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Form 3160-3 (March 2012)	ad Field Off CD Hobbes	fice		APPROVED 0. 1004-0137	MIN F FUNF I
UNITED STATES DEPARTMENT OF THE IN BUREAU OF LAND MANAG APPLICATION FOR PERMIT TO DI	TERIOR GEMENT MAY O RILL OR REENTER	7 2018	5. Lease Serial No. NMNM028881	or Tribe Name	
la. Type of work:	REC	EIVE	7. If Unit or CA Agree	ment,-Name and	No.
Ib. Type of Well: Image: Oil Well Gas Well Other 2. Name of Operator FOC DESCURCES INCORPORATED	Single Zone Multip	ole Zone	Value April Well No.	COM 704H	
3a. Address 1111 Bagby Sky Lobby2 Houston TX 77002	. Phone No. (include area code) 713)651-7000		10-02-3- 10. Field and Pool, or E. RED HILLS / WC-02	xploratory 25 S2433361	5092) JPPER
4. Location of Well (Report location clearly and in accordance with any S At surface LOT 4 / 731 FSL / 1443 FWL / LAT 32.168806 / At proposed prod. zone LOT 3 / 2410 FSL / 1264 FWL / LAT 3	itate requirements.*) / LONG -103.5128425 32.1879225 / LONG -103.51	34191	11. Sec. T. R. M. or Bli SEC 31 / T24S / R3	k. and Survey or 4E / NMP	Area
 Distance in miles and direction from nearest town or post office* 25 miles 			12. County or Parish LEA	13. St NM	ate .
15. Distance from proposed* 1 location to nearest 330 feet property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 999.84	17. Spacin 239.58	g Unit dedicated to this w	rell	
 Distance from proposed location* to nearest well, drilling, completed, 330 feet applied for, on this lease, ft. 	19: Proposed Depth 12491 feet / 19950 feet	20. BLM/ FED: NI	BIA Bond No. on file M2308		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3457 feet	2 Approximate date work will sta	rt*	23. Estimated duration 25 days		
	24. Attachments				
 The following, completed in accordance with the requirements of Onshore 0 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System La SUPO must be filed with the appropriate Forest Service Office). 	Oil and Gas Order No.1, must be a 4. Bond to cover t Item 20 above). 5. Operator certific 6. Such other site BLM.	ttached to th he operatio cation specific inf	is form: ns unless covered by an e ormation and/or plans as	existing bond or may be required	file (see by the
25. Signature (Electronic Submission)	Name (Printed/Typed) Stan Wagner / Ph: (432)	686-3689		Date 09/05/2017	
Title Regulatory Specialsit					
Approved by (Signalure))) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)2	234-5959		Date 04/23/2018	
Title Supervisor Multiple Resources	Office CARLSBAD				
Application approval does not warrant or certify that the applicant holds I conduct operations thereon. Conditions of approval, if any, are attached.	legal or equitable title to those righ	its in the sub	oject lease which would er	ntitle the applica	nt to

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

WITTONS KZ *(Instructions on page 2) (Continued on page 2) ECP pec 05/07/18 pproval Date: 04/23/2018

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.

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.

NOTIČES

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

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts. ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant-to-civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

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

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

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

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

(Continued on page 3)

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

1. SHL: LOT 4 / 731 FSL / 1443 FWL / TWSP: 24S / RANGE: 34E / SECTION: 31 / LAT: 32.168806 / LONG: -103.5128425 (TVD: 0 feet, MD: 0 feet) PPP: LOT 4 / 330 FSL / 1270 FWL / TWSP: 24S / RANGE: 34E / SECTION: 31 / LAT: 32.1677032 / LONG: -103.5134003 (TVD: 12446 feet, MD: 12587 feet) BHL: LOT 3 / 2410 FSL / 1264 FWL / TWSP: 24S / RANGE: 34E / SECTION: 30 / LAT: 32.1879225 / LONG: -103.5134191 (TVD::12491 feet, MD: 19950 feet)

BLM Point of Contact

Name: Priscilla Perez Title: Legal Instruments Examiner Phone: 5752345934 Email: pperez@blm.gov

(Form 3160-3, page 3)

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.

V. SPECIAL REQUIREMENT(S)



EXHIBIT NO. 1

Date of Issue: 4/2/2018

Bureau of Land Management, Carlsbad Field Office 620 E. Greene Street Carlsbad, NM 88220

Cultural and Archaeological Resources

BLM Report No. 18-5181, etc,

NOTICE OF STIPULATIONS

<u>Historic properties</u> in the vicinity of this project are protected by federal law. In order to ensure that they are not damaged or destroyed by construction activities, the project proponent and construction supervisors shall ensure that the following stipulations are implemented.

