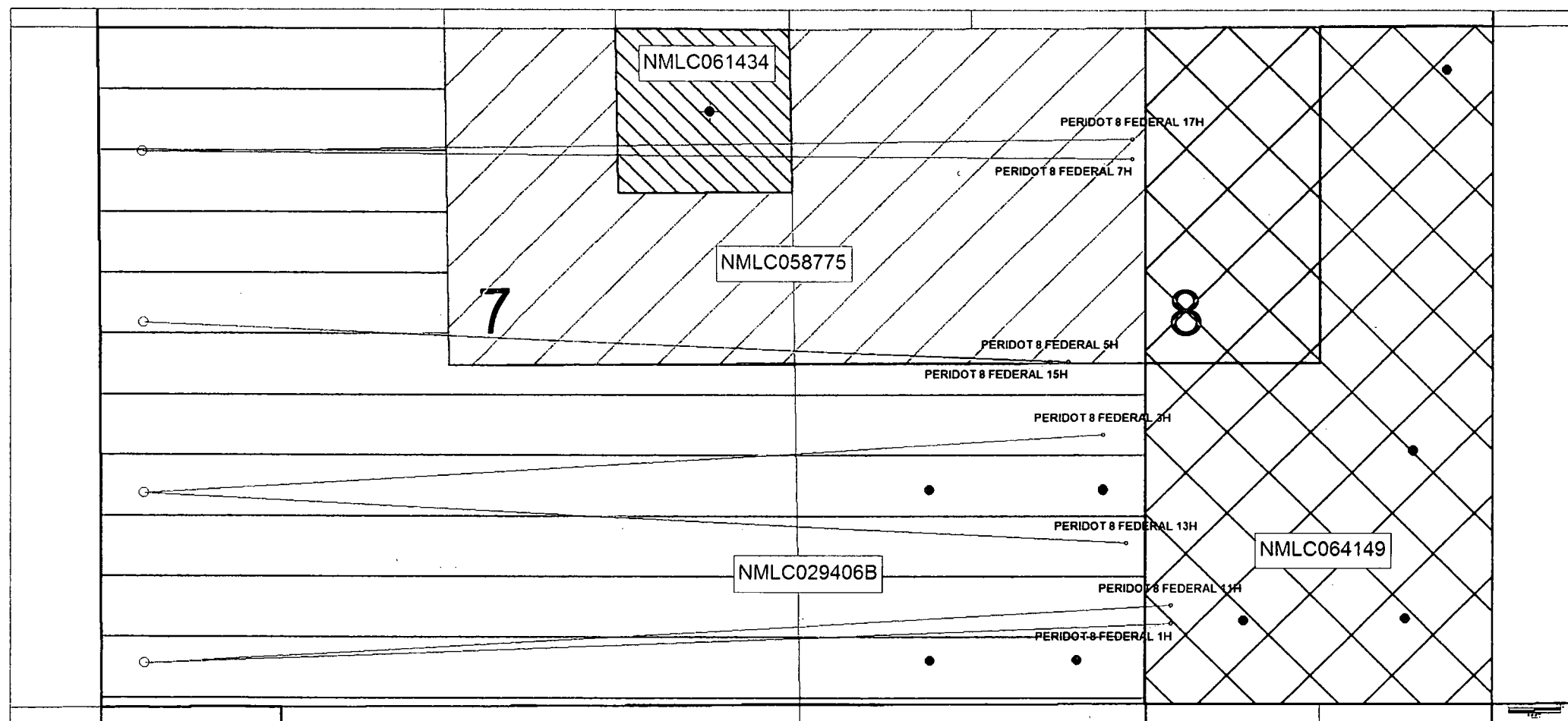
A handwritten signature in cursive script that reads "Susan B. Maunder".

Susan B. Maunder  
Senior Coordinator, Regulatory  
ConocoPhillips Company



# Peridot Section 7 and 8 Lease Map

Peridot 8 Federal 1H



Serial Register Page

Go



DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Time: 04:06 PM

Page 1 of 7

Click here to see on map

Run Date: 07/24/2017

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 310781: O&amp;G RENEWAL LEASE - PD

320.000

NMLC-- 0 064149

Commodity 459: OIL &amp; GAS

Case Disposition: AUTHORIZED

| Name & Address            |                        |                            | Serial Number: NMLC-- 0 064149 |               |  |
|---------------------------|------------------------|----------------------------|--------------------------------|---------------|--|
|                           |                        |                            | Int Rel                        | % Intere      |  |
| CHEVRON USA INC           | 6301 DEAUVILLE         | MIDLAND TX 797062964       | OPERATING RIGHTS               | 0.000000000   |  |
| CHEVRON USA INC           | 6301 DEAUVILLE         | MIDLAND TX 797062964       | LESSEE                         | 100.000000000 |  |
| COG OPERATING LLC         | 600 WILLINOIS AVE      | MIDLAND TX 797014882       | OPERATING RIGHTS               | 0.000000000   |  |
| CONOCOPHILLIPS CO         | PO BOX 7500            | BARTLESVILLE OK 740057500  | OPERATING RIGHTS               | 0.000000000   |  |
| LINN ENERGY HOLDINGS LLC  | 600 TRAVIS ST STE 5100 | HOUSTON TX 770023092       | OPERATING RIGHTS               | 0.000000000   |  |
| MALJAMAR DEV PRTNSHIP     | 8115 PRESTON RD #400   | DALLAS TX 75225            | OPERATING RIGHTS               | 0.000000000   |  |
| SABINE OIL & GAS CORP     | 707 17TH ST STE 3600   | DENVER CO 802023406        | OPERATING RIGHTS               | 0.000000000   |  |
| SANDRIDGE EXPL & PROD LLC | 123 ROBERT S KERR AVE  | OKLAHOMA CITY OK 731026406 | OPERATING RIGHTS               | 0.000000000   |  |

| Mer Twp | Rng   | Sec   | STyp | SNr Suf | Subdivision | District/Field Office | County | Mgmt Agency         |
|---------|-------|-------|------|---------|-------------|-----------------------|--------|---------------------|
| 23      | 0170S | 0320E | 008  | ALID    | E2          | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |

| Serial Number: NMLC-- 0 064149 |      |                          |                       |               |
|--------------------------------|------|--------------------------|-----------------------|---------------|
| Act Date                       | Code | Action                   | Action Remar          | Pending Offic |
| 06/08/1934                     | 387  | CASE ESTABLISHED         |                       |               |
| 06/08/1934                     | 496  | FUND CODE                | 05/145003             |               |
| 06/08/1934                     | 868  | EFFECTIVE DATE           |                       |               |
| 09/14/1945                     | 553  | CASE CREATED BY ASGN     | OUT OF NMLC029406-B;  |               |
| 11/20/1950                     | 102  | NOTICE SENT-PROD STATUS  |                       |               |
| 11/01/1961                     | 242  | LEASE RENEWED            | THRU 10/31/71;        |               |
| 11/01/1961                     | 534  | RLTY RATE-SLIDING-SCH D  |                       |               |
| 11/01/1961                     | 668  | EFFECTIVE DATE           | LAST RENEWAL;         |               |
| 05/01/1967                     | 232  | LEASE COMMITTED TO UNIT  | KMMN70988X;MALJAMAR G |               |
| 05/01/1967                     | 651  | HELD BY PROD - ALLOCATED | MALJAMAR GRAYBURG UA  |               |
| 05/01/1967                     | 660  | MEMO OF 1ST PROD-ALLOC   | MALJAMAR GRAYBURG UA  |               |
| 04/03/1987                     | 963  | CASE MICROFILMED/SCANNED | CNUM 102,962          | RK            |
| 01/05/1988                     | 974  | AUTOMATED RECORD VERIF   |                       | AR/EC         |
| 10/11/1990                     | 974  | AUTOMATED RECORD VERIF   |                       | GG            |
| 06/22/1992                     | 922  | TRF OPER RGTS FILED      | CHEVRON/WISER OIL CO  |               |
| 06/20/1992                     | 923  | TRF OPER RGTS APPROVED   | EFF 07/01/92;         |               |
| 06/20/1992                     | 974  | AUTOMATED RECORD VERIF   |                       | SSE/JS        |
| 10/01/1992                     | 621  | RLTY RED-STRIPPER WELL   | 2.1%;/1/8910088400    |               |
| 01/15/1993                     | 621  | RLTY REDUCTION APPV      | /1/                   |               |
| 02/21/1994                     | 974  | AUTOMATED RECORD VERIF   |                       | AMH           |
| 12/04/1995                     | 922  | TRF OPER RGTS FILED      | THE WISER/MALJAMAR    |               |
| 05/28/1996                     | 923  | TRF OPER RGTS APPROVED   | EFF 01/01/96;         |               |
| 05/28/1996                     | 974  | AUTOMATED RECORD VERIF   | MV/MV                 |               |
| 08/01/1996                     | 922  | TRF OPER RGTS FILED      | CHEVRON/CONOCO        |               |
| 11/05/1996                     | 922  | TRF OPER RGTS APPROVED   | EFF 05/01/96;         |               |
| 11/05/1996                     | 974  | AUTOMATED RECORD VERIF   | JLV                   |               |
| 05/22/1997                     | 922  | TRF OPER RGTS FILED      | MALJAMAR/WISER OIL    |               |
| 06/25/1997                     | 923  | TRF OPER RGTS APPROVED   | EFF 06/01/97;         |               |
| 06/25/1997                     | 974  | AUTOMATED RECORD VERIF   | MV/MV                 |               |
| 01/16/2003                     | 617  | MERGER RECOGNIZED        | CONOCO/CONOCOPHILLIPS |               |

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM



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

## Drilling Plan Data Report

02/26/2018

APD ID: 10400008917

Submission Date: 01/06/2017

Highlighted data  
reflects the most  
recent changes

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

### Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies                    | Mineral Resources | Producing Formation |
|--------------|----------------|-----------|---------------------|----------------|--------------------------------|-------------------|---------------------|
| 1            | RUSTLER        | 3242      | 820                 | 820            | DOLOMITE, ANHYDRITE            | NONE              | No                  |
| 2            | SALADO         | 2265      | 960                 | 960            | SALT, ANHYDRITE                | NONE              | No                  |
| 3            | TANSILL        | 1185      | 2040                | 2043           | DOLOMITE, ANHYDRITE            | NONE              | No                  |
| 4            | YATES          | 1050      | 2175                | 2178           | DOLOMITE, ANHYDRITE            | NATURAL GAS, OIL  | No                  |
| 5            | SEVEN RIVERS   | 740       | 2485                | 2489           | SANDSTONE, ANHYDRITE           | NATURAL GAS, OIL  | No                  |
| 6            | QUEEN          | 115       | 3110                | 3116           | SANDSTONE, DOLOMITE, ANHYDRITE | NATURAL GAS, OIL  | No                  |
| 7            | GRAYBURG       | -300      | 3525                | 3533           | SANDSTONE, DOLOMITE, ANHYDRITE | OIL               | No                  |
| 8            | SAN ANDRES     | -625      | 3850                | 3859           | SANDSTONE, DOLOMITE, ANHYDRITE | NATURAL GAS, OIL  | No                  |
| 9            | GLORIETA       | -2150     | 5375                | 5404           | SANDSTONE, DOLOMITE, SILTSTONE | NATURAL GAS, OIL  | No                  |
| 10           | PADDOCK        | -2235     | 5460                | 5524           | DOLOMITE, ANHYDRITE, SILTSTONE | NATURAL GAS, OIL  | Yes                 |

### Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 13146

Equipment: Rotating Head, Annular Preventer, Pipe/Blind Rams, Kill Lines, Choke Lines, Adapter Spool.

Requesting Variance? YES

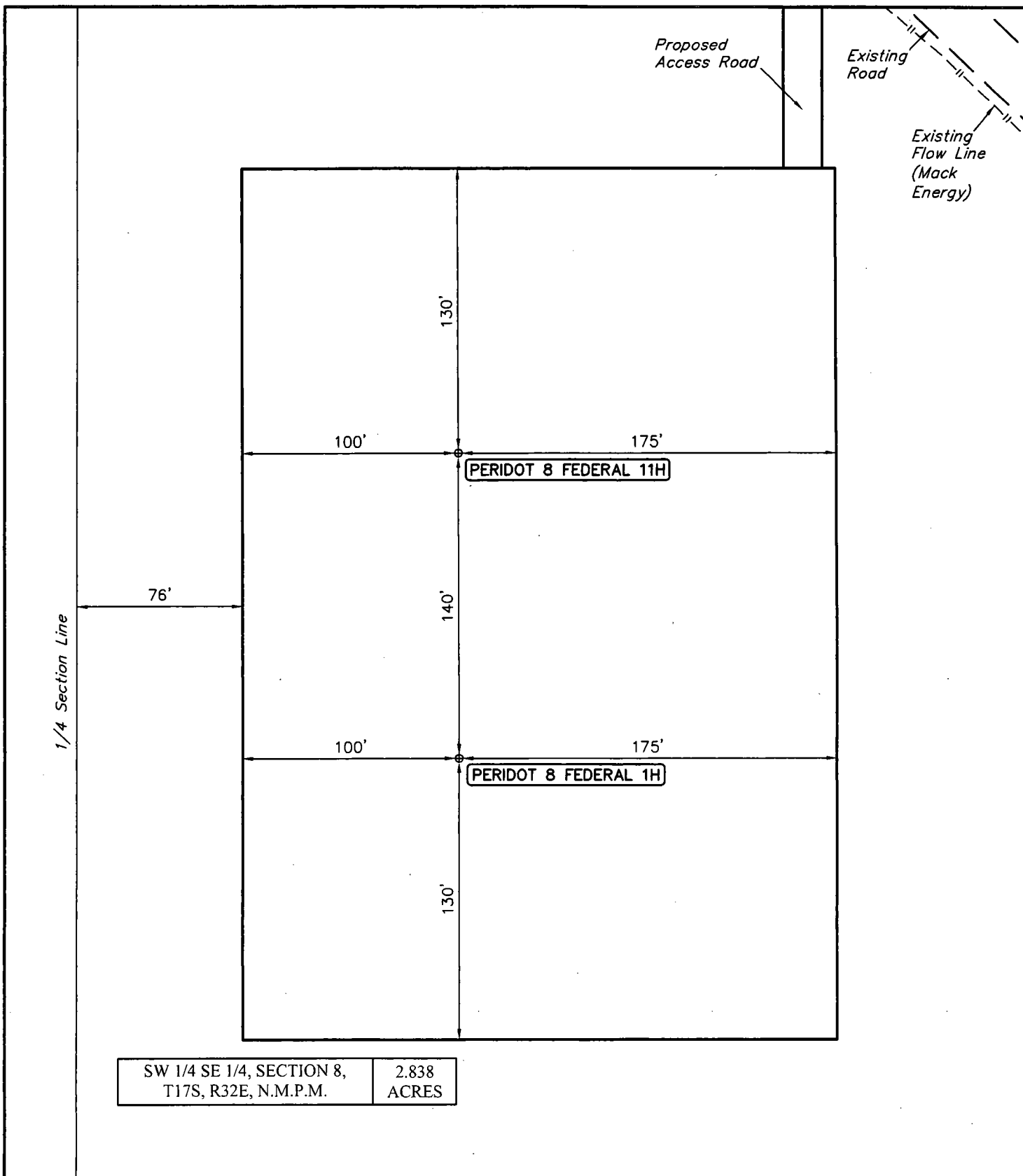
**Variance request:** We request variance to use flexible choke line(s) from the BOP to Choke Manifold. We also request approval to have the option of using a 13" 3M BOP (diagram attached).

**Testing Procedure:** BOP/BOPE tested by independent company to 250 psi low and the high of 50% working psi, as required by Onshore Order 2. See also attached "Drill Plan".

**Choke Diagram Attachment:**

Peridot\_8\_Fed\_1H\_3M\_ChokeDiagram\_08-01-2017.pdf

Peridot\_8\_Fed\_1H\_FlexhoseVarianceData\_08-01-2017.pdf



**NOTES:**

**ConocoPhillips Company**

**PERIDOT 8 FEDERAL 11H & 1H**  
**SW 1/4 SE 1/4, SECTION 8, T17S, R32E, N.M.P.M.**  
**LEA COUNTY, NEW MEXICO**



**UELS, LLC**  
 Corporate Office \* 85 South 200 East  
 Vernal, UT 84078 \* (435) 789-1017

|             |            |          |          |
|-------------|------------|----------|----------|
| SURVEYED BY | A.H., J.J. | 08-26-16 | SCALE    |
| DRAWN BY    | C.D.       | 11-28-16 | 1" = 60' |
| SITE PLAN   |            |          |          |

NW Cor. Sec. 8,  
1" Iron Pipe

S89°54'22"E - 5280.20' (Meas.)

