Form 3160-3 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR OBBS OCD 5. Lease Serial No. NMNM138876

| FORM APPROVED | 0-17 |
|---------------------------|------|
| OMB No. 1004-0137 | 1217 |
| Expires: January 31, 2015 | 瓦伊沙 |
| | |
| | |

| BUKEAU OF LAND MANA | AGEMEN | | | 141411411130070 | |
|---|----------------------------|---|-------------|-----------------------------|----------------------------|
| APPLICATION FOR PERMIT TO D | RILL OR | REENTER 201 | 9 | 6. If Indian, Allotee | or Tribe Name |
| | EENTER | RECEIVE | Đ | 7. If Unit or CA Agr | eement, Name and No. |
| 1b. Type of Well: Oil Well Gas Well O | ther | | | 8. Lease Name and \ | Well No. |
| 1c. Type of Completion: Hydraulic Fracturing Si | ingle Zone | Multiple Zone | | RODNEY ROBINS | on federal 326002 |
| 2. Name of Operator MATADOR PRODUCTION COMPANY (22873) |) | | | 9. API Well No. 78-025 | -46218- |
| 3a. Address 5400 LBJ Freeway, Suite 1500 Dallas TX 75240 | 3b. Phone N (972)371-52 | o. <i>(include area code</i> 200 | e) | 10. Field and Pool, o | |
| 4. Location of Well (Report location clearly and in accordance v | with any State | requirements.*) | | 11. Sec., T. R. M. or | Blk. and Survey or Area |
| At surface LOT 4 / 240 FNL / 827 FWL / LAT 32.34041 | 113 / LONG - | 103.6170967 | | SEC 6 / T23S / R3 | 3E / NMP |
| At proposed prod. zone LOT 4 / 60 FSL / 491 FWL / LAT | 32.3122039 | / LONG -103.618 | 1862 | | |
| 14. Distance in miles and direction from nearest town or post off 27 miles | ice* | | | 12. County or Parish LEA | 13. State |
| 15. Distance from proposed* 240 feet | 16. No of ac | res in lease | 17. Spacii | ng Unit dedicated to th | nis well |
| location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any) | 1179.44 | | 291.08 | | |
| 18. Distance from proposed location* | 19. Propose | d Depth | 20. BLM/ | BIA Bond No. in file | |
| to nearest well, drilling, completed, 30 feet applied for, on this lease, ft. | 9839 feet / | 19984 feet | FED: NM | IB001079 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* | | start* | | | |
| 3738 feet | 09/01/2019 | | | 60 days | |
| | 24. Attac | hments | | · | |
| The following, completed in accordance with the requirements o (as applicable) | f Onshore Oil | and Gas Order No. 1 | , and the H | lydraulic Fracturing ru | ule per 43 CFR 3162.3-3 |
| Well plat certified by a registered surveyor. A Drilling Plan. | | 4. Bond to cover th Item 20 above). | e operation | s unless covered by an | existing bond on file (see |
| 3. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office | | Operator certific Such other site sp BLM. | | mation and/or plans as | may be requested by the |
| 25. Signature | | (Printed/Typed) | | | Date |
| (Electronic Submission) | Brian ' | Wood / Ph: (505)40 | 66-8120 | | 03/15/2019 |
| Title | | | | | |
| President | | | | | Date! |
| Approved by (Signature) (Electronic Submission) | | (Printed/Typed) Layton / Ph: (575)2 | 24-5050 | | Date 07/31/2019 |
| Title | Office | | -04-0303 | | 0.701.2010 |
| Assistant Field Manager Lands & Minerals | | SBAD | | | |
| Application approval does not warrant or certify that the applicant applicant to conduct operations thereon. Conditions of approval, if any, are attached. | nt holds legal (| or equitable title to th | nose rights | in the subject lease w | hich would entitle the |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, n of the United States any false, fictitious or fraudulent statements | | | | | ny department or agency |
| GCP Rec 0 9/01/19 | | | | X & la | 219 |

(Continued on page 2)

Approval Date: 07/31/2019

*(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 I: 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 wen, 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 directionany 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.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

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

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

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen 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 win 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 conects this information to anow 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 Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

1. SHL: LOT 4 / 240 FNL / 827 FWL / TWSP: 23S / RANGE: 33E / SECTION: 6 / LAT: 32.3404113 / LONG: -103.6170967 (TVD: 0 feet, MD: 0 feet)

PPP: LOT 4 / 52 FNL / 647 FWL / TWSP: 23S / RANGE: 33E / SECTION: 6 / LAT: 32.3409301 / LONG: -103.6176749 (TVD: 8781 feet, MD: 8781 feet)

BHL: LOT 4 / 60 FSL / 491 FWL / TWSP: 23S / RANGE: 33E / SECTION: 7 / LAT: 32.3122039 / LONG: -103.6181862 (TVD: 9839 feet, MD: 19984 feet)

BLM Point of Contact

Name: Tanja Baca

Title: Admin Support Assistant

Phone: 5752345940 Email: tabaca@blm.gov

(Form 3160-3, page 3)

| | 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. |

(Form 3160-3, page 4)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | Matador Production Company

LEASE NO.: | NMNM138876

WELL NAME & NO.: | Rodney Robinson Federal 101H

SURFACE HOLE FOOTAGE: 240'/N & 827'/W **BOTTOM HOLE FOOTAGE** 60'/S & 491'/W

LOCATION: | Section 6, T.23 S., R.33 E., NMPM

COUNTY: Lea County, New Mexico

COA

| H2S | r Yes | € No | |
|----------------------|------------------|----------------|---------------|
| Potash | • None | Secretary | ← R-111-P |
| Cave/Karst Potential | € Low | ∩ Medium | ← High |
| Variance | None | Flex Hose | Other |
| Wellhead | Conventional | Multibowl | ☞ Both |
| Other | ☐ 4 String Area | Capitan Reef | □ WIPP |
| Other | Fluid Filled | Cement Squeeze | ☐ Pilot Hole |
| Special Requirements | □ Water Disposal | ГСОМ | ☐ Unit |

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

Primary Casing Design:

- 1. The 13-3/8 inch surface casing shall be set at approximately 1332 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

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- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The 9-5/8 inch intermediate casing shall be set at approximately 4975 feet. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Single Stage):

• Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

Option 1:

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.

Option 2:

- 1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - Chaves and Roosevelt Counties
 Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
 During office hours call (575) 627-0272.
 After office hours call (575)
 - Eddy County
 Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - ✓ Lea CountyCall the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)393-3612
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. 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. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

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8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the

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plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

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C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

NMK07052019

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME: Matador Production Company
WELL NAME & NO.: Rodney Robinson Federal 101H
SURFACE HOLE FOOTAGE: 240'/N & 827'/W
BOTTOM HOLE FOOTAGE 60'/S & 491'/W
LOCATION: Section 6, T.23 S., R.33 E., NMPM
COUNTY: Lea County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

| ☐ General Provisions |
|---|
| Permit Expiration |
| Archaeology, Paleontology, and Historical Sites |
| Noxious Weeds |
| Special Requirements |
| Lesser Prairie-Chicken Timing Stipulations |
| Ground-level Abandoned Well Marker |
| Range |
| Cave/Karst |
| ☐ Construction |
| Notification |
| Topsoil |
| Closed Loop System |
| Federal Mineral Material Pits |
| Well Pads |
| Roads |
| ☐ Road Section Diagram |
| Production (Post Drilling) |
| Well Structures & Facilities |
| Pipelines |
| Electric Lines |
| Frac Pond |
| СТВ |
| ☐ Interim Reclamation |
| Final Ahandanment & Reclamation |

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I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator 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 shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

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 the roads, pads, associated 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.

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V. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:
Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period.
Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted.
Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

<u>Ground-level Abandoned Well Marker to avoid raptor perching</u>: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

Berm would be constructed around the well pads and the production facilities to prevent oil, salt and other chemical contaminants from the pads. Topsoil shall not be used to construct the berms. The berms shall be maintained after interim reclamation has been completed and throughout the life of the wells. No water flow from the uphill side(s) of the pads shall be allowed to enter the well pads or the facility pads.

Any water erosion that may occur due to the construction of the well pads and facility pads or during the life of the wells, will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control.

Cattle Guard Requirement

Any new or existing cattle guards on the access route would be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator would be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences. Once the road is abandoned, all affected fences would be restored to their prior condition, or better.

Livestock Watering Requirement

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action.

Any damage to fences, cattle guards, and pipelines or structures that provide water to livestock during construction, throughout the life of the project, and caused by its operation, must be immediately corrected by R & R Royalty. R & R Royalty must notify the private surface landowner and the BLM-CFO (575-234-5972) if any damage occurs to pipelines or structures that provide water to livestock.

Construction Mitigation

In order to mitigate the impacts from construction activities on cave karst resources, the following Conditions of Approval would apply to this project:

In the event that any underground voids are encountered during construction activities, construction will be halted and the BLM will be notified immediately.

No blasting will be permitted to prevent geologic structure instabilities.

The holding tanks and frac tanks will be bermed to minimize the effects of any spilled contaminates

Roads will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize changes to runoff or possible leaks and spills from entering karst systems. Turnout ditches and drainage leadoffs will not be constructed in such a manner as to increase or decrease the natural flow of water into or out of cave or karst features.

To avoid or lessen the potential of subsidence or collapse of karst features, toxic or combustible gas buildup, or other possible impacts to cave and karst resources from buried pipelines, alignments may be rerouted to avoid karst features. The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, passages, or voids are intersected by trenching, and no pipe will be laid in the trench at that point until clearance has been issued by the Authorized Officer. Special restoration stipulations or realignment may be required at such intersections, if any. Leak detection systems, back flow eliminators, and differential pressure shut-off valves may be required to minimize the impacts of leaking or ruptured liners and pipelines.

Drilling Mitigation

Federal regulations and standard Conditions of Approval (COA) applied to all APDs require that adequate measures are taken to prevent contamination to the environment. Due to the extreme sensitivity of the cave and karst resources, the following additional Conditions of Approval may be added to this APD.

To prevent cave and karst resource contamination the following will be required.

- Closed mud system using steel tanks with all fluids and cuttings hauled off.
- Rotary drilling with fresh water where cave or karst features are expected to prevent contamination of freshwater aquifers.
- Directional drilling allowed after at least 100 feet below the cave occurrence zone to prevent additional impacts resulting from directional drilling.
- Lost circulation zones logged and reported in the drilling report so BLM can assess the situation and work with the operator on corrective actions.
- Additional drilling, casing, and cementing procedures to protect cave zones and fresh water aguifers. See Drilling COAs.

Production Mitigation

In order to mitigate the impacts from production activities, minimize the impacts resulting from leaks, and due to the nature of karst terrain, the facility on the well pad would be bermed and lined.

Leak detection systems would be placed on all flow systems to provide an early alert to operators when a leak has occurred. Automatic shut off, check valves, or similar systems would be installed for pipelines and tanks to limit the volumes of flows and to minimize the effects of line failures used in drilling and production. Leak detection systems, back flow eliminators, and differential pressure shut-off valves may be required to minimize the impacts of leaking or ruptured pipelines and to quickly identify leaks for their immediate and proper treatment.

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Residual and Cumulative Mitigation

Any industrial activities that take place upon or within karst terrains or freshwater aquifer zones have the potential to create both short-term and long-term negative impacts to freshwater aquifers and cave systems. While a number of mitigation measures can be implemented to mitigate many impacts, it is still possible for impacts to occur from containment failures, well blowouts, accidents, spills, and structural collapses. Therefore, it is necessary to implement long-term monitoring studies to determine if current mitigation measures are sufficient enough to prevent long-term or cumulative impacts. Annual pressure monitoring of the well casing would be performed by the operator. If the test results indicate a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

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

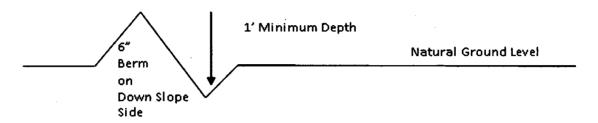
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

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.

Cross Section of a Typical 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:
$$\frac{400'}{40\%}$$
 + 100' = 200' lead-off ditch interval

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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Construction Steps

- 1. Salvage topsoil
- 3. Redistribute topsoil 2. Construct road 4. Revegetate slopes

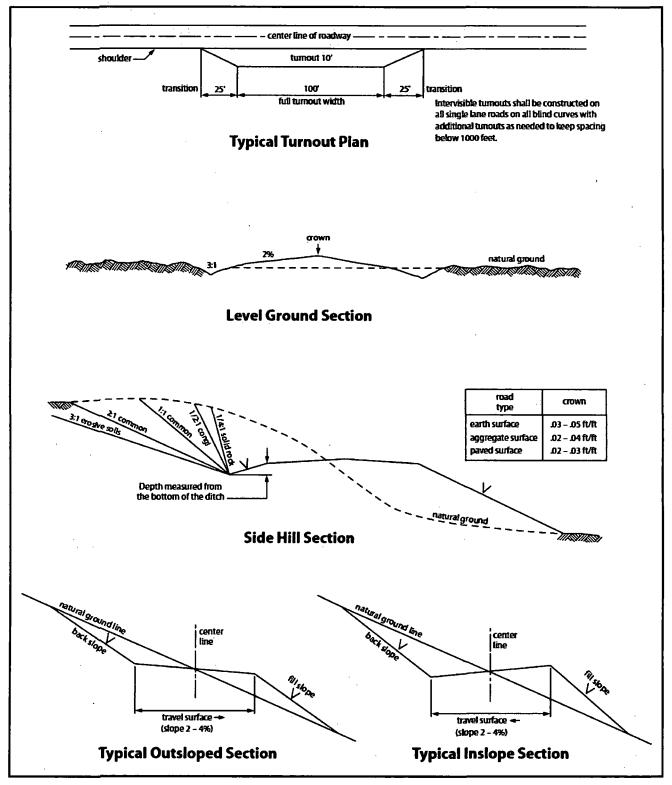


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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

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

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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, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the application (Grant, Sundry Notice, APD) 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 et seq. (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 activity of 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.
- 4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or

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injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
- (1) Land clearing.
 - (2) Earth-disturbing and earth-moving work.
 - (3) Blasting.
 - (4) Vandalism and sabotage.
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

- 5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, 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, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the 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 the holder of any responsibility as provided herein.
- 6. All construction and maintenance activity will be confined to the authorized right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline must be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline must be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity will be confined to existing roads or right-of-ways.
- 7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.
- 8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline will be "snaked" around hummocks and dunes rather then suspended across these features.

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- 9. The pipeline shall be buried with a minimum of 24 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.
- 10. 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.
- 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.
- 12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" Shale Green, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.
- 14. 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. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. 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 authorized officer to determine appropriate 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.
- 16. 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 the roads, powerline 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.

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- 17. Surface pipelines must be less than or equal to 4 inches and a working pressure below 125 psi.
- 18. Special Stipulations:
- a. Lesser Prairie-Chicken: Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.

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 et seq. (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

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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.

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.

- 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 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 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 30 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.
- 12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

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| () seed mixture 1 | () seed mixture 3 |
|------------------------|-----------------------------|
| () seed mixture 2 | () seed mixture 4 |
| (X) seed mixture 2/LPC | () Aplomado Falcon Mixture |

- 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-of-way 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 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

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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.
- 19. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

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 et seq. (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.

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- 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.
- 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

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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 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.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

STANDARD STIPULATIONS FOR OIL AND GAS RELATED SITES

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

The holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer, BLM.

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 and for all response costs, penalties, damages, claims, and other costs arising from the provisions of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Chap. 82, Section 6901 et. seq., from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Chap. 109, Section 9601 et. seq., and from other applicable environmental statues.

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- 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 U.S.C. 2601, et. seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this 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). 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 site or related pipeline(s), any oil or other pollutant should be discharged from site facilities, the pipeline(s) or from containers or vehicles impacting Federal lands, the control and total removal, disposal, and cleanup of such oil of other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the Authorized Officer may take such measures as deemed necessary to control and cleanup 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 the holder of any liability or responsibility.
- 5. Sites shall be maintained in an orderly, sanitary condition at all times. Waste materials, both liquid and solid, shall be disposed of promptly at an appropriate, authorized waste disposal facility in accordance with all applicable State and Federal laws. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, petroleum products, brines, chemicals, oil drums, ashes, and equipment.
- 6. The operator will notify the Bureau of Land Management (BLM) authorized officer and nearest Fish and Wildlife Service (FWS) Law Enforcement office within 24 hours, if the operator discovers a dead or injured federally protected species (i.e., migratory bird species, bald or golden eagle, or species listed by the FWS as threatened or endangered) in or adjacent to a pit, trench, tank, exhaust stack, or fence. (If the operator is unable to contact the FWS Law Enforcement office, the operator must contact the nearest FWS Ecological Services office.)

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- 7. 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 a color which simulates "Standard Environmental Colors" designated by the Rocky Mountain Five-State Interagency Committee. The color selected for this project is **Shale Green**, Munsell Soil Color Chart Number 5Y 4/2.
- 8. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 9. A sales contract for removal of mineral material (caliche, sand, gravel, fill dirt) from an authorized pit, site, or on location must be obtained from the BLM prior to commencing construction. There are several options available for purchasing mineral material: contact the BLM office (575-234-5972).
- 10. 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 the roads, pads, associated 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.

11. Once the site is no longer in service or use, the site must undergo final abandonment. At final abandonment, the site 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 the abandonment of the site. All pads and 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. After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided. 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).

- 12. The holder shall stockpile an adequate amount of topsoil where blading occurs. The topsoil to be stripped is approximately ___6__ inches in depth. The topsoil will be segregated from other spoil piles. The topsoil will be used for final reclamation.
- 13. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

| () seed mixture 1 | () seed mixture 3 |
|------------------------|-----------------------------|
| () seed mixture 2 | () seed mixture 4 |
| (X) seed mixture 2/LPC | () Aplomado Falcon Mixture |

- 14. In those areas where erosion control structures are required to stabilize soil conditions, the holder shall install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound management practices. Any earth work will require prior approval by the Authorized Officer.
- 15. Open-topped Tanks 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

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16. 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.