<u>Project</u> <u>Name</u> :	DIAMOND 31 FED COM #701H-#707H
	1). A 3-day preconstruction call-in notification. Contact BLM Inspection and Enforcement at
Required	2. Professional archaeological monitoring. Contact your BLM project archaeologist at (575) 234-5917 for assistance.
A . 🖂	These stipulations must be given to your monitor at least 5 days prior to the start of construction.
B. 🖂	No construction, including vegetation removal or other site prep may begin prior to the arrival of the monitor.
fan (je gregen) fer (i and de stargeren de stargeren de stargeren de stargeren de stargeren de stargeren de st	3. Cultural site barrier fencing. (Your monitor will assist you).
A. 🗌	A temporary site protection barrier(s) shall be erected prior to all ground-disturbing activities. The minimum barrier(s) shall consist of upright wooden survey lath spaced no more than ten (10) feet apart and marked with blue ribbon flagging or blue paint. There shall be no construction activities or vehicular traffic past the barrier(s) at any time.
B. 🗌	A permanent, 4-strand barbed wire fence strung on standard "T-posts" shall be erected prior to all ground-disturbing activities. No construction activities or vehicle traffic are allowed past the fence.
Required	4. The archaeological monitor shall:
A. 🗌	
B. 🖂	Observe all ground-disturbing activities within 200 feet of cultural site LA .188133.
C. 🗌	Ensure that the proposed
D. 🗌	Ensure the proposed reroute for LA is adhered to.
E. 🛛	Submit a brief monitoring report within 30 days of completion of monitoring.
	If subsurface cultural resources are encountered during the monitoring, all activities shall cease and a BLM-CFO archaeologist shall be notified immediately.
Other:	IF THE CONTRACT ARCHAEOLOGIST DOES NOT KNOW WHERE THE SITE(S) ARE LOCATED AT PLEASE COME BY THE CARLSBAD BLM AND MAPS AND OTHER DATA WILL BE PROVIDED UPON REQUEST TO THE CONTRACT ARCHAEOLOGIST

<u>Site Protection and Employee Education</u>: It is the responsibility of the project proponent and his construction supervisor to inform all employees and subcontractors that cultural and archaeological sites are to be avoided by all personnel, vehicles, and equipment; and that it is illegal to collect, damage, or disturb cultural resources on Public Lands.

For assistance contact:

Bruce Boeke (575) 234-5917

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Fence Requirement

Where entry is granted across a fence line, the fence must be braced and tied off on both sides of the passageway with H-braces prior to cutting. The fence will be restored to its prior condition or better, once the work is completed. The operator will notify the private surface landowner or the grazing allotment holder prior to crossing any fence.

Cattle Guards

Appropriately sized cattle guards, sufficient to carry out the Proposed Action, will be installed and maintained at road-fence crossings. Existing cattle guards will be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator is responsible for the condition of the existing cattle guards utilized during lease operations. A gate will be constructed on one side of the cattle guard and fastened securely to H-braces.

Range Water Supplies

Damage to structures that provide water to livestock must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

The well pads and CTB will be bermed to prevent oil, salt, and other chemical contaminants from leaving the site in the unlikely event a spill or leak occurs. No water flow from the uphill side of the pads will be allowed to enter the pads. The berm will be maintained through the life of the wells and after IR has been completed.

Any water erosion that occurs, due to pad construction, will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required on the well pad. The topsoil will be stockpiled in an appropriate location to prevent loss of soil, due to water or wind erosion, and will not be used for berming or erosion control.

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Approval Date: 04/23/2018

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VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

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Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.





All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

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VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

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Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

VRM Facility Requirement

There are no mitigation measures for this project as currently proposed.

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq.</u> (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way.

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This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

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5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of $\underline{36}$ inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be $\underline{30}$ feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed <u>30</u> feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately $__6__$ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

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12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

(X) seed mixture 1	() seed mixture 3
() seed mixture 2	() seed mixture 4

() seed mixture 2/LPC

() Aplomado Falcon Mixture

-ground structures not subject to safety requirements shall be painted by the

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-ofway and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. <u>Escape Ramps</u> - The operator will construct and maintain pipeline/utility trenches that are not otherwise fenced, screened, or netted to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or

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other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

Page 15 of 19

Approval Date: 04/23/2018 _

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the

Page 16 of 19

Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

 $\cdot \cap$

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

Page 17 of 19

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

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Seed Mixture 1 for Loamy Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species