NE Cor. Sec. 8,  
PK Nail in Road

N00°00'35"W - 2640.31' (Meas.)

S00°14'03"W - 2640.04' (Meas.)

W 1/4 Cor. Sec. 8,  
1" Iron Pipe  
w/Brass Cap

E 1/4 Cor. Sec. 8,  
1" Iron Pipe  
w/Brass Cap

N00°03'50"E - 2635.30' (Meas.)

S00°05'28"E - 2638.82' (Meas.)

SW Cor. Sec. 8,  
2" Iron Pipe w/Brass Cap

N89°49'18"W - 2638.20' (Meas.)

N89°55'15"W - 2637.91' (Meas.)

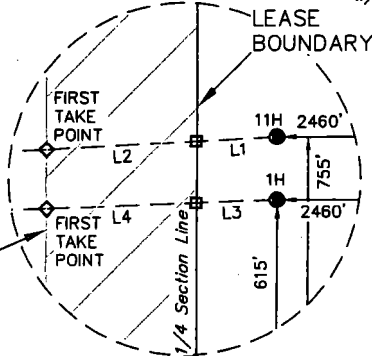
SE Cor. Sec. 8,  
2" Iron Pipe  
w/Brass Cap

### LINE TABLE

| LINE | DIRECTION   | LENGTH  |
|------|-------------|---------|
| L1   | S86°38'22"W | 176.39' |
| L2   | S86°38'22"W | 330.58' |
| L3   | S87°39'15"W | 176.56' |
| L4   | S87°39'15"W | 330.29' |

330' REGULATORY  
SETBACK

Detail "A"  
No Scale



- = SURFACE HOLE LOCATION
- = POINT ON LEASE BOUNDARY
- ◇ = FIRST TAKE POINT
- ▲ = SECTION CORNER LOCATED

#### NOTES:

- Distances referenced on plat to section lines and lease lines are perpendicular.
- Basis of bearing is a G.P.S. observation (Vertical Control Datum: NAVD88)



**UELS, LLC**  
Corporate Office \* 85 South 200 East  
Vernal, UT 84078 \* (435) 789-1017



**ConocoPhillips Company**

**PERIDOT 8 FEDERAL 11H & 1H**  
SW 1/4 SE 1/4, SECTION 8, T17S, R32E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

|                         |            |          |            |
|-------------------------|------------|----------|------------|
| SURVEYED BY             | A.H., J.J. | 08-26-16 | SCALE      |
| DRAWN BY                | C.D.       | 11-28-16 | 1" = 1000' |
| <b>SUB SURFACE PLAT</b> |            |          |            |



DESCRIPTION:



**UINTAH**  
ENGINEERING & LAND SURVEYING

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

Peridot\_8\_Fed\_1H\_3M\_ChokeDiagram\_08-01-2017.pdf

Peridot\_8\_Fed\_1H\_FlexhoseVarianceData\_08-01-2017.pdf

**BOP Diagram Attachment:**

Peridot\_8\_Fed\_1H\_BOPDiagrams\_08-01-2017.pdf

Peridot\_8\_Fed\_1H\_Generic5MWellhead\_08-01-2017.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      | 17.5      | 13.375   | NEW       | API      | N              | 0          | 885           | 0           | 885            | -1440       | -2325          | 885                         | J-55  | 54.5   | STC        | 2.89        | 6.98     | DRY           | 10.7     | DRY          | 17.7    |
| 2         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 0          | 2250          | 0           | 2250           | -1440       | -3640          | 2250                        | J-55  | 40     | LTC        | 2.2         | 3.38     | DRY           | 5.78     | DRY          | 7       |
| 3         | PRODUCTION   | 8.75      | 7.0      | NEW       | API      | Y              | 0          | 5200          | 0           | 5186           | -1440       | -6626          | 5200                        | L-80  | 29     | LTC        | 2.88        | 3.35     | DRY           | 3.89     | DRY          | 4.48    |
| 4         | PRODUCTION   | 8.75      | 5.5      | NEW       | API      | Y              | 5200       | 13146         | 5186        | 5600           | -6626       | -7040          | 7946                        | L-80  | 17     | LTC        | 2.4         | 2.95     | DRY           | 2.5      | DRY          | 2.94    |

**Casing Attachments**

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Peridot\_8\_Fed\_1H\_Csg\_Worksheetv5\_08-05-2017.pdf

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

#### Casing Attachments

---

**Casing ID:** 2      **String Type:** INTERMEDIATE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

Peridot\_8\_Fed\_1H\_Csg\_Worksheetv5\_08-05-2017.pdf

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**Casing ID:** 3      **String Type:** PRODUCTION

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

Peridot\_8\_Fed\_1H\_Csg\_Worksheetv5\_08-05-2017.pdf

**Casing Design Assumptions and Worksheet(s):**

Peridot\_8\_Fed\_1H\_Csg\_Worksheet\_08-01-2017.pdf

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**Casing ID:** 4      **String Type:** PRODUCTION

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

Peridot\_8\_Fed\_1H\_Csg\_Worksheetv5\_08-05-2017.pdf

**Casing Design Assumptions and Worksheet(s):**

Peridot\_8\_Fed\_1H\_Csg\_Worksheetv5\_08-05-2017.pdf

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#### Section 4 - Cement



Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

| String Type  | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type   | Additives   |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|---------------|---|
| SURFACE      | Lead      |                  | 0      | 585       | 500          | 1.68  | 13.5    | 840   | 100     | Lead: Class C | 4.0% Bentonite + 0.2% Anti-Foam + 2.0% CaCl <sub>2</sub> + 0.125lb/sk LCM + 0.1% Dispersant   |
| SURFACE      | Tail      |                  | 585    | 885       | 400          | 1.35  | 14.8    | 540   | 100     | Tail: Class C | 0.2% Anti-Foam + 0.1% Lost Circ Control + 2 lbs/bbl CemNET (losses Control)   |
| INTERMEDIATE | Lead      |                  | 0      | 1750      | 450          | 2.29  | 11.5    | 1031  | 100     | Lead: Class C | 10.0% Bentonite + 0.2% Anti-Foam + 2.0% Expanding + 0.15% Viscosifier + 1.3% Retarder.  |
| INTERMEDIATE | Tail      |                  | 1750   | 2250      | 300          | 1.29  | 13.5    | 387   | 100     | Tail: Class C | 1% Extender + 3 lb/sk Extender + 0.2% Anti-Foam + 0.1% Dispersant + 13 lb/sk LCM + 0.5% Fluid Loss + 0.7% Retarder  |
| PRODUCTION   | Lead      |                  | 1700   | 5200      | 650          | 3.2   | 11      | 2080  | 30      | Lead: Class C | 6% Extender + 10% Gas Migration Control + 2% Sodium Metasilicate (dry) + 1% Cement Bonding Agent + 3% Aluminum Silicate + 0.125 lb/sx Cello Flake + 3 lb/sx LCM-1 |

|            |      |  |      |           |      |      |    |      |    |         |  |
|------------|------|--|------|-----------|------|------|----|------|----|---------|--|
| PRODUCTION | Lead |  | 5200 | 1314<br>6 | 1900 | 1.37 | 14 | 2603 | 30 | Class C | 3lb/sk LCM + 1.5% Fluid Loss + 0.1% + 1% Sodium Metasilicate (dry) + 1.5% Fluid Loss Control |
|------------|------|--|------|-----------|------|------|----|------|----|---------|--|

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

### Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

**Describe what will be on location to control well or mitigate other conditions:** Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. See attached "Drill Plan" for additional information.

**Describe the mud monitoring system utilized:** Closed-loop mud system using steel mud containers will be on location. Mud monitoring of any changes in levels (gains or losses) will use Pressure Volume Temperature instrumentation, Pason, Visual Observations. See attached "Drill Plan" for additional information.

### Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type          | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics                                   |
|-----------|--------------|-------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|--|
| 0         | 885          | WATER-BASED MUD   | 8.5                  | 9                    |                     |                             |    |                |                |                 | Please see attached "Drill Plan" for additional information. |
| 885       | 2250         | SALT SATURATED    | 10                   | 10                   |                     |                             |    |                |                |                 | Please see attached "Drill Plan" for additional information. |
| 2250      | 5600         | OTHER : Cut Brine | 8.6                  | 10                   |                     |                             |    |                |                |                 | Please see attached "Drill Plan" for additional information. |

### Section 6 - Test, Logging, Coring

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

Production tests will be conducted multiple times per week, through a test separator, during first months following completion. Thereafter, tests will be less frequently. See attached "Drill Plan" for additional information.

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

CNL,GR

**Coring operation description for the well:**

No coring operation is planned at this time.

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

### Section 7 - Pressure

**Anticipated Bottom Hole Pressure:** 2815

**Anticipated Surface Pressure:** 1608.3

**Anticipated Bottom Hole Temperature(F):** 100

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

**Describe:**

**Contingency Plans geohazards description:**

**Contingency Plans geohazards attachment:**

**Hydrogen Sulfide drilling operations plan required?** YES

**Hydrogen sulfide drilling operations plan:**

Peridot 8 Fed 1H\_H2S C Plan\_01-04-2017.pdf

Peridot\_8\_Fed\_1H\_RigLayoutPlat\_08-02-2017.pdf

### Section 8 - Other Information

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

Peridot\_8\_Fed\_1H\_DirectionalPlan\_08-05-2017.pdf

Peridot\_8\_Fed\_1H\_WellBoreSchematic5\_08-05-2017.pdf

**Other proposed operations facets description:**

Option to upgrade casing connection to BTC is requested, in addition to the ability to upgrade our BOP equipment. We request approval of the option to run open hole sleeve in the lateral section according to the attached plan with file title, "Peridot 8 Fed 1H OH Sleeve Option". We request variance to use multi-bowl wellhead. See also attached "Drill Plan".

**Other proposed operations facets attachment:**

Peridot 8 Fed 1H\_Drill Waste Containment\_01-04-2017.pdf

Peridot\_8\_Fed\_1H\_Drill\_Planv5\_08-05-2017.pdf

Peridot\_8\_Fed\_1H\_OH\_Sleeve\_Option\_20180103085923.pdf

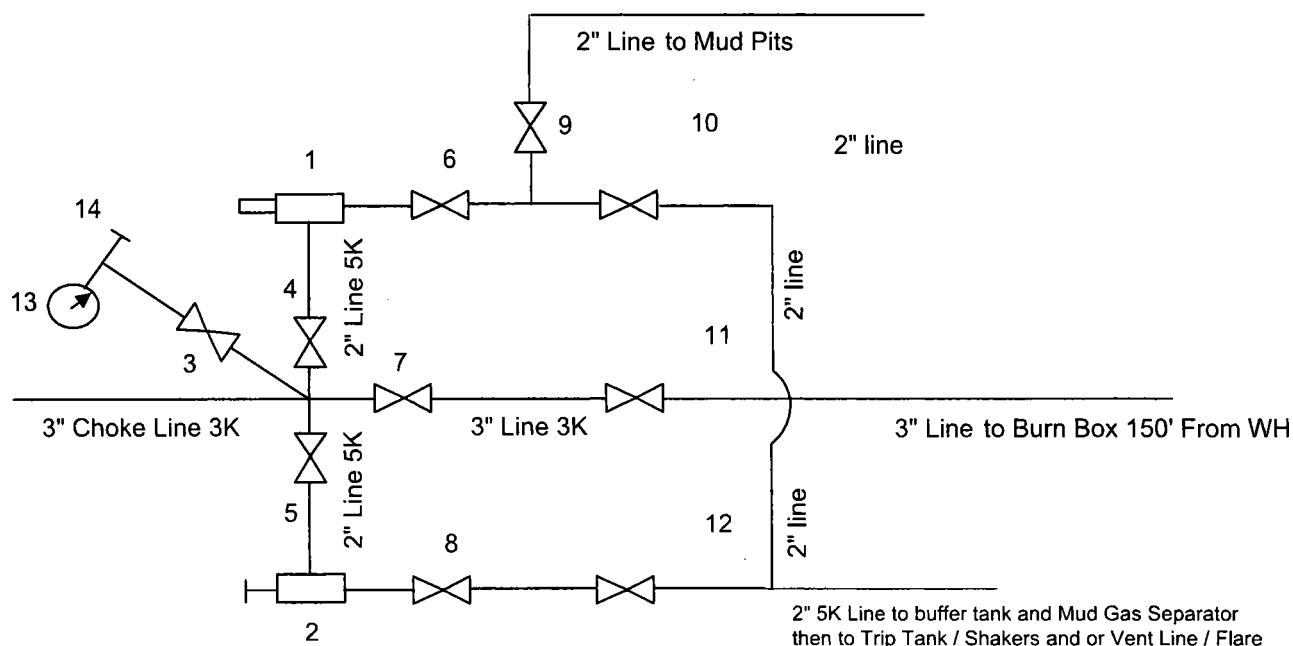
Peridot\_8\_Fed\_Gas\_Capture\_Plan\_20180108105207.pdf

**Other Variance attachment:**

Peridot\_8\_Fed\_5M\_Wellhead\_08-05-2017.pdf

## CHOKE MANIFOLD ARRANGEMENT - 3M Choke

per Onshore Oil and Gas Order No. 2 utilizing 3M/5M Equipment



## All Tees must be Targeted

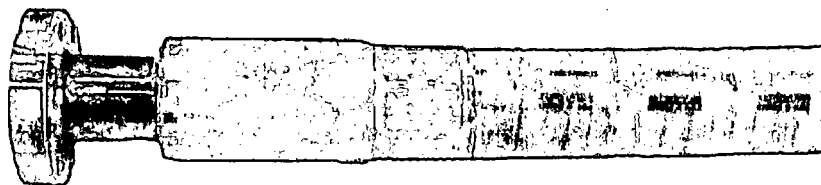
| Item | Description  |
|------|--|
| 1    | Remote Controlled Hydraulically Operated Adjustable Choke, 2-1/16", 3M |
| 2    | Manual Adjustable Choke, 2-1/16", 3M                                   |
| 3    | Gate Valve, 2-1/16" 5M   |
| 4    | Gate Valve, 2-1/16" 5M   |
| 5    | Gate Valve, 2-1/16" 5M   |
| 6    | Gate Valve, 2-1/16" 5M   |
| 7    | Gate Valve, 3-1/8" 3M  |
| 8    | Gate Valve, 2-1/16" 5M   |
| 9    | Gate Valve, 2-1/16" 5M   |
| 10   | Gate Valve, 2-1/16" 5M   |
| 11   | Gate Valve, 3-1/8" 3M  |
| 12   | Gate Valve, 2-1/16" 5M   |
| 13   | Pressure Gauge   |
| 14   | 2" hammer union tie-in point for BOP Tester                            |

The 3M Choke Manifold & Valves will be tested to rated working pressure.



# Wellhead / Fire Guarded System

## Choke & Kill



## Reliance Eliminator Choke & Kill

This hose can be used as a choke hose which connects the BOP stack to the b manifold or a kill hose which connects the mud stand pipe to the BOP kill valve.

The Reliance Eliminator Choke & Kill hose contains a specially bonded compounded cover that replaces rubber covered Asbestos, Fibreglass and other fire retardant materials which are prone to damage. This high cut and gouge resistant cover overcomes costly repairs and downtime associated with older designs.