- 17. 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.
- 18. Containment Structures 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.

19. Special Stipulations:

- The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed.
- Any water erosion that may occur due to the construction of the well pad during the life of the
 well will be corrected within two weeks and proper measures will be taken to prevent future
 erosion.

Lesser Prairie-Chicken

Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except

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between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted. Exhaust noise from permanent engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

FRAC POND CONDITIONS OF APPROVAL

A copy of the Right-of-Way Request, and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval 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 permit.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
- 3. Required Standard Conditions of Approval:
 - Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.
 - The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer.
 - If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly.
 - Confine all construction and maintenance activity to the authorized area.
 - Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer.

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- Mineral materials extracted during construction of the frac pond will be stored onlocation and/or used for constructing the frac pond.
- The frac pond will be lined.
- The operator shall stockpile topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion
- Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.
- The frac pond shall be fenced on all sides.
- Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.
- The plastic lining will be removed prior to final abandonment
- Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:

Any roads approved for use with the pond

Surface water lines

Tanks, pumps, fencing etc.

• Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

- 5. 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.
- 6. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf 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.
- 7. 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 the roads, pads, associated 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.
- 8. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection (575)234-5909, **prior** to beginning surface reclamation operations.
- 9. Seeding is required: Use the following seed mix.

| () seed mixture 1 | () seed mixture 3 |
|--------------------|-------------------------|
| () seed mixture 2 | () seed mixture 4 |
| (X) LPC mixture | () Aplomado Falcon mix |

10. The topsoil to be stripped is approximately inches in depth.

11. Special Stipulations:

12. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, 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.

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

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Approval Date: 07/31/2019

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.

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).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

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Seed Mixture for LPC Sand/Shinnery 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 <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall 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 will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/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 will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. 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 Bristlegrass | 5lbs/A |
| Sand Bluestem | 5lbs/A |
| Little Bluestem | 3lbs/A |
| Big Bluestem | 6lbs/A |
| Plains Coreopsis | 2lbs/A |
| Sand Dropseed | 1lbs/A |

^{*}Pounds of pure live seed:

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



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

© perator Certification Data Report 08/01/2019

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

NAME: Brian Wood Signed on: 03/15/2019

Title: President

Email address:

Street Address: 37 Verano Loop

City: Santa Fe State: NM Zip: 87508

Phone: (505)466-8120

Email address: afmss@permitswest.com

Field Representative

| Representative Name |): | |
|---------------------|-----------|------|
| Street Address: | | |
| City: | State: | Zip: |
| Phone: | | |
| | | • |



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

Application Data Report

APD ID: 10400039821

Submission Date: 03/15/2019

Operator Name: MATADOR PRODUCTION COMPANY

Well Name: RODNEY ROBINSON FEDERAL

Well Type: OIL WELL

Well Number: 101H

Well Work Type: Drill



Show Final Text

Section 1 - General

APD ID:

10400039821

Tie to previous NOS? N

Submission Date: 03/15/2019

BLM Office: CARLSBAD

User: Brian Wood

Title: President

Federal/Indian APD: FED

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

Lease number: NMNM138876

Lease Acres: 1179.44

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? NO

Permitting Agent? YES

APD Operator: MATADOR PRODUCTION COMPANY

Operator letter of designation:

Operator Info

Operator Organization Name: MATADOR PRODUCTION COMPANY

Operator Address: 5400 LBJ Freeway, Suite 1500

Zip: 75240

Operator PO Box:

Operator City: Dallas

State: TX

Operator Phone: (972)371-5200

Operator Internet Address: amonroe@matadorresources.com

Section 2 - Well Information

Well in Master Development Plan? NO

Master Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: RED TANK

Pool Name: DELAWARE WEST

le the proposed well in an area containing other mineral resources? NATI IRAL CAS All

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO

New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: SLOT Number: 1

Well Class: HORIZONTAL

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: 27 Miles

Distance to nearest well: 30 FT

Distance to lease line: 240 FT

Reservoir well spacing assigned acres Measurement: 291.08 Acres

Well plat:

RR 101H C102 ETAL 20190313094900.pdf

Well work start Date: 09/01/2019

Duration: 60 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 18329

Reference Datum:

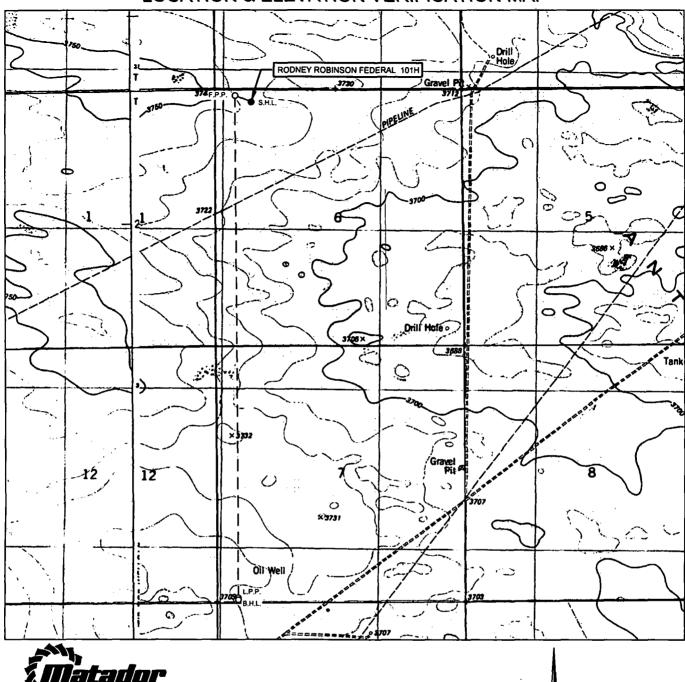
| NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | DVT |
|---------|--------------|---------|--------------|------|-------|---------|-------------------|----------------|----------------------|--------|-------------|-------------|------------|----------------|---------------|----------|----------|
| 240 | FNL | 827 | FWL | 23S | 33E | 6 | 4 | 32.34041 13 | - 103.6170 967 | LEA | NEW MEXI | NEW MEXI | F | NMNM 138876 | | 0 | 0 |
| 52 | FNL | 647 | FWL | 238 | 33E | 6 | 4 | 32.40393 01 | - 103.6176 749 | LEA | NEW MEXI | NEW MEXI | F | NMNM 138876 | - 544 2 | 919 2 | 918 0 |
| 52 | FNL | 647 | FWL | 238 | 33E | 6 | 4 | 32.34093 01 | - 103.6176 749 | | NEW MEXI | i · · — · · | F | NMNM 138876 | - 504 3 | 878 1 | 878 1 |

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

| 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 |
|---------|--------------|---------|--------------|------|-------|---------|-------------------|----------------|----------------------|--------|-------------|----------|------------|----------------|-----------|-----------|----------|
| 60 | FSL | 491 | FWL | 23S | 33E | 7 | 4 | 32.31220 39 | 103.6181 | LEA | NEW MEXI | | | NMNM 138876 | - 610 | 199 84 | 983 9 |
| 60 | FSL | 491 | FWL | 238 | 33E | 7 | 4 | 32.31220 39 | - 103.6181 862 | LEA | NEW MEXI | 145.44 | F | NMNM 138876 | - 610 | 199 84 | 983 9 |

LOCATION & ELEVATION VERIFICATION MAP





LEASE NAME & WELL NO .:

RODNEY ROBINSON FEDERAL 101H

SECTION 6 TWP 23-S RGE 33-E SURVEY N.M.P.M. COUNTY __ STATE NM ELEVATION 240' FNL & 827' FWL DESCRIPTION

LATITUDE N 32.3404113 LONGITUDE W 103.6170967



THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.



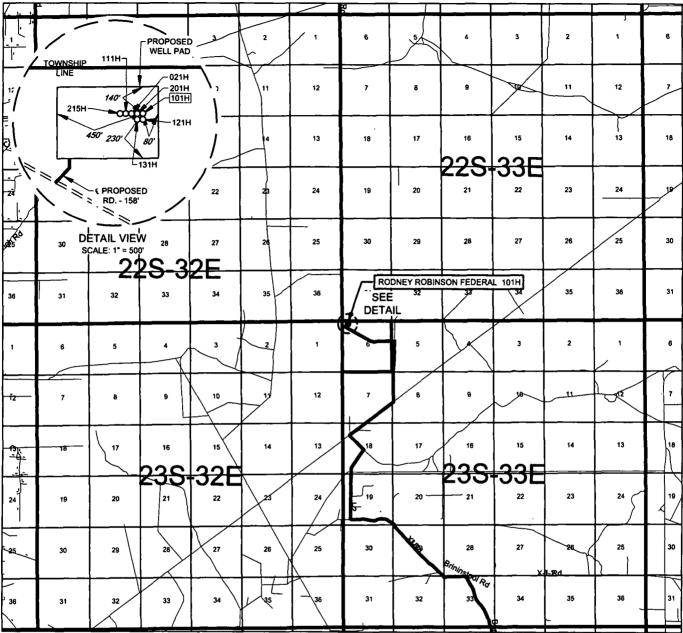
1000'

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VICINITY MAP





LEASE NAME & WELL NO .:

RODNEY ROBINSON FEDERAL 101H

 SECTION
 6
 TWP
 23-S
 RGE
 33-E
 SURVEY
 N.M.P.M.

 COUNTY
 LEA
 STATE
 NM

 DESCRIPTION
 240' FNL & 827' FWL

DISTANCE & DIRECTION

FROM INT. OF CR 21. & NM-128. GO WEST ON NM-128 ±3.3 MILES. THENCE NORTH (RIGHT) ON CR 2-A ±4.2 MILES. THENCE WEST (LEFT) ON J-2/XI RD. ±2.8 MILES. THENCE CONTINUE NORTH (RIGHT) ON J-2/XI RD. ±1.4 MILES, THENCE NORTHWEST (LEFT) ON A LEASE RD. ±0.4 MILES, THENCE NORTHEAST (RIGHT) ON A LEASE RD. ±1.1 MILES, THENCE NORTH (LEFT) ON A LEASE RD. ±1.2 MILES, THENCE WEST (LEFT) ON A LEASE RD. ± 1.0 MILE, THENCE NORTHEAST (RIGHT) ON A PROPOSED RD. ±158 FEET TO A POINT ±448 FEET SOUTHWEST OF THE LOCATION.

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SCALE: 1" = 1000" atador 500 1000 SECTION 6, TOWNSHIP 23-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO FND. BRASS CAP, 1" IRON PIPE U.S. G.L.O. SUR. AZ = 292.27° 1913 FOUND ALUMINUM 31 32 CAP 827 N 89°43'56" F N 89°41'04° E 6 5 36 31 32 T-22-S, R-32-E 2645.64 T-22-S, R-33-E T-23-S R-33-F T-23-S. R-32-E 240 IRST PERFORATION POIN S. **NEW MEXICO EAST** NAD 1927 SURFACE LOCATION X=721020 NEW MEXICO EAST Y=488391 NAD 1927 LAT.: N 32,3406740 X=721358 LONG.: W 103.6177023 Y=488253 NAD 1983 LAT.: N 32.3402879 X=762203 LONG.: W 103.6166128 Y=488451 FND. BRASS CAP. END BRASS CAP NAD 1983 10362.5 U.S. G.L.O. SUR. LAT: N 32 3407973 U.S. G.L.O. SUR. X=762541 1913 LONG.: W 103.6181862 1913 Y=488313 18 LAT.: N 32,3404113 LONG.: W 103.6170967 182 ĝ 12 FND. BRASS CAP, FND. BRASS CAP, U.S. G.L.O. SUR. N 89°43'25° E N 89°40'51" E. U.S. G.L.O. SUR. 6 5 1913 1913 2560.99 FND. BRASS CAP, 7 12 U.S. G.L.O. SUR. 2637 LAST PERFORATION POINT ₹ **NEW MEXICO EAST** N 00-22'06' NAD 1927 \$ X=721089 **BOTTOM HOLE LOCATION** FND. BRASS CAP, Y=478030 U.S. G.L.O. SUR. **NEW MEXICO EAST** 5284 1913 LAT.: N 32.3121905 NAD 1927 LONG.: W 103.6177032 S 00'26'08" E, X=721089 NAD 1983 Y=477990 X=762272 LAT.: N 32.3120805 Y=478089 LONG.: W 103.6177032 N 00°23'04 LAT.: N 32.3123139 NAD 1983 LONG.: W 103.6181862 X=762273 Y=478049 = 179.62° LAT.: N 32.3122039 40.0 LONG.: W 103.6181862 100 491 60' *S 89°49'16" W* 18 W, 2568.53° 13 17 18 FND. BRASS CAP. 7 8 FND. BRASS CAP, 2637.83" FND, BRASS CAP U.S. G.L.O. SUR. U.S. G.L.O. SUR. 18 17 13 18 U.S. G.L.O. SUR. MCHAEL **RODNEY ROBINSON FEDERAL 101H** LEASE NAME & WELL NO .: BROM B. MEXICO 6 TWP 23-S 33-E SECTION . RGF SURVEY N.M.P.M ₹.W NM COUNTY STATE. 240' FNL & 827' FWL DESCRIPTION 18329 **DISTANCE & DIRECTION** FROM INT. OF CR 21, & NM-128, GO WEST ON NM-128 ±3.3 MILES. THENCE NORTH (RIGHT) ON CR 2-A ±4.2 MILES, THENCE WEST (LEFT) ON J-2/XI RD. ±2.8 MILES THENCE CONTINUE NORTH (RIGHT) ON J-2/XI RD. ±1.4 MILES, THENCE NORTHWEST

> Michael Blake Brown, P.S. No. 18329 **FEBRUARY 8, 2019**



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RD. ±158 FEET TO A POINT ±448 FEET SOUTHWEST OF THE LOCATION.

(LEFT) ON A LEASE RD. ±0.4 MILES, THENCE NORTHEAST (RIGHT) ON A LEASE RD. ±1.1 MILES, THENCE NORTH (LEFT) ON A LEASE RD. ±1.2 MILES, THENCE WEST

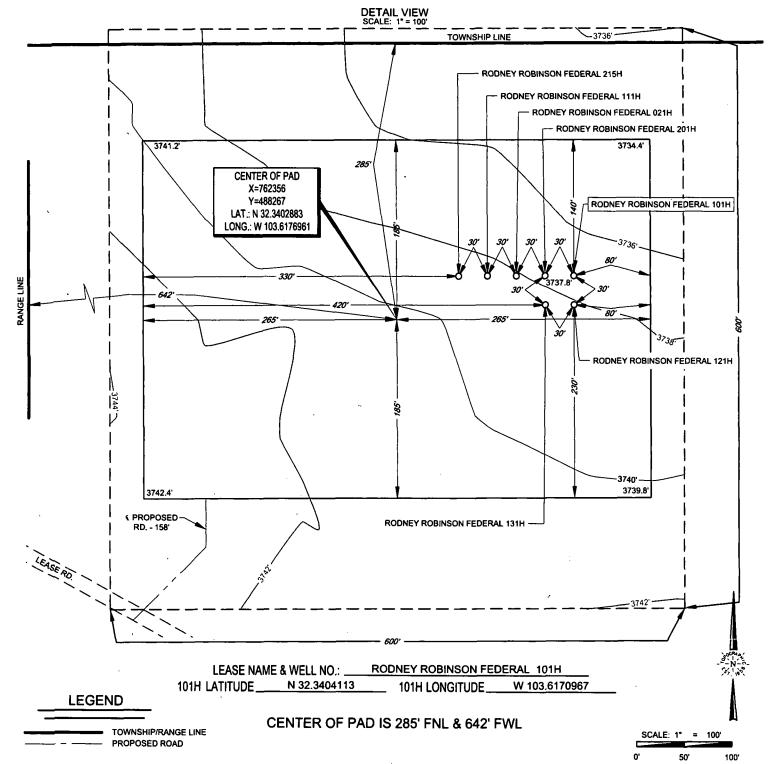
(LEFT) ON A LEASE RD. ± 1.0 MILE, THENCE NORTHEAST (RIGHT) ON A PROPOSED

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AS OF THE DATE OF SURVEY, ALL ABOVE GROUND APPURTENANCES WITHIN 300' OF THE STAKED LOCATION ARE SHOWN HEREON.