	<u>lb/acre</u>
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

~>

Pounds of seed x percent purity x percent germination = pounds pure live seed

FMSS

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

037810r Certification Data Report

Operator Certification

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

NAME: Stan Wagner		5	Si
Title: Regulatory Specialsit			
Street Address: 5509 Champions	Drive		
City: Midland	State: TX	2	Zi
Phone: (432)686-3689			
Email address: Stan_Wagner@ec	gresources.com	1	
Field Representative			
Representative Name: James E	Barwis		

Street Address: 5509 Champions Drive

City: Midland State: TX

Phone: (432)425-1204

Email address: james_barwis@eogresources.com

Signed on: 09/05/2017

Zip: 79702

Zip: 79706

FAFMSS

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

pplication Data Report

APD ID: 10400020657

Operator Name: EOG RESOURCES INCORPORATED Well Name: DIAMOND 31 FED COM

Submission Date: 09/05/2017

Well Number: 704H Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Well Type: OIL WELL

Section 1 - General

APD ID:	10400020657	Tie to previous NOS?	Submission Date: 09/05/2017		
BLM Office:	CARLSBAD	User: Stan Wagner	Title: Regulatory Specialsit		
Federal/Indian APD: FED		Is the first lease penetra	ted for production Federal or Indian? FED		
Lease number: NMNM028881		Lease Acres: 999.84			
Surface acc	ess agreement in place?	Allotted?	Reservation:		
Agreement	in place? NO	Federal or Indian agreen	nent:		
Agreement	number:				
Agreement	name:				
Keep applic	ation confidential? YES				
Permitting A	Agent? NO	APD Operator: EOG RESOURCES INCORPORATED			
Operator let	ter of designation:				

Operator Info

Operator Organization Name:	EOG RESOURCES	INCORPORATED	
Operator Address: 1111 Bagb	y Sky Lobby2	7 :	77000
Operator PO Box:		Ζιρ : <i>ι</i>	7002
Operator City: Houston	State: TX		
Operator Phone: (713)651-700	00		
Operator Internet Address:			
Section 2 - We	II Information		
Well in Master Development Pl	lan? NO	Mater Development Plan	name:
Well in Master SUPO? NO		Master SUPO name:	
Well in Master Drilling Plan? N	Ю	Master Drilling Plan name	e:
Well Name: DIAMOND 31 FED	COM	Well Number: 704H .	Well API Number:

Field/Pool or Exploratory? Field and Pool

Well Number: 704H . Field Name: RED HILLS Well API Number:

Pool Name: WC-025 S2433361 UPPER WOLFCAMP

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

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Well Name: DIAMOND 31 FED COM

Well Number: 704H

Desc	Describe other minerals:																	
Is the proposed well in a Helium production area? N										Use Existing Well Pad? NO New surface disturbat							bance	?
Туре	of W	ell Pa	d: MU	LTIPL	.e we	LL			Multi	Multiple Well Pad Name: Number: 704H/705H						ł		
Well	Class	: HOF	RIZON	ITAL					DIAM Numb	OND 31 F ber of Leg	ED CO s: 1	M						
Well	Well Work Type: Drill																	
Well	Type:		NELL															
Desc	ribe V	Vell T	ype:			73												
Well	sub-T	ype:	INFILI	-														
Desc	ribe s	ub-ty	pe:															
Dista	ance t	o tow	n: 25	Miles			Dis	tance to	o nearest v	vell: 330 F	т	Dist	ance t	o le	ease line	: 330 I	FT	
Rese	rvoir	well s	pacin	ng ass	igneo	d acre	s Me	asurem	ent: 239.5	8 Acres								
Well	plat:	Dia	amono	1_31_1	Fed_C	Com_	704H_	_signed_	_C_102_20	017090515	51343.p	odf						
Well	work	start	Date:	01/01	/2018	ı			Durat	t ion: 25 D/	AYS							
				•														
	Sec	tion	3 - V	Vell	Loca	atior	Tal	ole										
Surv	ey Ty	pe: RI	ECTAI	NGUL	AR													
Desc	ribe S	Survey	/ Туре	e:						·								
Datu	m: NA	D83		·					Vertic	al Datum:	NAVE	88						
Surv	ey nu	mber:																
	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 Leg #1	731	FSL	144 3	FWL	24S	34E	31	Lot 4	32.16880 6	- 103.5128 425	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 028881	345 7	0	0
KOP Leg #1	53	FSL	128 5	FWL	24S	34E	31	Lot 4	32.16694 67	- 103.5133 655	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 028881	- 851 5	120 02	119 72
PPP Leg #1	#1 Signature Signa								32.16770 32	- 103.5134 003	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 028881	- 898 9	125 87	124 46

