30-025-45150



TVD of target	10460	Pilot hole depth	N/A
MD at TD:	20645	Deepest expected fresh water:	

#### Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	1023		
Salado	1386		
Delaware	4663		
Brushy Canyon	6880		
Lower Brushy	8278		
1st BSPG Lime	8587		
1st BSPG Sand	9693		
2nd BSPG Lime	9993		
2nd BSPG Sand	10310		
2BSSS_U	10359		
2BSSS_U_TZT	10480		
2BSSSU_TZB	10565		
Rustler	1023		
Salado	1386		
Delaware	4663		

\*H2S, water flows, loss of circulation, abnormal pressures, etc.

## 2. Casing Program

Hale Size	<b>Casing Interval</b>		Cag Size	Weight	Crada	Comm
HUIE SIZE	From	To	Csg. Size	(PPF)	Graue	Соны.
17.5"	0	1104	13.375"	48	H-40	STC
12.25"	0	6000	9.625"	40	J-55	BTC
8.75"	0	TD	5.5"	17	P-110	BTC
В	LM Minimu	m Safety Fac	tor	Collapse: 1.125	Burst: 1.00	Tension: 1.6 Dry 1.8 Wet

• All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h Must have table for contingency casing

• Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.

• Variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing. No losses are expected in subsequent hole section.

• Int casing shoe will be selected based on drilling data, gamma, and flows experienced while drilling. Setting depth with be revised accordingly if needed.

• A variance is requested to wave the centralizer requirement for the intermediate and production casing strings if drilling conditions dictate

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

J. Cementing	ing i rogram (5-50 mg i rimary Design)					
Casing	# Sks	TOC	Wt. (lb/gal)	H20 (gal/sk)	Yld (ft3/sack)	Slurry Description
Surface	1153	Surf	13.2	6.33	1.33	Lead: Class C Cement + additives
-	1194	Surf	, 9	20.6	1.94	Lead: Class C Cement + additives
Int	366	500' above shoe	13.2	6.42	1.33	Tail: Class H / C + additives
Droduction	456	500' tieback	9	20.6	1.94	Lead: Class H / C + additives
Froduction	1860	KOP	13.2	5.31	1.6	Tail: Class H / C + additives

# 3. Cementing Program (3-String Primary Design)

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

Casing String	% Excess
Surface	100%
Intermediate	50%
Production	10%

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Ţy	/pe	1	Tested to:
			Anr	nular	X	50% of rated working pressure
			Blind	l Ram		
Int 1	13-5/8"	3M	Pipe	Ram		514
			Doubl	e Ram		514
			Other*			
			Annula	ar (5M)	X	50% of rated working pressure
	13-5/8"	5M	Blind Ram			
Production			Pipe Ram			514
			Double Ram		X	5141
			Other*			
			Anı	nular		
			Blind	l Ram		
			Pipe	Ram		
			Doub	le Ram		
			Other*			

4. Pressure Control Equipment

\*Specify if additional ram is utilized.

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

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

X	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 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.						
	Y/N	Are anchors required by manufacturer?					
<ul> <li>Y /N Are anchors required by manufacturer?</li> <li>A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.</li> <li>See attached schematic.</li> </ul>							

#### 5. Mud Program

6. Depth		Tuna	Weight	17tm	Weter I eee
From	To	гуре	(ppg)	V 18	water Loss
0	1104'	FW	8.5-9.0	28-34	N/C
1104'	6000'	Brine	10 - 10.5	28-34	N/C
6,000'	TD	WBM	8.5 - 9.0	28-34	N/C

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

	DX/T/Darry/X/ and X/ and the site
What will be used to monitor the loss or gain of fillid?	1 PVI/Pason/Visual Monitoring
	1 V 1/1 usons v isual monitoring
<u> </u>	

# 6. Logging and Testing Procedures

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

Addi	tional logs planned	Interval	
-	Resistivity		
	Density		
Х	CBL	Production casing	
X	Mud log	KOP to TD	
			•

## 7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4937 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in	
concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order	
#6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

#### 8. Other facets of operation

Is this a walking operation? Potentially

- 1. If operator elects, drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
- 2. The drilling rig will then batch drill the intermediate sections and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
- 3. The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Potentially

- 1. Spudder rig will move in and drill surface hole.
  - a. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis.
- 2. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
- 3. The wellhead will be installed and tested once the 10 <sup>3</sup>/<sub>4</sub>" surface casing is cut off and the WOC time has been reached.
- 4. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
- 5. Spudder rig operations is expected to take 4-5 days per well on a multi well pad.
- 6. The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 7. Drilling operations will be performed with the drilling rig. At that time an approved BOP stack will be nippled up and tested on the wellhead before drilling operations commences on each well.
  - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

Attachments

 $\underline{x}$  Directional Plan

\_\_\_\_ Other, describe