HOBBS OCD

Carlsbad Field Office

Form 3160-3 (March 2012)

RECEIVED

OCD Hobbs

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

| UNITED STATES | | | | | | | | | |
|--|--|---|---|--|--|--|--|--|--|
| DEPARTMENT OF THE IN | DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT | | | | | | | | |
| APPLICATION FOR PERMIT TO D | | 6. If Indian, Allotee or T | ribe Name | | | | | | |
| la. Type of work: DRILL REENTER | | 7 If Unit or CA Agreement, Name and No. | | | | | | | |
| lb. Type of Well: Oil Well Gas Well Other | Single Zone Multiple Zone | 8. Lease Name and Well MADERA 19 FEDERA | | | | | | | |
| 2. Name of Operator MARATHON OIL PERMIAN LLC | 12098 | 9. APT Well-No. | 14899 | | | | | | |
| | b. Phone No. (include area code) (713)629-6600 | 10. Field and Pool, or Explo WC-025 G-08 S263412 | . (//////////////////////////////////// | | | | | | |
| 4. Location of Well (Report location clearly and in accordance with any 2 | State requirements.*) | 11. Sec., T. R. M. or Blk. ar | nd Survey or Area | | | | | | |
| At surface SESW / 351 FSL / 1368 FWL / LAT 32.0224039 At proposed prod. zone NWSW / 2312 FSL / 330 FWL / LAT | | SEC 19 / T26S / R35E | / NMP | | | | | | |
| 14. Distance in miles and direction from nearest town or post office* 16 miles | | 12. County or Parish LEA | 13. State NM | | | | | | |
| la cation to manned OCA for A | 16. No. of acres in lease 17. Spacin 245.6 | g Unit dedicated to this well | | | | | | | |
| to nearest well, drilling, completed, 400 feet | | BIA Bond No. on file YB002107 | | | | | | | |
| | 22. Approximate date work will start* 04/01/2018 | 23. Estimated duration 30 days | - | | | | | | |
| | 24. Attachments | | | | | | | | |
| The following, completed in accordance with the requirements of Onshore | Oil and Gas Order No.1, must be attached to th | is form: | | | | | | | |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System La | 4. Bond to cover the operation Item 20 above). 5. Operator certification | ns unless covered by an exis | ting bond on file (see | | | | | | |
| SUPO must be filed with the appropriate Forest Service Office). | | ormation and/or plans as may | be required by the | | | | | | |
| 25. Signature (Electronic Submission) | Name (Printed/Typed) Jennifer Van Curen / Ph: (713)296 | Date 01 | /24/2018 | | | | | | |
| Title Sr. Regulatory Compliance Rep | • | | | | | | | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) Date Cody Layton / Ph: (575)234-5959 06/11/2018 | | | | | | | | |
| Title Supervisor Multiple Resources | Office CARLSBAD | Office | | | | | | | |

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.

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

(Continued on page 2)
600 Rec 06/13/18

Conditions of approval, if any, are attached.

conduct operations thereon.

pproval Date: 06/11/2018

*(Instructions on page 2)

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.

NOTIÇES

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.

(Continued on page 3) (Form 3160-3, page 2)

Approval Date: 06/11/2018

Additional Operator Remarks

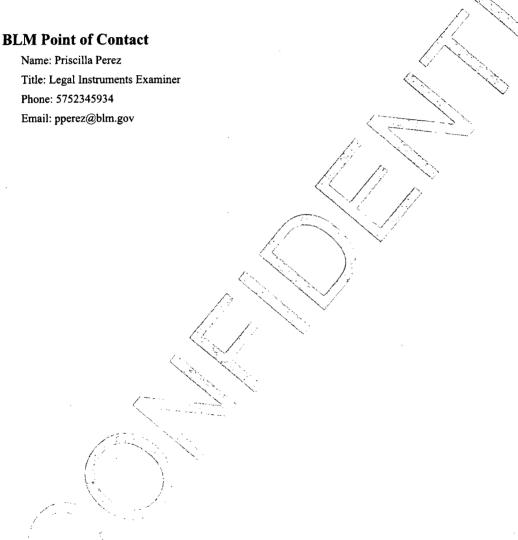
Location of Well

1. SHL: SESW / 351 FSL / 1368 FWL / TWSP: 26S / RANGE: 35E / SECTION: 19 / LAT: 32.0224035 / LONG: -103.4102436 (TVD: 0 feet, MD: 0 feet)

PPP: SWSW / 0 FSL / 330 FWL / TWSP: 26S / RANGE: 35E / SECTION: 18 / LAT: 32.0359586 / LONG: -103.4135967. (TVD: 12548 feet, MD: 17568 feet)

PPP: SWSW / 330 FSL / 330 FWL / TWSP: 26S / RANGE: 35E / SECTION: 19 / LAT: 32.02235 / LONG: -103.4108009 (TVD: 12440 feet, MD: 12597 feet)

BHL: NWSW / 2312 FSL / 330 FWL / TWSP: 26S / RANGE: 35E / SECTION: 18 / LAT: 32.0423145 / LONG: -103.413597 (TVD: 12548 feet, MD: 19880 feet)



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

APD ID: 10400026503

Submission Date: 01/24/2018

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

APD ID:

10400026503

Tie to previous NOS?

Submission Date: 01/24/2018

BLM Office: CARLSBAD

User: Jennifer Van Curen

Title: Sr. Regulatory Compliance Rep

Federal/Indian APD: FED

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

Lease number: NMNM093223

Lease Acres: 645.6

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: MARATHON OIL PERMIAN LLC

Operator letter of designation:

Operator Info

Operator Organization Name: MARATHON OIL PERMIAN LLC

Operator Address: 5555 San Felipe St.

Zip: 77056

Operator PO Box:

Operator City: Houston

State: TX

Operator Phone: (713)629-6600

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Mater Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WC-025 G-08

Pool Name: BONE SPRING

S263412K

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

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Describe other minerals:

Well Class: HORIZONTAL

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: 363-1

MADERA 19 FEDERAL 26 35 19

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 16 Miles Distance to nearest well: 400 FT

Distance to lease line: 351 FT

Reservoir well spacing assigned acres Measurement: 245.6 Acres

Well plat: 20180119_R3817_002_MADERA_19_FEDERAL_26_35_19_TB__1H_REV0_CERTIFIED__FORM_C_102

_20180430123806.pdf

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD27 Vertical Datum: NAVD88

Survey number: R3817

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | DVT |
|------------------|---------|--------------|----------|--------------|------|-------|---------|---------------------|----------------|----------------------|--------|-------|-------------------|------------|----------------|---------------|-----------|-----------|
| SHL Leg #1 | 351 | FSL | 136 8 | FWL | 26\$ | 35E | 19 | Aliquot SESW | 32.02240 35 | - 103.4102 436 | LEA | 1 | NEW MEXI CO | | NMNM 093223 | 326 6 | 0 | 0 |
| KOP Leg #1 | 100 | FSL | 330 | FWL | 26S | 35E | 19 | Aliquot SWS W | 32.02172 14 | - 103.4135 931 | LEA | | NEW MEXI CO | i | NMNM 093223 | - 870 9 | 120 54 | 119 75 |
| PPP Leg #1 | 330 | FSL | 330 | FWL | 268 | 35E | 19 | Aliquot SWS W | 32.02235 | - 103.4108 009 | LEA | | NEW MEXI CO | | NMNM 093223 | - 917 4 | 125 97 | 124 40 |