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

Well Name: DIAMOND 31 FED COM

Drilling Plan Data Report

1.1.1

04/24/2018

APD ID: 10400020657

Operator Name: EOG RESOURCES INCORPORATED

Submission Date: 09/05/2017

Highlighted data reflects the most recent changes

Well Number: 704H

Well Type: OIL WELL

Show Final Text

Well Work Type: Drill

Section 1 - Geologic Formations

Formation			True Vertical	Measured			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1	PERMIAN	3457	Ó	0	ALLUVIUM	NONE	No
2	RUSTLER	2259	1198	1198	ANHYDRITE	NONE	No
3	TOP SALT	1734	1723	1723	SALT	NONE	No
4	BASE OF SALT	-1522	4979	4979	SALT	NONE	No
5	LAMAR	-1784	5241	5241	LIMESTONE	NONE	No
6	BELL CANYON	-1801	5258	5258	SANDSTONE	NATURAL GAS,OIL	No
.7	CHERRY CANYON	-2836	6293	6293	SANDSTONE	NATURAL GAS,OIL	No
8	BRUSHY CANYON	-4358	7815	7815	SANDSTONE	NATURAL GAS,OIL	No
9	BONE SPRING LIME	-5821	9278	9278	LIMESTONE	NONE	No
10	FIRST BONE SPRING SAND	-6796	10253	10253	SANDSTONE	NATURAL GAS,OIL	No
11	BONE SPRING 2ND	-7394	10851	10851	SANDSTONE	NATURAL GAS,OIL	No
12	BONE SPRING 3RD	-8439	11896	11896	SANDSTONE	NATURAL GAS,OIL	j No
13	WOLFCAMP	-8857	12314	12314	SHALE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Pressure Rating (PSI): 10M

Rating Depth: 12491

Equipment: The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (10,000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil and Gas order No. 2.

Requesting Variance? YES

Variance request: Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line). Variance is requested to wave the centralizer requirements for the 7-5/8" FJ casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation. Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement surry, for the entire length of the 6-3/4" hole interval to maximize cement slurry.

Testing Procedure: Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes. Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

Choke Diagram Attachment:

Diamond 31 FC 704H 10 M Choke Manifold 20170905125800.pdf

Diamond 31 FC 704H Co_Flex_Hose_Certification_20170905125800.PDF

Diamond_31_FC_704H_Co_Flex_Hose_Test_Chart_20170905125801.pdf

BOP Diagram Attachment:

Diamond_31_FC_704H_10_M_BOP_Diagram_20170905125814.pdf

L Casing ID	String Type	Hole Size	ezg Size 7.625	A Condition	4 Standard	< Tapered String	^o Top Set MD	Bottom Set MD	^o Top Set TVD	Bottom Set TVD	Tob Set MSL 3457	Bottom Set MSL 2457	Calculated casing length MD	dore de Grade	Weight 2.65	Joint Type	Collapse SF	1.25 Burst SF	G Joint SF Type	9 Joint SF	Body SF Type	Body SF
	IATE	5												-110			5					
2	SURFACE	14.7 5	10.75	NEW	API	N	0	1225	0	1225	3457	2232	1225	J-55	40.5	STC	1.12 5	1.25	BUOY	1.6	BUOY	1.6
3	PRODUCTI ON	6.75	5.5	NEW	API	Y	0	10900	0	10900	3457	-7443	10900	OTH ER	20	OTHER - DWC/C-IS MS	1.12 5	1.25	BUOY	1.6	BUOY	1.6

Section 3 - Casing

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Casing Attachments

Casing ID: 1 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

See_previously_attached_Drill_Plan_20170905125959.pdf Diamond_31_FC_704H_7.625in_29.70_P_110_FlushMax_III_20170905125947.pdf Diamond_31_FC_704H_7.625in_29.7_P110EC_VAM_SLIJ_II_20170905125947.pdf

Casing Design Assumptions and Worksheet(s):

See_previously_attached_Drill_Plan_20170905130219.pdf

Casing ID: 2 String Type:SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Diamond_31_FC_704H_BLM_Plan_20170905130142.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

- See previously attached Drill Plan 20170905130119.pdf
- Diamond_31_FC_704H_5.500in_20.00_VST_P110EC_VAM_SFC_20170905130118.pdf Diamond_31_FC_704H_5.500in_20.00_VST_P110EC_DWC_C_IS_MS_20170905130117.pdf

Casing Design Assumptions and Worksheet(s):