SECTION 6, TOWNSHIP 23-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO



ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET

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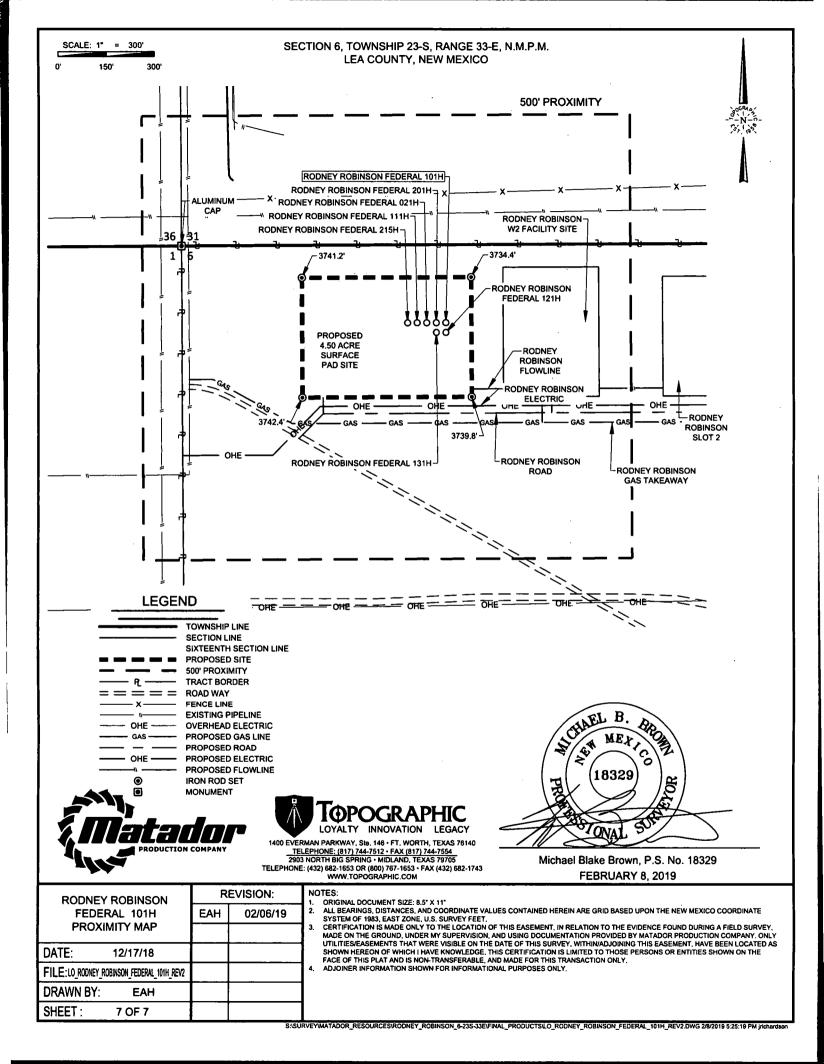
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U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

08/01/2019

APD ID: 10400039821

Submission Date: 03/15/2019

Operator Name: MATADOR PRODUCTION COMPANY

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

| Formation | | | True Vertical | Measured | | | Producing |
|-----------|-------------------|-----------|---------------|----------|-------------|-------------------|-----------|
| ID | Formation Name | Elevation | Depth | Depth | Lithologies | Mineral Resources | Formation |
| 1 | QUATERNARY | 3738 | 0 . | 0 | | NONE | N |
| 2 | RUSTLER ANHYDRITE | 2486 | 1252 | 1252 | | NONE | N |
| 3 | TOP SALT | 1953 | 1785 | 1785 | <u> </u> | NONE | N |
| 4 | CASTILE | 375 | 3363 | 3363 | SALT | NONE | N |
| 5 | BASE OF SALT | -1235 | 4973 | 4973 | | NONE | N |
| 6 | BELL CANYON | -1284 | 5022 | 5022 | SANDSTONE | NATURAL GAS,OIL | N |
| 7 | CHERRY CANYON | -2144 | 5882 | 5882 | SANDSTONE | NATURAL GAS,OIL | N |
| 8 | BRUSHY CANYON | -3503 | 7241 | 7241 | SANDSTONE | NATURAL GAS,OIL | N |
| 9 | BONE SPRING LIME | -5043 | 8781 | 8781 | | NATURAL GAS,OIL | Y |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 12000

Equipment: A 12,000' 5000-psi BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and one annular preventer will be utilized below surface casing to TD. See attachments for BOP and choke manifold diagrams. An accumulator complying with Onshore Order #2 requirements for the pressure rating of the BOP stack will be present. A rotating head will also be installed as needed.

Requesting Variance? YES

Variance request: Matador requests a variance to have the option of running a multi-bowl wellhead assembly for setting the Intermediate 1 and Production Strings. The BOPs will not be tested again unless any flanges are separated. Matador requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed coflex hose is attached. The hose is not required by the manufacturer to be anchored. If the specific hose is not available, then one of equal or higher rating will be used. Matador requests a variance to have the option of batch drilling this well with other wells on the same pad. In the event that this well is batch drilled, the wellbore will be secured with a blind flange of like pressure. When the rig returns to this well and ROPs are installed, the operator will perform a full ROP test

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Testing Procedure: BOP will be inspected and operated as required in Onshore Order #2. Kelly cock and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position. A third party company will test the BOPs. After setting surface casing, a minimum 5M BOPE system will be installed. Test pressures will be 250 psi low and 5000 psi high with the annular preventer being tested to 250 psi low and 2500 psi high before drilling below surface shoe. In the event that the rig drills multiple wells on the pad and any seal subject to test pressures are broken, a full BOP test will be performed when the rig returns and the 5M BOPE system is re-installed.

Choke Diagram Attachment:

RR 101H_Choke_20190308135406.pdf

BOP Diagram Attachment:

RR_101H_BOP_20190308135420.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 | 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 | Z | 0 | 1277 | 0 | 1277 | 3738 | | 1277 | J-55 | 54.5 | витт | 1.12 5 | 1.12 5 | DRY | 1.8 | DRY | 1.8 |
| 1 | INTERMED IATE | 12.2 5 | 9.625 | NEW | API | Ν | 0 | 5047 | 0 | 5047 | 3738 | | 5047 | J-55 | 40 | BUTT | 1.12 5 | 1.12 5 | DRY | 1.8 | DRY | 1.8 |
| 1 - | PRODUCTI ON | 8.75 | 5.5 | NEW | API | N | 0 | 19984 | 0 | 9839 | 3738 | | 19984 | P- 110 | | OTHER - DWC/C-IS HT Plus | 1.12 5 | 1.12 5 | DRY | 1.8 | DRY | 1.8 |

Casing Attachments

| Casing ID: 1 String Type: SURFACE Inspection Document: Spec Document: Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135620.pdf Casing ID: 2 String Type:INTERMEDIATE Inspection Document: Spec Document: Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135729.pdf Casing ID: 3 String Type:PRODUCTION Inspection Document: |
|--|
| Inspection Document: Spec Document: Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135620.pdf Casing ID: 2 String Type:INTERMEDIATE Inspection Document: Spec Document: Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135729.pdf Casing ID: 3 String Type:PRODUCTION |
| Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135620.pdf Casing ID: 2 |
| Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135620.pdf Casing ID: 2 |
| RR_101H_Casing_Design_Assumptions_3String_20190308135620.pdf Casing ID: 2 |
| Casing ID: 2 String Type:INTERMEDIATE Inspection Document: Spec Document: Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135729.pdf Casing ID: 3 String Type:PRODUCTION |
| Inspection Document: Spec Document: Tapered String Spec: Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135729.pdf Casing ID: 3 String Type:PRODUCTION |
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| Casing Design Assumptions and Worksheet(s): RR_101H_Casing_Design_Assumptions_3String_20190308135729.pdf Casing ID: 3 String Type:PRODUCTION |
| RR_101H_Casing_Design_Assumptions_3String_20190308135729.pdf Casing ID: 3 String Type:PRODUCTION |
| Casing ID: 3 String Type: PRODUCTION |
| |
| |
| Spec Document: |
| Tapered String Spec: |
| Casing Design Assumptions and Worksheet(s): |
| RR_101H_Casing_Design_Assumptions_3String_20190308135834.pdf |
| 5.5_in_Casing_Spec_20190308135942.PDF |

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Well Name: RODNEY ROBINSON FEDERAL Well Number: 101H

| String Type | Lead/Tail | Stage Tool | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|---|
| SURFACE | Lead | | 0 | 977 | 630 | 1.72 | 12.5 | 1090 | 50 | Class C | 5% NaCl + LCM |
| SURFACE | Tail | | 977 | 1277 | 250 | 1.38 | 14.8 | 347 | 50 | Class C | 5% NaCl + LCM |
| INTERMEDIATE | Lead | | 0 | 4047 | 940 | 2.13 | 12.6 | 1996 | 50 | Class C | Bentonite + 1% CaCL2 + 8% NaCl + LCM |
| INTERMEDIATE | Tail | | 4047 | 5047 | 370 | 1.38 | 14.8 | 504 | 50 | Class C | 5% NaCI + LCM |
| PRODUCTION | Lead | | 4847 | 8692 | 540 | 2.22 | 11.5 | 1203 | 25 | Class H | Fluid Loss + Dispersant + Retarder + LCM |
| PRODUCTION | Tail | | 8692 | 1998 4 | 2650 | 1.35 | 13.2 | 3576 | 25 | Class H | Fluid Loss + Dispersant + Retarder + LCM |

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: All necessary mud products (barite, bentonite, LCM) for weight addition and fluid loss control will be on location at all times. Mud program is subject to change due to hole conditions.

Describe the mud monitoring system utilized: An electronic Pason mud monitoring system complying with Onshore Order #2 will be used.

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (Ibs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | НА | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|-------------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 5047 | 1998 4 | OTHER : Fresh water/cut brine | 8.6 | 9.4 | | | | | | | · |
| 0 | 1277 | SPUD MUD | 8.4 | 8.8 | | | | | | | |

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | H | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|---------------------|----------------------|----------------------|---------------------|-----------------------------|---|----------------|----------------|-----------------|----------------------------|
| 1277 | 5047 | OTHER : Brine water | 9.5 | 10.2 | | | | | | | |

Section 6 - Test, Logging, Coring

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

A 2-person mud logging program will be used from Kick-off point to TD.

No electric logs are planned at this time. GR will be collected through the MWD tools from Intermediate casing to TD. CBL with CCL will be run as far as gravity will let it fall to top of curve.

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

CBL,GR

Coring operation description for the well:

No core or drill stem test is planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 2645

Anticipated Surface Pressure: 480.42

Anticipated Bottom Hole Temperature(F): 151

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:

RR_Slot1_H2S_Plan_20190308141730.pdf

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

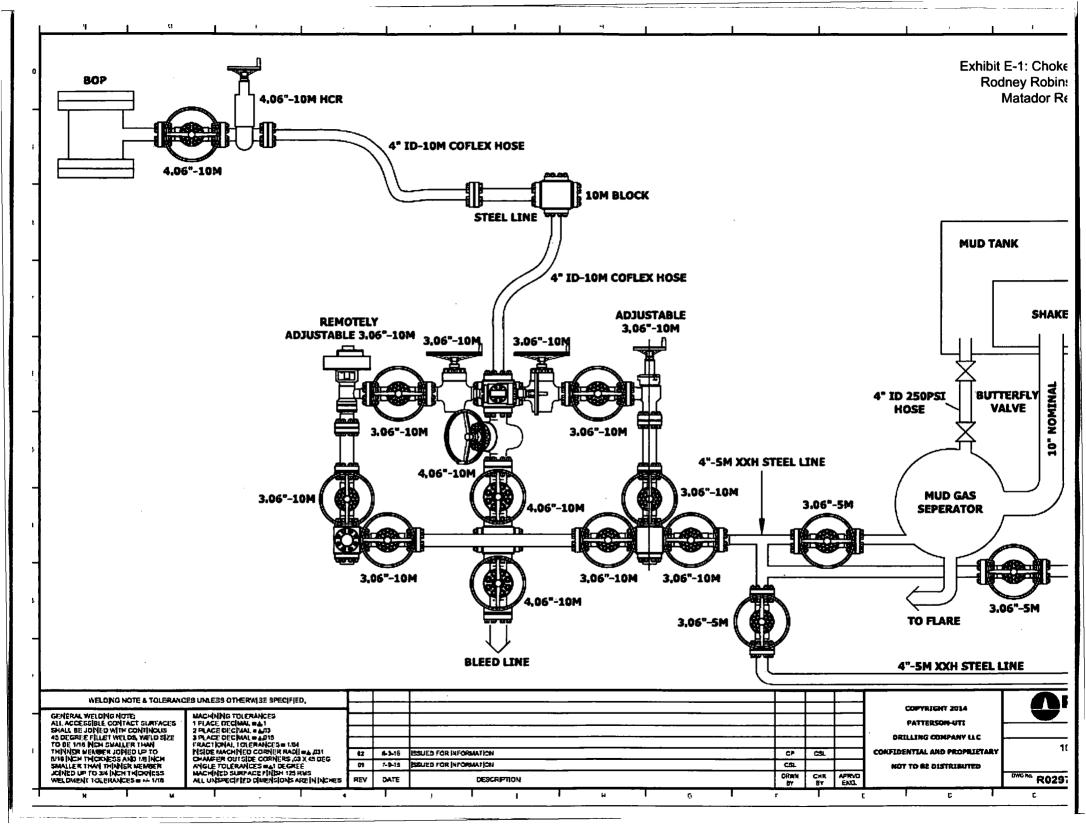
RR_101H_Horizontal_plan_20190308141741.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

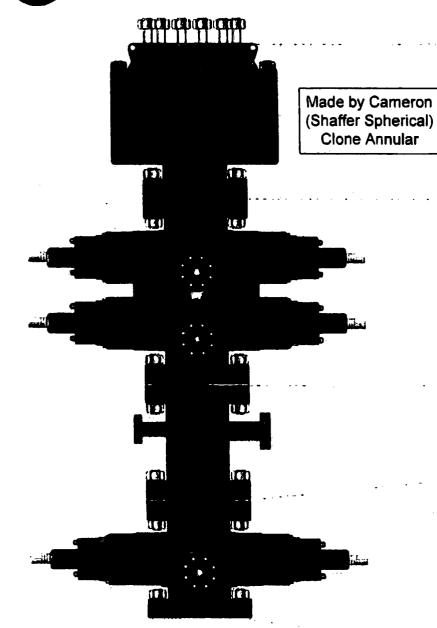
297Co_Flex_Certs_20190308142352.pdf
RR_101H_Full_Wellhead_3_String_20190308142450.pdf
RR_101H_Drill_Plan_20190311104046.pdf

Other Variance attachment:



PATTERSON-UTI Well Control





PATTERSON-UTI # PS2-628

STYLE: New Shaffer Spherical

BORE 13 5/8" PRESSURE 5,000

HEIGHT: 48 ½" WEIGHT: 13,800 lbs

PATTERSON-UTI # PC2-128

STYLE: New Cameron Type U

BORE 13 5/8" PRESSURE 10,000

RAMS: TOP 5" Pipe BTM Blinds

HEIGHT: 66 5/8" WEIGHT: 24,000 lbs

DSA 4" 10M x 2" 10M

PATTERSON-UTI # PC2-228

STYLE: New Cameron Type U

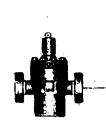
BORE 13 5/8" PRESSURE 10,000

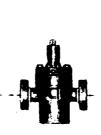
RAMS: 5" Pipe

HEIGHT: 41 5/8" WEIGHT: 13,000 lbs

WING VALVES

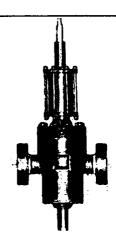












2" Check Valve

2" Manual Valve

2" Manual Valve

4" Manual Valve

4" Hydraulic Valve

Casing Design Criteria and Load Case Assumptions

Surface Casing

Collapse: DF_c=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.43 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an
 internal force equal to mud gradient of displacement fluid (0.52 psi/ft).

Burst: DF_b=1.125

Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud
gradient in which the casing will be run (0.43 psi/ft), which is a more conservative backup force than pore
pressure.

Tensile: DF_t=1.8

 Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (8.3 ppg).

Intermediate #2 Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.52 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an internal force equal to mud gradient of displacement fluid (0.43 psi/ft).

Burst: DF_b≈1.125

- Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud
 gradient in which the casing will be run (0.52 psi/ft), which is a more conservative backup force than pore
 pressure.
- Gas Kick Profile: Internal burst force at the shoe will be Fracture Pressure at that depth. Surface burst
 pressure will be fracture gradient at setting depth less a gas gradient to equivalent height of 50 bbl kick
 with Drill Pipe inside casing and mud gradient with which the next hole section will be run above that
 (0.47 psi/ft). External force will be equal to the mud gradient in which the casing will be run (0.52 psi/ft),
 which is a more conservative backup force than pore pressure.
- Fracture at Shoe with 1/3 BHP at Surface: Internal burst force at the shoe will be Fracture Pressure at setting depth. Internal burst force at surface will be 1/3 of pore pressure at setting depth. External force will be equal to the mud gradient in which the casing will be run (0.52 psi/ft) which is a more conservative backup force than pore pressure.

Tensile: DF_t=1.8

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (10.0 ppg).

Production Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.47 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and mud
 gradient in which the casing will be run above that (0.47 psi/ft) and an internal force equal to mud gradient
 of displacement fluid (0.43 psi/ft).

Burst: DF_b=1.125

- Pressure Test: 8000 psi casing test with an external force equal to the mud gradient in which the casing will be run (0.47 psi/ft), which is a more conservative backup force than pore pressure.
- Injection Down Casing: 9500 psi surface injection pressure plus an internal pressure gradient of 0.65 psi/ft with an external force equal to the mud gradient in which the casing will be run (0.47 psi/ft), which is a more conservative backup force than pore pressure.

Tensile: DFt=1.8

 Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (9.0 ppg).

Casing Design Criteria and Load Case Assumptions

Surface Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.43 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an internal force equal to mud gradient of displacement fluid (0.52 psi/ft).

Burst: DF_b=1.125

• Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud gradient in which the casing will be run (0.43 psi/ft), which is a more conservative backup force than pore pressure.

Tensile: DF_t=1.8

 Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (8.3 ppg).

Intermediate #2 Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.52 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an internal force equal to mud gradient of displacement fluid (0.43 psi/ft).

Burst: DF_b=1.125

- Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud gradient in which the casing will be run (0.52 psi/ft), which is a more conservative backup force than pore pressure.
- Gas Kick Profile: Internal burst force at the shoe will be Fracture Pressure at that depth. Surface burst
 pressure will be fracture gradient at setting depth less a gas gradient to equivalent height of 50 bbl kick
 with Drill Pipe inside casing and mud gradient with which the next hole section will be run above that
 (0.47 psi/ft). External force will be equal to the mud gradient in which the casing will be run (0.52 psi/ft),
 which is a more conservative backup force than pore pressure.
- Fracture at Shoe with 1/3 BHP at Surface: Internal burst force at the shoe will be Fracture Pressure at
 setting depth. Internal burst force at surface will be 1/3 of pore pressure at setting depth. External force
 will be equal to the mud gradient in which the casing will be run (0.52 psi/ft) which is a more conservative
 backup force than pore pressure.

Tensile: DF_t=1.8

 Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (10.0 ppg).

Production Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.47 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and mud gradient in which the casing will be run above that (0.47 psi/ft) and an internal force equal to mud gradient of displacement fluid (0.43 psi/ft).

Burst: DFb=1.125

- Pressure Test: 8000 psi casing test with an external force equal to the mud gradient in which the casing will be run (0.47 psi/ft), which is a more conservative backup force than pore pressure.
- Injection Down Casing: 9500 psi surface injection pressure plus an internal pressure gradient of 0.65 psi/ft with an external force equal to the mud gradient in which the casing will be run (0.47 psi/ft), which is a more conservative backup force than pore pressure.

Tensile: DF_t=1.8

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (9.0 ppg).