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

Drilling Plan Data Report

APD ID: 10400026503 Submission Date: 01/24/2018

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Show Final Text

Well Type: OIL WELL Well Work Type: Drill

Section 1 - Geologic Formations

| Formation | | | True Vertical | Measured | | 1, 6 | Producing |
|-----------|-----------------|-----------|---------------|----------|---------------------------------|-------------------|-----------|
| ID 🦠 | Formation Name | Elevation | Depth | Depth | Lithologies | Mineral Resources | Formation |
| 1 | RUSTLER | 2227 | 1039 | 1039 | DOLOMITE,ANHYDRIT E | OTHER : Brine | No |
| 2 | SALADO | 1776 | 1490 | 1490 | SALT,ANHYDRITE | OTHER : Brine | No |
| 3 | CASTILE | -298 | 3564 | 3582 | SALT | OTHER : Brine | No |
| 4 | BASE OF SALT | -1925 | 5191 | 5234 | LIMESTONE, SANDSTO NE | OTHER : Brine | No |
| 5 | LAMAR | -2064 | 5330 | 5375 | SHALE, SANDSTONE | OIL | No |
| 6 | BELL CANYON | -2090 | 5356 | 5402 | SHALE, SANDSTONE | OIL | No |
| 7 | CHERRY CANYON | -3390 | 6656 | 6722 | SANDSTONE,OTHER : Carbonate | OIL | No |
| 8 | BRUSHY CANYON | -4554 | 7820 | 7903 | SANDSTONE,OTHER : Carbonate | OIL | No |
| 9 | BONE SPRING | -6006 | 9272 | 9351 | SANDSTONE,OTHER : Carbonate | OIL | No |
| 10 | BONE SPRING 1ST | -7337 | 10603 | 10682 | SANDSTONE,OTHER : Carbonate | OIL | No |
| 11 | BONE SPRING 2ND | -7850 | 11116 | 11195 | SANDSTONE,OTHER : Carbonate | OIL | No |
| 12 | BONE SPRING 3RD | -8908 | 12174 | 12259 | SANDSTONE,OTHER : Carbonates | OIL | No |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 15152

Equipment: 13 5/8 Annular, blind, and Double Ram will be installed and tested for each of the 12 1/4, 8 3/4, and 6 1/8 casing strings.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.

Testing Procedure: - 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

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

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, full opening safety valve / inside BOP and choke lines and choke manifold. See attached schematics. - Formation integrity test will be performed per Onshore Order #2. 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. - 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 will be tested. See attached schematic.

Choke Diagram Attachment:

5M_10M.TWO_CHOKE_MANIFOLD.BLM_20180123093800.pdf

Choke_Line_Flex_III_Rig_20180123093801.pdf

Choke_Line_Test_Chart_SN_63393_20180123093802.pdf

Contitech_Hose_SN_663393_20180430125101.pdf

BOP Diagram Attachment:

5M Flex.BOPE.BLM 20180123095547.pdf

WH TH Design 1B 5K 10K 7in x 4.5in 20180123093944.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 | 1050 | 0 | 1050 | 3266 | 2216 | 1050 | J-55 | 54.5 | STC | 1.12 5 | 1.12 5 | BUOY | 1.8 | BUOY | 1.8 |
| | INTERMED IATE | 12.2 5 | 9.625 | NEW | API | N | 0 | 5400 | 0 | 5330 | 3331 | -1999 | 5400 | J-55 | | OTHER - BTC | 1.12 5 | 1.12 5 | BUOY | 1.8 | BUOY | 1.8 |
| 1 | PRODUCTI ON | 8.75 | 7.0 | NEW | API | N | 0 | 12300 | 0 | 12200 | 3331 | -9269 | 12300 | P- 110 | | OTHER - BTC | 1.12 5 | 1.12 5 | BUOY | 1.8 | BUOY | 1.8 |
| 4 | LINER | 6.12 5 | 4.5 | NEW | API | N | 12100 | 19880 | 12000 | 12548 | -8819 | -9430 | 7780 | P- 110 | | OTHER - BTC | 1.12 5 | 1.12 5 | BUOY | 1.8 | BUOY | 1.8 |

Casing Attachments

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H **Casing Attachments** Casing ID: 1 String Type: SURFACE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Red_Hills_3_csg___liner__Surface_Csg_20180123114238.pdf Casing ID: 2 String Type: INTERMEDIATE **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Red_Hills_3_csg__liner_Int_I_Csg_20180123114250.pdf Casing ID: 3 String Type: PRODUCTION **Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Red_Hills_3_csg__liner__Int_II_Csg_20180123114302.pdf

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Casing Attachments

Casing ID: 4

String Type:LINER

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Red_Hills_3_csg___liner__Prod_Liner_20180123100445.pdf

Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|-----------|-----------|--------------|-------|---------|-------|---------|----------------------------|---|
| SURFACE | Lead | | 0 | 840 | 668 | 1.75 | 13.5 | 1167 | 100 | Class C | 3 lbm/sk granular LCM + 0.1250 lbm/sk Poly- EFlake |
| SURFACE | Tail | | 840 | 1050 | 214 | 1.36 | 14.8 | 292 | 100 | Class C | 0.25 % Accelerator |
| PRODUCTION | Lead | | 0 | 4320 | 1369 | 1.73 | 12.8 | 2368 | 75 | Class C | 0.02 Gal/Sx Defoamer + 0.5% Extender + 1% Accelerator |
| PRODUCTION | Tail | | 4320 | 5400 | 381 | 1.33 | 14.8 | 507 | 50 | Class C | 0.07 % Retarder |
| INTERMEDIATE | Lead | | 5000 | 1130 0 | 596 | 2.7 | 11 | 1610 | 70 | Class C | 0.8% retarder + 10% extender + 0.02 gal/sk + 2.0% Extender + 0.15% Viscosifier |
| INTERMEDIATE | Tail | | 1130 0 | 1230 0 | 179 | 1.09 | 15.6 | 195 | 30 | Class H | 3% extender + 0.1% Dispersant + 0.2% retarder |
| LINER | Lead | | 1210 0 | 1988 0 | 0 | 0 | 0 | 0 | 0 | No lead cement, tail only. | 0 |
| LINER | Tail | | 1210 0 | 1988 0 | 781 | 1.22 | 14.5 | 952 | 30 | Class H | 0.15% retarder + 3.5% extender + 0.25% fluid loss |

Well Name: MADERA 19 FEDERAL 26 35 19 TB

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: The necessary mud products for additional weight and fluid loss control will be on location at all times.

Describe the mud monitoring system utilized: Losses or gains in the mud system will be monitored visually/manually as well as with an electronic PVT.