See_previously_attached_Drill_Plan_20170905130158.pdf

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Section	4 - Co	emen	t								
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1225	325	1.73	13.5	562	25	Class C	Class C + 4.0% Bentonite + 0.6% CD- 32 + 0.5% CaCl2 + 0.25 Ib/sk Cello-Flake (TOC @ Surface)
SURFACE	Tail		1225	1225	200	1.34	14.8	268	25	Class C	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
INTERMEDIATE	Lead		0	1140 0	2250	1.38	14.8	3105	25	Class C	Class C + 5% Gypsum + 3% CaCl2 pumped via bradenhead (TOC@surface)
INTERMEDIATE	Tail		1140 0	1140 0	550	1.2	14.4	660	25	Class H	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P pumped conventionally
PRODUCTION	Lead		1090 0	1995 0	850	1.26	14.1	1071	25	Class H	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C- 17 (TOC @ 10,900')

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: (A) A Kelly cock will be kept in the drill string at all times. (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times. (C) H2S monitoring and detection equipment will be utilized from surface casing point to TD. **Describe the mud monitoring system utilized:** An electronic pit volume totalizer (PVT) will be utilized on the circulating system to monitor pit volume, flow rate, pump pressure and stroke rate.

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Circulating Medium Table

Fop Depth	3ottom Depth	Mud Type	//in Weight (Ibs/gal)	/lax Weight (lbs/gal)	Density (Ibs/cu ft)	Sel Strength (lbs/100 sqft)	Ŧ	/iscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics	
1225	1140 0	SALT SATURATED	8.8	10								
1140 0	1249 1	OIL-BASED MUD	10	14								
0	1225	WATER-BASED MUD	8.6	8.8								

Section 6 - Test, Logging, Coring

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

Open-hole logs are not planned for this well.

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

DS

Coring operation description for the well: None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 7469

Anticipated Surface Pressure: 4720.97

Anticipated Bottom Hole Temperature(F): 181

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Diamond_31_FC_704H_H2S_Plan_Summary_20170905130547.pdf

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Diamond_31_Fed_Com_704H_Planning_Report_20170905130609.pdf Diamond_31_Fed_Com_704H_Wall_Plot_20170905130610.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Diamond_31_FC_704H_Proposed_Wellbore_20170905130638.pdf Diamond_31_FC_704H_Rig_Layout_20170905130638.pdf Diamond_31_FC_704H_Wellhead_Cap_20170905130638.pdf Diamond_31_Fed_Com_704H_gas_capture_20170905144248.pdf

Other Variance attachment:



Manufacturer: Midwest Hose & Specialty

Serial Number: SN#90067

Length: 35'

Size: OD = 8" ID = 4°

Ends: Flanges Size: 4-1/16°

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

MIDWEST

HOSE AND SPECIALTY INC.

INT	ERNAL	HYDROST	ATIC TEST	REPOR	Т
Customer:			P.O. Numb	er:	
CACTUS				RIG #123	8
				Asset # N	110761
		HOSE SPECI	FICATIONS		
Туре: С	IOKE LIN	E		Length:	35'
I.D.	4"	INCHES	O.D.	8"	INCHES
WORKING PRE	ISSURE	TEST PRESSUR	E	BURST PRES	SURE
10,000	PSI	15,000	PSI		PSI
		COUP	LINGS		
Type of End 4	l Fitting 1/16 10K F	LANGE			
Type of Cou	pling:		MANUFACTU	RED BY	
SV	VEDGED		MIDWEST HOS	SE & SPECI/	ALTY
		PROC	EDURE		
Но	se assembl	v pressure tested w	ith water at ambler	nt temperature .	
TI	AE HELD AT	TEST PRESSURE	ACTUAL E	IURST PRESSU	JRE:
	1	MIN.			0 <i>PSI</i>
COMMENTS:	;	# <u></u>			
SM SM	1#90087	M10761			
Ho Ho	ose is cov	ered with staini	ess steel armou	ur cover and	l
W	aped with	fire resistant v	ermiculite coat	ed fiberglas	8
in in	sulation r	ated for 1500 de	grees complete	e with lifting	eyes
Date: 6/1	5/2011	Tested By: BOBBY FINK		Approved: MENDI	IACKSON



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

Tested By: Bobby Fink

Solly ZC

Approved By: Mendi Jackson

, Mendi Jackson



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



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OD	Weight	Wall Th.	Grade	API Drift	Connection
7 5/8 in.	29.70 lb/ft	0.375 in.	VM 110 HC	6.750 in.	VAM® SLIJ-II