The Reliance Eliminator Choke & Kill hose has been verified by an independent engineer to meet and exceed EUB Directive °36 fq706 minutes)

| Nom. ID |      | Nom OD |        | Weight |       | Min Bend Radius |        | Max WP |       |
|---------|------|--------|--------|--------|-------|-----------------|--------|--------|-------|
| in.     | mm.  | in.    | mm     | lb/ft  | kg/m  | in.             | mm.    | psi    | Mpa   |
| 3       | 76.2 | 5.11   | 129.79 | 14.5   | 21.46 | 48              | 1219.2 | 5000   | 34.47 |
| 3-1/2   | 88.9 | 5.79   | 147.06 | 20.14  | 29.80 | 54              | 1371.6 | 5000   | 34.47 |

## End Connections

### Fittings

RC4X5055  
RC3X5055  
RC4X5575

### Flanges

R35 - 3-1/8 5000# API Type 6B  
R31 - 3-1/8 3000# API Type 6B

### Hammer Unions

All Union Configurations LP Threaded (Graylock Custom Ends

### Other





2904 SCR 1250  
MIDLAND, TX  
79706

## TEST CERTIFICATE

### Customer Information

|                 |                   |
|-----------------|-------------------|
| Customer:       | TRINIDAD DRILLING |
| P.O. #:         | PO22132           |
| Rig #           | RIG# 435          |
| Cust Tracking # |                   |

### Material Information

|                  |                    |
|------------------|--------------------|
| Hose Type        | 3.1/2" FIREGUARD H |
| Hose ID          | 3.1/2"             |
| Assembly Length  | 8' 6"              |
| Fireguard Yes/No | YES                |

### Test Information

|                    |                |      |
|--------------------|----------------|------|
| Cert No.:          | 105-013482/001 | H-01 |
| Date: (YYYY-MM-DD) | #2016-11-11#   |      |
| Working Pressure:  | 5000 PSI       |      |
| Test Pressure:     | 10000 PSI      |      |
| Duration (mins):   | 20             |      |

### Material Tracking - Coupling #1

|              |                 |
|--------------|-----------------|
| Coupling #1: | R35 FIXD FLANGE |
| MTR# - Stem  |                 |
| MTR# - Shell |                 |
| NACE#        |                 |

### Traceability

☒ NEW

☐ RECENT

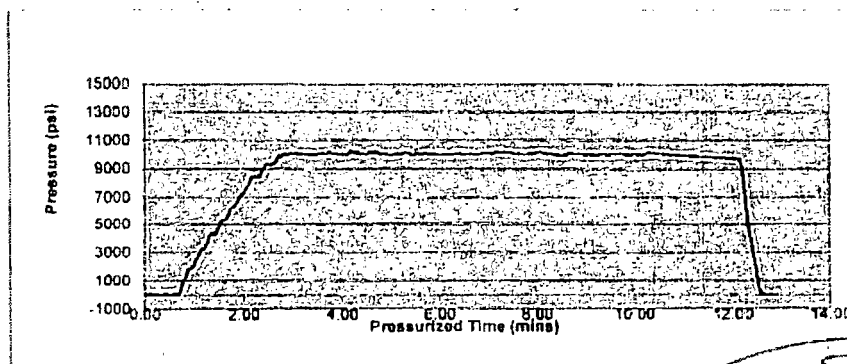
13482 H-01  
Previous Reference #

### Material Tracking - Coupling #2

|              |                   |
|--------------|-------------------|
| Coupling #2: | R35 FLOATING FLAN |
| MTR# - Stem  |                   |
| MTR# - Shell |                   |
| NACE#        |                   |

### Comments

TESTED AND CERTIFIED @ 10000 PSI FOR 10 MINUTES CERT TAG SN# 13482-H01



☒ Acceptable  
☐ Not Acceptable

RIP-HAFM 006  
VER II

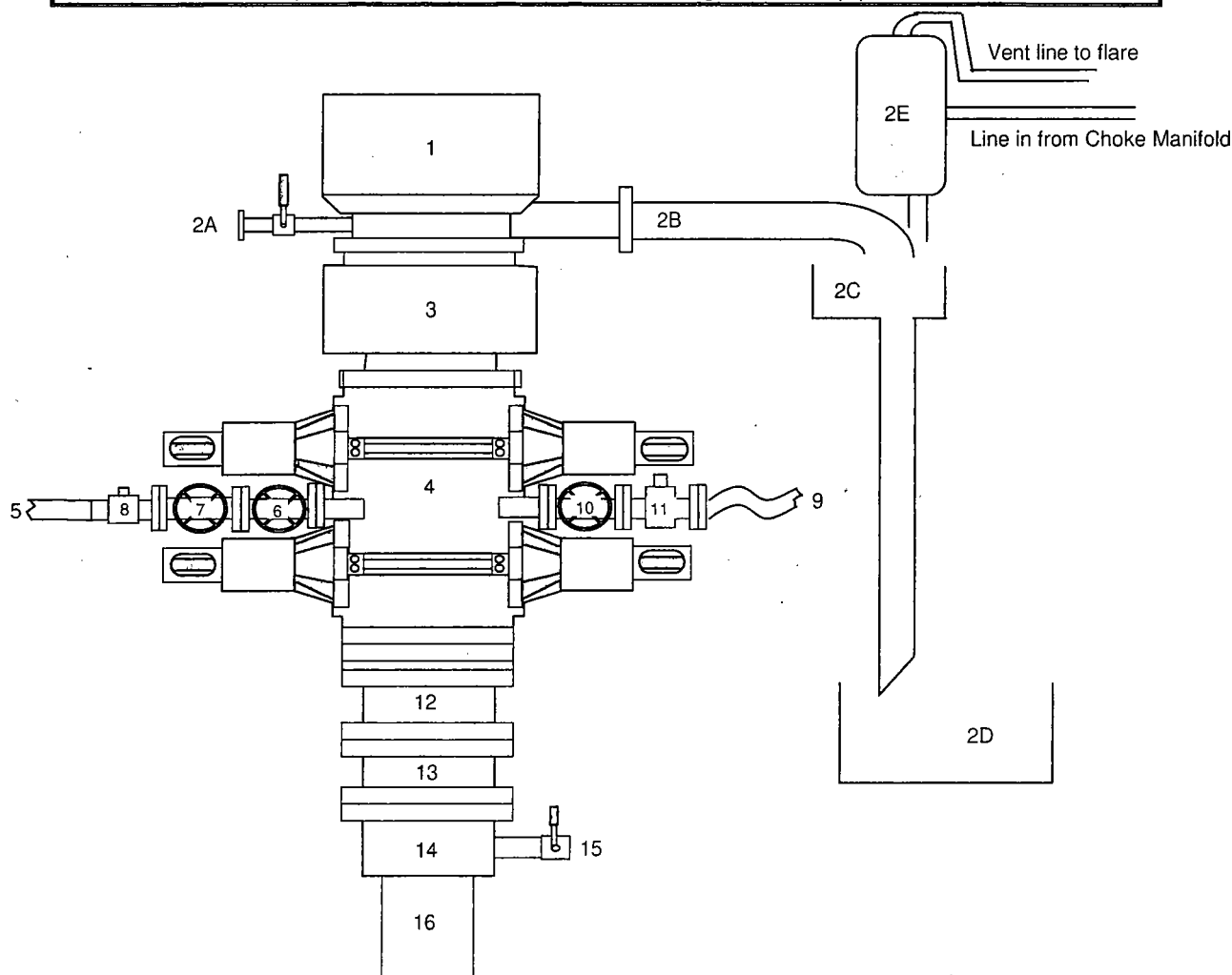
ISIDRO SANCHEZ

Test Technician (Print Name)

Supervisor Signature

Test Technician Signature

**BLOWOUT PREVENTER ARRANGEMENT - 11" 3M BOPE**  
per Onshore Oil and Gas Order No. 2 utilizing 3M Rated Equipment



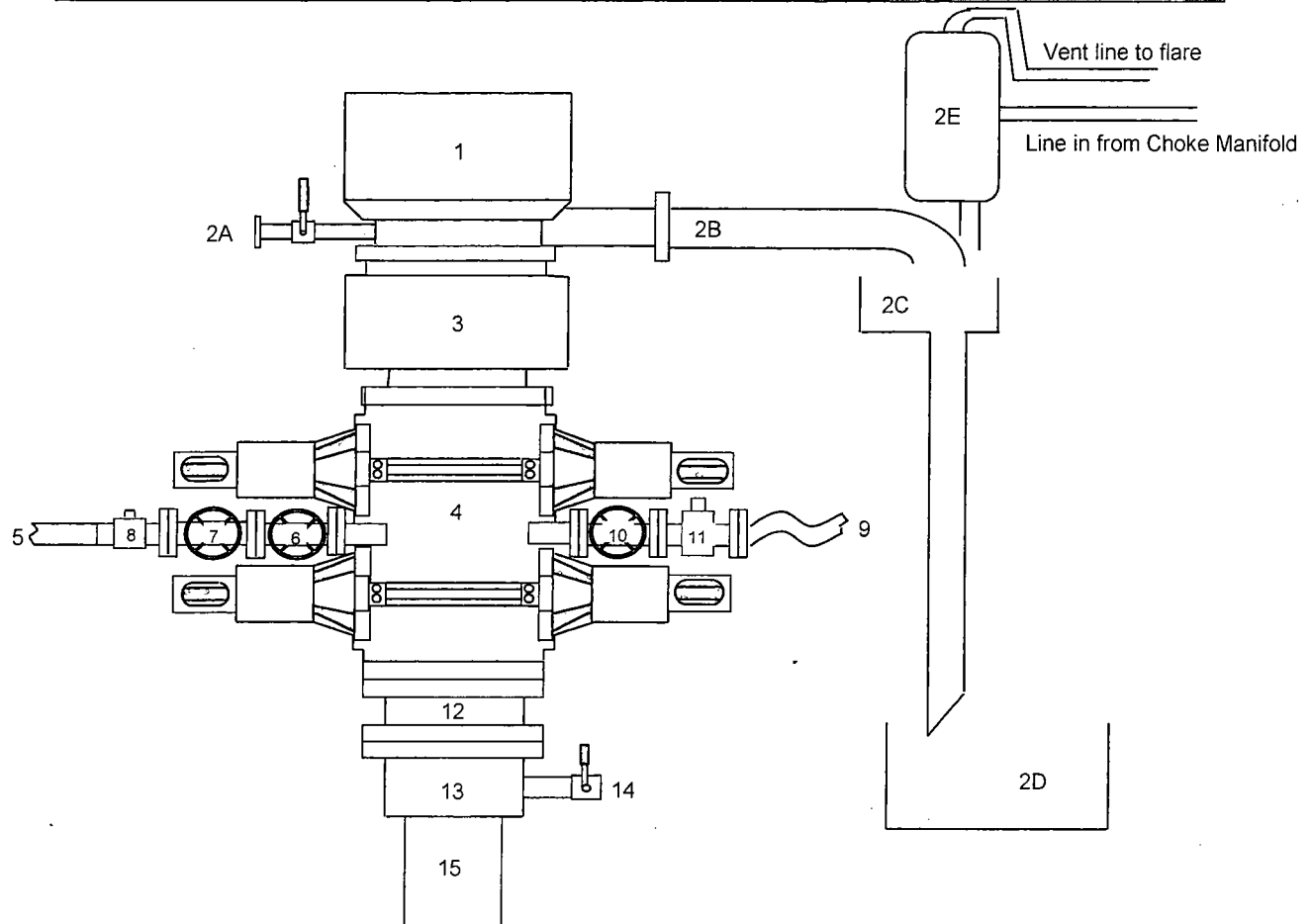
| Item | Description  |
|------|--|
| 1    | Rotating Head, 11"   |
| 2A   | Fill up Line and Valve   |
| 2B   | Flow Line (10")  |
| 2C   | Shale Shakers and Solids Settling Tank   |
| 2D   | Cuttings Bins for Zero Discharge   |
| 2E   | Rental Mud Gas Separator with vent line to flare and return line to mud system |
| 3    | Annular BOP (11", 3M)  |
| 4    | Double Ram (11", 3M, Blind Ram top x Pipe Ram bottom)                          |
| 5    | Kill Line (2" flexible hose, 3M)   |
| 6    | Kill Line Valve, Inner (2-1/16", 3M)   |
| 7    | Kill Line Valve, Outer (2-1/16", 3M)   |
| 8    | Kill Line Check Valve (2-1/16", 3M)  |
| 9    | Choke Line (3-1/8" 3M Coflex Line)   |
| 10   | Choke Line Valve, Inner (3-1/8", 3M)   |
| 11   | Choke Line Valve, Outer, (3-1/8", Hydraulically operated, 3M)                  |
| 12   | Adapter Flange (11" 5M to 11" 3M)  |
| 13   | Spacer Spool (11", 5M)   |
| 14   | Casing Head (11" 5M)   |
| 15   | Ball Valve and Threaded Nipple on Casing Head Outlet, 2" 5M                    |
| 16   | Surface Casing   |

A variance is requested to permit the use of flexible hose. The testing certificate for the specific hose will be available on the rig prior to commencing drilling operations.



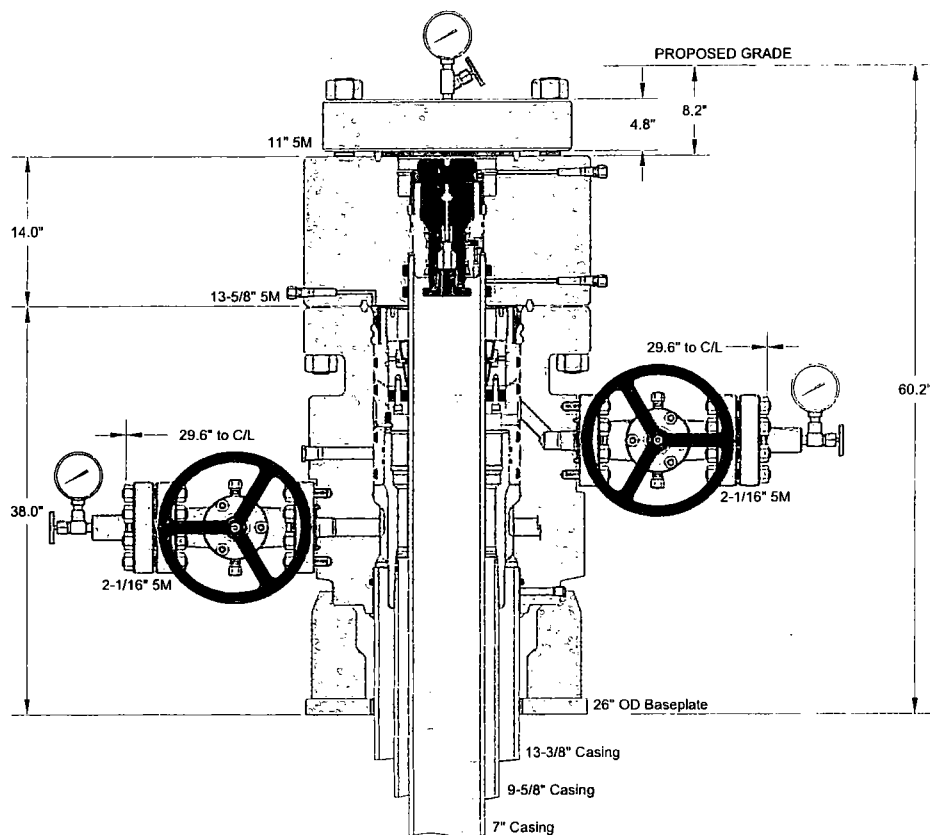
**BLOWOUT PREVENTER ARRANGEMENT - 13-5/8" 3M BOPE**