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) | Н | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|----------------------|----------------------|----------------------|---------------------|-----------------------------|---|----------------|----------------|-----------------|----------------------------|
| 1050 | 5400 | SALT SATURATED | 9.9 | 10.2 | | | | | | | |
| 0 | 1050 | WATER-BASED MUD | 8.4 | 8.8 | | | | | | | |
| 1230 0 | 1988 0 | OIL-BASED MUD | 12 | 12.5 | | | | | | | |
| 5400 | 1230 0 | OTHER : Cut Brine | 9 | 9.4 | | | | | | | |

Section 6 - Test, Logging, Coring

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

- A Kelly cock will be in the drill string at all times.
- b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor unobstructed and readily accessible at all times.
- c. Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production casing is cemented. Breathing equipment will be on location upon drilling the surface casing shoe until total depth is reached. If Hydrogen Sulfide is encountered, measured amounts and formations will be reported to the BLM

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

GR

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H

Coring operation description for the well:

e. DST's: None.

f. Open Hole Logs: GR while drilling from Intermediate I casing shoe to TD.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 7529

Anticipated Surface Pressure: 4768.44

Anticipated Bottom Hole Temperature(F): 188

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:

Marathon_Carlsbad__Madera_19_FED26_35_19_1H_2H_5H_6H_Contingency_Plan_011518_20180123100807.pdf H2S_Preparedness_and_Contingency_Plan_20180123100953.pdf

Pad_Flex_III_20180430125158.pdf

Madera_19_Federal_26_35_19_TB_1H___Gas_Capture_Plan__NMOCD____20180118_20180430130922.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Madera_19_Federal_TB_1H_Directional_Plan_20180123135028.pdf

Other proposed operations facets description:

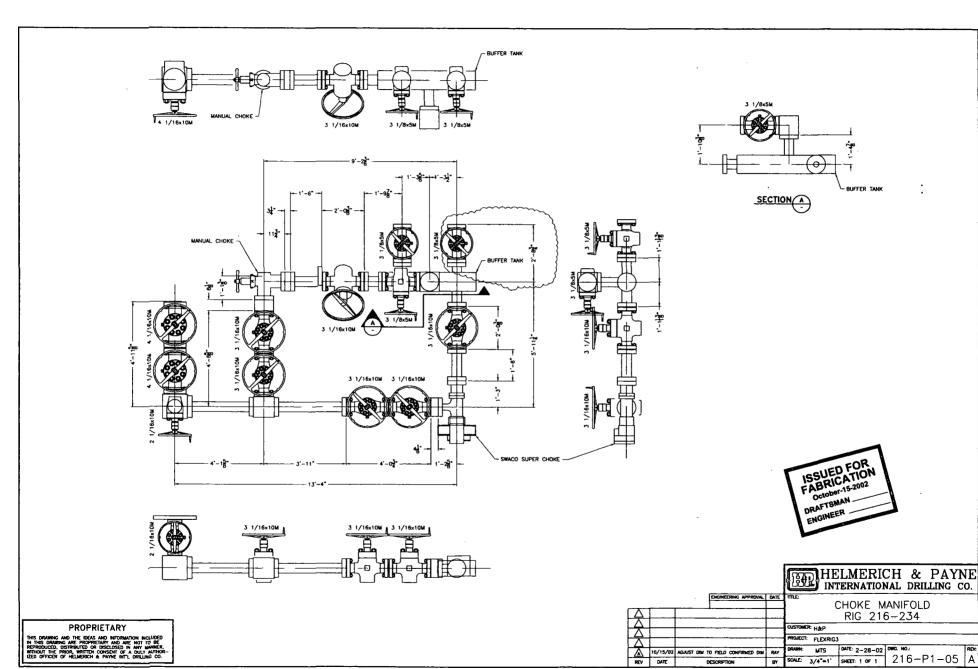
Potential Hazards:

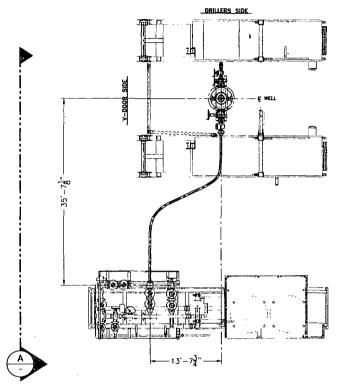
- H2S detection equipment will be in operation after drilling out the surface casing shoe until the production casing has been cemented. Breathing equipment will be on location from drilling out the surface shoe until production casing is cemented. If H2S is encountered the operator will comply with Onshore Order #6.
- No abnormal temperatures or pressures are anticipated. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.
- No losses are anticipated at this time.
- All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well.
- Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

Other proposed operations facets attachment:

Madera_19_Federal_TB_1H_Drilling_APD_Information_20180123135130.pdf
Batch_Drilling_Plan_and_Surface_Rig_Request_20180516112309_20180516112456.pdf

Other Variance attachment:





PLAN VIEW

ARMORED HOSE

28'-73"

SECTION "A"

ISSUED FOR
ISSUED FOR
FABRICA 19-2007
Docomber 19-2007
DRAFTSMAN
ENGINEER

PROPRIETARY

THIS DRAWING AND THE BEAS AND DEPORATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, USTRIBUTED OF OSCI, COSCO IN ANY MANNER, WITHOUT THE PRICE, WRITTEN CONSENT OF A DULY AUTHORIZED OFFICIER OF HELLMEROCH & PAYNE INT'L ORILLING CO.

HELMERICH & PAYNE INTERNATIONAL DRILLING CO.

| ENGINEERING APPROVAL | DATE | CHOKE LINE SYSTEM |
|---|------|---|
| r x - 1 | - | T CHOKE FINE SISIEM |
| | | - FLEXRIG3 |
| | | CUSTOMER: |
| | T | |
| | | PROJECT: |
| A 12/18/07 REMOVED SHEET TOTAL CALLOUT | JAV | DRAWN: JBG DATE: 4-10-07 DWG. NO.: REV: |
| REV DATE DESCRIPTION | BY | SCALE: 3/16"=1" SHEET: 2 OF { 210-P1-07 A |
| | | |





ContiTech

| Certificate Number 953233-4 | COM Or 953233 | der Reference | GUSTOMOTNEMO & Address HELMERICH & PAYNE DRILLING CO |
|---|------------------|------------------------------|--|
| Customer Purchase Order No: | 7400530 | 80 | 1434 SOUTH BOULDER AVE TULSA, OK 74119 |
| Project: | | | USA • |
| Test(Genten/Address Marzo | 100 | Accepted by COMII is pection | Accepted by Glientline rections |
| ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA | Signed: | Roger Suarez | |

We certify that the items detailed below meet the requirements of the customer's Purchase Order referenced above, and are in conformance with the specifications given below.