	PIPE PROPERVIE	8		
	Nominal OD	7.625 in.		Conn
Ì	Nominal ID	6.875 in.		Conn
	Nominal Cross Section Area	8.541 sqin.		Conn
	Grade Type	High Collapse		Make
	Min. Yield Strength	110 ksi		Critic
	Max. Yield Strength	140 ksi		Tens
	Min. Ultimate Tensile Strength	125 ksi		Com
1			•	

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

I*STLI*L

Connection Data Sheet

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

FIELD TORQUE VAL	SED
Min. Make-up torque	11300 ft.lb
Opti. Make-up torque	12600 ft.lb
Max. Make-up torque	13900 ft.lb

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

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



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

angle vallourec

Vallourec Group



Grade	P110		P110	
Pipe OD (D)	7 5/8	in	193.68	mm
Weight	29.7	lb/ft	44.25	kg/m
Actual weight	29.0	lb/ft	43.26	kg/m
Wall thickness (t)	0.375	in	9.53	mm
Pipe ID (d)	6.875	in	174.63	mm
Pipe body cross section	8.537	in²	5,508	mm²
Drift Dia.	6.750	in	171.45	mm

Connection

Box OD (W)	7.625	in	193.68	mm
PIN ID	6.875	in	174.63	mm
Pin critical area	4.420	in ²	2,852	mm²
Box critical area	4.424	in ²	2,854	mm²
Joint load efficiency	60	%	60	%
Make up loss	3.040	in	77.22	mm
Thread taper	1/16 (3/4 in per ft)			
Number of threads	5 thread per in.			

Connection Performance Properties

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

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

Torque Recommended

Min.	8,700	ft-lb	11,700	N-m
Opti.	9,700	ft-lb	13,100	N-m
Max.	10,700	ft-lb	14,500	N-m
Operational Max.	23,600	ft-lb	32,000	N-m
Note : Operational Max. torque can be applied for high torque application				

1. GEOLOGIC NAME OF SURFACE FORMATION: Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1,198'
Top of Salt	1,723'
Base of Salt / Top Anhydrite	4,979'
Base Anhydrite	5,241'
Lamar	5,241'
Bell Canyon	5,258'
Cherry Canyon	6,293'
Brushy Canyon	7,815'
Bone Spring Lime	9,278'
1 st Bone Spring Sand	10,253'
2 nd Bone Spring Shale	10,513'
2 nd Bone Spring Sand	10,851'
3 rd Bone Spring Carb	11,346'
3 rd Bone Spring Sand	11,896'
Wolfcamp	12,314'
TD	12,491'

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

Water

Upper Permian Sands	0-400'	Fresh
Cherry Canyon	6,293'	Oil
Brushy Canyon	7,815'	Oil
1 st Bone Spring Sand	10,253'	Oil
2 nd Bone Spring Shale	10,513'	Oil
2 nd Bone Spring Sand	10,851'	Oil
3 rd Bone Spring Carb	11,346'	Oil
3 rd Bone Spring Sand	11,896'	Oil
Wolfcamp	12,314'	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 10.75" casing at 1,225' and circulating cement back to surface.

See previously attached Drill Plan

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Hole		Csg			DFmin	DFmin	DF _{min}	
Size	Interval	OD	Weight	Grade	Conn	Collapse	Burst	Tension
14.75"	0 - 1,225'	10.75"	40.5#	J55	STC	1.125	1.25	1.60
9.875"	0 - 1,000'	7.625"	29.7#	HCP- 110	LTC	1.125	1.25	1.60
9.875"	1,000' – 3,000'	7.625"	29.7#	P-110EC	SLIJ II	1.125	1.25	1.60
8.75"	3,000' - 11,400'	7.625"	29.7#	HCP- 110	FlushMax III	1.125	1.25	1.60
6.75"	0' – 10,900'	5.5"	20#	P-110EC	DWC/C-IS MS	1.125	1.25	1.60
6.75"	10,900'-19,950'	5.5"	20#	P-110EC	VAM SFC	1.125	1.25	1.60

4. CASING PROGRAM - NEW

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

Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

Depth	No. Sacks	Wt. ppg	Yld Ft ³ /ft	Mix Water Gal/sk	Slurry Description
10-3/4" 1,225'	325	13.5	1.73	9.13	Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ Surface)
	200	14.8	1.34	6.34	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
7-5/8" 11,400'	250	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead (TOC @ Surface)
	2000	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2 pumped via Bradenhead
	550	14.4	1.20	4.81	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P pumped Conventionally
5-1/2" 19,950'	850	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 10,900')

Cementing Program:

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

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

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (10,000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 10,000/250 psig and the annular preventer to 5,000/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 10,000/250 psig and the annular preventer to 5,000/250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal.