per Onshore Oil and Gas Order No. 2 utilizing 5M Rated Equipment

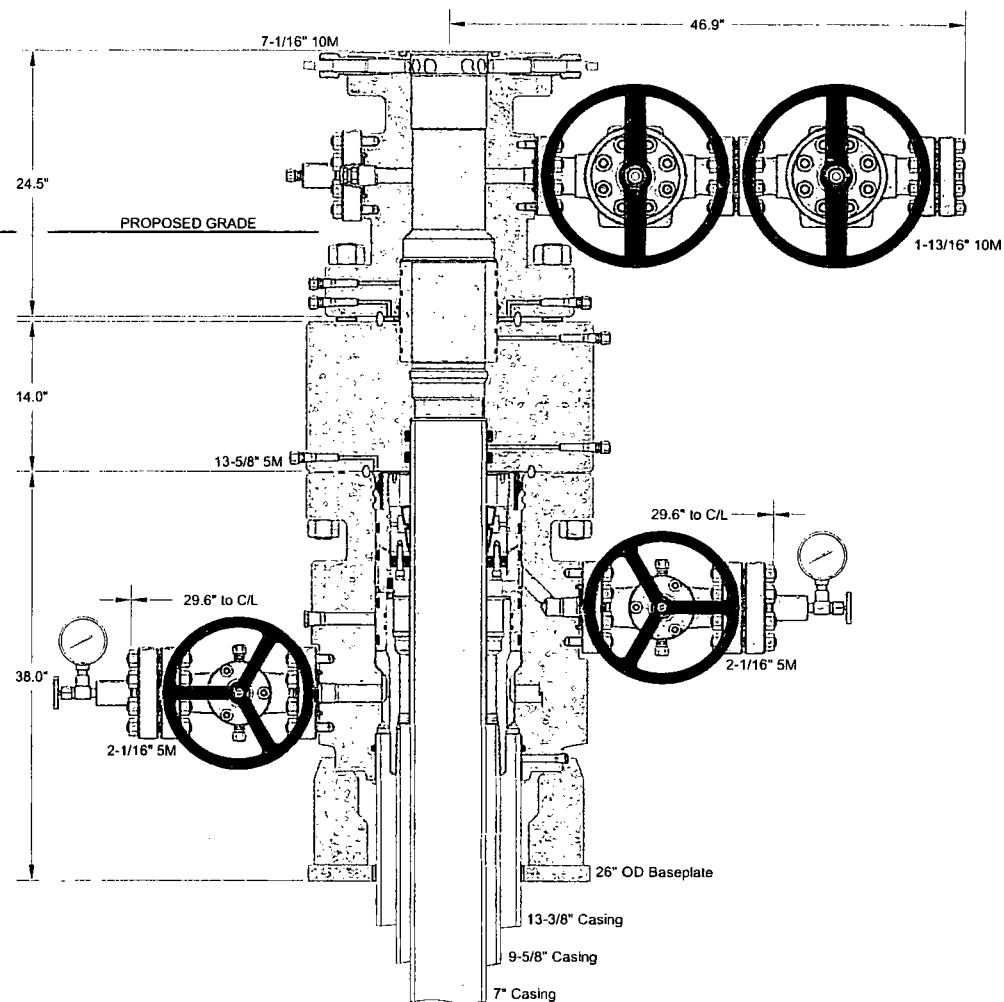


| Item | Description  |
|------|--|
| 1    | Rotating Head, 13-5/8"   |
| 2A   | Fill up Line and Valve   |
| 2B   | Flow Line (10")  |
| 2C   | Shale Shakers and Solids Settling Tank   |
| 2D   | Cuttings Bins for Zero Discharge   |
| 2E   | Rental Mud Gas Separator with vent line to flare and return line to mud system |
| 3    | Annular BOP (13-5/8", 5M)  |
| 4    | Double Ram (13-5/8", 5M, Blind Ram top x Pipe Ram bottom)                      |
| 5    | Kill Line (2" flexible hose, 3M)   |
| 6    | Kill Line Valve, Inner (2-1/16", 5M)   |
| 7    | Kill Line Valve, Outer (2-1/16", 5M)   |
| 8    | Kill Line Check Valve (2-1/16", 5M)  |
| 9    | Choke Line (3-1/8", 3M Coflex Line)  |
| 10   | Choke Line Valve, Inner (3-1/8", 5M)   |
| 11   | Choke Line Valve, Outer (3-1/8", Hydraulically operated, 5M)                   |
| 12   | Spacer Spool (13-5/8", 5M)   |
| 13   | Casing Head (13-5/8" 5M)   |
| 14   | Ball Valve and Threaded Nipple on Casing Head Outlet, 2" 5M                    |
| 15   | Surface Casing   |

A variance is requested to permit the use of flexible hose. The testing certificate for the specific hose will be available on the rig prior to commencing drilling operations.



DRILL AND SKID CONFIGURATION



PRODUCTION CONFIGURATION

INFORMATION CONTAINED HEREIN IS THE PROPERTY OF CACTUS WELLHEAD, LLC. REPRODUCTION, DISCLOSURE, OR USE THEREOF IS PERMISSIBLE ONLY AS PROVIDED BY CONTRACT OR AS EXPRESSLY AUTHORIZED BY CACTUS WELLHEAD, LLC.

Peridot 8 Federal 1H

## CACTUS WELLHEAD LLC

## Permian Basin

13-3/8" x 9-5/8" x 7" 5M MBU-2LR Wellhead Assembly With  
13-5/8" 5M x 11" 5M DBLHPS DSPA With 6-3/4" Type LR BPV  
Profile and 11" 5M x 7-1/16" 10M CTH-HPS-F Tubing Head

DRAWN

THH

26JUL15

APPROV

DRAWING NO.

ODE0000716

| String Section        | Depth<br>MD | Depth<br>TVD | Csg<br>length ft | Wt   | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|-------------|--------------|------------------|------|------|------|----------|--------|-------------|
| Surface Casing        | 885         | 885          | 885              | 54.5 | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2250        | 2250         | 2250             | 40   | 3950 | 2570 | 630000   | 520000 | 10          |
| Production 1 Casing   | 5200        | 5200         | 5200             | 29   | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13146       | 5600         | 7946             | 17   | 7740 | 6290 | 397000   | 338000 | 9           |

#### Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor: SFc

$$SFc = P_c / (MW \times .052 \times L_s)$$

Where

- P<sub>c</sub> is the rated pipe Collapse Pressure in pounds per square inch (psi)
- MW is mud weight in pounds per gallon (ppg)
- L<sub>s</sub> is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor SFc = 1.125

#### Surface Casing

$$SFc = 1130 / 391 = 2.89$$

#### Intermediate 1 Casing

$$SFc = 2570 / 1170 = 2.20$$

#### Production 1 Casing

$$SFc = 7020 / 2434 = 2.88$$

#### Production 2 Casing

$$SFc = 6290 / 2621 = 2.40$$

#### Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor: SFtp

$$SFtp = F_p / W_t$$

Where

- F<sub>p</sub> is the rated pipe Body Strength in pounds (lbs)
- W<sub>t</sub> is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor SFtp = 1.6 dry or 1.8 buoyant

#### Surface Casing

$$SF_{tp} \text{ Dry} = 853000 / 48232.5 = 17.7$$

$$SF_{tp} \text{ Buoyant} = 853000 / (48232.5 \times 0.870) = 20.3$$

#### Intermediate 1 Casing

$$SF_{tp} \text{ Dry} = 630000 / 90000 = 7.00$$

$$SF_{tp} \text{ Buoyant} = 630000 / (90000 \times 0.847) = 8.26$$

#### Production 1 Casing

$$SF_{tp} \text{ Dry} = 676000 / 150800 = 4.48$$

$$SF_{tp} \text{ Buoyant} = 676000 / (150800 \times 0.863) = 5.20$$

#### Production 2 Casing

$$SF_{tp} \text{ Dry} = 397000 / 135082 = 2.94$$

$$SF_{tp} \text{ Buoyant} = 397000 / (135082 \times 0.863) = 3.41$$

#### Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor: SFb

$$SFb = P_i / BHP$$

Where

- P<sub>i</sub> is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- BHP is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor SFb = 1.0

#### Surface Casing

$$SFb = 2730 / 391 = 6.98$$

#### Intermediate 1 Casing

$$SFb = 3950 / 1170 = 3.38$$

#### Production 1 Casing

$$SFb = 8160 / 2434 = 3.35$$

#### Production 2 Casing

$$SFb = 7740 / 2621 = 2.95$$

#### Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor: SFtj

$$SFtj = F_j / W_t$$

Where

- F<sub>j</sub> is the rated pipe Joint Strength in pounds (lbs)
- W<sub>t</sub> is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor SFtj = 1.6 dry or 1.8 buoyant

#### Surface Casing

$$SF_{tj} \text{ Dry} = 514000 / 48232.5 = 10.7$$

$$SF_{tj} \text{ Buoyant} = 514000 / (48232.5 \times 0.870) = 12.2$$

#### Intermediate 1 Casing

$$SF_{tj} \text{ Dry} = 520000 / 90000 = 5.78$$

$$SF_{tj} \text{ Buoyant} = 520000 / (90000 \times 0.847) = 6.82$$

#### Production 1 Casing

$$SF_{tj} \text{ Dry} = 587000 / 150800 = 3.89$$

$$SF_{tj} \text{ Buoyant} = 587000 / (150800 \times 0.863) = 4.51$$

#### Production 2 Casing

$$SF_{tj} \text{ Dry} = 338000 / 135082 = 2.50$$

$$SF_{tj} \text{ Buoyant} = 338000 / (135082 \times 0.863) = 2.90$$

| String Section        | Depth MD | Depth TVD | Csg length ft | Wt   | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|----------|-----------|---------------|------|------|------|----------|--------|-------------|
| Surface Casing        | 885      | 885       | 885           | 54.5 | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2250     | 2250      | 2250          | 40   | 3950 | 2570 | 630000   | 520000 | 10          |
| Production 1 Casing   | 5200     | 5200      | 5200          | 29   | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13146    | 5600      | 7946          | 17   | 7740 | 6290 | 397000   | 338000 | 9           |

#### Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor: SF<sub>c</sub>

$$SF_c = P_c / (MW \times .052 \times L_s)$$

Where

- P<sub>c</sub> is the rated pipe Collapse Pressure in pounds per square inch (psi)
- MW is mud weight in pounds per gallon (ppg)
- L<sub>s</sub> is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor SF<sub>c</sub> = 1.125

#### Surface Casing

$$SF_c = 1130 / 391 = 2.89$$

#### Intermediate 1 Casing

$$SF_c = 2570 / 1170 = 2.20$$

#### Production 1 Casing

$$SF_c = 7020 / 2434 = 2.88$$

#### Production 2 Casing

$$SF_c = 6290 / 2621 = 2.40$$

#### Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor: SF<sub>tp</sub>

$$SF_{tp} = F_p / W_t$$

Where

- F<sub>p</sub> is the rated pipe Body Strength in pounds (lbs)
- W<sub>t</sub> is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor SF<sub>tp</sub> = 1.6 dry or 1.8 buoyant

#### Surface Casing

$$SF_{tp} \text{ Dry} = 853000 / 48232.5 = 17.7$$

$$SF_{tp} \text{ Bouyant} = 853000 / (48232.5 \times 0.870) = 20.3$$

#### Intermediate 1 Casing

$$SF_{tp} \text{ Dry} = 630000 / 90000 = 7.00$$

$$SF_{tp} \text{ Bouyant} = 630000 / (90000 \times 0.847) = 8.26$$

#### Production 1 Casing

$$SF_{tp} \text{ Dry} = 676000 / 150800 = 4.48$$

$$SF_{tp} \text{ Bouyant} = 676000 / (150800 \times 0.863) = 5.20$$

#### Production 2 Casing

$$SF_{tp} \text{ Dry} = 397000 / 135082 = 2.94$$

$$SF_{tp} \text{ Bouyant} = 397000 / (135082 \times 0.863) = 3.41$$

#### Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor: SF<sub>b</sub>

$$SF_b = P_i / BHP$$

Where

- P<sub>i</sub> is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- BHP is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor SF<sub>b</sub> = 1.0

#### Surface Casing

$$SF_b = 2730 / 391 = 6.98$$

#### Intermediate 1 Casing

$$SF_b = 3950 / 1170 = 3.38$$

#### Production 1 Casing

$$SF_b = 8160 / 2434 = 3.35$$

#### Production 2 Casing

$$SF_b = 7740 / 2621 = 2.95$$

#### Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor: SF<sub>j</sub>

$$SF_j = F_j / W_t$$

Where

- F<sub>j</sub> is the rated pipe Joint Strength in pounds (lbs)
- W<sub>t</sub> is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor SF<sub>j</sub> = 1.6 dry or 1.8 buoyant

#### Surface Casing

$$SF_j \text{ Dry} = 514000 / 48232.5 = 10.7$$

$$SF_j \text{ Bouyant} = 514000 / (48232.5 \times 0.870) = 12.2$$

#### Intermediate 1 Casing

$$SF_j \text{ Dry} = 520000 / 90000 = 5.78$$

$$SF_j \text{ Bouyant} = 520000 / (90000 \times 0.847) = 6.82$$

#### Production 1 Casing

$$SF_j \text{ Dry} = 587000 / 150800 = 3.89$$

$$SF_j \text{ Bouyant} = 587000 / (150800 \times 0.863) = 4.51$$

#### Production 2 Casing

$$SF_j \text{ Dry} = 338000 / 135082 = 2.50$$

$$SF_j \text{ Bouyant} = 338000 / (135082 \times 0.863) = 2.90$$

| String Section        | Depth<br>MD | Depth<br>TVD | Csg<br>length ft | Wt   | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|-------------|--------------|------------------|------|------|------|----------|--------|-------------|
| Surface Casing        | 885         | 885          | 885              | 54.5 | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2250        | 2250         | 2250             | 40   | 3950 | 2570 | 630000   | 520000 | 10          |
| Production 1 Casing   | 5200        | 5200         | 5200             | 29   | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13146       | 5600         | 7946             | 17   | 7740 | 6290 | 397000   | 338000 | 9           |

#### Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor:  $SF_c$

$$SF_c = P_c / (MW \times .052 \times L_s)$$

Where

- $P_c$  is the rated pipe Collapse Pressure in pounds per square inch (psi)
- $MW$  is mud weight in pounds per gallon (ppg)
- $L_s$  is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor  $SF_c = 1.125$

#### Surface Casing

$$SF_c = 1130 / 391 = 2.89$$

#### Intermediate 1 Casing

$$SF_c = 2570 / 1170 = 2.20$$

#### Production 1 Casing

$$SF_c = 7020 / 2434 = 2.88$$

#### Production 2 Casing

$$SF_c = 6290 / 2621 = 2.40$$

#### Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor:  $SF_{tp}$

$$SF_{tp} = F_p / W_t$$

Where

- $F_p$  is the rated pipe Body Strength in pounds (lbs)
- $W_t$  is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor  $SF_{tp} = 1.6$  dry or 1.8 buoyant

#### Surface Casing

$$SF_{tp} \text{ Dry} = 853000 / 48232.5 = 17.7$$

$$SF_{tp} \text{ Buoyant} = 853000 / (48232.5 \times 0.870) = 20.3$$

#### Intermediate 1 Casing

$$SF_{tp} \text{ Dry} = 630000 / 90000 = 7.00$$

$$SF_{tp} \text{ Buoyant} = 630000 / (90000 \times 0.847) = 8.26$$

#### Production 1 Casing

$$SF_{tp} \text{ Dry} = 676000 / 150800 = 4.48$$

$$SF_{tp} \text{ Buoyant} = 676000 / (150800 \times 0.863) = 5.20$$

#### Production 2 Casing

$$SF_{tp} \text{ Dry} = 397000 / 135082 = 2.94$$

$$SF_{tp} \text{ Buoyant} = 397000 / (135082 \times 0.863) = 3.41$$

#### Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor:  $SF_b$

$$SF_b = P_i / BHP$$

Where

- $P_i$  is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- BHP is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor  $SF_b = 1.0$

#### Surface Casing

$$SF_b = 2730 / 391 = 6.98$$

#### Intermediate 1 Casing

$$SF_b = 3950 / 1170 = 3.38$$

#### Production 1 Casing

$$SF_b = 8160 / 2434 = 3.35$$

#### Production 2 Casing

$$SF_b = 7740 / 2621 = 2.95$$

#### Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor:  $SF_{ij}$

$$SF_{ij} = F_j / W_t$$

Where

- $F_j$  is the rated pipe Joint Strength in pounds (lbs)
- $W_t$  is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor  $SF_{ij} = 1.6$  dry or 1.8 buoyant

#### Surface Casing

$$SF_{ij} \text{ Dry} = 514000 / 48232.5 = 10.7$$

$$SF_{ij} \text{ Buoyant} = 514000 / (48232.5 \times 0.870) = 12.2$$

#### Intermediate 1 Casing

$$SF_{ij} \text{ Dry} = 520000 / 90000 = 5.78$$

$$SF_{ij} \text{ Buoyant} = 520000 / (90000 \times 0.847) = 6.82$$

#### Production 1 Casing

$$SF_{ij} \text{ Dry} = 587000 / 150800 = 3.89$$

$$SF_{ij} \text{ Buoyant} = 587000 / (150800 \times 0.863) = 4.51$$

#### Production 2 Casing

$$SF_{ij} \text{ Dry} = 338000 / 135082 = 2.50$$

$$SF_{ij} \text{ Buoyant} = 338000 / (135082 \times 0.863) = 2.90$$

| String Section        | Depth<br>MD | Depth<br>TVD | Csg<br>length ft | Wt   | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|-------------|--------------|------------------|------|------|------|----------|--------|-------------|
| Surface Casing        | 885         | 885          | 885              | 54.5 | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2250        | 2250         | 2250             | 40   | 3950 | 2570 | 630000   | 520000 | 10          |
| Production 1 Casing   | 5200        | 5200         | 5200             | 29   | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13146       | 5600         | 7946             | 17   | 7740 | 6290 | 397000   | 338000 | 9           |

#### Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor:  $SF_c$

$$SF_c = P_c / (MW \times .052 \times L_s)$$

Where

- $P_c$  is the rated pipe Collapse Pressure in pounds per square inch (psi)
- $MW$  is mud weight in pounds per gallon (ppg)
- $L_s$  is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor  $SF_c = 1.125$

|                       |          |      |   |      |   |      |
|-----------------------|----------|------|---|------|---|------|
| Surface Casing        | $SF_c =$ | 1130 | / | 391  | = | 2.89 |
| Intermediate 1 Casing | $SF_c =$ | 2570 | / | 1170 | = | 2.20 |
| Production 1 Casing   | $SF_c =$ | 7020 | / | 2434 | = | 2.88 |
| Production 2 Casing   | $SF_c =$ | 6290 | / | 2621 | = | 2.40 |

#### Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor:  $SF_{fp}$

$$SF_{fp} = F_p / W_t$$

Where

- $F_p$  is the rated pipe Body Strength in pounds (lbs)
- $W_t$  is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor  $SF_{fp} = 1.6$  dry or 1.8 buoyant

|                       |                     |        |     |         |   |                |
|-----------------------|---------------------|--------|-----|---------|---|----------------|
| Surface Casing        | $SF_{fp}$ Dry =     | 853000 | /   | 48232.5 | = | 17.7           |
|                       | $SF_{fp}$ Buoyant = | 853000 | / ( | 48232.5 | x | 0.870 ) = 20.3 |
| Intermediate 1 Casing | $SF_{fp}$ Dry =     | 630000 | /   | 90000   | = | 7.00           |
|                       | $SF_{fp}$ Buoyant = | 630000 | / ( | 90000   | x | 0.847 ) = 8.26 |
| Production 1 Casing   | $SF_{fp}$ Dry =     | 676000 | /   | 150800  | = | 4.48           |
|                       | $SF_{fp}$ Buoyant = | 676000 | / ( | 150800  | x | 0.863 ) = 5.20 |
| Production 2 Casing   | $SF_{fp}$ Dry =     | 397000 | /   | 135082  | = | 2.94           |
|                       | $SF_{fp}$ Buoyant = | 397000 | / ( | 135082  | x | 0.863 ) = 3.41 |

#### Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor:  $SF_b$

$$SF_b = P_i / BHP$$

Where

- $P_i$  is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- $BHP$  is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor  $SF_b = 1.0$

|                       |          |      |   |      |   |      |
|-----------------------|----------|------|---|------|---|------|
| Surface Casing        | $SF_b =$ | 2730 | / | 391  | = | 6.98 |
| Intermediate 1 Casing | $SF_b =$ | 3950 | / | 1170 | = | 3.38 |
| Production 1 Casing   | $SF_b =$ | 8160 | / | 2434 | = | 3.35 |
| Production 2 Casing   | $SF_b =$ | 7740 | / | 2621 | = | 2.95 |

#### Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor:  $SF_{fj}$

$$SF_{fj} = F_j / W_t$$

Where

- $F_j$  is the rated pipe Joint Strength in pounds (lbs)
- $W_t$  is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor  $SF_{fj} = 1.6$  dry or 1.8 buoyant

|                       |                     |        |     |         |   |                |
|-----------------------|---------------------|--------|-----|---------|---|----------------|
| Surface Casing        | $SF_{fj}$ Dry =     | 514000 | /   | 48232.5 | = | 10.7           |
|                       | $SF_{fj}$ Buoyant = | 514000 | / ( | 48232.5 | x | 0.870 ) = 12.2 |
| Intermediate 1 Casing | $SF_{fj}$ Dry =     | 520000 | /   | 90000   | = | 5.78           |
|                       | $SF_{fj}$ Buoyant = | 520000 | / ( | 90000   | x | 0.847 ) = 6.82 |
| Production 1 Casing   | $SF_{fj}$ Dry =     | 587000 | /   | 150800  | = | 3.89           |
|                       | $SF_{fj}$ Buoyant = | 587000 | / ( | 150800  | x | 0.863 ) = 4.51 |
| Production 2 Casing   | $SF_{fj}$ Dry =     | 338000 | /   | 135082  | = | 2.50           |
|                       | $SF_{fj}$ Buoyant = | 338000 | / ( | 135082  | x | 0.863 ) = 2.90 |

| String Section        | Depth<br>MD | Depth<br>TVD | Csg<br>length ft | Wt<br>lb/ft | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|-------------|--------------|------------------|-------------|------|------|----------|--------|-------------|
| Surface Casing        | 885         | 885          | 885              | 54.5        | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2000        | 2000         | 2000             | 40          | 3950 | 2570 | 630000   | 520000 | 10          |
| Intermediate 2 Casing | 0           | 0            | 0                | 0           | 0    | 0    | 0        | 0      | 0           |
| Production 1 Casing   | 5200        | 5200         | 5200             | 29          | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13132       | 5583         | 7932             | 17          | 7740 | 6290 | 397000   | 338000 | 9           |

#### Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor:  $SF_c$

$$SF_c = P_c / (MW \times .052 \times L_s)$$

Where

- $P_c$  is the rated pipe Collapse Pressure in pounds per square inch (psi)
- $MW$  is mud weight in pounds per gallon (ppg)
- $L_s$  is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor  $SF_c = 1.125$

|                       |          |      |   |      |     |         |
|-----------------------|----------|------|---|------|-----|---------|
| Surface Casing        | $SF_c =$ | 1130 | / | 391  | $=$ | 2.89    |
| Intermediate 1 Casing | $SF_c =$ | 2570 | / | 1040 | $=$ | 2.47    |
| Intermediate 2 Casing | $SF_c =$ | 0    | / | 0    | $=$ | #DIV/0! |
| Production 1 Casing   | $SF_c =$ | 7020 | / | 2434 | $=$ | 2.88    |
| Production 2 Casing   | $SF_c =$ | 6290 | / | 2613 | $=$ | 2.41    |

#### Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor:  $SF_p$

$$SF_p = F_p / W_t$$

Where

- $F_p$  is the rated pipe Body Strength in pounds (lbs)
- $W_t$  is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor  $SF_p = 1.6$  dry or 1.8 buoyant

|                       |                  |        |     |         |          |                   |
|-----------------------|------------------|--------|-----|---------|----------|-------------------|
| Surface Casing        | $SF_p$ Dry =     | 853000 | /   | 48232.5 | $=$      | 17.7              |
|                       | $SF_p$ Buoyant = | 853000 | / ( | 48232.5 | $\times$ | 0.870 ) = 20.3    |
| Intermediate 1 Casing | $SF_p$ Dry =     | 630000 | /   | 80000   | $=$      | 7.88              |
|                       | $SF_p$ Buoyant = | 630000 | / ( | 80000   | $\times$ | 0.847 ) = 9.29    |
| Intermediate 2 Casing | $SF_p$ Dry =     | 0      | /   | 0       | $=$      | #DIV/0!           |
|                       | $SF_p$ Buoyant = | 0      | / ( | 0       | $\times$ | 1.000 ) = #DIV/0! |
| Production 1 Casing   | $SF_p$ Dry =     | 676000 | /   | 150800  | $=$      | 4.48              |
|                       | $SF_p$ Buoyant = | 676000 | / ( | 150800  | $\times$ | 0.863 ) = 5.20    |
| Production 2 Casing   | $SF_p$ Dry =     | 397000 | /   | 134844  | $=$      | 2.94              |
|                       | $SF_p$ Buoyant = | 397000 | / ( | 134844  | $\times$ | 0.863 ) = 3.41    |

#### Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor:  $SF_b$

$$SF_b = P_i / BHP$$

Where

- $P_i$  is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- $BHP$  is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor  $SF_b = 1.0$

|                       |          |      |   |      |     |         |
|-----------------------|----------|------|---|------|-----|---------|
| Surface Casing        | $SF_b =$ | 2730 | / | 391  | $=$ | 6.98    |
| Intermediate 1 Casing | $SF_b =$ | 3950 | / | 1040 | $=$ | 3.80    |
| Intermediate 2 Casing | $SF_b =$ | 0    | / | 0    | $=$ | #DIV/0! |
| Production 1 Casing   | $SF_b =$ | 8160 | / | 2434 | $=$ | 3.35    |
| Production 2 Casing   | $SF_b =$ | 7740 | / | 2613 | $=$ | 2.96    |

#### Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor:  $SF_j$

$$SF_j = F_j / W_t$$

Where

- $F_j$  is the rated pipe Joint Strength in pounds (lbs)
- $W_t$  is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor  $SF_j = 1.6$  dry or 1.8 buoyant

|                       |                  |        |     |         |          |                   |
|-----------------------|------------------|--------|-----|---------|----------|-------------------|
| Surface Casing        | $SF_j$ Dry =     | 514000 | /   | 48232.5 | $=$      | 10.7              |
|                       | $SF_j$ Buoyant = | 514000 | / ( | 48232.5 | $\times$ | 0.870 ) = 12.2    |
| Intermediate 1 Casing | $SF_j$ Dry =     | 520000 | /   | 80000   | $=$      | 6.50              |
|                       | $SF_j$ Buoyant = | 520000 | / ( | 80000   | $\times$ | 0.847 ) = 7.67    |
| Intermediate 2 Casing | $SF_j$ Dry =     | 0      | /   | 0       | $=$      | #DIV/0!           |
|                       | $SF_j$ Buoyant = | 0      | / ( | 0       | $\times$ | 1.000 ) = #DIV/0! |
| Production 1 Casing   | $SF_j$ Dry =     | 587000 | /   | 150800  | $=$      | 3.89              |
|                       | $SF_j$ Buoyant = | 587000 | / ( | 150800  | $\times$ | 0.863 ) = 4.51    |
| Production 2 Casing   | $SF_j$ Dry =     | 338000 | /   | 134844  | $=$      | 2.51              |
|                       | $SF_j$ Buoyant = | 338000 | / ( | 134844  | $\times$ | 0.863 ) = 2.91    |

| String Section        | Depth MD | Depth TVD | Csg length ft | Wt   | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|----------|-----------|---------------|------|------|------|----------|--------|-------------|
| Surface Casing        | 885      | 885       | 885           | 54.5 | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2250     | 2250      | 2250          | 40   | 3950 | 2570 | 630000   | 520000 | 10          |
| Production 1 Casing   | 5200     | 5200      | 5200          | 29   | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13146    | 5600      | 7946          | 17   | 7740 | 6290 | 397000   | 338000 | 9           |

#### Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor: SFc

$$SFc = Pc / (MW \times .052 \times Ls)$$

Where

- Pc is the rated pipe Collapse Pressure in pounds per square inch (psi)
- MW is mud weight in pounds per gallon (ppg)
- Ls is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor SFc = 1.125

#### Surface Casing

$$SFc = 1130 / 391 = 2.89$$

#### Intermediate 1 Casing

$$SFc = 2570 / 1170 = 2.20$$

#### Production 1 Casing

$$SFc = 7020 / 2434 = 2.88$$

#### Production 2 Casing

$$SFc = 6290 / 2621 = 2.40$$

#### Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor: SFtp

$$SFtp = Fp / Wt;$$

Where

- Fp is the rated pipe Body Strength in pounds (lbs)
- Wt is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor SFtp = 1.6 dry or 1.8 buoyant

#### Surface Casing

$$SF_i \text{ Dry} = 853000 / 48232.5 = 17.7$$

$$SF_i \text{ Bouyant} = 853000 / (48232.5 \times 0.870) = 20.3$$

#### Intermediate 1 Casing

$$SF_i \text{ Dry} = 630000 / 90000 = 7.00$$

$$SF_i \text{ Bouyant} = 630000 / (90000 \times 0.847) = 8.26$$

#### Production 1 Casing

$$SF_i \text{ Dry} = 676000 / 150800 = 4.48$$

$$SF_i \text{ Bouyant} = 676000 / (150800 \times 0.863) = 5.20$$

#### Production 2 Casing

$$SF_i \text{ Dry} = 397000 / 135082 = 2.94$$

$$SF_i \text{ Bouyant} = 397000 / (135082 \times 0.863) = 3.41$$

#### Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor: SFb

$$SFb = Pi / BHP$$

Where

- Pi is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- BHP is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor SFb = 1.0

#### Surface Casing

$$SFb = 2730 / 391 = 6.98$$

#### Intermediate 1 Casing

$$SFb = 3950 / 1170 = 3.38$$

#### Production 1 Casing

$$SFb = 8160 / 2434 = 3.35$$

#### Production 2 Casing

$$SFb = 7740 / 2621 = 2.95$$

#### Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor: SFij

$$SFij = Fj / Wt;$$

Where

- Fj is the rated pipe Joint Strength in pounds (lbs)
- Wt is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor SFij = 1.6 dry or 1.8 buoyant

#### Surface Casing

$$SF_i \text{ Dry} = 514000 / 48232.5 = 10.7$$

$$SF_i \text{ Bouyant} = 514000 / (48232.5 \times 0.870) = 12.2$$

#### Intermediate 1 Casing

$$SF_i \text{ Dry} = 520000 / 90000 = 5.78$$

$$SF_i \text{ Bouyant} = 520000 / (90000 \times 0.847) = 6.82$$

#### Production 1 Casing

$$SF_i \text{ Dry} = 587000 / 150800 = 3.89$$

$$SF_i \text{ Bouyant} = 587000 / (150800 \times 0.863) = 4.51$$

#### Production 2 Casing

$$SF_i \text{ Dry} = 338000 / 135082 = 2.50$$

$$SF_i \text{ Bouyant} = 338000 / (135082 \times 0.863) = 2.90$$



## ConocoPhillips, Peridot 8 Federal 1H

### 1. Geologic Formations

|                  |        |                               |      |
|------------------|--------|-------------------------------|------|
| KB TVD of target | 5600'  | Pilot hole depth              | NA   |
| KB MD at TD:     | 13146' | Deepest expected fresh water: | 820' |

#### Basin

| Formation    | KB TVD (ft) | Elevation KB (ft)<br>KB=17' | Water/Mineral Bearing/Target Zone | Hazards* |
|--------------|-------------|-----------------------------|-----------------------------------|----------|
| Rustler      | 820         | 3242                        | Fresh Water                       |          |
| Salado       | 960         | 3102                        | Brackish Water                    |          |
| Tansill      | 2040        | 2022                        | Salt                              |          |
| Yates        | 2175        | 1887                        | Salt Water                        |          |
| Seven Rivers | 2480        | 1577                        | Oil/Gas                           |          |
| Queen        | 3110        | 952                         | Oil/Gas                           |          |
| Grayburg     | 3525        | 537                         | Oil/Gas                           |          |
| San Andres   | 3850        | 212                         | Oil/Gas                           |          |
| Glorieta     | 5375        | -1308                       | Oil/Gas                           |          |
| Paddock      | 5460        | -1398                       | Target                            |          |
| Land Pt / TD | 5600        | -1538                       | Target                            |          |

### 2. Casing Program

| 3 strings casing design   |                 |       |           |              |       |         |             |          |                    |                    |
|---------------------------|-----------------|-------|-----------|--------------|-------|---------|-------------|----------|--------------------|--------------------|
| Hole Size                 | Casing Interval |       | Csg. Size | Weight (lbs) | Grade | Conn.   | SF Collapse | SF Burst | SF Pipe Tensile    | SF Joint Tensile   |
|                           | From            | To    |           |              |       |         |             |          |                    |                    |
| 17.5"                     | 0               | 885   | 13.375"   | 54.5         | J55   | STC/BTC | 2.89        | 6.98     | 17.7               | 10.7               |
| 12.25"                    | 0               | 2250  | 9.625"    | 40           | J55   | LTC/BTC | 2.20        | 3.38     | 7.00               | 5.78               |
| 8.75"                     | 0               | 5200  | 7"        | 29           | L80   | LTC/BTC | 2.88        | 3.35     | 4.48               | 3.89               |
| 8.75"                     | 5200            | 13146 | 5.5"      | 17           | L80   | LTC/BTC | 2.40        | 2.95     | 2.94               | 2.50               |
| BLM Minimum Safety Factor |                 |       |           |              |       |         | 1.125       | 1        | 1.6 Dry<br>1.8 Wet | 1.6 Dry<br>1.8 Wet |

- Bring cement from 5-1-2" casing shoe to lap inside 9-5/8" casing shoe.
- XO from 7" to 5-1/2" in 8-3/4" OH for minimum of 0.422in clearance per Onshore Oil and Gas Order #2 III.B.
- Notify BLM if an Annulus Casing Packer and Stage Tool with 2-Stage Cement or Remediate with Bradenhead Squeeze will be necessary.