Casing Design Criteria and Load Case Assumptions

Surface Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.43 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an internal force equal to mud gradient of displacement fluid (0.52 psi/ft).

Burst: DF_b=1.125

Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud
gradient in which the casing will be run (0.43 psi/ft), which is a more conservative backup force than pore
pressure.

Tensile: DF_t=1.8

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (8.3 ppg).

Intermediate #2 Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.52 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an internal force equal to mud gradient of displacement fluid (0.43 psi/ft).

Burst: DFb=1.125

- Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud
 gradient in which the casing will be run (0.52 psi/ft), which is a more conservative backup force than pore
 pressure.
- Gas Kick Profile: Internal burst force at the shoe will be Fracture Pressure at that depth. Surface burst
 pressure will be fracture gradient at setting depth less a gas gradient to equivalent height of 50 bbl kick
 with Drill Pipe inside casing and mud gradient with which the next hole section will be run above that
 (0.47 psi/ft). External force will be equal to the mud gradient in which the casing will be run (0.52 psi/ft),
 which is a more conservative backup force than pore pressure.
- Fracture at Shoe with 1/3 BHP at Surface: Internal burst force at the shoe will be Fracture Pressure at setting depth. Internal burst force at surface will be 1/3 of pore pressure at setting depth. External force will be equal to the mud gradient in which the casing will be run (0.52 psi/ft) which is a more conservative backup force than pore pressure.

Tensile: DF_t=1.8

 Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (10.0 ppg).

Production Casing

Collapse: DFc=1.125

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be run (0.47 psi/ft). The effects of axial load on collapse will be considered.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and mud gradient in which the casing will be run above that (0.47 psi/ft) and an internal force equal to mud gradient of displacement fluid (0.43 psi/ft).

Burst: DFb=1.125

- Pressure Test: 8000 psi casing test with an external force equal to the mud gradient in which the casing will be run (0.47 psi/ft), which is a more conservative backup force than pore pressure.
- Injection Down Casing: 9500 psi surface injection pressure plus an internal pressure gradient of 0.65 psi/ft with an external force equal to the mud gradient in which the casing will be run (0.47 psi/ft), which is a more conservative backup force than pore pressure.

Tensile: DFt=1.8

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string utilizing the effects of buoyancy (9.0 ppg).



Hydrogen Sulfide Drilling

Operations Plan

Matador Resources

1 H2S safety instructions to the following:

- Characteristics of H2S
- Physical effects and hazards
- Principal and operation of H2S detectors, warning system and briefing areas
- Evacuation procedures, routes and first aid
- Proper use of safety equipment & life support systems
- Essential personnel meeting medical evaluation criteria will receive additional training on the proper use of 30min pressure demand air packs

2 H2S Detection and Alarm Systems:

- H2S sensor/detectors to be located on the drilling rig floor, in the base of the sub structure / cellar area, on the mud pits in the shale shaker area. Additional H2S detectors may be placed as deemed necessary
- An audio alarm system will be installed on the derrick floor and in the doghouse

3 Windsocks and / Wind Streamers:

- Windsocks at mud pit area should be high enough to be visible
- Windsock on the rig floor and / top of doghouse should be high enough to be visible

4 Condition Flags and Signs:

- Warning sign on access road to location
- Flags to be displayed on sign at entrance to location
 - o Green Flag Normal Safe Operation Condition
 - Yellow Flag Potential Pressure and Danger
 - Red Flag Danger (H2S present in dangerous concentrations) Only H2S trained personnel admitted on location

5 Well Control Equipment:

• See Exhibit E-1

6 Communication:

- While working under masks chalkboards will be used for communications
- Hand signals will be used where chalk board is inappropriate
- Two way radio will be used to communicate off location in case of emergency help is required.
 In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.



7 **Drilling Stem Testing:**

• No DST cores are planned at this time

8 Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubulars good and other mechanical equipment

9 If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavengers if necessary

11 Emergency Contacts

• See exhibit E-6

Rodney Robinson Federal #101H SHL: 240' FNL & 827' FWL Section 6 BHL: 60' FSL & 491' FWL Section 7

Township/Range: 23S 33E

Elevation Above Sea Level: 3,738'

Drilling Operation Plan

Proposed Drilling Depth: 19984' MD / 9839' TVD

Type of well: Horizontal well, no pilot hole

Permitted Well Type: Oil.

Geologic Name of Surface Formation: Quaternary Deposits

KOP Lat/Long (NAD83): 32.3409300979 N / -103.6176748558 W TD Lat/Long (NAD83): 32.3122023047 N / -103.6181866565 W

1. Estimated Tops

| Formation | MD (ft) | TVD (ft) | Thickness (ft) | Lithology | Resource |
|-----------------|---------|----------|----------------|-----------|-----------------|
| Rustler | 1,252 | 1,252 | 533 | Anhydrite | Barren |
| Top of Salt | 1,785 | 1,785 | 1,578 | Salt | Barren |
| Castile | 3,363 | 3,363 | 1,610 | Salt | Barren |
| Base of Salt | 4,973 | 4,973 | 49 | Salt | Barren |
| Bell Canyon | 5,022 | 5,022 | 860 | Sandstone | Oil/Natural Gas |
| Cherry Canyon | 5,882 | 5,882 | 1,359 | Sandstone | Oil/Natural Gas |
| Brushy Canyon | 7,241 | 7,241 | 1,540 | Sandstone | Oil/Natural Gas |
| BoneSpring Lime | 8,781 | 8,781 | | Limestone | Oil/Natural Gas |
| KOP | 9,192 | 9,180 | | Limestone | Oil/Natural Gas |
| TD | 19,984 | 9,839 | | Limestone | Oil/Natural Gas |

2. Notable Zones

Avalon is the goal. All perforations will be within the setback requirements as prescribed or permitted by the New Mexico Oil Conservation Division. OSE estimated ground water depth at this location is 78'.

3. Pressure Control

Equipment

A 12,000' 5000-psi BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and one annular preventer will be utilized below surface casing to TD. See attachments for BOP and choke manifold diagrams.

An accumulator complying with Onshore Order #2 requirements for the pressure rating of the BOP stack will be present. A rotating head will also be installed as needed.

Testing Procedure

BOP will be inspected and operated as required in Onshore Order #2. Kelly cock and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position.

A third party company will test the BOPs.

After setting surface casing, a minimum 5M BOPE system will be installed. Test pressures will be 250 psi low and 5000 psi high with the annular preventer being tested to 250 psi low and 2500 psi high before drilling below surface shoe. In the event that the rig drills multiple wells on the pad and any seal subject to test pressures are broken, a full BOP test will be performed when the rig returns and the 5M BOPE system is re-installed.

Variance Request

Matador requests a variance to have the option of running a multi-bowl wellhead assembly for setting the Intermediate 1 and Production Strings. The BOPs will not be tested again unless any flanges are separated.

Matador requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. If the specific hose is not available, then one of equal or higher rating will be used.

Matador requests a variance to have the option of batch drilling this well with other wells on the same pad. In the event that this well is batch drilled, the wellbore will be secured with a blind flange of like pressure. When the rig returns to this well and BOPs are installed, the operator will perform a full BOP test.

4. Casing & Cement

All casing will be API and new. See attached casing assumption worksheet.

| String | Hole Size (in) | Set MD (ft) | Set TVD (ft) | Casing Size (in) | Wt. (lb/ft) | Grade | Joint | Collapse | Burst | Tension |
|----------------|-------------------|-------------|-----------------|---------------------|----------------|-------|---------------------|----------|-------|---------|
| Surface | 17.5 | 0 - 1277 | 0 - 1277 | 13.375 | 54.5 | J-55 | BUTT | 1.125 | 1.125 | 1.8 |
| Intermediate 1 | 12.25 | 0 - 5047 | 0 - 5047 | 9.625 | 40 | J-55 | BUTT | 1.125 | 1.125 | 1.8 |
| Production | 8.75 | 0 - 19984 | 0 -`9839 | 5.5 | 20 | P-110 | DWC/C-IS HT Plus | 1.125 | 1.125 | 1.8 |

⁻ All casing strings will be tested in accordance with Onshore Order #2 - III.B.1.h

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

| String | Туре | Sacks | Yield | Cu. Ft. | Weight | Percent Excess | Top of Cement | Class | Blend |
|----------------|------|-------|-------|------------|--------|-------------------|------------------|-------|--|
| Surface | Lead | 630 | 1.72 | 1090 | 12.5 | 50% | 0 | С | 5% NaCl + LCM |
| | Tail | 250 | 1.38 | 347 | 14.8 | 50% | 977 | С | 5% NaCl + LCM |
| Intermediate 1 | Lead | 940 | 2.13 | 1996 | 12.6 | 50% | 0 | С | Bentonite + 1% CaCL2 + 8% NaCl + LCM |
| | Tail | 370 | 1.38 | 504 | 14.8 | 50% | 4047 | С | 5% NaCl + LCM |
| Production | Lead | 540 | 2.22 | 1203 | 11.5 | 25% | 4847 | Н | Fluid Loss + Dispersant + Retarder + LCM |
| | Tail | 2650 | 1.35 | 3576 | 13.2 | 25% | 8692 | Н | Fluid Loss + Dispersant + Retarder + LCM |

5. Mud Program

An electronic Pason mud monitoring system complying with Onshore Order #2 will be used. All necessary mud products (barite, bentonite, LCM) for weight addition and fluid loss control will be on location at all times. Mud program is subject to change due to hole conditions.

| Hole Section | Hole Size (in) | Mud Type | Interval MD (ft) | Density (lb/gal) | Viscosity | Fluid Loss |
|----------------|----------------|--------------|------------------|------------------|-----------|------------|
| Surface | 17.5 | Spud Mud | 0 - 1277 | 8.4 - 8.8 | 28-30 | NC |
| Intermediate 1 | 12.25 | Brine Water | 1277 - 5047 | 9.5 - 10.2 | 28-30 | NC |
| Production | 8.75 | FW/Cut Brine | 5047 - 19984 | 8.6 - 9.4 | 28-30 | NC |

6. Cores, Test, & Logs

No core or drill stem test is planned.

A 2-person mud logging program will be used from Kick-off point to TD.

No electric logs are planned at this time. GR will be collected through the MWD tools from Intermediate casing to TD. CBL with CCL will be run as far as gravity will let it fall to top of curve.

7. Down Hole Conditions

No abnormal pressure or temperature is expected. Maximum anticipated surface pressure is 2645 psi. Expected bottom hole temperature is 151° F.

In accordance with Onshore Order 6, Matador does not anticipate that there will be enough H2S from the surface to the Bone Spring formations to meet the BLM's minimum requirements for the submission of a "H2S Drilling Operation Plan" or "Public Protection Plan" for the drilling and completion of this well. Since we have a H2S safety package on all wells, attached is a "H2S Drilling Operations Plan." Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely. All personnel will be familiar with all aspects of safe operation of the equipment being used.



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



Submission Date: 03/15/2019

Operator Name: MATADOR PRODUCTION COMPANY

Well Name: RODNEY ROBINSON FEDERAL

Well Hallie. NODIALT NODIACONT EDELAL

Well Type: OIL WELL

APD ID: 10400039821

Well Number: 101H

Well Work Type: Drill



Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

MPC_RR_Drive_map_v1_030719_Map1_20190315093637.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? YES

New Road Map:

MPC_RR_New_Roads_map_Plats_v1_031419_Map2_20190315093715.pdf

New road type: RESOURCE

Length: 4454.29

Feet

Width (ft.): 30

Max slope (%): 0

Max grade (%): 4

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Crowned and ditched

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Well Name: RODNEY ROBINSON FEDERAL Well Number: 101H

Turnout? N

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Grader

Access other construction information: Topsoil and brush will be windowed beside the road.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: Crowned and ditched

Road Drainage Control Structures (DCS) description: None

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:

MPC_RR_ALL_Slots_1mi_Well_Map_031219_Map3_20190315093755.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: This Surface Use Plan is in support of Matador's Rodney Robinson well pad and production facilities. Matador will operate twenty-nine (29) oil wells arranged across three (3) well pads (Slots 1, 2, and 3/4 "super pad"), two (2) central tank batteries (CTBs) (E2 & W2), a frac pond, flow lines, power lines, a gas pipeline (E2 & W2), and associated access roads. Matador intends to construct two central tank batteries. The W2 CTB will service the Slot 1 & 2 pads while the E2 CTB will service the combined Slot 3/4 super pad. Matador will install 300.00' of 4" buried flowline from Slots 1 & 2 to the W2 CTB and 971.57' from the Slot 3/4 pad to the E2 CTB, for a total of 1,271.57'. Matador will install a total of 3,031.27' of ~6" O.D. buried gas pipeline to connect to an existing gas line in the NWNW of Section 6. Approximately

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Production Facilities map:

MPC_RR_POD_map_v2_031219_Map2_20190315093839.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:

Source latitude:

Source datum:

Water source permit type: WATER WELL

Source land ownership: FEDERAL

Water source transport method: TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 20000

Source volume (acre-feet): 2.577862

Source volume (gal): 840000

Water source and transportation map:

MPC_RR_H2O_Caliche_map_v1_031119_Map4_20190315093939.pdf

Water source comments:

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Using any construction materials: YES

Construction Materials description: COG and NM One Call (811) will be notified before construction starts. Top 6" of soil and brush will be stockpiled south of the pad. Pipe racks will face north. Closed loop drilling system will be used. Caliche will be hauled from an existing caliche pit located on private land in Section 20 23E 33E. This site is operated by Basin.

Construction Materials source location attachment:

MRC_RR_ALL_Slots_Pad_Recontour_FIG2_20190315094238.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill cuttings, mud, salts, and other chemicals; trash, human waste.

Amount of waste: 1000

barrels

Waste disposal frequency: Daily

Safe containment description: Drill cuttings, mud, salts, and other chemicals will be placed in steel tanks; trash will be placed in portable trash cage; human waste will be disposed of in chemical toilets.

Safe containment attachment:

Waste disposal type: OTHER

Disposal location ownership: OTHER

Disposal type description: Private/Public

Disposal location description: Steel tanks to R360 state approved (NM-01-0006) disposal site at Halfway, NM; trash cage

to Lea County landfill; chemical toilets to Carlsbad wastewater treatment plat.

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

Well Name: RODNEY ROBINSON FEDERAL Well Number: 101H

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Steel tanks on pad.

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

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

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

MPC RR RecProduction ALL SLOTS v1_031119 FIG1 20190315094340.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: SLOT

Multiple Well Pad Number: 1

Recontouring attachment:

MPC_RR_RecProduction_ALL_SLOTS_v1_031119_FIG1_20190315094407.pdf

MRC_RR_ALL_Slots_Pad_Recontour_FIG2_20190315094431.pdf

Drainage/Erosion control construction: Crowned and ditched

Drainage/Erosion control reclamation: Harrowed on the contour

Wellpad long term disturbance (acres): 3.95

Wellpad short term disturbance (acres): 0.55

Access road long term disturbance (acres): 0.64

Pipeline short term disturbance (acres): 0

Access road short term disturbance (acres): 0

Pipeline long term disturbance (acres): 0.39

Other long term disturbance (acres): 15.61

Other short term disturbance (acres): 0

Well Name: RODNEY ROBINSON FEDERAL Well Number: 101H

Disturbance Comments:

Reconstruction method: Interim reclamation will be completed within 6 months of completing the well. Interim reclamation will consist of shrinking the Slot 1 and 2 pads by 0.55 acres by removing caliche and reclaiming the Northwest corner of each pad. Interim reclamation on the Slot 3/4 super pad will consist of reclaiming 0.75 acres in the Northwest corner of the pad. Disturbed areas will be contoured to match pre-construction grades. Soil and brush will be evenly spread over disturbed areas and harrowed on the contour. Disturbed areas will be seeded in accordance with the land owner's requirements.

Topsoil redistribution: Enough stockpiled topsoil will be retained on the north edge of the well pads, both CTBs, and the frac pond. This soil will be used to cover the remainder of the pads, tank battery, and pond sites when the wells are plugged. Once the last well is plugged, the rest of the pad and associated roads will be similarly reclaimed within 6 months of plugging. Noxious weeds will be controlled.