The applicable depths and properties of the drilling fluid systems are as follows.

Depth	Туре	Weight (ppg)	Viscosity	Water Loss
0 - 1,225'	Fresh - Gel	8.6-8.8	28-34	N/c
1,225' – 11,400'	Brine	8.8-10.0	28-34	N/c
11,400' – 19,950'	Oil Base	10.0-14.0	58-68	3 - 6
Lateral				

The highest mud weight needed to balance formation is expected to be 11.5 ppg. In order to maintain hole stability, mud weights up to 14.0 ppg may be utilized.

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

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

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- (A) A kelly cock will be kept in the drill string at all times.
- (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) H₂S monitoring and detection equipment will be utilized from surface casing point to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logs are not planned for this well.

GR-CCL Will be run in cased hole during completions phase of operations.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:

The estimated bottom-hole temperature (BHT) at TD is 181 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7469 psig (based on 11.5 ppg MW). No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. Severe loss circulation is expected from 7,300' to Intermediate casing point.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The drilling operation should be finished in approximately one month. If the well is productive, an additional 60-90 days will be required for completion and testing before a decision is made to install permanent facilities.

(A)EOG Resources requests the option to contract a Surface Rig to drill, set surface casing, and cement on the subject well. If the timing between rigs is such that EOG Resources would not be able to preset the surface, the Primary Rig will MIRU and drill the well in its entirety per the APD.

11. WELLHEAD:

A multi-bowl wellhead system will be utilized.

After running the 10-3/4" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 10,000 psi pressure test. This pressure test will be repeated at least every 30 days, as per Onshore Order No. 2

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 10,000 psi.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

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





Well Name: DIAMOND 31 FED COM

Well Number: 704H

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: 6" of Compacted Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

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

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: No drainage crossings

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

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

DIAMOND31FEDCOM704H_radius_20170828140328.pdf

Existing Wells description:

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Diamond 31 Fed Com central tank battery located in the SW/4 of section 31 **Production Facilities map:**

1				-				
	Operator	' Name	e: EOG	RESOU	JRCES II	NCORPO	RAIED	1.2
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Well Number: 704H Well Name: DIAMOND 31 FED COM intractions and

DIAMOND31FEDCOM INFRASTRUCTURE 20170828140346.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: OTHER

Describe type:

Source latitude:

Source datum:

Water source permit type: WATER RIGHT

Source land ownership: FEDERAL

Water source transport method: PIPELINE, TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 0

Source volume (gal): 0

Water source and transportation map:

Diamond_31_Fed_Com_Water_and_Caliche_Map_20170828140428.pdf and data and da Water source comments: · . . . مر المربعة الم المربعة المربعة

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Water source type: RECYCLED

Source volume (acre-feet): 0

Source longitude:

New water well? NO

New Water Well Info

Well latitude: Well Longitude: Well datum: Well target aquifer: Est thickness of aquifer: Est. depth to top of aquifer(ft): Aquifer comments: Aquifer documentation: Well casing type: Well depth (ft): Well casing outside diameter (in.): Well casing inside diameter (in.): New water well casing? Used casing source: **Drilling method: Drill material:** Grout depth: Grout material: Casing length (ft.): Casing top depth (ft.): Completion Method: Well Production type: Water well additional information:

Well Name: DIAMOND 31 FED COM

Well Number: 704H

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

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

Construction Materials source location attachment:

Diamond_31_Fed_Com_Water_and_Caliche_Map_20170828140441.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill fluids and produced oil and water from the well during drilling and completion operations will be stored safely and disposed of properly in an NMOCD approved disposal facility. Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly. Human waste and grey water will be properly contained of and disposed of properly. After drilling and completion operations; trash, chemicals, salts, frac sand, and other waste material will be removed and disposed of properly at a state approved disposal facility. **Amount of waste:** 0 barrels

Waste disposal frequency : Daily

Safe containment description: Steel Tanks

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to NMOCD approved disposal facility

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Page 4 of 10

Well Name: DIAMOND 31 FED COM

Well Number: 704H

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

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Closed Loop System. Drill cuttings will be disposed of into steel tanks and taken to an NMOCD approved disposal facility. Cuttings area length (ft.)

Cuttings area depth (ft.)

Cuttings area width (ft.)

Cuttings area volume (cu. yd.)

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

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

DIAMOND31FEDCOM704H _padsite_20170828140504.pdf DIAMOND31FEDCOM704H_wellsite_20170828140505.pdf Diamond 31 FC 704H Rig Layout 20170905130703.pdf Comments: Exhibit 2A-Wellsite & Exhibit 2B-Padsite Rig Layout Exhibit 4

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: DIAMOND 31 FED COM

Multiple Well Pad Number: 704H/705H

Recontouring attachment:

DIAMOND31FEDCOM704H_reclamation_20170828140519.pdf .