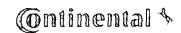
| on Company. | Operiplion | Gily Shinking | Sindication () |
|-------------|------------|---------------|-----------------|
| | | | , |

30

RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL

63393

ContiTech Standard



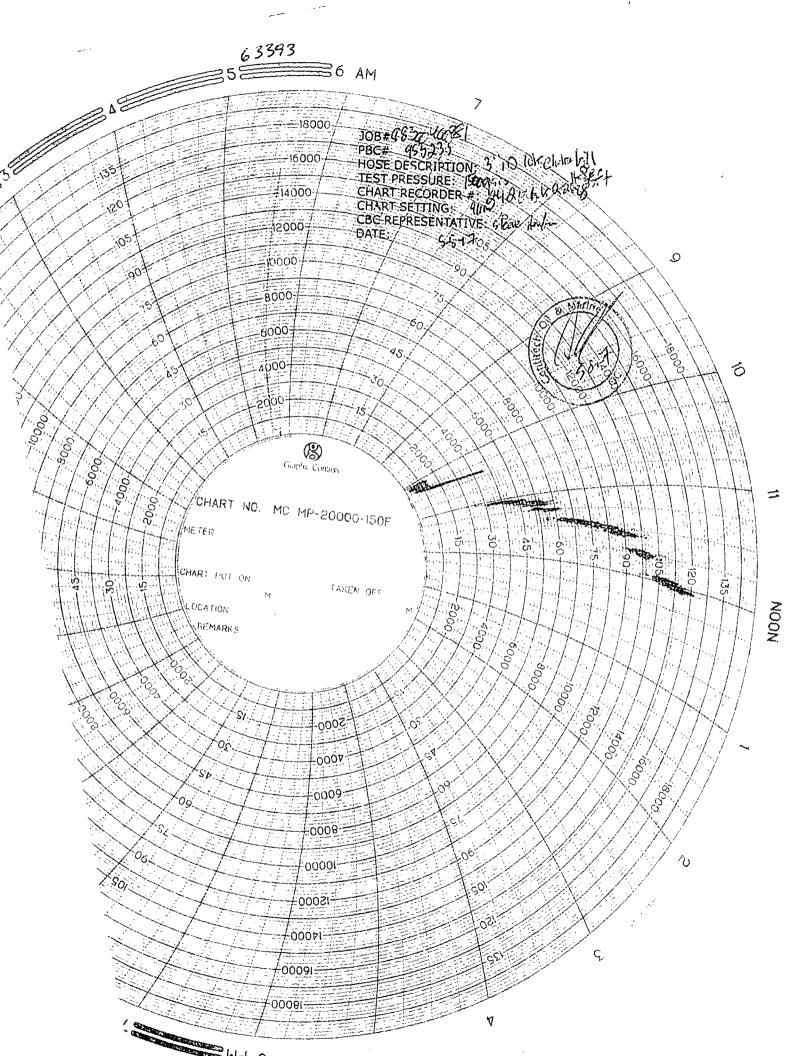
Hydrostatic Test Certificate

ContiTech

| Certificate Number 953233-4 | COM Or 953233 | der Reference | HELMERICH & PAYNE DRILLING CO |
|---|------------------|----------------------------|---|
| Customer Purchase Order No: | 7400530 | 80 | 1434 SOUTH BOULDER AVE TULSA, OK 74119 |
| Project: | | | USA |
| Ties Conto Address | | Accepted by GOM Inspection | Accepted by Glern line pection |
| ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive | Signed: | Roger Suarez | |
| Houston, TX 77041 | | | |
| USA | Date: | 5/11/14/5 | |

We certify that the goods detailed hereon have been inspected as described below by our Quality Management System, and to the best of our knowledge are found to conform the requirements of the above referenced purchase order as issued to ContiTech Oil & Marine Corporation

| | Corporation: | | | | | |
|------------|---|----|---------------|--------------|---------------|----------------------|
| Com Racing | Disciplion | ©. | iy Safalludar | Whis Reid | 703) 1930) | idelfüne (minnes) |
| 30 | RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL | | 1 63393 | 10,000 psi | 15,000 psi | 60 |





| QUALITY CONTROL | No.: QC-DB- 380 / 2012 |
|---------------------|---------------------------|
| | Page: 1 / 61 . |
| Hose No.: | Revision: 0 |
| 63389, 63390, 63391 | Date: 28. August 2012. |
| 63392, 63393 | Prepared by: Scola Soular |
| | Appr. by: Deline . Inch |

CHOKE AND KILL HOSES

id.: 3" 69 MPa x 35 ft (10,67 m)

DATABOOK

Purchaser: H & P

Purchaser Order No.:

ContiTech Rubber Order No.: 531895

ContiTech Beattie Co. Order No.: 006227

NOT DESIGNED FOR WELL TESTING

| CONTITECH RUBBER | No.: QC- DB- 380 / 2012 | | | | |
|------------------|-------------------------|------|--|--|--|
| Industrial Kft. | Page: | 2/61 | | | |

CONTENT

| 1. | API QMS Certificate (No.: 0760) | Page 3. |
|--------------|--|------------|
| 2. | American Petroleum Institute Certificate of Authority To Use the Official API Monogram (No.: 16C-0004) | 4. |
| 3. | Quality Control Inspection and Test Certificates (No.: 1595, 1596, 1597, 1598, 1599) | 5-9. |
| 4. | Hose Data Sheet | 10. |
| 5. | Metal Parts | |
| 5.1. | Raw Material Quality Certificates (No.: EUR-240960, EUR-251871, 81687/12-0) | 11-14. |
| 5.2. | Hardness Test Reports (No.: HB 2150/12, HB 2151/12, HB 2159/12) | 15-17. |
| 5.3 . | Ultrasonic Test Reports (No.: U12/124, U12/126, U12/129, U12/127) | 18-21. |
| 5.4. | NDT Examiner Certificate (Name: Joó Imre) | 22-23. |
| 5.5. | Welding Procedure Specification (No.: 140-60) | 24-27. |
| 5.6. | Welding Procedure Qualification Record (No.: BUD 0600014/1) | 28-29. |
| 5.7. | Welder's Approval Test Certificates | 30-41. |
| | (No.: RK-1894628-A1-X2, RK-1894628-A1-X-1, RK-2096656-B, | |
| | RK-1894628-A1-X3, RK1079715-A1-X) | |
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| 5.9. | Visual Examination Record (No.: 696/12) | 44. |
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| 5.12. | NDT Examiner Certificate (Name: Ménesi István) | 52-53. |
| 5.13. | MP Examination Record (No.: 1262/12) | 54. |
| 5.14. | NDT Examiner Certificate (Name: Oravecz Gábor) | 55-56. |
| 6. | Steel Cord | |
| 6.1. | Inspection Certificate (No.: 437089) | 57. |
| 7 | Outside Stripwound Tube | |
| 7.1. | Inspection Certificate (No.: 917781/001) | 58. |
| R | Certificate of Calibration (Manameter Serial No : 0227-073.) | 50_61 |

ContiTech Rubber Industrial Kft. Quality Control Dept. CONTITECH RUBBER Industrial Kft.

No:QC-DB- 380 /2012

Page:

3 /61



Certificate of Registration

APIQR REGISTRATION NUMBER 0760

This certifies that the quality management system of

CONTITECH RUBBER INDUSTRIAL LTD.