Soil treatment: None

Existing Vegetation at the well pad:

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road:

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline:

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances:

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Operator Name: MATADOR PRODUCTION COMPANY Well Name: RODNEY ROBINSON FEDERAL Well Number: 101H Seed Management **Seed Table** Seed type: Seed source: Seed name: Source name: Source address: Source phone: Seed cultivar: Seed use location: PLS pounds per acre: Proposed seeding season: Total pounds/Acre: **Seed Summary Seed Type** Pounds/Acre Seed reclamation attachment: **Operator Contact/Responsible Official Contact Info** First Name: **Last Name:** Phone: Email: Seedbed prep: Seed BMP: Seed method: Existing invasive species? NO Existing invasive species treatment description:

Existing invasive species treatment attachment:

Monitoring plan description: To BLM standards

Weed treatment plan attachment:

Success standards: To BLM satisfaction

Monitoring plan attachment:

Pit closure description: No pit

Pit closure attachment:

Weed treatment plan description: To BLM standards

Operator Name: MATADOR PRODUCTION COMPANY
Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

USFS Ranger District:

| Section 11 - Surface Ownership | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| Disturbance type: WELL PAD | | | | | | | | |
| Describe: | | | | | | | | |
| Surface Owner: STATE GOVERNMENT | | | | | | | | |
| Other surface owner description: | | | | | | | | |
| BIA Local Office: | | | | | | | | |
| BOR Local Office: | | | | | | | | |
| COE Local Office: | | | | | | | | |
| DOD Local Office: | | | | | | | | |
| NPS Local Office: | | | | | | | | |
| State Local Office: SANTA FE NM | | | | | | | | |
| Military Local Office: | | | | | | | | |
| USFWS Local Office: | | | | | | | | |
| Other Local Office: | | | | | | | | |
| USFS Region: | | | | | | | | |
| USFS Forest/Grassland: | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Disturbance type: EXISTING ACCESS ROAD | | | | | | | | |
| Describe: | | | | | | | | |
| Surface Owner: STATE GOVERNMENT | | | | | | | | |
| Other surface owner description: | | | | | | | | |
| BIA Local Office: | | | | | | | | |
| BOR Local Office: | | | | | | | | |
| COE Local Office: | | | | | | | | |
| DOD Local Office: | | | | | | | | |
| NPS Local Office: | | | | | | | | |
| State Local Office: SANTA FE NM | | | | | | | | |
| Military Local Office: | | | | | | | | |
| USFWS Local Office: | | | | | | | | |

Other Local Office:

| USFS Forest/Grassland: | USFS Ranger District: |
|-----------------------------------|------------------------------|
| | |
| | |
| | |
| | |
| Disturbance type: NEW ACCESS ROAD | |
| Describe: | |
| Surface Owner: STATE GOVERNMENT | |
| Other surface owner description: | |
| BIA Local Office: | |
| BOR Local Office: | |
| COE Local Office: | |
| DOD Local Office: | |
| NPS Local Office: | |
| State Local Office: SANTA FE NM | |
| Military Local Office: | |
| USFWS Local Office: | |
| Other Local Office: | |
| USFS Region: | |
| USFS Forest/Grassland: | USFS Ranger District: |
| | |
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| | |
| | · · |
| Disturbance type: PIPELINE | |
| Describe: | |
| Surface Owner: STATE GOVERNMENT | |
| Other surface owner description: | |
| BIA Local Office: | |
| BOR Local Office: | |
| COE Local Office: | |
| DOD Local Office: | |
| NPS Local Office: | |
| | |

Well Number: 101H

Operator Name: MATADOR PRODUCTION COMPANY

Well Name: RODNEY ROBINSON FEDERAL

State Local Office: SANTA FE NM

| Well Name: RODNEY ROBINSON FEDERAL | Well Number: 101H |
|------------------------------------|------------------------------|
| USFWS Local Office: | |
| Other Local Office: | |
| JSFS Region: | |
| USFS Forest/Grassland: | USFS Ranger District: |
| | |
| | |
| Disturbance type: OTHER | |
| Describe: Power Line | ı |
| Surface Owner: STATE GOVERNMENT | |
| Other surface owner description: | |
| BIA Local Office: | |
| BOR Local Office: | |
| COE Local Office: | |
| OOD Local Office: | |
| NPS Local Office: | |
| State Local Office: SANTA FE NM | |
| Military Local Office: | |
| JSFWS Local Office: | |
| Other Local Office: | |
| JSFS Region: | |
| JSFS Forest/Grassland: | USFS Ranger District: |
| | |
| | |
| | |
| | |
| Disturbance type: OTHER | |
| Describe: Central Tank Battery | |
| Surface Owner: STATE GOVERNMENT | |
| Other surface owner description: | |

BIA Local Office:

BOR Local Office:

COE Local Office:

Well Name: RODNEY ROBINSON FEDERAL

Well Number: 101H

NPS Local Office:

State Local Office: SANTA FE NM

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: Interim reclamation calculations reflect specific figures for Slot 1 pad plus total figures for Frac Pond and Central Tank Battery site for west half.

Use a previously conducted onsite? YES

Previous Onsite information: On-site inspection was held on December 13, 2018 with Jesse Bassett (BLM).

Other SUPO Attachment

MPC_RR_ALL_SLOTS_SUPO_v2_031419_20190315105718.pdf



Matador Resources

Lea County, New Mexico (NAD 27) Rodney Robinson Federal (West) Rodney Robinson Federal 101H

Wellbore #1

Plan: Design #1

Standard Planning Report

21 February, 2019





Planning Report

TVD Reference:

MD Reference:

North Reference:



Well Rodney Robinson Federal 101H

Rig @ 3766.50usft (Patterson 282)

Rig @ 3766.50usft (Patterson 282)

Database: Company: EDM 5000.14 Conroe DB

Matador Resources

Project: Site:

Lea County, New Mexico (NAD 27)

Well:

Rodney Robinson Federal (West) Rodney Robinson Federal 101H

Wellbore: Design:

Wellbore #1 Design #1

Project

Lea County, New Mexico (NAD 27)

Map System: Geo Datum:

US State Plane 1927 (Exact solution)

Map Zone:

NAD 1927 (NADCON CONUS)

New Mexico East 3001

System Datum:

Local Co-ordinate Reference:

Survey Calculation Method:

Mean Sea Level

Grid

Minimum Curvature

Site

Rodney Robinson Federal (West)

Site Position:

From:

Мар

Northing: Easting:

488,253.00 usft 721,298,00 usft

Latitude: Longitude:

32° 20' 25.038 N 103° 37' 0,501 W

Position Uncertainty:

0.00 usft

Slot Radius:

13-3/16 *

Well

Rodney Robinson Federal 101H

Well Position

+N/-S +F/-W 0.00 usft 0.00 usft

Northing:

488,253.00 usft

Latitude:

32° 20' 25.034 N

Position Uncertainty

0.00 usft

Easting:

721,358.00 usft

Longitude:

103° 36' 59.801 W

Wellhead Elevation:

usft

Ground Level:

3,738.00 usft

Grid Convergence:

0.383 °

Wellbore

Wellbore #1

Magnetics

Model Name

Sample Date

Declination (°)

Dip Angle (°)

Field Strength

(nT)

BGGM2018

2/14/2019

6.867

60.092

47,871.87

Design

Design #1

Audit Notes:

Version:

Phase:

PLAN

Tie On Depth:

0.00

Depth From (TVD)

+N/-S

+E/-W

Vertical Section:

(usft) 0.00

(usft) 0.00

(usft) 0.00

Direction (°) 179.62

Plan Survey Tool Program

2/21/2019 Date

Depth From (usft)

Depth To

(usft)

Survey (Wellbore)

Tool Name

Remarks

0.00

19,984.75

Design #1 (Wellbore #1)

MWD

OWSG MWD - Standard



Planning Report



Database: Company: Project: EDM 5000.14 Conroe DB

Matador Resources

Lea County, New Mexico (NAD 27)
Rodney Robinson Federal (West)

Rodney Robinson Federal 101H

Wellbore: Design:

Site:

Well:

Wellbore #1 Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Rodney Robinson Federal 101H Rig @ 3766.50usft (Patterson 282) Rig @ 3766.50usft (Patterson 282) Grid

| Measured | , | | Vertical | | | Dogleg | Bulld | Turn | | |
|-----------------|--------------------|----------------|-----------------|-----------------|-----------------|---------------------|---------------------|---------------------|------------|------------------|
| Depth (usft) | Inclination (°) | Azimuth (°) | Depth (usft) | +N/-S (usft) | +E/-W (usft) | Rate (°/100usft) | Rate (°/100usft) | Rate (°/100usft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0,00 | 0,00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 1,200.00 | 0.00 | 0.00 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 1,799.96 | 6.00 | 316.31 | 1,798.86 | 22.69 | -21.68 | 1.00 | 1.00 | 0.00 | 316.313 | |
| 3,792.77 | 6.00 | 316.31 | 3,780.76 | 173.31 | -165.55 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 4,192.74 | 0.00 | 0.00 | 4,180.00 | 188.44 | -180.00 | 1.50 | -1.50 | 0.00 | 180.000 | |
| 9,192.74 | 0.00 | 0.00 | 9,180.00 | 188.44 | -180.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 10,087.74 | 89.50 | 190.50 | 9,752.94 | -370.01 | -283.50 | 10.00 | 10.00 | 0.00 | 190.500 | |
| 10,631.94 | 89.50 | 179.62 | 9,757.71 | -911.25 | -331.41 | 2.00 | 0.00 | -2.00 | -90.055 | |
| 19,984.75 | 89.50 | 179.62 | 9,839.55 | -10,263,49 | -268.65 | 0.00 | 0.00 | 0.00 | 0.000 | PBHL - Rodney Ro |



Planning Report



Database: Company: EDM 5000.14 Conroe DB

Matador Resources

Project: Site: Lea County, New Mexico (NAD 27) Rodney Robinson Federal (West)

Well: Wellbore: Rodney Robinson Federal 101H

Wellbore: Design: Wellbore #1 Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Well Rodney Robinson Federal 101H Rig @ 3766.50usft (Patterson 282) Rig @ 3766.50usft (Patterson 282)

Grid

| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
|----------------------|--------------|----------------|----------------------|------------------|-------------------|--------------------|-------------|--------------|--------------|
| | | | Depth | | .= | Section | Rate | Rate | Rate |
| Depth (usft) | Inclination | Azimuth (°) | (usft) | +N/-S (usft) | +E/-W (usft) | Section (usft) | (°/100usft) | (°/100usft) | (°/100usft) |
| , , | (°) | | | | | | | • | , |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100.00 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | . 0.00 | 0.00 | 0.00 | 0.00 |
| 300,00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 0.00 | 0.00 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500.00 | 0.00 | 0.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 600.00 | 0.00 | 0.00 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 700.00 | 0.00 | 0.00 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 800.00 | 0.00 | 0.00 | 800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 900.00 | 0.00 | 0.00 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 0.00 | 0.00 | 1,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 0.00 | 0.00 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| KOP, 1.00°/1 | | 0.00 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0,00 | 0.00 | 0.00 |
| 1,300.00 | 1.00 1.00 | 316.31 | 1.299.99 | 0.63 | -0.60 | -0.64 | 1.00 | 1.00 | 0.00 |
| 1,400.00 | 2.00 | 316.31 | 1,399.96 | 2.52 | -0.00 -2.41 | -2.54 | 1.00 | 1.00 | 0.00 |
| • | | | - | | | | | | |
| 1,500.00 | 3.00 | 316.31 | 1,499.86 | 5.68 | -5.42 | -5.71 | 1.00 | 1.00 | 0.00 |
| 1,600.00 | 4.00 | 316.31 | 1,599.68 | 10.09 | -9.64 | -10.16 | 1.00 | 1.00 | 0.00 |
| 1,700.00 | 5.00 | 316.31 | 1,699.37 | 15.77 | -15.06 | -15.87 | 1.00 | 1.00 | 0.00 |
| 1,799.96 | 6.00 | 316.31 | 1,798.86 | 22.69 | -21.68 | -22.84 | 1.00 | 1.00 | 0.00 |
| Begin 6.00° | | 240.24 | 4 000 00 | 20.05 | 20.00 | 20.45 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 6.00 | 316.31 | 1,898.36 | 30.25 | -28.90 | -30.45 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 6.00 | 316.31 | 1,997.81 | 37.81 | -36.12 | -38.05 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 6.00 | 316.31 | 2,097.26 | 45.37 | -43.34 | -4 5.66 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 6.00 | 316.31 | 2,196.71 | 52.93 | -50.56 | -53.26 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 6.00 | 316.31 | 2,296.17 | 60.49 | -57.78 | -60.87 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 6.00 | 316.31 | 2,395.62 | 68.05 | -65.00 | -68.48 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 6.00 | 316.31 | 2,495,07 | 75.60 | -72.22 | -76.08 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 6.00 | 316.31 | 2,594.52 | 83.16 | -79.44 | -83.69 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 6.00 | 316.31 | 2,693.97 | 90.72 | -86,66 | -91.29 | 0.00 | 0,00 | 0.00 |
| 2,800.00 | 6.00 | 316.31 | 2,793.43 | 98.28 | -93.88 | -98.90 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 6.00 | 316.31 | 2,892.88 | 105.84 | -101.09 | -106.50 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 6.00 | 316.31 | 2.992.33 | 113.39 | -108.31 | -114.11 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 6.00 | 316.31 | 3.091.78 | 120.95 | -115.53 | -121.72 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 6.00 | 316.31 | 3,191.24 | 128.51 | -122.75 | -129.32 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 6.00 | 316.31 | 3,290.69 | 136.07 | -129.97 | -136.93 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 6.00 | 316.31 | 3,390.14 | 143.63 | -137.19 | -144.53 | 0.00 | 0.00 | 0.00 |
| , | | | • | | | | | | |
| 3,500.00 | 6.00 | 316.31 | 3,489.59 | 151.19 150.74 | -144.41 151.63 | -152.14 150.75 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 6.00 | 316.31 | 3,589.04 | 158.74 | -151.63 | -159.75 167.25 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 6.00 | 316.31 | 3,688.50 | 166.30 | -158.85 | -167.35 | 0.00 | 0.00 | 0.00 |
| 3,792.77 | 6.00 | 316.31 | 3,780.76 | 173.31 | -165.55 | -174.41 | 0.00 | 0.00 | 0.00 |
| 3,800.00 | 5.89 | 316.31 | 3,787.95 | 173.85 | -166.07 | -174.95 | 1.50 | -1.50 | 0.00 |
| • | | | | | -100.07 | -1/4.95 | 1.50 | | 0.00 |
| 3,900.00 | 4.39 | 316.31 | 3,887.54 | 180.33 | -172.26 | -181.47 | 1.50 | -1.50 | 0.00 |
| 4,000.00 | 2.89 | 316.31 | 3,987.34 | 184.93 | -176.64 | -186.09 | 1.50 | -1.50 | 0.00 |
| 4,100.00 | 1.39 | 316.31 | 4,087.27 | 187.63 | -179.22 | -188.81 | 1.50 | -1.50 | 0.00 |
| 4,192.74 | 0.00 | 0.00 | 4,180.00 | 188.44 | -180.00 | -189.63 | 1.50 | -1.50 | 0.00 |
| Begin Vertic | al Hold | | | | • | | | | |
| 4,200.00 | 0.00 | 0.00 | 4,187.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 0.00 | 0.00 | 4,287.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 0.00 | 0.00 | 4,287.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| | | | • | | | | | | |
| 4,500.00 | 0.00 | 0.00 | 4,487.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 4,600.00 4,700.00 | 0.00 0.00 | 0.00 | 4,587.26 4,687.26 | 188.44 | -180.00 | -189.63 -189.63 | 0.00 | 0.00 0.00 | 0.00 0.00 |



Planning Report



Database: Company: EDM 5000.14 Conroe DB Matador Resources

Project: Site: Lea County, New Mexico (NAD 27) Rodney Robinson Federal (West)

Well: Wellbore: Rodney Robinson Federal 101H

Wellbore: Design: Wellbore #1 Design #1 Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well Rodney Robinson Federal 101H Rig @ 3766.50usft (Patterson 282)

Rig @ 3766.50usft (Patterson 282)

Grid

| Design: | Design #1 | - | - | | | | | | |
|----------------------|-------------|----------|----------------------|--------|--------------------|--------------------|-------------|-------------|-------------|
| Planned Survey | | | | | | | | | |
| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
| Depth | Inclination | Azimuth | Depth | +N/-S | +E/-W | Section | Rate | Rate | Rate |
| (usft) | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (°/100usft) | (°/100usft) | (°/100usft) |
| 4,800.00 | 0.00 | 0.00 | 4,787.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 0.00 | 0.00 | 4,887.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 0.00 | 0.00 | 4,987.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 0.00 | 0.00 | 5,087.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 0.00 | 0.00 | 5,187.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 0.00 | 0.00 | 5,287.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 0.00 | 0.00 | 5,387.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 0.00 | 0.00 | 5,487.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 0.00 | 0.00 | 5,587.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 0.00 | 0.00 | 5,687.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 0.00 | 0.00 | 5,787.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 0.00 | 0.00 | 5,887.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 0.00 | 0.00 | 5,987.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 0.00 | 0.00 | 6,087.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 0.00 | 0.00 | 6,187.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 0.00 | 0.00 | 6,287.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 0.00 | 0.00 | 6,387.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 0.00 | 0.00 | 6,487.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 0.00 | 0.00 | 6,587.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 0.00 | 0.00 | 6,687.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 0.00 | 0.00 | 6,787.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 0.00 | 0.00 | 6,887.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 0.00 | 0.00 | 6,987.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 0.00 | 0.00 | 7,087.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 0.00 | 0.00 | 7,187.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,300.00 | 0.00 | 0.00 | 7,287.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,400.00 | 0.00 | 0.00 | 7,387.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 0.00 | 0.00 | 7,487.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 0.00 | 0.00 | 7,587.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 0.00 | 0.00 | 7,687.26 | 188.44 | -180.00 | -189.63 | 0,00 | 0.00 | 0.00 |
| 7,800.00 | 0.00 | 0.00 | 7,787.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 0.00 | 0.00 | 7,887.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 0.00 | 0.00 | 7,987.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 0.00 | 0.00 | 8,087.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 0.00 | 0.00 | 8,187.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 0.00 | 0.00 | 8,287.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 0.00 | 0.00 | 8,387.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 0.00 | 0.00 | 8,487.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,600.00 8,700.00 | 0.00 | 0.00 | 8,587.26 8,687,26 | 188.44 | -180,00 -180,00 | -189.63 -189.63 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | • | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,800.00 | 0.00 | 0.00 | 8,787.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 8,900.00 | 0.00 | 0.00 | 8,887.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 9,000.00 | 0.00 | 0.00 | 8,987.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 9,100.00 | 0.00 | 0.00 | 9,087.26 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| 9,192.74 | 0.00 | 0.00 | 9,180.00 | 188.44 | -180.00 | -189.63 | 0.00 | 0.00 | 0.00 |
| Begin 10.00° | /100' Build | | | | | | | • | |
| 9,200.00 | 0.73 | 190.50 | 9,187.26 | 188.40 | -180.01 | -189.59 | 10.00 | 10.00 | 0.00 |
| 9,250.00 | 5.73 | , 190.50 | 9,237.16 | 185.63 | -180.52 | -186.82 | 10.00 | 10.00 | 0.00 |
| 9,300.00 | 10.73 | 190.50 | 9,286.63 | 178.60 | -181.82 | -179.80 | 10.00 | 10.00 | 0.00 |
| 9,350.00 | 15.73 | 190.50 | 9,335.29 | 167.36 | -183.91 | -168.57 | 10.00 | 10.00 | 0.00 |
| 9,400.00 | 20.73 | 190.50 | 9,382.77 | 151.98 | -186.76 | -153.22 | 10.00 | 10.00 | 0.00 |
| 9,450.00 | 25.73 | 190.50 | 9,428.70 | 132.60 | -190.35 | -133.86 | 10.00 | 10.00 | 0.00 |
| 9,500.00 | 30.73 | 190.50 | 9,472.74 | 109.36 | -194.66 | -110.65 | 10.00 | 10.00 | 0.00 |
| 0,000.00 | 00.10 | .00.00 | V1 11 2.1 7 | .33.00 | .54,55 | . 10.00 | 10.00 | 10.00 | 0.00 |