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

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

Wellpad long term disturbance (acres): 2.852388	Wellpad short term disturbance (acres): 4.178145
Access road long term disturbance (acres): 1.920661	Access road short term disturbance (acres): 1.920661
Pipeline long term disturbance (acres): 1.3567493	Pipeline short term disturbance (acres): 2.2612488
Other long term disturbance (acres): 0	Other short term disturbance (acres): 0
Total long term disturbance: 6.1297984	Total short term disturbance: 8.360055

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

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

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

Existing Vegetation at the well pad attachment:

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

Page 6 of 10

Well Name: DIAMOND 31 FED COM

Well Number: 704H

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

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

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed name:

Source name:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Proposed seeding season:

Seed Summary Seed Type Pounds/Acre

Total pounds/Acre:

Seed source:

Source address:

Seed reclamation attachment:

Well Name: DIAMOND 31 FED COM

Well Number: 704H

Email: stan_wagner@eogresources.com

Operator Contact/Responsible Official Contact Info

First Name: Stan

Phone: (432)686-3689

Last Name: Wagner

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

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

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

Monitoring plan attachment:

Success standards: N/A

Pit closure description: NA

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

Well Name: DIAMOND 31 FED COM

USFS Forest/Grassland:

Fee Owner: Mark McCloy

Phone: (432)940-4459

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: surface use agreement

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other Information

Right of Way needed? NO ROW Type(s):

ROW Applications

SUPO Additional Information: An onsite meeting was conducted 7/25/17. Poly lines are planned to transport water for operations. Will truck if necessary. See attached SUPO Plan. **Use a previously conducted onsite?** NO

Previous Onsite information:

Other SUPO Attachment

DIAMOND31FEDCOM704H_location_20170828140805.pdf SUPO_Diamond_31_Fed_Com_704H_20170828140805.pdf · · · ·

USFS Ranger District:

Use APD as ROW?

Well Number: 704H

Fee Owner Address:

Email:

FAFMSS

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

Section 1 - General

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

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO Produced Water Disposal (PWD) Location: **PWD surface owner:** Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: **Pit liner description:** Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount:

Additional bond information attachment:

PWD disturbance (acres):

PWD Data Report

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

PWD disturbance (acres):

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

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

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Injection PWD discharge volume (bbl/day): Injection well mineral owner: PWD disturbance (acres):

Injection well type: Injection well number: Assigned injection well API number? Injection well new surface disturbance (acres): Minerals protection information: Mineral protection attachment: Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

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: Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):

FAFMSS

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

Bond Information

Federal/Indian APD: FED

BLM Bond number: NM2308

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

ond Info Data Report

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Well Name: DIAMOND 31 FED COM

Well Number: 704H

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	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 Leg #1	231 0	FSL	126 4	FWL	24S	34E	30	Lot 3	32.18764 76	- 103.5134 191	LEA	NEW MEXI CO	NEW MEXI CO	S	STATE	- 903 4	198 50	124 91
BHL Leg #1	241 0	FSL	126 4	FWL	24S	34E	30	Lot 3	32.18792 25	- 103.5134 191	LEA	NEW MEXI CO	NEW MEXI CO	S	STATE	- 903 4	199 50	124 91

AFMSS

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

Row(s) Exist? NO

APD ID: 10400020657 Operator Name: EOG RESOURCES INCORPORATED Well Name: DIAMOND 31 FED COM Well Type: OIL WELL Submission Date: 09/05/2017 Well Number: 704H Well Work Type: Drill

Highlighted data reflects the most recent changes

04/24/2018

SUPO Data Report

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

DIAMOND31FEDCOM704H_vicinity_20170828140237.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

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:

DIAMOND31FEDCOM_INFRASTRUCTURE_20170828140313.pdf DIAMOND31FEDCOM704H_wellsite_20170828140315:pdf DIAMOND31FEDCOM704H_padsite_20170828140313.pdf

New road type: RESOURCE

Length: 3486 Feet Width (ft.): 24

Max slope (%): 2

Max grade (%): 20

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 24

New road access erosion control: Newly constructed or reconstructed roads will be constructed as outlined in the BLM "Gold Book" and to meet the standards of the anticipated traffic flow and all anticipated weather requirements as needed. Construction will include ditching, draining, crowning and capping or sloping and dipping the roadbed as necessary to provide a well-constructed and safe road. We plan to grade and water twice a year. **New road access plan or profile prepared?** NO