Budapesti ut 10

Szeged

Hungary

bas been assessed by the American Petroleum Institute Quality Registrar (APIQR*) and found it to be in conformance with the following standard:

ISO 9001:2008

The scope of this registration and the approved quality management system applies to the Design and Manufacture of High Pressure Hoses

APIQR® approves the organization's justification for excluding:
No Exclusions Identified as Applicable

COPY

Effective Date: October 15, 2010 Expiration Date: October 15, 2013 Registered Since: October 15, 2007

W. Len Whittaken Manager of Operations, APIQR

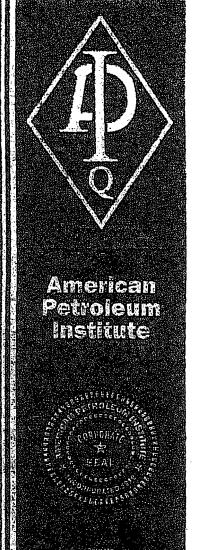
Accredited by Krenber of the Enterotteeth Accreditation Forum Unidisterni Recognition Acceptances Republic Binagement Systems



This certificate is valid for the period specifical furrio. The registered organization must continuity meet all requirements of the Registration Froques and the requirements of the Registration Agreement. Begistration is maintained and registered through annual full general audits further civilizations regarding the scope of this terminate and the applicability of 150 900) standard requirements may be obtained by contribing the registered organization. This certificate has been insued from APQR offices forced at \$120 L Servet, N.P., Rechington, D.C. 20001-4070, U.S.A., It is the property of APQRs, and must be returned upon request. To verify the authoritiesty

RECESTRAN

NOT 110 (10.74) 111



Certificate of Authority to use the Official API Monogram

License Number: 16C-0004 original

The American Petroleum Institute hereby grants to

CONTITECH RUBBER INDUSTRIAL LTD. Budapesti ut 10 Szeged Hungary

the right to use the Official API Monogram® on manufactured products under the conditions in the official publications of the American Petroleum Institute entitled API Spec Q1® and API Spec 16C and in accordance with the provisions of the License Agreement.

In all cases where the Official API Monogram is applied, the API Monogram should be used in conjunction with this certificate number: 16C-0004

The American Petroleum Institute reserves the right to revoke this authorization to use the Official API Monogram for any reason satisfactory to the Board of Directors of the American Petroleum Institute.

The scope of this license includes the following product: Flexible Choke and Kill Lines

QMS Exclusions: No Exclusions Identified as Applicable

COPY

Effective Date: OCTOBER 15, 2010 Expiration Date: OCTOBER 15, 2013

To verify the authenticity of this license, go to www.api.org/compositelist.

American Petroleum Institute

Director of Global Industry Services



CONTITECH RUBBER Industrial Kft.

No:QC-DB- 380 /2012

Page: 9 /61

| QUAI INSPECTION | LITY CONT | CERT. N | ٥. | 1599 | | | | |
|---------------------|-------------|--------------|----------|------|-------------|-----------|----|------|
| PURCHASER: | ContiTech B | | P.O. Nº: | | 006227 | | | |
| CONTITECH ORDER N°: | 531895 | HOSE TYPE: | 3" | ID | | | | |
| HOSE SERIAL N°: | 63393 | NOMINAL / AC | ENGTH: | | ı / 10,72 m | | | |
| W.P. 68,9 MPa | 10000 psi | T.P. 103,4 | MPa | 1500 |) psi | Duration: | 60 | min. |

Pressure test with water at ambient temperature

See attachment. (1 page)

↑ 10 mm = 10 Min.

→ 10 mm = 20 MPa

| COUPLINGS Type | Seri | al N° | Quality | Heat Nº | | |
|----------------------------|------|-------|-----------|---------|--|--|
| 3" coupling with | 2156 | 2153 | AISI 4130 | 20231 | | |
| 4 1/16" 10K API Flange end | | | AISI 4130 | 34031 | | |

NOT DESIGNED FOR WELL TESTING

API Spec 16 C Temperature rate:"B"

All metal parts are flawless

WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.

STATEMENT OF CONFORMITY: We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.

COUNTRY OF ORIGIN HUNGARY/EU

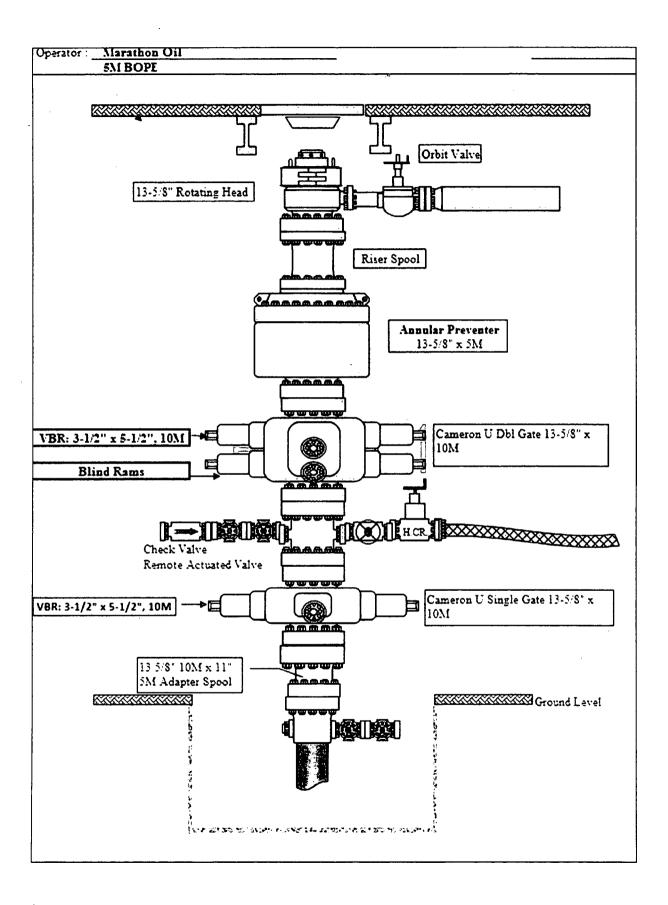
| Date: | Inspector | Quality Control |
|------------------|-----------|------------------------|
| | | ContiTech Rubber |
| | | Industrial Kft. |
| 23. August 2012. | | Quality Control Dept. |
| | | Experience della malas |
| | | |