Planning Report



Database: Company: EDM 5000.14 Conroe DB

Matador Resources

Project:

Lea County, New Mexico (NAD 27)

Site: Well: Rodney Robinson Federal (West)

Wellbore: Design: Rodney Robinson Federal 101H Wellbore #1

Wellbore # Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Rodney Robinson Federal 101H Rig @ 3766.50usft (Patterson 282) Rig @ 3766.50usft (Patterson 282)

Grid

| gn: | Design #1 | | | | | | | | |
|-------------------|-------------------|---------|-------------------|------------------------|---------|---------------------|----------------|---------------|--------------|
| ned Survey | • | | | | | | | | • |
| Measured Depth | Inclination | Azimuth | Vertical Depth | +N/-S | +E/-W | Vertical Section | Dogleg Rate | Build Rate | Turn Rate |
| (usft) | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (°/100usft) | (°/100usft) | (°/100usft) |
| 9,550.00 | 35.73 | 190,50 | 9,514.55 | 82.43 | -199,65 | -83.75 | 10,00 | 10.00 | 0.00 |
| 9,600.00 | 40.73 | 190.50 | 9,553.82 | 52.02 | -205.28 | -53.38 | 10.00 | 10.00 | 0.00 |
| 9,650.00 | 45,73 | 190.50 | 9,590.24 | 18.36 | -211.52 | -19.76 | 10.00 | 10.00 | 0.00 |
| 9,030.00 | 45,75 | 150.50 | | 10.30 | -211.32 | -19.70 | 10.00 | 10.00 | 0.00 |
| 9,700.00 | 50.73 | 190.50 | 9,623.54 | -18.29 | -218.32 | 16.85 | 10.00 | 10.00 | 0.00 |
| 9,750.00 | 55.73 | 190.50 | 9,653.47 | -57.66 | -225.61 | 56.16 | 10.00 | 10.00 | 0.00 |
| 9,800.00 | 60.73 | 190.50 | 9,679.79 | -99.44 | -233.36 | 97.89 | 10.00 | 10.00 | 0.00 |
| 9,850.00 | 65.73 | 190.50 | 9,702.30 | -143.32 | -241.49 | 141.72 | 10.00 | 10.00 | 0.00 |
| 9,900.00 | 70.73 | 190.50 | 9,720.84 | -188.96 | -249.95 | 187.30 | 10.00 | 10.00 | 0.00 |
| 9,950.00 | 75.73 | 190.50 | 9,735.27 | -236.02 | -258.67 | 234.30 | 10.00 | 10.00 | 0.00 |
| 10,000.00 | 80.73 | 190.50 | 9,745.47 | -284.13 | -267.59 | 282.35 | 10.00 | 10.00 | 0.00 |
| 10,050.00 | 85.73 | 190.50 | 9,751.36 | -332.93 | -276.63 | 331.09 | 10.00 | 10.00 | 0.00 |
| 10,030.00 | 89.50 | 190.50 | 9,752.94 | -370.01 | -283.50 | 368.12 | 10.00 | 10.00 | 0.00 |
| - | | | 3,732.34 | -370.01 | -263.30 | 300.12 | 10.00 | 10.00 | 0.00 |
| |)° Lateral; Begin | | 0.355.55 | 200 22 | 005 7 | 000 10 | | 2 | |
| 10,100.00 | 89.50 | 190.25 | 9,753.04 | -382.06 | -285.71 | 380.16 | 2.00 | 0.00 | -2.00 |
| 10,200.00 | 89.50 | 188.25 | 9,753.92 | -480.75 | -301.79 | 478.74 | 2.00 | 0.00 | -2.00 |
| 10,300.00 | 89.50 | 186.25 | 9,754.79 | -579.94 | -314.42 | 577.84 | 2.00 | 0.00 | -2.00 |
| 10,400.00 | 89.50 | 184.25 | 9,755.67 | -679.51 | -323.58 | 677.35 | 2.00 | 0.00 | -2.00 |
| 10,500.00 | 89.50 | 182.25 | 9,756.55 | -779.34 | -329.25 | 777.14 | 2.00 | 0.00 | -2.00 |
| 10,600.00 | 89.50 | 180.25 | 9,757.43 | -879.31 | -331.44 | 877.09 | 2.00 | 0.00 | -2.00 |
| | | | | | | | | | |
| 10,631.94 | 89.50 | 179.62 | 9,757.71 | - 911.25 | -331.41 | 909.03 | 2.00 | 0.00 | -2.00 |
| Hold 179.62 | | | | | | | | | |
| 10,700.00 | 89.50 | 179.62 | 9,758.30 | -979.30 | -330.95 | 977.09 | 0.00 | 0.00 | 0.00 |
| 10,800.00 | 89.50 | 179.62 | 9,759.18 | -1,079.30 | -330.28 | 1,077.08 | 0.00 | 0.00 | 0.00 |
| 10,900.00 | 89.50 | 179.62 | 9,760.05 | -1,179.29 | -329.61 | 1,177.08 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 89.50 | 179.62 | 9,760.93 | -1,279.29 | -328.94 | 1,277.08 | 0.00 | 0.00 | 0.00 |
| 44 400 00 | 89.50 | 179.62 | 9,761.80 | -1,379.28 | 220.26 | 4 277 07 | 0.00 | 0.00 | 0.00 |
| 11,100.00 | | | | | -328.26 | 1,377.07 | 0.00 | | |
| 11,200.00 | 89.50 | 179.62 | 9,762.68 | -1,479.27 | -327.59 | 1,477.07 | 0.00 | 0.00 | 0.00 |
| 11,300.00 | 89.50 | 179.62 | 9,763.55 | -1,579.27 | -326.92 | 1,577.07 | 0.00 | 0.00 | 0.00 |
| 11,400.00 | 89.50 | 179.62 | 9,764.43 | -1,679.26 | -326.25 | 1,677.06 | 0.00 | 0.00 | 0.00 |
| 11,500.00 | 89.50 | 179.62 | 9,765.30 | -1,779.26 | -325.58 | 1,777.06 | 0.00 | 0.00 | 0.00 |
| 11,600.00 | 89.50 | 179.62 | 9,766.18 | -1,879.25 | -324.91 | 1,877.05 | 0.00 | 0.00 | 0.00 |
| 11,700.00 | 89.50 | 179.62 | 9,767.05 | -1,979.24 | -324.24 | 1,977.05 | 0.00 | 0.00 | 0.00 |
| 11,800.00 | 89.50 | 179.62 | 9,767.93 | -2,079.24 | -323.57 | 2,077.05 | 0.00 | 0.00 | 0.00 |
| 11,900.00 | 89.50 | 179.62 | 9,768.80 | -2,179.23 | -322.90 | 2,177.04 | 0.00 | 0.00 | 0.00 |
| 12,000.00 | 89.50 | 179.62 | 9,769.68 | -2,279.23 | -322.23 | 2,277.04 | 0.00 | 0.00 | 0.00 |
| | | | • | · · | | | | | |
| 12,100.00 | 89.50 | 179.62 | 9,770.55 | -2,379.22 | -321.55 | 2,377.03 | 0.00 | 0.00 | 0.00 |
| 12,200.00 | 89.50 | 179.62 | 9,771.43 | -2,479.21 | -320.88 | 2,477.03 | 0.00 | 0.00 | 0.00 |
| 12,300.00 | 89.50 | 179.62 | 9,772.30 | -2,579,21 | -320.21 | 2,577.03 | 0.00 | 0.00 | 0.00 |
| 12,400.00 | 89.50 | 179.62 | 9,773.18 | -2,679.20 | -319.54 | 2,677.02 | 0.00 | 0.00 | 0.00 |
| 12,500.00 | 89.50 | 179.62 | 9,774.05 | -2,779.20 | -318.87 | 2,777.02 | 0.00 | 0.00 | 0.00 |
| 12,600.00 | 89.50 | 179.62 | 9,774.93 | -2,879.19 | -318.20 | 2,877.02 | 0.00 | 0.00 | 0.00 |
| 12,700.00 | 89.50 | 179.62 | 9,775.80 | -2,979.18 | -317.53 | 2,977.01 | 0.00 | 0.00 | 0.00 |
| 12,800.00 | 89.50 | 179.62 | 9,776.68 | -3,079.18 | -316.86 | 3,077.01 | 0.00 | 0.00 | 0.00 |
| 12,900.00 | 89.50 | 179.62 | 9,777.55 | -3,179.17 | -316.19 | 3,177.00 | 0.00 | 0.00 | 0.00 |
| 13,000.00 | 89.50 | 179.62 | 9,778.43 | -3,279.16 | -315.52 | 3,277.00 | 0.00 | 0.00 | 0.00 |
| • | | | | | | | | | |
| 13,100.00 | 89.50 | 179.62 | 9,779.30 | -3,379.16 | -314.84 | 3,377.00 | 0.00 | . 0.00 | 0.00 |
| 13,200.00 | 89.50 | 179.62 | 9,780.18 | -3,479.15 | -314.17 | 3,476.99 | 0.00 | 0.00 | 0.00 |
| 13,300.00 | 89.50 | 179.62 | 9,781.05 | -3,579.15 | -313.50 | 3,576.99 | 0.00 | 0.00 | 0.00 |
| 13,400.00 | 89.50 | 179.62 | 9,781.93 | -3,679.14 | -312.83 | 3,676.98 | 0.00 | 0.00 | 0.00 |
| 13,500.00 | 89.50 | 179.62 | 9,782.80 | -3,779.13 | -312.16 | 3,776.98 | 0.00 | 0.00 | 0.00 |
| 13,600.00 | 89.50 | 179.62 | 9,783.68 | -3,879.13 | -311.49 | 3,876.98 | 0.00 | 0.00 | 0.00 |
| | 89.50 89.50 | | | -3,879.13 -3,979.12 | | | 0.00 | 0.00 | 0.00 |
| 13,700.00 | | 179.62 | 9,784.55 | | -310.82 | 3,976.97 | | | |
| 13,800.00 | 89.50 | 179.62 | 9,785.43 | -4,079.12 4,170.11 | -310.15 | 4,076.97 | 0.00 | 0.00 | 0.00 |
| 13,900.00 | 89.50 | 179.62 | 9,786.30 | -4,179.11 | -309.48 | 4,176.97 | 0.00 | 0.00 | 0.00 |



Planning Report



Database: Company: EDM 5000.14 Conroe DB

Matador Resources

Project:

Lea County, New Mexico (NAD 27) Rodney Robinson Federal (West)

Site: Well:

Rodney Robinson Federal 101H

Wellbore: D

Wellbore #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: **Survey Calculation Method:** Well Rodney Robinson Federal 101H Rig @ 3766.50usft (Patterson 282)

Rig @ 3766.50usft (Patterson 282)

Minimum Curvature

Grid

| Design: | : | Design #1 | | | | | | | | |
|---------|-----------|-------------|---------|----------|-------------------|---------|----------|-------------|-------------|-------------|
| Planne | d Survey | | | | | | | | | |
| | Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
| 1 | Depth | Inclination | Azimuth | Depth | +N/-S | +E/-W | Section | Rate | Rate | Rate |
| | (usft) | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (°/100usft) | (°/100usft) | (°/100usft) |
| | 14,000.00 | 89.50 | 179.62 | 9,787.18 | -4,279.10 | -308.81 | 4,276.96 | 0.00 | 0.00 | 0.00 |
| | 14,100.00 | 89.50 | 179.62 | 9,788.05 | -4,379.10 | -308.13 | 4,376.96 | 0.00 | 0.00 | 0.00 |
| 1 | 14,200.00 | 89.50 | 179.62 | 9,788.93 | -4,479.09 | -307.46 | 4,476.95 | 0.00 | 0.00 | 0.00 |
| i | 14,300.00 | 89.50 | 179.62 | 9,789.80 | -4,579.09 | -306.79 | 4,576.95 | 0.00 | 0.00 | 0.00 |
| | 14,400.00 | 89.50 | 179.62 | 9,790.68 | -4,679.08 | -306.12 | 4,676.95 | 0.00 | 0.00 | 0.00 |
| | 14,500.00 | 89.50 | 179.62 | 9,791.55 | -4 ,779.07 | -305.45 | 4,776.94 | 0.00 | 0.00 | 0.00 |
| | 14,600.00 | 89.50 | 179.62 | 9,792.43 | -4,879.07 | -304.78 | 4,876.94 | 0.00 | 0.00 | 0.00 |
| | | 89.50 | 179.62 | 9,792.43 | -4,979.06 | -304.76 | | 0.00 | 0.00 | 0.00 |
| | 14,700.00 | | | - | | | 4,976.94 | | | |
| 1 | 14,800.00 | 89.50 | 179.62 | 9,794.18 | -5,079.06 | -303.44 | 5,076.93 | 0.00 | 0.00 | 0.00 |
| | 14,900.00 | 89.50 | 179.62 | 9,795.06 | -5,179.05 | -302.77 | 5,176.93 | 0.00 | 0.00 | 0.00 |
| | 15,000.00 | 89.50 | 179.62 | 9,795.93 | -5,279.04 | -302.10 | 5,276.92 | 0.00 | 0.00 | 0.00 |
| | 15,100.00 | 89.50 | 179.62 | 9,796.81 | -5,379.04 | -301.43 | 5,376.92 | 0.00 | 0.00 | 0.00 |
| | 15,200.00 | 89.50 | 179.62 | 9,797.68 | -5,479.03 | -300.75 | 5,476.92 | 0.00 | 0.00 | 0.00 |
| | 15,300.00 | 89.50 | 179.62 | 9,798.56 | -5,579.03 | -300.08 | 5,576.91 | 0.00 | 0.00 | 0.00 |
| | 15,400.00 | 89.50 | 179.62 | 9,799.43 | -5,679.02 | -299.41 | 5,676.91 | 0.00 | 0.00 | 0.00 |
| | 15,500.00 | 89.50 | 179.62 | 9,800.31 | -5,779.01 | -298.74 | 5,776.90 | 0.00 | 0.00 | 0.00 |
| | 15,600.00 | 89.50 | 179.62 | 9,801.18 | -5,879.01 | -298.07 | 5,876.90 | 0.00 | 0.00 | 0.00 |
| | 15,700.00 | 89.50 | 179.62 | 9,802.06 | -5,979.00 | -297.40 | 5,976.90 | 0.00 | 0.00 | 0.00 |
| | 15,800.00 | 89.50 | 179.62 | 9,802.93 | -6,078.99 | -296.73 | 6,076.89 | 0.00 | 0.00 | 0.00 |
| | 15,900.00 | 89.50 | 179.62 | 9,803.81 | -6,178.99 | -296.06 | 6,176.89 | 0.00 | 0.00 | 0.00 |
| | 16,000.00 | 89.50 | 179.62 | 9,804.68 | -6,278.98 | -295.39 | 6,276.89 | 0.00 | 0.00 | 0.00 |
| | 16,100.00 | 89.50 | 179.62 | 9,805.56 | -6,378.98 | -294.72 | 6,376.88 | 0.00 | 0.00 | 0.00 |
| | 16,200.00 | 89.50 | 179.62 | 9,806.43 | -6,478.97 | -294.72 | 6,476.88 | 0.00 | 0.00 | 0.00 |
| | 16,300.00 | 89.50 | 179.62 | 9,807.31 | -6,578.96 | -293.37 | 6,576.87 | 0.00 | 0.00 | 0.00 |
| | 16,400.00 | 89.50 | 179.62 | 9,808.18 | -6,678.96 | -292.70 | 6,676.87 | 0.00 | 0.00 | 0.00 |
| | 16,500.00 | 89.50 | 179.62 | 9,809.06 | -6,778.95 | -292.70 | 6,776.87 | 0.00 | 0.00 | 0.00 |
| | | | | • | | | | | | |
| | 16,600.00 | 89.50 | 179.62 | 9,809.93 | -6,878.95 | -291.36 | 6,876.86 | 0.00 | 0.00 | 0.00 |
| | 16,700.00 | 89.50 | 179.62 | 9,810.81 | -6,978.94 | -290.69 | 6,976.86 | 0.00 | 0.00 | 0.00 |
| | 16,800.00 | 89,50 | 179.62 | 9,811.68 | <i>-</i> 7,078.93 | -290.02 | 7,076.85 | 0.00 | 0.00 | 0.00 |
| | 16,900.00 | 89.50 | 179.62 | 9,812.56 | -7,178.93 | -289.35 | 7,176.85 | 0.00 | 0.00 | 0.00 |
| | 17,000.00 | 89.50 | 179.62 | 9,813.43 | -7,278.92 | -288.68 | 7,276.85 | 0.00 | 0.00 | 0.00 |
| | 17,100.00 | 89.50 | 179.62 | 9,814.31 | -7,378.92 | -288.01 | 7,376.84 | . 0.00 | 0.00 | 0.00 |
| | 17,200.00 | 89.50 | 179.62 | 9,815.18 | -7,478.91 | -287.33 | 7,476.84 | 0.00 | 0.00 | 0.00 |
| | 17,300.00 | 89.50 | 179.62 | 9,816.06 | -7,578.90 | -286.66 | 7,576.84 | 0.00 | 0.00 | 0.00 |
| į | 17,400.00 | 89.50 | 179.62 | 9,816.93 | -7,678.90 | -285.99 | 7,676.83 | 0.00 | 0.00 | 0.00 |
| | 17,500.00 | 89.50 | 179.62 | 9,817.81 | -7,778.89 | -285.32 | 7,776.83 | 0.00 | 0.00 | 0.00 |
| | 17,600.00 | 89.50 | 179.62 | 9,818.68 | -7.878.89 | -284.65 | 7.876.82 | 0.00 | 0.00 | 0.00 |
| | 17,700.00 | 89.50 | 179.62 | 9,819.56 | -7,978.88 | -283.98 | 7,976.82 | 0.00 | 0.00 | 0.00 |
| | 17,800.00 | 89.50 | 179.62 | 9,820.43 | -8,078.87 | -283.31 | 8,076.82 | 0.00 | 0.00 | 0.00 |
| | 17,900.00 | 89.50 | 179.62 | 9,821.31 | -8,178.87 | -282.64 | 8,176.81 | 0.00 | 0.00 | 0.00 |
| | 18,000.00 | 89.50 | 179.62 | 9,822.18 | -8,278.86 | -281.97 | 8,276.81 | 0.00 | 0.00 | 0.00 |
| | 18,100.00 | 89.50 | 179.62 | 9,823.06 | -8,378.85 | -281.30 | 8,376.81 | 0.00 | 0.00 | 0.00 |
| ļ | 18,200.00 | 89.50 | 179.62 | 9,823.93 | -8,478.85 | -280.62 | 8,476.80 | 0.00 | 0.00 | 0.00 |
| 1 | | | | | | | • | | | |
| 1 | 18,300.00 | 89.50 | 179.62 | 9,824.81 | -8,578.84 | -279.95 | 8,576.80 | 0.00 | 0.00 | 0.00 |
| | 18,400.00 | 89.50 | 179.62 | 9,825.68 | -8,678.84 | -279.28 | 8,676.79 | 0.00 | 0.00 | 0.00 |
| | 18,500.00 | 89.50 | 179.62 | 9,826.56 | -8,778.83 | -278.61 | 8,776.79 | 0.00 | 0.00 | 0.00 |
| 1 | 18,600.00 | 89.50 | 179.62 | 9,827.43 | -8,878.82 | -277.94 | 8,876.79 | 0.00 | 0.00 | 0.00 |
| | 18,700.00 | 89.50 | 179.62 | 9,828.31 | -8,978.82 | -277.27 | 8,976.78 | 0.00 | 0.00 | 0.00 |
| 1 | 18,800.00 | 89.50 | 179.62 | 9,829.18 | -9,078.81 | -276.60 | 9,076.78 | 0.00 | 0.00 | 0.00 |
| 1 | 18,900.00 | 89.50 | 179.62 | 9,830.06 | -9,178.81 | -275.93 | 9,176.77 | 0.00 | 0.00 | 0.00 |
| | 19,000.00 | 89.50 | 179.62 | 9,830.93 | -9,278.80 | -275.26 | 9,276.77 | 0.00 | 0.00 | 0.00 |
| i | | | | | | | | | | |