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

## ConocoPhillips, Peridot 8 Federal 1H

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | YES    |
| Does casing meet API specifications? If no, attach casing specification sheet.   | YES    |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | YES    |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | YES    |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                | N/A    |
| Is well located within Capitan Reef?   | NO     |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | NO     |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       |        |
| Is well located in R-111-P and SOPA?   | NO     |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
| Is well located in high Cave/Karst?  | NO     |
| If yes, are there two strings cemented to surface?   |        |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   |        |
| Is well located in critical Cave/Karst?  | NO     |
| If yes, are there three strings cemented to surface?   |        |

### 3. Cementing Program

| Casing | #Sks | Wt. lb/<br>gal | Yld<br>ft3/<br>sack | H <sub>2</sub> O<br>gal/sk | Vol ft3 | 500#<br>Comp.<br>Strength<br>(hours) | Slurry Description  |
|--------|------|----------------|---------------------|----------------------------|---------|--------------------------------------|---|
| Surf.  | 500  | 13.5           | 1.68                | 8.94                       | 840     | 7                                    | Lead: Class C + 4.0% Bentonite + 0.2% Anti-Foam + 2.0% CaCl <sub>2</sub> + 0.125lb/sk LCM + 0.1% Dispersant   |
|        | 400  | 14.8           | 1.35                | 6.38                       | 540     | 7                                    | Tail: Class C + 0.2% Anti-Foam + 0.1% Lost Circ Control + 2 lbs/bbl CemNET (losses Control)   |
| Inter. | 450  | 11.5           | 2.29                | 10.72                      | 1031    | 17                                   | Lead: Class C + 10.0% Bentonite + 0.2% Anti-Foam + 2.0% Expanding + 0.15% Viscosifier + 1.3% Retarder.  |
|        | 300  | 13.5           | 1.29                | 4.81                       | 387     | 7                                    | Tail: Class C + 1% Extender + 3 lb/sk Extender + 0.2% Anti-Foam + 0.1% Dispersant + 13 lb/sk LCM + 0.5% Fluid Loss + 0.7% Retarder  |
| Prod.  | 650  | 11.0           | 3.2                 | 19.25                      | 2080    | 17                                   | Lead: Class C + 6% Extender + 10% Gas Migration Control + 2% Sodium Metasilicate (dry) + 1% Cement Bonding Agent + 3% Aluminum Silicate + 0.125 lb/sx Cello Flake + 3 lb/sx LCM-1 |
|        | 1900 | 14.0           | 1.37                | 6.48                       | 2603    | 7                                    | Tail: Class C + 3lb/sk LCM + 1.5% Fluid Loss + 0.1% + 1% Sodium Metasilicate (dry) + 1.5% Fluid Loss Control  |

## ConocoPhillips, Peridot 8 Federal 1H

DV tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

Lab reports with recipe and the 500 psi compressive strength time for the cement will be onsite for review.

| 3 strings casing cement design |          |          |          |
|--------------------------------|----------|----------|----------|
| Casing String                  | TOC Lead | TOC Tail | % Excess |
| Surface                        | 0'       | 585'     | >100%    |
| Intermediate                   | 0'       | 1750'    | >100%    |
| Production                     | <1700'   | 5200'    | >30%     |

Cement excess will be adjusted based on actual hole condition like losses or fluid caliper data if have.

### 4. Pressure Control Equipment

| BOP installed and tested before drilling which hole? | Size?   | Min. Required WP | Type       | ✓ | Tested to:              |
|--|---------|------------------|------------|---|-------------------------|
| 8-3/4"   | 13-5/8" | 3M/5M            | Annular    | x | 50% of working pressure |
|  |         |                  | Blind Ram  |   | 3,000 psi               |
|  |         |                  | Pipe Ram   |   |                         |
|  |         |                  | Double Ram | x |                         |
|  |         |                  | Other*     |   |                         |

\*Specify if additional ram is utilized.

Note: A 13-5/8" BOPE will be utilize in the 8-3/4" hole section depending on availability and Rig Substructure Clearance.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

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. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

## ConocoPhillips, Peridot 8 Federal 1H

|   |   |
|---|---|
| X | Formation integrity test will be performed per Onshore Order #2.<br>On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i. |
| X | A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. If yes, specs and hydrostatic test certification will be available in the company man's trailer and on the rig floor.  |
| N | Are anchors required by manufacturer?   |
| X | A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.<br><br>See attached schematic.             |

### 5. Mud Program

| 3 strings casing mud program |             |                 |              |           |            |        |
|------------------------------|-------------|-----------------|--------------|-----------|------------|--------|
| Depth                        |             | Type            | Weight (ppg) | Viscosity | Water Loss | PH     |
| From                         | To          |                 |              |           |            |        |
| 0                            | Surf. shoe  | FW Gel          | 8.5-9.0      | 28-40     | N/C        | N.C.   |
| Surf. Shoe                   | Inter. shoe | Saturated Brine | 10.0         | 28-32     | N/C        | 9-10.5 |
| Inter. shoe                  | TD          | Cut-Brine       | 8.6-10.0     | 28-40     | N/C        | 9-10.5 |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

|   |                             |
|---|-----------------------------|
| What will be used to monitor the loss or gain of fluid? | PVT/Pason/Visual Monitoring |
|---|-----------------------------|

### 6. Logging and Testing Procedures

| Logging, Coring and Testing. |   |
|------------------------------|---|
| X                            | Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
|                              | No Logs are planned based on well control or offset log information.  |
|                              | Drill stem test? If yes, explain  |
|                              | Coring? If yes, explain   |

| Additional logs planned | Interval |
|-------------------------|----------|
| Resistivity             |          |
| Density, GR, BHC        |          |
| CBL                     |          |
| X Mud log               |          |
| PEX                     |          |

## ConocoPhillips, Peridot 8 Federal 1H

### 7. Drilling Conditions

| Condition                  | Specify what type and where? |
|----------------------------|------------------------------|
| BH Pressure at deepest TVD | 2815 psi                     |
| Abnormal Temperature       | No - 100°                    |

- Mitigation measure for abnormal conditions - Loss of circulation is a possibility in the horizons below the Top of Grayburg. We expect that normal Loss of Circulation Material will be successful in healing any such loss of circulation events.

Gas detection equipment and pit level flow monitoring equipment will be on location. A flow paddle will be installed in the flow line to monitor relative amount of mud flowing in the non-pressurized return line. Mud probes will be installed in the individual tanks to monitor pit volumes of the drilling fluid with a pit volume totalizer. Gas detecting equipment and H2S monitor alarm will be installed in the mud return system and will be monitored. A mud gas separator will be installed and operable before drilling out from the Surface Casing. The gases shall be piped into the flare system. Drilling mud containing H2S shall be degassed in accordance with API RP-49, item 5.14. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

|   |                   |
|---|-------------------|
| X | H2S is present    |
| X | H2S Plan attached |

### 8. Other facets of operation

Is this a walking operation? If yes, describe. NO.

Will be pre-setting casing? If yes, describe. NO.

#### Attachments:

- Attachment#1: Directional Plan
- Attachment#2: Wellbore Casing & Cementing Schematic
- Attachment#3: Wellhead Schematic
- Attachment #4: BOP Schematics
- Attachment #5: Choke Schematic
- Attachment #6: Rig Layout
- Attachment #7: H2S Contingency Plan

## ConocoPhillips, Peridot 8 Federal 1H

### 2. Casing Program – Openhole Sliding Sleeves Completion Option

| 3 strings casing design   |                 |       |           |              |       |         |             |          |                    |                    |
|---------------------------|-----------------|-------|-----------|--------------|-------|---------|-------------|----------|--------------------|--------------------|
| Hole Size                 | Casing Interval |       | Csg. Size | Weight (lbs) | Grade | Conn.   | SF Collapse | SF Burst | SF Pipe Tensile    | SF Joint Tensile   |
|                           | From            | To    |           |              |       |         |             |          |                    |                    |
| 17.5"                     | 0               | 885   | 13.375"   | 54.5         | J55   | STC/BTC | 2.89        | 6.98     | 17.7               | 10.7               |
| 12.25"                    | 0               | 2250  | 9.625"    | 40           | J55   | LTC/BTC | 2.20        | 3.38     | 7.00               | 5.78               |
| 8.75"                     | 0               | 5200  | 7"        | 29           | L80   | LTC/BTC | 2.88        | 3.35     | 4.48               | 3.89               |
| 8.75"-8.5"                | 5200            | 13146 | 5.5"      | 20           | L80   | LTC/BTC | 3.37        | 3.51     | 2.93               | 3.30               |
| BLM Minimum Safety Factor |                 |       |           |              |       |         | 1.125       | 1        | 1.6 Dry<br>1.8 Wet | 1.6 Dry<br>1.8 Wet |

- Cement 7" production string thru a stage tool below the XO joint and leave 5-1/2" casing string below the Glorieta formation uncemented with packers & sleeves from landing point to TD.
- Notify BLM if additional unplanned stages of Cement or Remediation with Bradenhead Squeeze becomes necessary.

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

|  | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1   | YES    |
| Does casing meet API specifications? If no, attach casing specification sheet.   | YES    |
| Is premium or uncommon casing planned? If yes attach casing specification sheet.   | NO     |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | YES    |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?                | N/A    |
| Is well located within Capitan Reef?   | NO     |
| If yes, does production casing cement tie back a minimum of 50' above the Reef?  |        |
| Is well within the designated 4 string boundary.   |        |
| Is well located in SOPA but not in R-111-P?  | NO     |
| If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?                       |        |
| Is well located in R-111-P and SOPA?   | NO     |
| If yes, are the first three strings cemented to surface?   |        |
| Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?   |        |
| Is well located in high Cave/Karst?  | NO     |
| If yes, are there two strings cemented to surface?   |        |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?   |        |
| Is well located in critical Cave/Karst?  | NO     |
| If yes, are there three strings cemented to surface?   |        |

## ConocoPhillips, Peridot 8 Federal 1H

### 3. Cementing Program – Openhole Sliding Sleeves Completion Option

| Casing | # Sks | Wt. lb/<br>gal | Yld<br>ft3/<br>sack | H <sub>2</sub> O<br>gal/sk | Vol ft3 | 500#<br>Comp.<br>Strength<br>(hours) | Slurry Description  |
|--------|-------|----------------|---------------------|----------------------------|---------|--------------------------------------|---|
| Surf.  | 500   | 13.5           | 1.68                | 8.94                       | 840     | 7                                    | Lead: Class C + 4.0% Bentonite + 0.2% Anti-Foam + 2.0% CaCl <sub>2</sub> + 0.125lb/sk LCM + 0.1% Dispersant   |
|        | 400   | 14.8           | 1.35                | 6.38                       | 540     | 7                                    | Tail: Class C + 0.2% Anti-Foam + 0.1% Lost Circ Control + 2 lbs/bbl CemNET (losses Control)   |
| Inter. | 450   | 11.5           | 2.29                | 10.72                      | 1031    | 17                                   | Lead: Class C + 10.0% Bentonite + 0.2% Anti-Foam + 2.0% Expanding + 0.15% Viscosifier + 1.3% Retarder.  |
|        | 300   | 13.5           | 1.29                | 4.81                       | 387     | 7                                    | Tail: Class C + 1% Extender + 3 lb/sk Extender + 0.2% Anti-Foam + 0.1% Dispersant + 13 lb/sk LCM + 0.5% Fluid Loss + 0.7% Retarder  |
| Prod.  | 650   | 11.0           | 3.2                 | 19.25                      | 2080    | 17                                   | Lead: Class C + 6% Extender + 10% Gas Migration Control + 2% Sodium Metasilicate (dry) + 1% Cement Bonding Agent + 3% Aluminum Silicate + 0.125 lb/sx Cello Flake + 3 lb/sx LCM-1 |
|        |       |                |                     |                            |         |                                      |   |

If additional unplanned stages of cementing are necessary, the contingency stage tool will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Stage tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

Lab reports with recipe and the 500 psi compressive strength time for the cement will be onsite for review.

| 3 strings casing cement design |          |          |          |
|--------------------------------|----------|----------|----------|
| Casing String                  | TOC Lead | TOC Tail | % Excess |
| Surface                        | 0'       | 585'     | >100%    |
| Intermediate                   | 0'       | 1750'    | >100%    |
| Production                     | <1700'   | N/A      | >30%     |

Cement excess will be adjusted based on actual hole condition like losses or fluid caliper data if available.

#### Attachments:

Attachment#1: Wellbore Casing & Cementing Schematic

# Peridot 8 Federal 1H

| String Section        | Depth MD | Depth TVD | Csg length ft | Wt   | MIY  | Col  | Pipe Str | Jt Str | Drill Fluid |
|-----------------------|----------|-----------|---------------|------|------|------|----------|--------|-------------|
| Surface Casing        | 885      | 885       | 885           | 54.5 | 2730 | 1130 | 853000   | 514000 | 8.5         |
| Intermediate 1 Casing | 2250     | 2250      | 2250          | 40   | 3950 | 2570 | 630000   | 520000 | 10          |
| Production 1 Casing   | 5200     | 5200      | 5200          | 29   | 8160 | 7020 | 676000   | 587000 | 9           |
| Production 2 Casing   | 13146    | 5600      | 7946          | 20   | 9190 | 8830 | 466000   | 524000 | 9           |

## Collapse Design (Safety) Factors – BLM Criteria

Collapse Design (Safety) Factor: SF<sub>c</sub>

$$SF_c = P_c / (MW \times .052 \times L_s)$$

Where

- P<sub>c</sub> is the rated pipe Collapse Pressure in pounds per square inch (psi)
- MW is mud weight in pounds per gallon (ppg)
- L<sub>s</sub> is the length of the string in feet (ft)

The Minimum Acceptable Collapse Design (Safety) Factor SF<sub>c</sub> = 1.125

### Surface Casing

$$SF_c = 1130 / 391 = 2.89$$

### Intermediate 1 Casing

$$SF_c = 2570 / 1170 = 2.20$$

### Production 1 Casing

$$SF_c = 7020 / 2434 = 2.88$$

### Production 2 Casing

$$SF_c = 8830 / 2621 = 3.37$$

## Pipe Strength Design (Safety) Factors – BLM Criteria

Pipe Strength Design (Safety) Factor: SF<sub>fp</sub>

$$SF_{fp} = F_p / W_t$$

Where

- F<sub>p</sub> is the rated pipe Body Strength in pounds (lbs)
- W<sub>t</sub> is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Pipe Strength Design (Safety) Factor SF<sub>fp</sub> = 1.6 dry or 1.8 buoyant

### Surface Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 853000 / 48232.5 = 17.7 \\ SF_{fi} \text{ Buoyant} &= 853000 / (48232.5 \times 0.870) = 20.3 \end{aligned}$$

### Intermediate 1 Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 630000 / 90000 = 7.00 \\ SF_{fi} \text{ Buoyant} &= 630000 / (90000 \times 0.847) = 8.26 \end{aligned}$$

### Production 1 Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 676000 / 150800 = 4.48 \\ SF_{fi} \text{ Buoyant} &= 676000 / (150800 \times 0.863) = 5.20 \end{aligned}$$

### Production 2 Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 466000 / 158920 = 2.93 \\ SF_{fi} \text{ Buoyant} &= 466000 / (158920 \times 0.863) = 3.40 \end{aligned}$$

## Burst Design (Safety) Factors – BLM Criteria

Burst Design (Safety) Factor: SF<sub>b</sub>

$$SF_b = P_i / BHP$$

Where

- P<sub>i</sub> is the rated pipe Burst (Minimum Internal Yield) Pressure in pounds per square inch (psi)
- BHP is bottom hole pressure in pounds per square inch (psi)