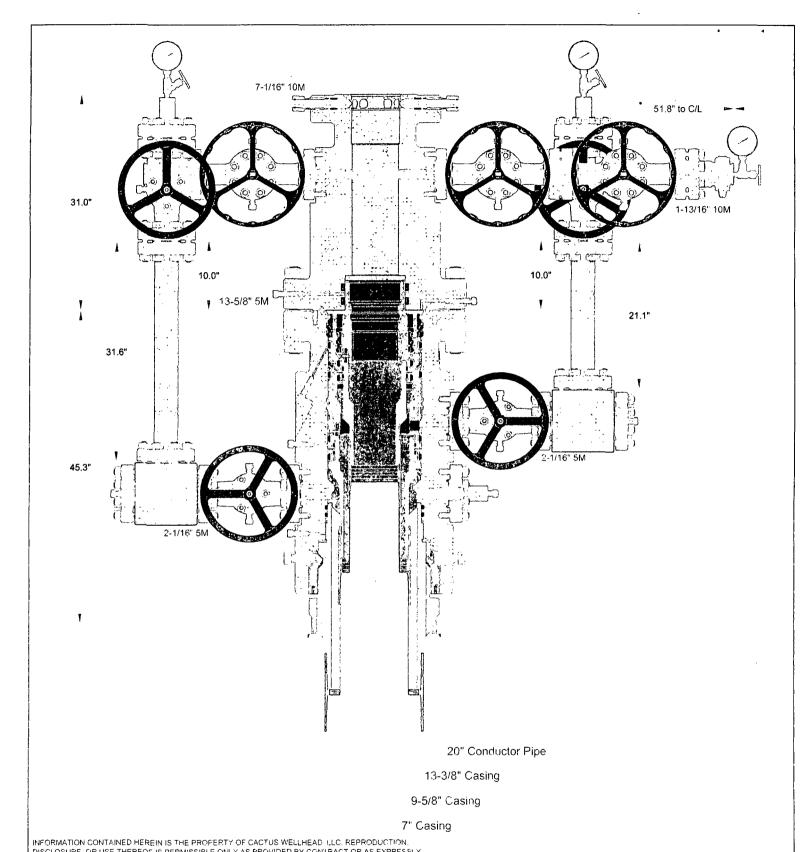
| CONTITECH RUBBER | No:QC-DB- 380 /2012 | | | | | |
|------------------|---------------------|--------|--|--|--|--|
| Industrial Kft. | Page: | 10 /61 | | | | |



Hose Data Sheet

| CRI Order No. | 531895 |
|-----------------------------|--|
| Customer | ContiTech Beattie Co. |
| Customer Order No | PO6227 Pbc13080-H&P |
| Item No. | 1 |
| Hose Type | Flexible Hose |
| Standard | API SPEC 16 C |
| Inside dia in inches | 3 |
| Length | 35 ft |
| Type of coupling one end | FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI C/W BX155RING GROOVE |
| Type of coupling other end | FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI C/W BX155 RING GROOVE |
| H2S service NACE MR0175 | Yes |
| Working Pressure | 10 000 psi |
| Design Pressure | 10 000 psi |
| Test Pressure | 15 000 psi |
| Safety Factor | 2,25 |
| Marking | USUAL PHOENIX |
| Cover | NOT FIRE RESISTANT |
| Outside protection | St.steel outer wrap |
| Internal stripwound tube | No |
| Lining | OIL RESISTANT |
| Safety clamp | No |
| Lifting collar | No |
| Element C | No |
| Safety chain | No |
| Safety wire rope | No |
| Max.design temperature [°C] | 100 |
| Min.design temperature [°C] | -20 |
| MBR operating [m] | 1,60 |
| MBR storage [m] | 1,40 |
| Type of packing | WOODEN CRATE ISPM-15 |
| <u> </u> | |





DISCLOSURE OR USE THEREOF IS PERMISSIRLE ONLY AS PROVIDED BY CONTRACT OR AS EXPRESSLY AUTHORIZED BY CACTUS WELLHEAD, LLC

CACTUS WELLHEAD LLC

20" x 13-3/8" x 9-5/8" x 7" MBU-3T-CFL-R-DBLO Wellhead With 13-5/8" 5M x 7-1/16" 10M CTH-DBLHPS Tubing Head (31" LG) Utilizing Pin Down Mandrel Casing Hangers

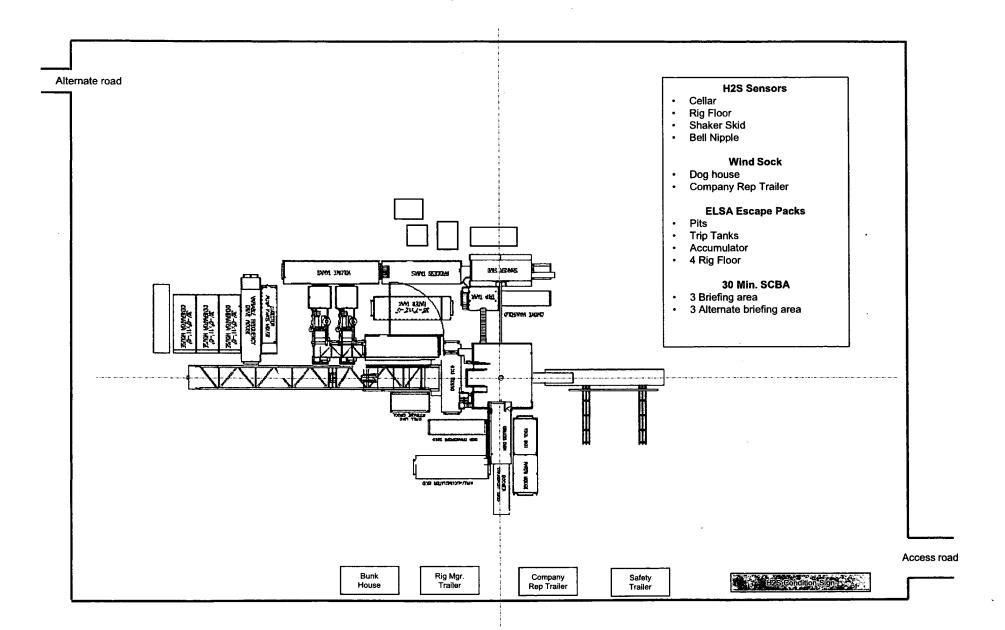
MARATHON OIL COMPANY

DRAWN DLE 24JUL17

APPRV

DRAWING NO. ODE0001624

MARATHON OIL - H2S Preparedness and Contingency Plan Summary





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



APD ID: 10400026503

Submission Date: 01/24/2018

Highlighted data Elicinatho mon Econstanaca

Operator Name: MARATHON OIL PERMIAN LLC

Weil Name: MADERA 19 FEDERAL 26 35 19 TB

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:

Existing_road_and_vicinity_map_20180123130235.pdf

Existing Road Purpose: ACCESS

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? NO

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Existing_wells_map_20180122123158.pdf

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H

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: Proposed Central Tank Battery (CTB) is proposed on the south side of the proposed Madera 19 Federal Com 26 35 19 well pad to allow for maximum interim reclamation of the well pad. - There are 10 - 750 bbl steel tanks for oil storage and 24 - 750 bbl steel tanks for water storage planned for the CTB. - No open top tanks will be used. - Open vent exhaust stacks will be modified to prevent birds or bats from entering, discourage perching, roosting, and nesting. - All chemical and fuel secondary containments will be covered for birds, wildlife, and livestock protection. The fluids will be disposed of as needed to prevent possible overflow. - The proposed CTB will have a secondary containment 1.5 times the holding capacity of largest storage tank plus freeboard to account for precipitation. - All above ground structures not subject to safety requirements will be painted a flat non-reflective shale green for blending with the surrounding environment. - At this time, the proposed CTB will have oil and water truck hauled from the facility. Pipelines/Flowlines: All flowlines transporting production from wells to the facility will remain on the pad; therefore, no further disturbance or ROW will be required. Powerlines: No power-lines will be needed. The power to the equipment will be provided via a natural gas generator.