19,100.00

19,200.00

19,300.00

89.50

89.50

89.50

179.62

179.62

179.62

9,831.81

9,832.68

9,833.56

-9,378.79

-9,478.79

-274.59

-273.91

-273.24

9,376.77

9,476.76

9,576.76

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00



Planning Report



Database: Company: EDM 5000.14 Conroe DB

Matador Resources

Project: Site:

Lea County, New Mexico (NAD 27)

Rodney Robinson Federal (West) Well: Rodney Robinson Federal 101H

Wellbore: Design:

Wellbore #1

Design #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Well Rodney Robinson Federal 101H Rig @ 3766.50usft (Patterson 282)

Rig @ 3766.50usft (Patterson 282) Grid

Minimum Curvature

| Diamod | Cumanu |
|---------|--------|
| Planned | SULVEY |

| leasured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
|---|-------|-----------------|-----------------|-------------------|---------------------|---------------------|---------------------|-------|------|
| Depth Inclination Azimuth Depth (usft) (°) (°) (usft) | • | +N/-S (usft) | +E/-W (usft) | Section (usft) | Rate (°/100usft) | Rate (°/100usft) | Rate (°/100usft) | | |
| 19,400.00 | 89.50 | 179.62 | 9,834.43 | -9,678.78 | -272.57 | 9,676.76 | 0.00 | 0.00 | 0.00 |
| 19,500.00 | 89.50 | 179.62 | 9,835.31 | -9,778.77 | -271.90 | 9,776.75 | 0.00 | 0.00 | 0.00 |
| 19,600.00 | 89.50 | 179.62 | 9,836.18 | -9,878.76 | -271.23 | 9,876.75 | 0.00 | 0.00 | 0.00 |
| 19,700.00 | 89.50 | 179.62 | 9,837.06 | -9,978.76 | -270.56 | 9,976.74 | 0.00 | 0.00 | 0.00 |
| 19,800.00 | 89.50 | 179.62 | 9,837.93 | -10,078.75 | -269.89 | 10,076.74 | 0.00 | 0.00 | 0.00 |
| 19,900.00 | 89.50 | 179.62 | 9,838.81 | -10,178.75 | -269.22 | 10,176.74 | 0.00 | 0.00 | 0.00 |
| 19,984.75 | 89.50 | 179.62 | 9,839.55 | -10,263.49 | -268.65 | 10,261.49 | 0.00 | 0.00 | 0.00 |
| PBHL | | | | | | | | | |

| Desi | an | Tar | aets |
|------|----|-----|------|
| | | | |

| Taro | at | Name |
|------|----|------|
| | | |

| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
|---|------------------|-----------------|---------------|-----------------|-----------------|--------------------|-------------------|------------------|------------------|
| VP - Rodney Robinson F - plan hits target cen - Point | 0.00 iter | 0.00 | 4,180.00 | 188.44 | -180.00 | 488,441.44 | 721,178.00 | 32° 20' 26.911 N | 103° 37' 1.885 W |
| PBHL - Rodney Robinso - plan hits target cen - Point | | 0.00 | 9,839.55 | -10,263.49 | -268.65 | 477,989.51 | 721,089.35 | 32° 18' 43.490 N | 103° 37' 3.732 W |

| Fo | m | at | iο | ns |
|----|---|----|----|----|

| Measured Depth (usft) | Vertical Depth (usft) | | Name | Lii | hology | Dip (°) | Dip Direction (°) |
|-----------------------------|-----------------------------|---------------|------|-----|--------|------------|-------------------------|
| 8,717.09 | • | Brushy Canyon | | | | 0.500 | 179.62 |
| 19,983.73 | 9,839.54 | Avalon | | | | 0.500 | 179.62 |

Plan Annotations

| Measured | Vertical | Local Coor | dinates | |
|-----------------|-----------------|-----------------|-----------------|---|
| Depth (usft) | Depth (usft) | +N/-S (usft) | +E/-W (usft) | Comment |
| 1,200.00 | 1,200.00 | 0.00 | 0.00 | KOP, 1.00°/100' Build |
| 1,799.96 | 1,798.86 | 22.69 | -21.68 | Begin 6.00° Tangent |
| 3,792.77 | 3,780.76 | 173.31 | -165.55 | Begin 1.50°/100' Drop |
| 4,192.74 | 4,180.00 | 188.44 | -180.00 | Begin Vertical Hold |
| 9,192.74 | 9,180.00 | 188.44 | -180.00 | Begin 10.00°/100' Build |
| 10,087.74 | 9,752.94 | -370.01 | -283.50 | Begin 89.50° Lateral; Begin 2.00°/100' Turn |
| 10,631.94 | 9,757.71 | -911.25 | -331.41 | Hold 179.62° Azm |
| 19,984.75 | 9,839.55 | -10,263.49 | -268.65 | PBHL |

HYDROGEN SULFIDE CONTINGENCY PLAN Drilling, Testing, & Completion

MRC ENERGY CO.

Rodney Robinson Federal

| Reviewers | Operations Manager |
|-----------|-------------------------|
| | Operations Supt. |
| | Staff RES |
| | Field Supt. |
| • | Blake HermesEngineering |

H2S Contingency Plan # 0165

Revision# 0

This H2S Contingency Plan is subject to updating

Effective date: July 8, 2015

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INTRODUCTION

The H2S equipment will be rigged up 2 days prior to reaching a potential H2S containing zone. Drilling into any potential H2S zone shall not commence until the on-site MRC Drilling Supervisor has confirmed this plan in place.

The onsite Drilling Foreman will give Total Safety one week (7 days) notice to prepare for rig up of H2S equipment)

To be effective, the plan requires the cooperation and effort of each person participating in the drilling of an H₂S well. Each person must know his/her responsibilities and all emergency and safety procedures. He/she should thoroughly understand and be able to use with accuracy, all safety equipment while performing his/her normal duties, if the circumstance should arise. He/she should therefore familiarize himself/herself with the location of all safety equipment and check to see that it is properly stored, easily accessible at all times, and routinely maintained.

It is the intention of MRC ENERGY CO. and the Drilling Contractor to make every effort to provide adequate safeguards against harm to persons on the rig and in the immediate vicinity from the effects of hydrogen sulfide, which may be released into the atmosphere under emergency conditions. However, the initiative rests with the individual in utilizing the safeguards provided. The ideas and suggestions of the individuals involved in the drilling of this well are highly welcomed and act as a fundamental tool for providing the safest working conditions possible.

The drilling representative is required to enforce these procedures. They are set up for your safety and the safety of all others.

II. PURPOSE

It is MRC Energy Co.'s intent to provide a safe working place, not only for its employees, but also for other contractors who are aiding in the drilling of this well. The safety of the general public is of utmost concern. All precautions will be taken to keep a safe working environment and protect the public.

MRC ENERGY CO.'S

There is a possibility of encountering toxic hydrogen sulfide gas. Safety procedures must be adhered to in order to protect all personnel connected with the operations as well as people living within the area.

The MRC Energy Co. representative will enforce all aspects of the H2S Contingency Plan. This job will become easier by a careful study of the following pages and training and informing all personnel that will be working on the well, their duties and responsibilities.

A. OPERATING PROCEDURES

DEFINITIONS:

For purpose of this plan, on-site personnel shall be referred to as "In Scope Personnel" or "Out of Scope Personnel", per the following definitions:

In Scope Personnel – Personnel who will be working or otherwise present in potential H2S release areas, including the rig floor, cellar, pits, and shaker areas.

Out of Scope Personnel – Personnel who will not be working or Otherwise present in potential H2S areas. Such personnel include rig Site visitor, delivery and camp services personnel.

GENERAL:

Before this H₂S contingency plan becomes operational, all regularly assigned In Scope Personnel (primarily the MRC, drilling contractor, and certain service personnel,) shall be thoroughly trained in the use of breathing equipment, emergency procedures, and responsibilities. Total Safety Technician or a designee assigned by the MRC Drilling Foreman shall keep a list of all personnel who have been through the on-site H₂S training program at the drill site.

All In Scope Personnel shall be given H2S training and the steps to be taken during H2S conditions under which the well may be drilled. General information will be explained about toxic gases, as well as the physiological effects of H₂S and the various classified operating conditions. In addition, the reader will be informed his/her general responsibility concerning safety equipment and emergency procedures.

The Total Safety H₂S Safety Technician or MRC on-site RSE Technician shall make available the H2S Contingency Plan for all personnel to review.

Without exception, all personnel that arrive on location must proceed directly to and sign-in with the on-site MRC RSE Technician. In Scope Personnel will be required to complete an on-site H2S training and respirator fit testing before starting work, or produce evidence that they have received equivalent training. Out of Scope Personnel will be required to complete a site H2S awareness and general safety briefing. This briefing will consist of a H2S hazard overview, alarm review and required response to alarms.

B. PROCEDURES TO BE INITIATED PRIOR TO H2S CONTINGENCY PLAN COMPLIANCE:

A list of emergency phone numbers and contacts will be on location and posted at the following locations:

- 1. MRC ENERGY CO.'S Representative's Office
- 2. Drilling Contractor's, Toolpusher Office
- 3. Living Quarters Area

All safety equipment and H₂S related hardware must be set up as required by MRC Energy Co. with regard to location of briefing areas, breathing equipment, etc. All safety equipment must be inspected periodically (at least weekly) with particular attention to resuscitators and breathing equipment.

In Scope Personnel working in the well site area will be assigned breathing apparatus. Operator and drilling contractor personnel required to work in the following areas will be provided with Self Contained Breathing Apparatus:

- 1. Rig Floor
- 2. Mud Pits
- 3. Derrick
- 4. Shale Shaker
- 5. Cellar

The Total Safety H_2S Safety Technician will be responsible for rigging up all H_2S continuous monitoring-type detectors. The Total Safety Technician will monitor and bump test the detector units periodically (at least at least once a week to test alarm function during drilling conditions. In the event H_2S is detected, or when drilling in a zone confirmed to contain H_2S , the units shall be bump tested at least once every 24 hours. A bump test/calibration log will be kept on location. All results will be reported to the MRC on-site Drilling Foreman.

All Total Safety H2S equipment will be maintained and inspected by a Total Safety Technician on at least a Weekly basis.

C. DRILLING BELOW CONTINGENCY PLAN DEPTH

H2S response drills will be held at least once per week if possible or as often as necessary to acquaint the crews and service company personnel of their responsibilities and the proper procedures to shut-in a well. Initial drills will be performed until crews demonstrate competency donning and working under mask. After the MRC Energy Co.'s representative is satisfied with initial blowout drill procedures, a drill will be conducted weekly with each crew, as necessary. The H2S Safety Technician or designee will conduct safety talks and maintain the safety equipment, consult and carry out the instructions of the drilling supervisor. All personnel allowed in the well work area during drilling or testing operations will be instructed in the use of breathing equipment until supervisory personnel are satisfied that they are capable of using it.

After familiarization, each person must perform a drill with breathing equipment. The drill should include getting the breathing equipment, donning the breathing apparatus, and performing expected duties for a short period. A record shall be kept of all personnel drilled and the date of the drill. H2S training records will be kept on location for all personnel.

Rig crews and service company personnel shall be made aware of the location of spare air bottles, resuscitation equipment, portable fire extinguishers, H₂S monitors and detectors. Knowledge of the location of the H₂S monitors and detectors are vital in determining as our gas location and the severity of the emergency conditions.

After any device has initially detected H2S, all areas of poor ventilation shall be inspected periodically by means of a portable H₂S detector instrument. The buddy system will be utilized. (When an alarm sounds, personnel will don an SCBA, shut the well in, and proceed to SBA for roll call. The H2S Technician or designee will mask up, with a buddy and will verify source of H2S and report back to the on-site MRC Foreman.)

D. PROCEDURES PROGRAM

1. Drill Site

- a. The drilling rig will be located to allow prevailing winds to blow across the reserve pit.
- b. A Safe Briefing Area will be provided with a breathing air cascade trailer and or 30-minute SCBA's at the Primary Area. Personnel will assemble at the most up-wind station under alarm conditions, or when so ordered by the MRC Energy Co. representative, the Contractor representative, or

the Total Safety H₂S Safety Technician. Windsocks or streamers will be anchored to various strategic places on a pole about 10 feet high, so it is in easy view from the rig floor at all times.

- c. Warning signs will be posted on the perimeters. "No Smoking" signs will be posted by MRC Energy Co.as well.
- d. One multi-channel automatic H₂S monitor will be provided by Total Safety and the detector heads will be at the shale shaker, bell nipple, mud pits, rig floor, and quarter's area. The monitor will be located inside HSE or Company man trailer. Should the alarm be shut off to silence the sirens, the blinker light must continue to warn of H₂S presence. The Total Safety H2S Safety Technician or designee will continuously monitor the detectors and will reactivate the alarm if H₂S concentrations increase to a dangerous level.
- e. A method of escape will be open at all times.
- f. If available, land line telephone service will be provided or cell phones provided. (Primary communications provided)
- g. A rig communication system will be provided, as needed.
- h. A gas trap, choke manifold, and degasser will be installed.
- i. A kill line, securely anchored and of ample strength, will be laid to the well-head from a safe location. This line is to be used only in an emergency.

General

- a. The MRC Energy Co. representative and/or the Contractor's Toolpusher will be available at all times. The drilling supervisor, while on duty, will have complete charge of the rig and location operations and will take whatever action is deemed necessary to insure personnel safety, to protect the well, and to prevent damage.
 - b. A Mud Engineer will be on location at all times when drilling takes place at the depth H₂S may be expected. The mud engineer will be able to verify the presence or absence of H2S.

III. CONDITIONS AND EMERGENCY PROCEDURES A. DEFINITION OF OPERATIONAL "CONDITIONS"

CONDITION I

"POSSIBLE DANGER"

Warning Flags

Green

Alarms

No Alarm. Less than 10 ppm

Characterized By:

Drilling operations in zones that may contain hydrogen sulfide. This condition remains in effect unless H₂S is detected and it becomes necessary to go to Condition II.

General Action:

a. Be alert for a condition change

b. Check all safety equipment for availability and proper functioning.

c. Perform all drills for familiarization and proficiency.

CONDITION II

"MODERATE DANGER"

Warning Flags

Yellow

Alarms:

Actuates at 10 ppm. Continuous flashing

light.

Characterized By:

Drilling operations in zones containing hydrogen sulfide. This condition will remain in effect until adding chemicals to the mud system neutralizes the hydrogen sulfide or it becomes necessary to go to

Condition III.

General Action:

a. Be alert for a condition change

b. WHEN DRILLING AHEAD Driller and designated crewmember
will don 30 min SCBA, shut-in the
well and immediately proceed to the
Safe Briefing Area.

WHEN TRIPPING – Driller and two designated crewmembers will don 30 min SCBA, shut in the well and immediately proceed to the Safe Briefing Area. The Derrickman will

don a 5-minute escape pack, descend to the rig floor, don a 30-min SCBA (if necessary) and immediately proceed to the Safe Briefing Area.

- c. All In Scope Personnel will proceed directly to the appropriate Safe Briefing Area.
- d. Remain in safe briefing area, take roll call and wait for instructions
- e. Contact the Total H2S Technician if not on location.
- f. Personnel shall ensure that their breathing apparatus is properly fitted and operational before entering an H₂S contaminated area to provide assistance to anyone who may be injured or overcome by toxic gases.
- g. All Out of Scope Personnel will report to the appropriate Safe Briefing Area.

CONDITION III

"EXTREME DANGER"

Warning Flags

Red

Alarms

Actuate at 15 ppm. Continuous Sirens and

Flashing Lights

Characterized by:

Critical well operations which pose an immediate threat of H_2S exposure to on-site personnel and a potential threat to the public.

General Action:

a. WHEN DRILLING AHEAD Driller and designated crewmember
will don 30 min SCBA, shut-in the
well and immediately proceed to the
Safe Briefing Area.