The Minimum Acceptable Burst Design (Safety) Factor SF<sub>b</sub> = 1.0

### Surface Casing

$$SF_b = 2730 / 391 = 6.98$$

### Intermediate 1 Casing

$$SF_b = 3950 / 1170 = 3.38$$

### Production 1 Casing

$$SF_b = 8160 / 2434 = 3.35$$

### Production 2 Casing

$$SF_b = 9190 / 2621 = 3.51$$

## Joint Strength Design (Safety) Factors – BLM Criteria

Joint Strength Design (Safety) Factor: SF<sub>fi</sub>

$$SF_{fi} = F_j / W_t$$

Where

- F<sub>j</sub> is the rated pipe Joint Strength in pounds (lbs)
- W<sub>t</sub> is the weight of the casing string in pounds (lbs)

The Minimum Acceptable Joint Strength Design (Safety) Factor SF<sub>fi</sub> = 1.6 dry or 1.8 buoyant

### Surface Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 514000 / 48232.5 = 10.7 \\ SF_{fi} \text{ Buoyant} &= 514000 / (48232.5 \times 0.870) = 12.2 \end{aligned}$$

### Intermediate 1 Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 520000 / 90000 = 5.78 \\ SF_{fi} \text{ Buoyant} &= 520000 / (90000 \times 0.847) = 6.82 \end{aligned}$$

### Production 1 Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 587000 / 150800 = 3.89 \\ SF_{fi} \text{ Buoyant} &= 587000 / (150800 \times 0.863) = 4.51 \end{aligned}$$

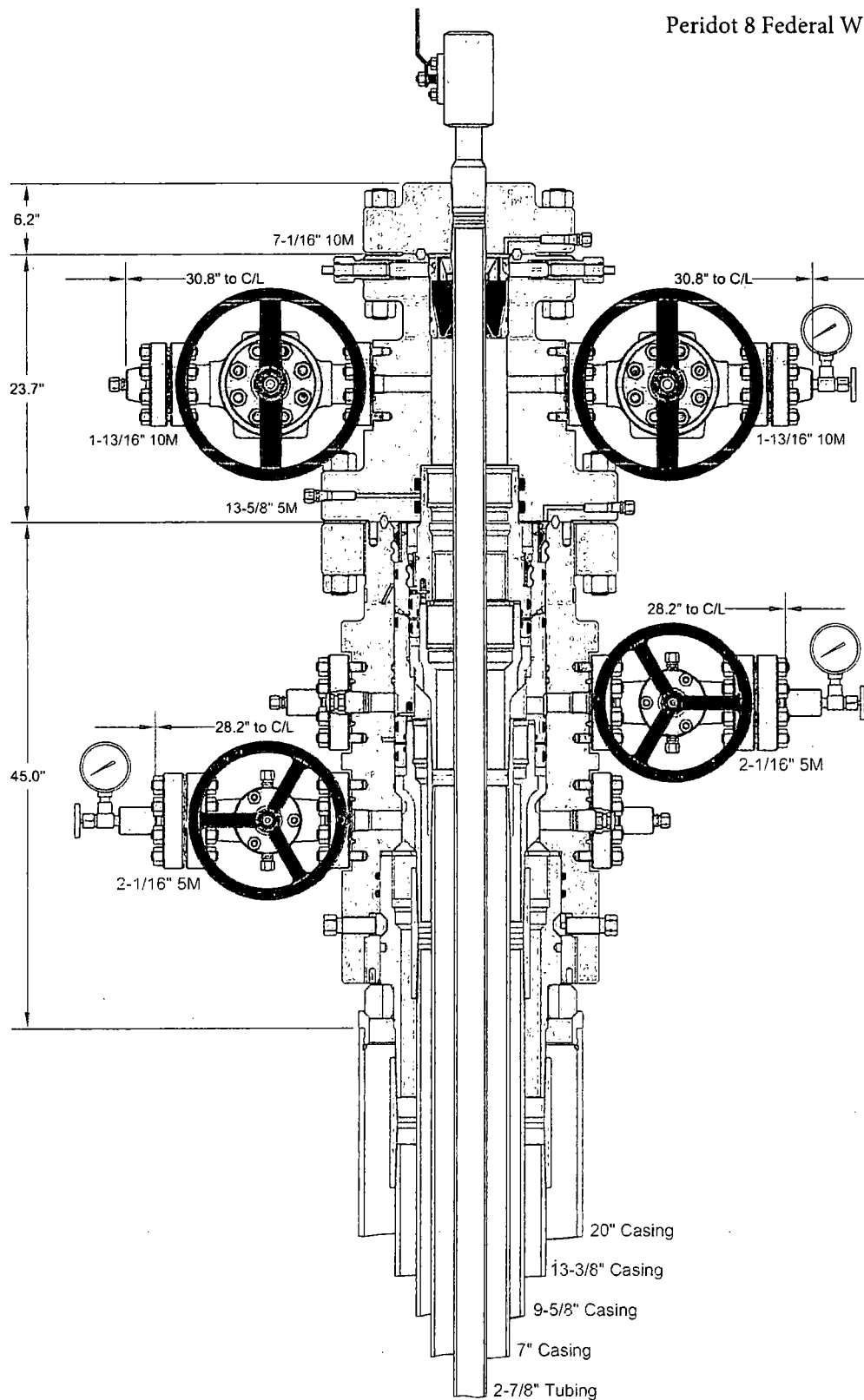
### Production 2 Casing

$$\begin{aligned} SF_{fi} \text{ Dry} &= 524000 / 158920 = 3.30 \\ SF_{fi} \text{ Buoyant} &= 524000 / (158920 \times 0.863) = 3.82 \end{aligned}$$



Gas Capture Plan  
Peridot 8 Federal Wells

[illegible]



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**CACTUS WELLHEAD LLC**

**CONOCO PHILLIPS  
WEST TEXAS**

20" x 13-3/8" x 9-5/8" x 7" x 2-7/8" MBU-3T-CFL Wellhead Assembly  
With 13-5/8" 5M x 7-1/16" 10M CMT-DLBHPS Tubing Head  
& 7-1/16" 10M x 2-7/8" B5 Tubing Head Adapter

|             |     |            |
|-------------|-----|------------|
| DRAWN       | DLE | 12JAN17    |
| APPRV       |     |            |
| DRAWING NO. |     | ODE0001428 |



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

## SUPO Data Report

02/26/2018

APD ID: 10400008917

Submission Date: 01/06/2017

Highlighted data  
reflects the most  
recent changes

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: PERIDOT 8 FEDERAL

Well Number: 1H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

### Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Peridot\_8\_Fed\_1H\_AccessRoadTopoB\_08-01-2017.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:

Peridot\_8\_Fed\_1H\_AccessRoadv2\_20180103143817.pdf

New road type: RESOURCE

Length: 5236 Feet

Width (ft.): 30

Max slope (%): 2

Max grade (%): 4

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 17

**New road access erosion control:** The inside slope of the side ditches shall be 3:1. Any topsoil removed from the access road will be conserved as appropriate and with low profile. This access road is on fairly level ground. No additional erosion control is planned.

New road access plan or profile prepared? NO

New road access plan attachment:

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**Access road engineering design?** NO

**Access road engineering design attachment:**

**Access surfacing type:** OTHER

**Access topsoil source:** OFFSITE

**Access surfacing type description:** Caliche

**Access onsite topsoil source depth:**

**Offsite topsoil source description:** Caliche will be from a BLM approved source or third-party commercial location. Material meets BLM requirements and standards. Current plans include sources: 1) Maljamar, NM, Sec. 9, T17S, R32E; 2) Hwy 529, NM, Sec. 25, T17S, R31E; and 3) Olan Caswell Ranch, Sec. 3, T17S, R32E. These are current options. However, additional sources within area may be used depending on availability at time of construction. We intend to use different source(s) if necessary.

**Onsite topsoil removal process:**

**Access other construction information:** Wider travel surface is needed to accommodate larger rig wheelbase. Road is needed to reach facility near NM Highway 82. Cattle guard to be installed between facility access road and NM Highway 82. Turnouts will be installed using dimensions recommended by BLM, standard for this area. Right of ways will be obtained for highway access and resource road access to include future Peridot wells.

**Access miscellaneous information:** Length of road includes about 15' for facility access and approximately 382' for Frac Pond access. About 5056' of access road to be shared by other Peridot wells. The approximately 90' of road leading to Peridot 8 Fed 3H and about 88' of road to Peridot 8 Fed 5H well locations will not be constructed until the well location is built.

**Number of access turnouts:** 1

**Access turnout map:**

### Drainage Control

**New road drainage crossing:** OTHER

**Drainage Control comments:** The proposed road to the location is surveyed and staked with stations set along the centerline at specific intervals. The road will be centerline crowned with a 2% crown for appropriate drainage. The inside slope of the side ditches shall be 3:1. Any topsoil removed from the access road route will be conserved as appropriate. This access road is on fairly, level ground.

**Road Drainage Control Structures (DCS) description:** No additional road drainage is needed other than standard BLM requirements for this area and those discussed in the BLM "Gold Book". This access road is on level ground.

**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:**

Peridot\_8\_Fed\_1H\_Offset\_Well\_Map\_07-06-2017.pdf

**Existing Wells description:**

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

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

**Submit or defer a Proposed Production Facilities plan?** SUBMIT

**Production Facilities description:** Peridot 8 Federal CF1 Tank Battery location NWNE, Section 8, T17S, R32E was sited during 6/26/16 onsite. Location is south of NM Highway 82. Dimensions of 400'x 250' are planned to allow for expansion as wells are drilled. A 15' access road is planned and depicted on plat. Preliminary plot plan is attached.

**Production Facilities map:**

Peridot 8 Fed CF1 Tank Battery\_12-20-2016.pdf

Peridot 8 Fed 1H\_Preliminary Plot Plan\_01-05-2017.pdf

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

##### Water Source Table

**Water source use type:** CAMP USE, INTERMEDIATE/PRODUCTION **Water source type:** GW WELL  
CASING, STIMULATION, SURFACE CASING

**Describe type:**

**Source latitude:**

**Source longitude:**

**Source datum:**

**Water source permit type:** PRIVATE CONTRACT, WATER WELL

**Source land ownership:** FEDERAL

**Water source transport method:** PIPELINE, TRUCKING

**Source transportation land ownership:** FEDERAL

**Water source volume (barrels):** 165000

**Source volume (acre-feet):** 21.26736

**Source volume (gal):** 6930000

**Water source and transportation map:**

Peridot 8 Fed 1H\_Access Road Topo A\_12-20-2016.pdf

Peridot\_8\_Fed\_1H\_WaterSourceMap\_08-02-2017.pdf

**Water source comments:** Current water sources include: 1) Rockhouse Ranch; Section 13, T17S, R33E; and 2) Morewest Corporation, New Mexico; Section 16 & 26, T16S, R32E. Water sources specified within this application are current options for purchase. However, additional source(s) in the vicinity may be used depending on availability at the time water is needed. We intend to use different source(s) if necessary.

**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:**

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**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:**

**State appropriation permit:**

**Additional information attachment:**

### **Section 6 - Construction Materials**

**Construction Materials description:** Clean caliche will be used to construct well pad, road, and facility pad. Caliche will be from a BLM approved source or third-party commercial location. Material to meet BLM requirements and standards. Current plans include sources: 1) Maljamar, NM, Sec. 9, T17S, R32E; 2) Hwy 529, NM, Sec. 25, T17S, R31E; and 3) Olan Caswell Ranch, Sec. 3, T17S, R32E. These are current options. However, additional sources within area may be used depending on availability at time of construction. We intend to use different source(s) if necessary. Trucking of source material will utilize authorized roads as per Access Road Topo A attached.

**Construction Materials source location attachment:**

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

**Waste type:** DRILLING

**Waste content description:** Drilling fluid, drill cuttings, and rig water

**Amount of waste:** 8000 barrels

**Waste disposal frequency :** Daily

**Safe containment description:** Drilling fluid and cuttings will be held in a closed-loop system and trucked to an approved disposal facility.

**Safe containmant attachment:**

Peridot 8 Fed 1H\_Drill Waste Containment\_01-04-2017.pdf

**Waste disposal type:** HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

**Disposal type description:**

**Disposal location description:** Permitted disposal facility off Hwy 62.

### **Reserve Pit**

**Reserve Pit being used?** NO

**Temporary disposal of produced water into reserve pit?**

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**Reserve pit length (ft.)**

**Reserve pit width (ft.)**

**Reserve pit depth (ft.)**

**Reserve pit volume (cu. yd.)**

**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** Cuttings will be held in a closed-loop system and trucked to an 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?:** YES

**Ancillary Facilities attachment:**

Peridot\_8\_Fed\_1H\_FracPondPlat\_08-17-2017.pdf

**Comments:** ConocoPhillips Company proposes to build a 600' x 600' frac pond to support our horizontal well completions in the area. It is to be located in the NENW of Section 8, T17S, R32E. Frac pond will contain fresh water. A 382' road will provide access and is depicted on plat. Plats are attached, indicating 8.52 acres to be used. Area will be reclaimed upon completion of unit development according to BLM guidelines at the time.

### **Section 9 - Well Site Layout**

**Well Site Layout Diagram:**

Peridot\_8\_Fed\_1H\_Site\_Plan\_08-01-2017.pdf

Peridot\_8\_Fed\_1H\_LocationLayout\_08-02-2017.pdf

Peridot\_8\_Fed\_1H\_ArchBoundary\_08-02-2017.pdf

**Comments:**

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

## Section 10 - Plans for Surface Reclamation

**Type of disturbance:** New Surface Disturbance

**Multiple Well Pad Name:** PERIDOT 8 FEDERAL

**Multiple Well Pad Number:** 1H

### Recontouring attachment:

**Drainage/Erosion control construction:** Topsoil will be stripped and set along designated side of the wellsite. The next layer of dirt (stockpile) is done with the cut and fill method whereby the highest portion of the wellsite is pushed to lower portion(s) to balance the pad. The access road is done in a similar manner. To the greatest extent practicable, the location is placed so that the least amount of dirt is to be cut and disturbed, and so a good balance can be maintained during project. Topsoil stockpile will have lowest practicable profile to reduce wind erosion. For more detail please see attached Surface Use Plan of Operations.

**Drainage/Erosion control reclamation:** Upon project completion, if this well is a producer, excess caliche is removed from the interim reclamation portion of pad. Topsoil stockpile is balanced back onto the unused portion of the well pad and re-contoured as appropriate. Any drainage ditches will not be blocked with topsoil and/or organic material. Lowering the profile of the topsoil stockpile will reduce wind erosion. Erosion controls will be maintained per BLM guidelines and conditions. For more detail please see attached Surface Use Plan of Operations. Reclamation activities are planned to be accomplished within six months of project completion, contingent upon weather. A site specific "Reclamation Diagram" interim plan is attached. At such time as well is permanently abandoned, ConocoPhillips Company will contact the BLM for development of final rehabilitation plan. Upon abandonment, a dry hole marker will be installed as directed by Authorized BLM Officer at the time, in accordance with 43 CFR 3162.6. An above ground dry hole marker sealing the casing will have a weep hole which will allow pressure to dissipate and make detection of any fluid seepage easier. If below ground "well marker" is directed, ConocoPhillips Company will follow BLM requirements and standards for that method of abandonment. During final reclamation erosion is to be minimized through lower profile of any soil piles. Please see attached Surface Use Plan of Operations for more information.

**Wellpad long term disturbance (acres):** 1.59

**Wellpad short term disturbance (acres):** 1.84

**Access road long term disturbance (acres):** 3.61

**Access road short term disturbance (acres):** 0

**Pipeline long term disturbance (acres):** 1.1932966

**Pipeline short term disturbance (acres):** 0

**Other long term disturbance (acres):** 35.97

**Other short term disturbance (acres):** 1.72

**Total long term disturbance:** 42.363297

**Total short term disturbance:** 3.56

**Reconstruction method:** If this well is a producer site rehabilitation will be completed within six months, weather permitting. Excess caliche will be removed, as appropriate and either disposed of in a permitted facility or, if clean, stored for future use. Topsoil from the stockpile will be spread along areas to be interim reclaimed. Any drainage ditches will not be blocked with topsoil. Under normal weather conditions, the timetable for rehabilitation will allow two to three months to complete any re-contouring and top-soiling necessary. At such time as well is permanently abandoned, ConocoPhillips Company will contact BLM for development of final rehabilitation plan. Upon abandonment, a dry hole marker will be installed as directed by Authorized BLM Officer at the time, in accordance with 43 CFR 3162.6. An above ground dry hole marker sealing the casing will have a weep hole which will allow pressure to dissipate and make detection of any fluid seepage easier. If below ground "well marker" is directed, ConocoPhillips Company will follow BLM requirements and standards for that method of abandonment. Excess caliche will be removed, as appropriate and either disposed of in a permitted facility. Location soil may be "flipped" with BLM concurrence, clean topsoil spread and re-contoured to blend with surrounding area. This method will be accomplished in accordance to BLM standards set forth by the Authorized Officer.