Production Facilities map:

Madera_Facility_Site_Plan__002__20180122123302.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: DUST CONTROL,

Water source type: GW WELL

INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE

CASING

Describe type:

Source longitude: -103 4053

Source latitude: 32.0308 Source datum: NAD83

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 147500 Source volume (acre-feet): 19.011732

Source volume (gal): 6195000

Water source use type: DUST CONTROL, Water source type: GW WELL

INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE

CASING

Describe type:

Source longitude: -103.4131

Source latitude: 32.0236

Source datum: NAD83

Water source permit type: PRIVATE CONTRACT

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H

Source land ownership: FEDERAL

Water source transport method: PIPELINE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 147500 Source volume (acre-feet): 19.011732

Source volume (gal): 6195000

Water source and transportation map:

lease_water_caliche_map_20180123071347.pdf

Water source comments: Private ground water wells will supply water to existing fresh water ponds located in different locations that will be utilized for drilling operations pending demand and availability. • 1st proposed (JAZZ pond in Section 34,T25S,R35E) will be utilized for fresh water. • A temporary 10" expanding pipe transfer line will run North from pond along lease rd. then turn west along proposed access road approx. 5.89 Miles. • 2nd proposed (Black Mountain in section19 T26S R35E) will be utilized for fresh water. • A temporary 10" expanding pipe transfer line will run east from pond along access rd. then turn North along proposed access road approx. 1.90 miles. • 3rd proposed pond(Arena Roja in Section 19,T26S-R35E will be utilized for fresh water. • A temporary 10" expanding pipe transfer line will run east from pond along access rd. then north along proposed access road approx. 9.47 Miles. • Fresh water line will run parallel to existing disturbance and will stay within 10' of access road. Proposed water suppliers Madera Brad Beckem Rockhouse

New water well? NO

·

New Water Well Info

Well latitude: Well Longitude: Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft): Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft): Well casing type:

Well casing outside diameter (in.): Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method: Drill material:

Grout material: Grout depth:

Casing length (ft.): Casing top depth (ft.):

Well Production type: Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H

Section 6 - Construction Materials

Construction Materials description: Caliche will be used to construct well pad and roads. Material will be purchased from a private permitted pit. The proposed source of construction material will be located: - Source 1: Bert Madera's mineral pit located in section 19, T26S, R35E - Source 2: Federal mineral pit located in section 22, T26S, R35E Payment shall be made by construction contractor. Notification shall be given to BLM at (575) 234-5909 at least 3 working days prior to commencing construction of well pad or related infrastructure.

Construction Materials source location attachment:

lease water caliche map 20180123071844.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil and water from the well during drilling operations.

Amount of waste: 1000 barrels

Waste disposal frequency: Daily

Safe containment description: Lined steel tanks

Safe containmant attachment:

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

FACILITY

Disposal type description:

Disposal location description: Waste will be stored safely and disposed of properly in an NMOCD approved disposal

facility.

Waste type: GARBAGE

Amount of waste: 1200

Waste content description: Garbage and trash (solid waste)

•

Waste disposal frequency : Weekly

Safe containment description: All garbage will be stored in closed containers

pounds

Safe containmant attachment:

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

FACILITY

Disposal type description:

Disposal location description: All garbage will be collected by a third party and disposed of properly at a State approved

disposal facility.

Waste type: SEWAGE

Waste content description: Human waste and grey water.

Amount of waste: 600 barrels

Waste disposal frequency: Weekly

Safe containment description: Portable toilets and sewage tanks.

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Safe containment attachment:

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

FACILITY

Disposal type description:

Disposal location description: All sewage waste will be managed by a third party and disposed of properly at a State

approved disposal facility.

Waste type: COMPLETIONS/STIMULATION

Waste content description: Oil and water from drilling operations

Amount of waste: 1000

barrels

Waste disposal frequency: Daily

Safe containment description: Steel tanks

Safe containment attachment:

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

FACILITY

Disposal type description:

Disposal location description: Waste will be stored safely and disposed of properly in an 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.)

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 The well will be drilled utilizing a closed loop system. Drill cutting will be properly disposed of into lined steel tanks and taken to an NMOCD approved disposal facility.

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

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

WCuttings area liner

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H

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:

MADERA_19_FEDERAL__26_35_19_Well_Plat_IR_20180430125332.pdf MADERA 19 FEDERAL_26_35_19_well_surface_plat_20180430125341.pdf

Comments: Exterior well pad dimensions are 540' by 425'. Note this pad will have 4 total wells, see Well Pad Surface Plat. Interior well pad dimensions from first point of entry (well head) are: From west-260', north-220', east-280', south-205'. Tank battery pad dimensions are 180' by 350' on south for tanks and 75' by 235' on the east for separation equipment. Total disturbance area needed for construction activities will be 5.25 acres. Topsoil will be places on the north side of the pad to accommodate interim reclamation activities. Cut and fill will be minimal

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: MADERA 19 FEDERAL 26 35 19

Multiple Well Pad Number: 363-1

Recontouring attachment:

MADERA_19_FEDERAL__26_35_19_Well_Plat_IR_20180430125352.pdf

Drainage/Erosion control construction: During construction, BMP's will be used to control erosion, runoff and siltation of surrounding area.

Drainage/Erosion control reclamation: BMP will be used to control erosion, runoff and siltation of surrounding area. All areas reclaimed will be ripped across the slope to prevent water erosion.

Well pad proposed disturbance

Well pad interim reclamation (acres): Well pad long term disturbance

(acres): 5.25

2.03

(acres): 3.22

Road proposed disturbance (acres): 0 Road interim reclamation (acres): 0

Road long term disturbance (acres): 0

Powerline proposed disturbance

Powerline interim reclamation (acres): Powerline long term disturbance

(acres): 0 Pipeline proposed disturbance

(acres): 0

(acres): 0

Pipeline interim reclamation (acres): 0 Pipeline long term disturbance (acres): 0

Other proposed disturbance (acres): 0

Other interim reclamation (acres): 0

Other long term disturbance (acres): 0

Total proposed disturbance: 5.25

Total interim reclamation: 2.03

Total long term disturbance: 3.22

Disturbance Comments: Well pad only

Reconstruction method: Reclamation Objectives • The objective of interim reclamation is to restore vegetative cover and a portion of the landform sufficient to maintain healthy, biologically active topsoil; control erosion; and minimize habitat and

Well Name: MADERA 19 FEDERAL 26 35 19 TB Well Number: 1H

forage loss, visual impact, and weed infestation, during the life of the well or facilities. • The BLM will be notified at least 3 days prior to commencement of any reclamation procedures. • If circumstances allow, interim reclamation and/or final reclamation actions will be completed no later than 6 months from when the final well on the location has been completed or plugged. We will gain written permission from the BLM if more time is needed. • Reclamation will be performed by using the following procedures: For Interim Reclamation: • Within 6 months of first production, the well location and surrounding areas will be cleared of, and maintained free of, all materials, trash, and equipment not required for production. A plan will be submitted showing where interim reclamation will be completed in order to allow for safe operations, protection of the environment outside of drilled well, and following best management practices found in the BLM "Gold Book". • Current plans for interim reclamation include reducing the pad size to approximately 3.22 acres from the proposed size of 5.25 acres. • 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. • The areas planned for interim reclamation will then 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 will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts & fills. To seed the area, the proper BLM LPC seed mixture free of noxious weeds, will be used. • Proper erosion control methods will be used on the area to control erosion, runoff and siltation of the surrounding area. • The interim reclamation will be monitored periodically to ensure that vegetation has reestablished. For Final Reclamation: • Prior to final reclamation procedures, the well pad, road, and surrounding area will be cleared of material, trash, and equipment. • All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. • All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be recontoured to the contour existing prior to initial construction or a contour that blends in distinguishably 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. After all the disturbed areas have been properly prepared; the areas will be seeded with the proper BLM LPC seed mixture free of noxious weeds. • Proper erosion control methods will be used on the entire area to control erosion, runoff and siltation of the surrounding area.