**Topsoil redistribution:** Areas planned for interim reclamation will be re-contoured to the extent feasible. Topsoil will be evenly re-spread and re-vegetated over the disturbed area not needed for continuing production operations. At such time as well is abandoned, disturbed areas will be re-contoured to a contour that blends with surrounding landscape. Topsoil will be redistributed evenly over the entire disturbed site to depth of 4-6 inches.

**Soil treatment:** The topsoil will be stripped and set along the designated perimeter of the wellsite. The next layer of dirt is moved with the cut and fill method whereby the highest point of the wellsite is cut into and then pushed to a lower side in



**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

order to balance the well pad. Upon well completion, the soil will be balanced back onto portions of the pad not needed for long-term operations. Erosion will be minimized by maintaining a lower stockpile profile. For additional information, please see attached Surface Use Plan of Operation

**Existing Vegetation at the well pad:** The project area is located in a region of southeast New Mexico know as the Mescalero Plain. No named tributaries, streams or wetlands are in the near vicinity. Elevation is around 4045'. It is a broad, low relief area characterized by Mescalero sand (eolian) soil. Maljamar and Palomas fine sands occur throughout the area. Soil is well drained and has low water storage potential. This determines vegetation present on location. Vegetation in the project area can be classified as transitional between the Plains-Mesa Sand Scrub and Chihuahuan Desert Scrub plant communities. The area surrounding the location is grazing grassland, which supports grasses and forbs. Frequently observed species include: honey mesquite, shinnery oak, perennial three-awn, sand bluestem, sand dropseed, giant dropseed, prince's plume, threadleaf groundsel, spectacle pod, sunflower, and plains flax. See attached Location Photos for visual example of vegetation existing onsite.

**Existing Vegetation at the well pad attachment:**

Peridot 8 Fed 1H\_LocationPhotos\_01-05-2017.pdf

**Existing Vegetation Community at the road:**

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

**Existing Vegetation Community at the pipeline:**

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

**Existing Vegetation Community at other disturbances:**

**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 Management

### Seed Table

**Seed type:**

**Seed name:**

**Source name:**

**Seed source:**

**Source address:**

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**Source phone:**

**Seed cultivar:**

**Seed use location:**

**PLS pounds per acre:**

**Proposed seeding season:**

| Seed Summary |             |
|--------------|-------------|
| Seed Type    | Pounds/Acre |

**Total pounds/Acre:**

**Seed reclamation attachment:**

**Operator Contact/Responsible Official Contact Info**

**First Name:** Susan

**Last Name:** Maunder

**Phone:** (281)206-5281

**Email:** Susan.B.Maunder@conocophillips.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:** Two Class B noxious weed species, African rue and Malta starthistle are of concern. ConocoPhillips Company will consult with BLM for acceptable weed control methods, if the need arises. Any weed control would follow USEPA and BLM requirements and standards.

**Weed treatment plan attachment:**

**Monitoring plan description:** Weeds will be controlled on disturbed areas within the exterior limits of the well pad. Monitoring will be in accordance with Best Management Practices and guidelines established by BLM.

**Monitoring plan attachment:**

**Success standards:** Success standards will utilize BLM approved methods, such as those described in the BLM "Gold Book" and those established by the Authorized Officer.

**Pit closure description:** No pits will be used, a closed-loop system will be in place.

**Pit closure attachment:**

**Section 11 - Surface Ownership**

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**Disturbance type:** OTHER

**Describe:** well pad, access road, flow lines, pipelines, power lines

**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:**

**USFS Forest/Grassland:**

**USFS Ranger District:**

## Section 12 - Other Information

**Right of Way needed?** YES

**Use APD as ROW?** YES

**ROW Type(s):** 281001 ROW - ROADS,285003 ROW – POWER TRANS,288100 ROW – O&G Pipeline,288101 ROW – O&G Facility Sites,288103 ROW – Salt Water Disposal Pipeline/Facility,FLPMA (Powerline)

## ROW Applications

**SUPO Additional Information:** For multi-well pad we request deferral of interim reclamation requirements until all wells noted on location have been drilled. Gas Sales Line ROW may be used by third-party gas processor, depending on agreements reached. Three key mitigation strategies are to be used for Peridot development; horizontal wells, interim reclamation and participation in conservation agreement. Development of these minerals could have been via vertical wells; approximately 12 wells. After re-evaluation of options, two key actions are planned horizontal wells and multi-well pads where possible. This minimizes surface use, while improving project economics and results in significant surface use reduction. Interim reclamation is a component of our surface use mitigation. COPC intends to maximize interim reclamation to the greatest extent feasible for each location drilled. Current interim reclamation plans are included in survey plat packages for individual wells. COPC is a participant in the Candidate Conservation Agreement. Among mitigation measures are observing timing stipulations for Lesser-Prairie Chickens, as indicated by BLM, at the beginning of each breeding season. Also, well locations have been moved, in consultation with BLM biologists to avoid habitat of interest.

**Use a previously conducted onsite?** YES

**Operator Name:** CONOCOPHILLIPS COMPANY

**Well Name:** PERIDOT 8 FEDERAL

**Well Number:** 1H

**Previous Onsite information:** Onsites conducted 6/28/16 and 10/18/16. Onsite for this well pad was completed 0/18/16. Surface Use Plan of Operation was finalized during onsite with the following attendees: Mr. Ballard, Mr. Wolf, Ms. Brooks, Mr. Wasson, and Ms. Maunder, along with survey crew. Archaeological survey requirements have been met by block survey 2151, well pad survey 2262, and gas line and SWD line survey 2276. Well location is off-lease, so subsurface plat is also included. Please review this application with Peridot 8 Federal 11H, 3H, 13H, 5H, 15H, 7H and 17H well applications.

**Other SUPO Attachment**

Peridot 8 Fed 1H\_OilFlowLine\_01-06-2017.pdf  
Peridot\_8\_Fed\_1H\_DevelopmentImage\_08-01-2017.pdf  
Peridot\_8\_Fed\_1H\_FracPondPlat\_08-17-2017.pdf  
Peridot\_8\_Fed\_1H\_Power\_Line\_Plat\_08-17-2017.pdf  
Peridot\_8\_Fed\_Gas\_Sales\_Line\_08-17-2017.pdf  
Peridot\_8\_Fed\_1H\_Reclamation\_Plat\_20180103110441.pdf  
Peridot\_8\_Fed\_1H\_SWD\_Buried\_Pipeline\_20180103110622.pdf  
Peridot\_8\_Fed\_1H\_SWD\_FlowLineToElvis\_20180103144050.pdf  
Peridot\_8\_Fed\_1H\_SUPOviaAccess\_20180108104941.pdf  
Peridot\_8\_Fed\_1H\_Surf\_SummaryComments\_20180108104954.pdf  
Peridot\_8\_Fed\_1H\_BuriedGasLinetoDCP\_20180108105009.pdf



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

## Bond Info Data Report

02/26/2018

### Bond Information

Federal/Indian APD: FED

BLM Bond number: ES0085

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:

Injection well type: EXISTING

Injection well number:

Injection well name:

Assigned injection well API number?

Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit? YES

UIC Permit attachment:

### Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

### Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

### **Section 3 - Unlined Pits**

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:

Describe 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 Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

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: OFFLEASE

PWD surface owner: BLM

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner: FED



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

## PWD Data Report

02/26/2018

### 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:

PWD disturbance (acres):

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:

Describe 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:

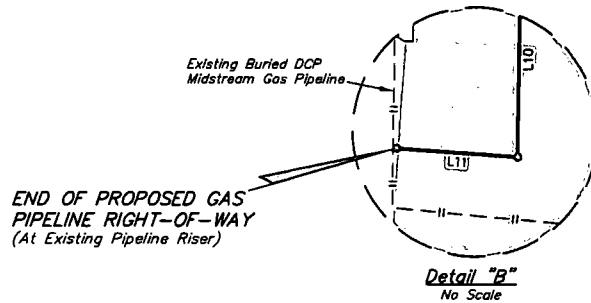
Additional bond information attachment:



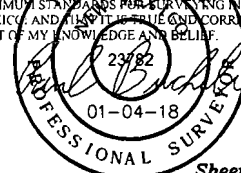
# GAS PIPELINE RIGHT-OF-WAY DESCRIPTION ON BLM LANDS IN SEC. 9

A 30' WIDE PERMANENT RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE WITH A 10' WIDE TEMPORARY RIGHT-OF-WAY ON THE RIGHT SIDE OF SAID PERMANENT RIGHT-OF-WAY FOR A TOTAL WIDTH OF 40' DURING CONSTRUCTION.

BEGINNING AT A POINT ON THE WEST LINE OF THE NW 1/4 SW 1/4 OF SECTION 9, T17S, R32E, N.M.P.M., WHICH BEARS S00°08'37"E 17.99' FROM THE WEST 1/4 CORNER OF SAID SECTION 9, THENCE N84°13'50"E 29.38'; THENCE S89°56'13"E 301.54'; THENCE S01°44'41"E 788.81'; THENCE S89°30'59"E 162.10'; THENCE S01°09'10"W 178.94'; THENCE N85°57'24"W 17.06' TO A POINT IN THE NW 1/4 SW 1/4 OF SAID SECTION 9, WHICH BEARS S26°47'32"E 1101.08' FROM THE WEST 1/4 CORNER OF SAID SECTION 9. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A TRANSVERSE MERCATOR PROJECTION WITH A CENTRAL MERIDIAN OF W103°53'00". PERMANENT RIGHT-OF-WAY CONTAINS 1.018 ACRES MORE OR LESS. TEMPORARY RIGHT-OF-WAY CONTAINS 0.339 ACRES MORE OR LESS.



**CERTIFICATE**  
THIS IS TO CERTIFY THAT THIS EASEMENT PLAT AND THE ACTUAL SURVEY OF THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION. THAT I AM RESPONSIBLE FOR THIS SURVEY. THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Sheet 2 of 2

FILE: 62464-B2 REV: 2 01-04-18 L.K. (PIPELINE RE-ROUTE)

## NOTES:

- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00"

ConocoPhillips Company

PERIDOT GAS PIPELINE  
SECTION 9, T17S, R32E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

|                    |              |          |       |
|--------------------|--------------|----------|-------|
| SURVEYED BY        | J.A.V., R.D. | 02-02-17 | SCALE |
| DRAWN BY           | B.D.H.       | 02-07-17 | N/A   |
| GAS PIPELINE R-O-W |              |          |       |



UELS, LLC  
Corporate Office \* 85 South 200 East  
Vernal, UT 84078 \* (435) 789-1017

Serial Register Page

Go

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Time: 04:01 PM

Page 1 of ?

Click here to see on map

Run Date: 07/24/2017

01 02-25-1920;041STAT0437;30USC226

Total Acres  
1,606.800Serial Number  
NMLC- 0 029406B

Case Type 310771: O&amp;G EXCHANGE LEASE - PD

Commodity 459: OIL &amp; GAS

Case Disposition: AUTHORIZED

Serial Number: NMLC- 0 029406B

## Name &amp; Address

CHASE FERGUSON GERENE D

PO BOX 693

ARTESIA NM 88211

## Int Rel

OPERATING RIGHTS

## % Intere

0.000000000

CHASE OIL CORP

PO BOX 1767

ARTESIA NM 882111767

OPERATING RIGHTS

0.000000000

CHASE OIL CORP

PO BOX 1767

ARTESIA NM 882111767

LESSEE

0.000000000

CHASE RICHARD L

PO BOX 359

ARTESIA NM 882110359

OPERATING RIGHTS

0.000000000

CHASE ROBERT C

PO BOX 297

ARTESIA NM 882111297

OPERATING RIGHTS

0.000000000

COG OPERATING LLC

600 W ILLINOIS AVE

MIDLAND TX 797014882

OPERATING RIGHTS

0.000000000

CONOCOPHILLIPS CO

PO BOX 7500

BARTLESVILLE OK 740057500

OPERATING RIGHTS

0.000000000

CONOCOPHILLIPS CO

PO BOX 7500

BARTLESVILLE OK 740057500

LESSEE

0.000000000

Serial Number: NMLC- 0 029406B

| Mer Twp | Rng   | Sec   | S Typ | SNr SUFF | Subdivision     | District/Field Office | County | Mgmt Agency         |
|---------|-------|-------|-------|----------|-----------------|-----------------------|--------|---------------------|
| 23      | 0170S | 0320E | 005   | ALIQ     | S2N2 SE;        | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23      | 0170S | 0320E | 005   | LOTS     | 1-4;            | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23      | 0170S | 0320E | 006   | ALIQ     | S2NE,SENW,E2SW; | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23      | 0170S | 0320E | 006   | LOTS     | 1-7;            | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23      | 0170S | 0320E | 007   | ALIQ     | E2W2 SE;        | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23      | 0170S | 0320E | 007   | LOTS     | 1-4;            | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |
| 23      | 0170S | 0320E | 008   | ALIQ     | SW;             | CARLSBAD FIELD OFFICE | LEA    | BUREAU OF LAND MGMT |

## Relinquished/Withdrawn Lands

Serial Number: NMLC- 0 029406B

|    |       |       |     |    |         |                       |     |                     |
|----|-------|-------|-----|----|---------|-----------------------|-----|---------------------|
| 23 | 0170S | 0320E | 708 | FF | E2ASGN; | CARLSBAD FIELD OFFICE | LEA | BUREAU OF LAND MGMT |
|----|-------|-------|-----|----|---------|-----------------------|-----|---------------------|

Serial Number: NMLC- 0 029406B

| Act Date   | Code | Action                   | Action Remar          | Pending Offic |
|------------|------|--------------------------|-----------------------|---------------|
| 11/25/1933 | 224  | APPL RECD                |                       |               |
| 06/08/1934 | 237  | LEASE ISSUED             |                       |               |
| 06/08/1934 | 496  | FUND CODE                | 05:145003             |               |
| 06/08/1934 | 534  | SLTY RATE-SLIDING-SCH D  |                       |               |
| 06/08/1934 | 566  | EFFECTIVE DATE           |                       |               |
| 09/14/1945 | 570  | CASE SEGREGATED BY ASGN  | INTO NMLC064169;      |               |
| 01/06/1953 | 650  | HELD BY PROD - ACTUAL    |                       |               |
| 01/06/1953 | 658  | MEMO OF 1ST PROD-ACTUAL  |                       |               |
| 10/24/1979 | 940  | NAME CHANGE RECOGNIZED   | CONTL OIL/CONOCO INC  |               |
| 01/11/1983 | 140  | ASGN FILED               | (1)CONOCO/PETRO LEWIS |               |
| 01/11/1983 | 140  | ASGN FILED               | (1)CONOCO/PTRASHP PRO |               |
| 01/11/1983 | 140  | ASGN FILED               | (2)CONOCO/PETRO LEWIS |               |
| 01/11/1983 | 140  | ASGN FILED               | (2)CONOCO PTRASHP PRO |               |
| 02/11/1983 | 140  | ASGN FILED               | PETRO/PTRASHP PROF    |               |
| 01/25/1985 | 139  | ASGN APPROVED            | (1)EFF 02/01/83;      |               |
| 01/25/1985 | 139  | ASGN APPROVED            | (2)EFF 02/01/83;      |               |
| 01/25/1985 | 139  | ASGN APPROVED            | (3)EFF 02/01/83;      |               |
| 01/25/1985 | 139  | ASGN APPROVED            | (4)EFF 02/01/83;      |               |
| 01/25/1985 | 139  | ASGN APPROVED            | EFF 03/01/85;         |               |
| 02/05/1985 | 962  | CASE MICROFILMED/SCANNED | CHCM 100.429 GLO      |               |
| 11/02/1987 | 974  | AUTOMATED RECORD VERIF   | JAM/DOE               |               |
| 07/26/1988 | 140  | ASGN FILED               | PTRASHP PRO/PFMP OPER |               |
| 06/16/1988 | 139  | ASGN APPROVED            | EFF 08/01/86;         |               |

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