Topsoil redistribution: The topsoil will be evenly distributed across all reclaimed areas, ripped across the slopes, and seed accordingly. During final reclamation, Marathon will grab and evenly redistribute topsoil across the entire disturbed area (disc plowing if needed) area and seed accordingly.

Soil treatment: Stockpile and seeded until used for interim or final reclamation. Topsoil and subsoil will be piled separately.

Existing Vegetation at the well pad: Mesquite, shinnery oak, sand dropseed, and sage.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: NA

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: NA

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: NA

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

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: OTHER

Seed source: COMMERCIAL

Seed name: BLM Sand LPC

Source name:

Source address:

Source phone:

Seed cultivar: Broadcast

Seed use location: WELL PAD

PLS pounds per acre: 38

Proposed seeding season: AUTUMN

Seed Summary

Total pounds/Acre: 38

Seed Type

OTHER

38

Seed reclamation attachment:

Seed_Mixture_LPC_HEA_20180123085729.pdf

Operator Contact/Responsible Official Contact Info

Pounds/Acre

First Name:

Last Name:

Phone:

Email:

Seedbed prep: Rip native topsoil stockpiled during construction activities across the slope

Seed BMP:

Seed method: Broadcast seed with spreader

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

Weed treatment plan description: Marathon will control weeds per Federal, County and State regulations by contracting a certified third party.

Weed treatment plan attachment:

Monitoring plan description: Marathon will monitor all disturbed areas and lease roads leading to well pad monthly for weeds through routine inspections.

Monitoring plan attachment:

Success standards: Maintain all disturbed areas as per Gold Book Standards.

Pit closure description: N/A

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

Well Name: MADERA 19 FEDERAL 26 35 19 TB

Well Number: 1H

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? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: Performed 11/28/2017. Marathon Oil Attendees: Brian Hall and Nancy Pohl BLM Attendee: Colleen Cepero-Rios

Other SUPO Attachment

Madera_Onsite_20180123091758.pdf General Lease Information_20180123131232.pdf



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

PWD Data Report

Section 1 - General

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

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

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

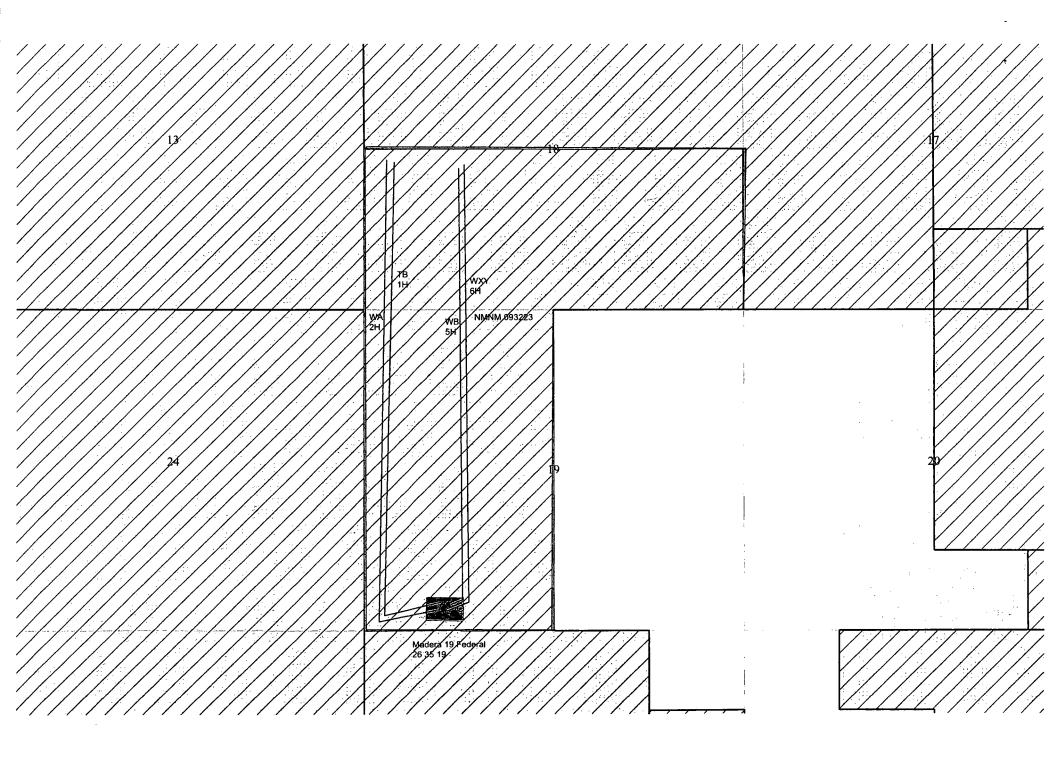
Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

PWD disturbance (acres):



Section 3 - Unlined Pits

Injection well mineral owner:

Would you like to utilize Unlined Pit PWD options? NO

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

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Injection well type: 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? 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:



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

Bond Info Data Report

Bond Information

Federal/Indian APD: FED

BLM Bond number: WYB002107

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Well Name: MADERA 19 FEDERAL 26 35 19 TB

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 | DVT |
|------------------|----------|--------------|---------|--------------|------|-------|---------|---------------------|----------------|----------------------|--------|-------------------|-------------------|------------|----------------|---------------|-----------|-----------|
| PPP Leg #1 | 0 | FSL | 330 | FWL | 26S | 35E | 18 | Aliquot SWS W | 32.03595 86 | - 103.4135 967 | LEA | l | NEW MEXI CO | | NMNM 093223 | - 928 2 | 175 68 | 125 48 |
| | 231 2 | FSL | 330 | FWL | 26S | 35E | 18 | Aliquot NWS W | 32.04231 45 | - 103.4135 97 | LEA | NEW MEXI CO | 1 | | NMNM 093223 | - 928 2 | 198 80 | 125 48 |
| BHL Leg #1 | 231 2 | FSL | 330 | FWL | 26S | 35E | 18 | Aliquot NWS W | 32.04231 45 | - 103.4135 97 | LEA | l . | NEW MEXI CO | 1 1 | NMNM 093223 | - 928 2 | 198 80 | 125 48 |