WHEN TRIPPING – Driller and two designated crewmembers will don 30

- min SCBA, shut in the well and immediately proceed to the Safe Briefing Area. The Derrickman will don a 5-minute escape pack, descend to the rig floor, don a 30-min SCBA (if necessary) and immediately proceed to the Safe Briefing Area.
- b. All In Scope Personnel should don SCBA if nearby and immediately proceed to Safe Briefing Area. If SCBA in not nearby at time of alarm, DO NOT GO TOWARDS RIG AREA, but proceed directly to the Safe Briefing Area
- c. All out of Scope Personnel shall evacuate the location.
- d. Remain in the Safe Briefing Area, take roll call and wait for instructions.
- e. Contact the Total H2S Technician if not on location.
- f. Personnel shall ensure that their breathing apparatus is properly fitted and operational before entering an H₂S contaminated area to provide assistance to anyone who may be injured or overcome by toxic gases. Use the buddy system.
- g. Remain in safe briefing area, take roll call and wait for instructions.
- h. A cascade breathing air systems shall be mobilized and utilized to conduct any additional on rig work required to correct the H2S release condition.
- i. If well is ignited do not assume area is safe. SO2 is hazardous and not all H2S will burn.

H₂S EMERGENCY PROCEDURES; IN SCOPE PERSONNEL

A. Day To Day Drilling Operations

- 1. Upon discovering a release of H₂S gas in the ambient air by warning alarms or in any other way **Do Not Panic**.
- 2. Hold your breath donning the nearest Self Contained Breathing Apparatus and rapidly move up or across-wind away from the areas where H₂S sensing devices are in place, to the closest available safe briefing area. Continue to use breathing apparatus until it has been determined that the exposure of H₂S gas in the ambient air no longer exists. **Do Not Panic!**
- 3. Utilize the "Buddy System", i.e.; select and pair up each person participating in the drilling of an H₂S well prior to an emergency situation.
- 4. Help anyone who is overcome or affected by the H₂S gas by taking him/her up-wind out of the contaminated area. (This should be done utilizing an SCBA and with a buddy.)
- 5. Take necessary steps to confirm the release of the H₂S gas into the ambient air.
 - When an H2S alarm activates, two designated personnel using the buddy system, while wearing their self contained breathing apparatus, will determine by the read-out on the fixed monitor which sensing device has detected the release of the H₂S gas.
 - They will utilize the hand-held sniffer type device at the
 particular sensing point disclosed on the fixed monitor to
 corroborate the fact that H₂S gas has actually been released.
 This will rule out the possibility of a false alarm. This will be
 done with a buddy and under mask after reporting to the Safe
 Briefing Area for roll call and instructions by on-site MRC
 Foreman.
- 6. Refer to the Emergency Phone Numbers and call emergency personnel.
- 7. Take the necessary steps to suppress the release of H₂S gas into the ambient air. Comply with the MRC Energy Co. Representative to physically suppress the release of H₂S gas at the actual release point.

8. Check all of MRC Energy Co.'s monitoring devices and increase gasmonitoring activities with the portable hand-operated H₂S and gas detector units.

Do Not Panic!

The MRC Energy Co. representative will assess the situation and with assistance of the Contractor's Representative and Total Safety's H₂S Safety Technician or on site designee, will assign duties to each person to bring the situation under control.

B. RESPONSIBILITIES OF WELL-SITE PERSONNEL

In the event of a release of potentially hazardous amounts of H_2S , all personnel will immediately don their protective breathing apparatus, the well will be shut in and personnel will proceed upwind to the nearest designated safe briefing area for roll call and instructions by MRC Foreman. Consideration will be given to evacuating Out of Scope Personnel, as situation warrants.

1. MRC ENERGY CO.'S Well-site Representatives

- a. If MRC Energy Co.'s well-site representative is incapacitated or not on location, this responsibility will fall to the Toolpusher/Driller.
- b. Immediately upon assessing the situation, set this plan into Action by initiating the proper procedures to contain the gas and notify the appropriate people and agencies.
- c. Ensure that the alarm area indicated by the fixed H₂S Monitor is checked and verified with a portable H₂S detector. (Safety Technician if on location or MRC assigned designee with a buddy utilizing SCBA's)
- d. Consult Pusher/driller of remedial actions as needed.
- e. Ensure that non-essential personnel proceed to the safe briefing area.
- f. Ensure location entrance barricades are positioned. Keep the number of persons on location to a minimum during hazardous operations.

- g. Consult each contractor, Service Company and all others allowed to enter the site, that H2S gas may be encountered and the potential hazards that may exist.
- h. Authorize the evacuation of local residents if H_2S threatens Their safety.
 - i. Non essential personnel should be evacuated from location if Situation warrants.

2. Toolpusher

- a. Toolpusher/Driller will assume responsibilities of MRC Energy Co.'s well-site representative if that person is incapacitated or not on location.
- b. Ensure that the alarm area indicated by the fixed H₂S monitor is checked and verified with a portable H₂S gas detector. (Alarm area indicated by the monitor will be Checked by the H2S Technician and a buddy, under mask.) This will be done after checking in and roll call at the Upwind Safe Briefing Area.
- c. Confer with MRC Energy Co.'s well-site representative or superintendent and direct remedial action to suppress the H₂S and control the well.
- d. Ensure that personnel at the safe briefing area are instructed on emergency actions required.
- e. Ensure that personnel at the drill floor area are instructed on emergency actions required.
- f. Ensure that all personnel observe the appropriate safety and emergency procedures.
- g. Ensure that all persons are accounted for and provided emergency assistance as necessary.

3. Mud Engineer

- a. Run a sulfide check on the flowline mud.
- Take steps to determine the source of the H₂S and suppress
 it. Lime and H₂S scavenger shall be added to the mud as necessary.

4. Total H₂S Safety Technician, if on location, or MRC Designee

- a. H2S Safety Technician or designee don nearest SCBA and report to Safe Briefing Area for roll call, take a buddy masked up and check monitor and verify with a portable H₂S detector the alarm area indicated by the fixed H₂S monitor. Advise the Toolpusher/Driller and MRC Energy Co.'s well-site representative of findings. Record all findings.
- b. If H₂S is flared, check for sulfur dioxide (SO₂) near the flare as necessary. Take hourly readings at different perimeters, log readings and record on location.
- c. Ensure that personnel at the safe briefing area are instructed on emergency actions required.
- d. Ensure that the appropriate warning flags are displayed.
- e. Ensure that all personnel are in S.C.B.A. as necessary.
- f. Ensure that all persons are accounted for and provide emergency assistance as necessary.
- g. Be prepared to evacuate rig if order is issued.

5. General Personnel & Visitors

a. All In Scope Personnel, if not specifically designated to shut the well in or control the well, shall proceed to the (upwind) safe briefing area. All Out of Scope Personnel shall immediately proceed to the appropriate (upwind) safe briefing area or evacuate the site as conditions warrant.

- b. During any emergency, use the "buddy" system to prevent anyone from entering or being left in a gas area alone, even wearing breathing apparatus.
- c. Provide assistance to anyone who may be injured or overcome by toxic gases. Personnel shall ensure that their breathing apparatus is properly fitted and operational before entering a potentially H₂S contaminated area.
- d. Remain in safe briefing area and wait for instructions.

C. INSTRUCTIONS FOR IGNITING THE WELL

1. The Toolpusher/Driller will confer with MRC Energy Co.'s well-site representative who will secure the approval of the "Texas Wells Delivery Manager, prior to igniting the well, if at all possible.

The Toolpusher/Driller will be responsible for igniting the well in the event of severe well control problems. This decision should be made only as a last resort in situations where it is clear that:

- a. Human life and property are endangered, or
- b. There is no hope of controlling the well under current conditions.
- 2. Once the decision has been made, the following procedures should be followed:
 - a. Two people wearing self-contained breathing apparatus will be needed for the actual lighting of the well. They must first establish the flammable perimeter by using an explosimeter. This should be established at 30% to 40% of the lower flammable limits.
 - b. After the flammable perimeter has been established and everyone removed from the area, the ignition team should select a site upwind of the well from which to ignite the well. This site should offer the maximum protection and have a clear path for retreat from the area.

- c. The ignition team should have safety belts and lifeline attached and manned before attempting ignition. If the leak is not ignited on the first attempt, move in 20 to 30 feet and fire again. Continue to monitor with the explosimeter and NEVER fire from an area with over 75% of the Lower Explosive Limit (LEL). If having trouble igniting the well, try firing 40 degrees to 90 degrees on either side of the well.
- d. If ignition is not possible due to the makeup of the gas, the toxic perimeter must be established and evacuation continued until the well is contained.
- e. All personnel must act only as directed by the person in charge of the operations.

NOTE: After the well is ignited, burning hydrogen sulfide (H₂S) will convert to sulfur dioxide (SO₂), which is also a highly toxic gas.

DO NOT ASSUME THE AREA IS SAFE AFTER THE WELL IS IGNITED

D. CORING PROCEDURES

Only essential personnel shall be on the rig floor. Ten (10) stands prior to retrieving core barrel; all personnel on drill floor and in derrick shall confirm self-Contained breathing apparatus available and ready for use.

A Total H2S Technician will don a SCBA with a buddy assigned from the rig crew, and continuously monitor for H2S at each connection. Any levels detected will require operations to be shut down and all involved personnel to don SCBAs. Precautions will remain in place until barrel is laid down.

All involved personnel will don SCBAs when removing the inner barrel from the outer barrel. SCBAs can be removed once the absence of H2S in confirmed by the Total H2S Technician.

Cores will be appropriately marked and sealed for transportation.

Normal Operations

1. Responsibilities of well-site personnel

a. Well-site Representative

- 1. Notify H₂S Technician of expected date to reach Contingency Plan implementation depth (Two (2) days prior to reaching suspected H₂S bearing zone) or prior to starting well work.
- 2. Ensure H₂S Safety Technician completes rig-up procedures prior to reaching Contingency Plan effective depth.
- 3. Restrict the number of personnel at the drilling rig or well site to a minimum while drilling, starting well work, testing or coring.
- 4. Ensure weekly H₂S drills/training are performed, if possible.

B. Toolpusher

- 1. Ensure that necessary H₂S safety equipment is provided on the rig, and that it is properly inspected and maintained.
- 2. Ensure that all personnel that work in the well area, are thoroughly trained in the use of H₂S safety equipment and periodic drills are held to maintain an adequate level of proficiency.

C. In Scope Personnel

- 1. Remain clean-shaven. Beards and long sideburns do not allow a proper facepiece seal.
- 2. Receive H₂S safety training on location, or confirm prior training by certification that is one year within date.
- 3. Familiarize yourself with the rig's Contingency Plan.
- 4. Inspect and practice putting on your breathing apparatus.

- 5. Know the location of the "safe briefing areas".
- 6. Keep yourself "wind conscious". Be prepared to quickly move upwind and away in the event of any emergency involving release of H₂S.

D. Total Safety H₂S Safety Technician or MRC Designee

- 1. Conduct training as necessary to ensure all personnel working in well area are familiar with the contingency procedures and the operation of emergency equipment.
- 2. Check all H₂S safety equipment to ensure that it is ready for emergency use:
 - Check pressure weekly for each shift on breathing apparatus (both 30-minute and hippacks) to make sure they are charged to full volume.
 - Check pressure on cascade air bottles, if on location, to see that they are capable of recharging breathing apparatus.
 - Check oxygen resuscitator, if on location, to ensure that it is charged to full volume.
 - Check H₂S detectors weekly for each shift (fixed and portable), and explosimeter, to ensure they are working properly.
- 3. Provide a weekly report to MRC Energy Co.'s well-site representative documenting:
 - Calibrations performed on H₂S detectors.
 - Proper location and working order of H₂S safety equipment.
 - Attendance of all personnel, trained or retrained, and their company.
 - Weekly drills, if held and a list of personnel participating and summary of actions.

OUT OF SCOPE PERSONNEL

MRC Energy Co. policy will not require Out of Scope Personnel to be clean shaven, have processed medical questionnaires, fit testing, or have certified H2S Training.

SAFETY EQUIPMENT

All respirators will be designed, selected, used and maintained in conformance with ANSI Z88.2, American National Standard for respiratory protection.

Personal protective equipment must be provided and used. Those who are expected to use respiratory equipment in case of an emergency will be carefully instructed in the proper use and told why the equipment is being used. Careful attention will be given to the minute details in order to avoid possible misuse of the equipment during periods of extreme stress.

Self-contained breathing apparatus provides complete respiratory and eye protection in any concentration of toxic gases and under any condition of oxygen deficiency. The wearer is independent of the surrounding atmosphere because he/she is breathing with a system admitting no outside air. It consists of a full face mask, breathing tube, pressure demand regulator, air supply cylinder, and harness. Pure breathing air from the supply cylinder flows to the mask automatically through the pressure demand regulator which reduces the pressure to a breathing level. Upon inhalation, air flows into the mask at a rate precisely regulated to the user's demand. Upon exhalation, the flow to the mask stops and the exhaled breath passes through a valve in the face piece to the surrounding atmosphere. The apparatus includes an alarm & gauge which warns the wearer to leave the contaminated area for a new cylinder of air or cylinder refill.

The derrickman is provided with a full face piece unit attached to a 5- minute escape cylinder. He will also have his own self-contained 30-minute unit breathing apparatus located on the drilling floor. He will use the 5-minute unit to exit the derrick to the floor, donning the 30-minute unit located on the floor, if needed.

All respiratory protective equipment, when not in use, should be stored in a clean, cool, dry place, and out of direct sunlight to retard the deterioration of rubber parts. After each use, the mask assembly will be scrubbed with soap and water, rinsed thoroughly, and dried. Air cylinders can be recharged to a full condition from a cascade system.

Personnel in each crew will be trained in the proper techniques of bottle filling.

The primary piece of equipment to be utilized, should anyone be overcome by hydrogen sulfide, is the oxygen resuscitator, if on location.

When asphyxiation occurs, the victim must be moved to fresh air and immediately given artificial respiration. In order to assure readiness, the bottles of oxygen will be checked at regular intervals and an extra tank kept on hand.

Hand-operated pump-type detectors incorporating detector tubes will give more accurate readings of hydrogen sulfide. The pump-type draws air to be tested through the detector tube containing lead acetate-silica gel granules. Presence of hydrogen sulfide in the air sample is shown by the development of a dark brown stain on the granules, which is the

scale reading of the concentration of hydrogen sulfide. By changing the type of detector tube used, this detector may also be used for sulfur dioxide (SO_2) detection when hydrogen sulfide (H_2S) is being burned in the flare area.

Provisions must be made for the storage of all safety equipment as is evident from the foregoing discussion. All equipment must be stored in an available location so that anyone engaged in normal work situations is no more than "one breath away' from a mask.

V – TOXICITY OF VARIOUS GASES

| t sab si | Chemical | Specific | | |
|---|-----------------|----------------------|-------------------------|--------------------|
| Lethal Common Name ppm ⁴ | Formula | Gravity ¹ | PEL (OSHA) ² | STEL ³ |
| Hydrogen Cyanide 300 | HCN | 0.94 | 10 | 150 |
| Hydrogen Sulfide 600 | H₂S | 1.18 | 20 Pe | ak- 50ppm |
| Note: The ACGIH(7) re | commends a TW | A(6) value of 10 | ppm as the TLV(5) for | H2S and an STEL of |
| 15ppm. Sulfur Dioxide 1000 | SO ₂ | 2.21 | 2 | 5 ppm |
| Chlorine | CL ₂ | 2.45 | 1 | |
| Carbon Monoxide 1000 | СО | 0.97 | 35 | 200/1 Hour |
| Carbon Dioxide 10% | CO ₂ | 1.52 | 5000 | 5% |
| Methane | CH₄ | 0.55 | 90000 | |

 $^{^{1}}$ Air = 1.0

TLV – Threshold Limit Value; a concentration recommended by the American Conference of Governmental Industrial Hygienists (ACGIH)

TWA – Time Weighted Average; the average concentration of contaminant one can be exposed to over a given eight-hour period.

ACGIH – (American Conference of Governmental Industrial Hygienists) is an organization comprised of Occupational Health Professionals believed by many to be the top experts in the field of Industrial Hygiene. They are recognized as an expert rexource by OSHA. The ACGIH releases a biannual publication "Threshold Limit Values and Biological Indices" that many safety professionals consider to be the authoritative document on airborne contaminants.

Reference: API RP-49, September 1974 - Reissued August 1978

² Permissible - Concentration at which is believed that all workers may repeatedly be exposed, day after day, without adverse effect.

³ **STEL -** Short Term Exposure Limit. A 15-minute time weighted average.

⁴ Lethal - Concentration that will cause death with short-term exposure.

VI. PROPERTIES OF GASES

A. CARBON DIOXIDE

- 1. Carbon Dioxide (CO₂) is usually considered inert and is commonly used to extinguish fires. It is 1.52 times heavier than air and will concentrate in low areas of still air. Humans cannot breathe air containing more than 10% CO₂ without losing conscience or becoming disorientation in a few minutes. Continued exposure to CO₂ after being affected will cause convulsions, coma, and respiratory failure.
- 2. The threshold limit of CO_2 is 5000 ppm. Short-term exposure to 50,000 ppm (5%) is reasonable. This gas is colorless, odorless, and can be tolerated in relatively high concentrations.

B. HYDROGEN SULFIDE

- 1. Hydrogen Sulfide (H_2S) is a colorless, transparent, flammable gas. It is heavier than air and, hence, may accumulate in low places.
- 2. Although the slightest presence of H₂S in the air is normally detectable by its characteristic "rotten egg" odor, it is dangerous to rely on the odor as a means of detecting excessive concentrations because the sense of smell is rapidly lost, allowing lethal concentrations to be accumulated without warning. The following table indicates the poisonous nature of H₂S.

| CONCENTRATION | | RATION | EFFECTS | |
|--------------------|------|-------------|---|--|
| % H ₂ S | PPM | GR/100 SCF1 | | |
| 0.001 | 10 | .65 | Safe for 8 hours without respirator. Obvious and unpleasant odor. | |
| 0.0015 | 15 | 0.975 | Safe for 15 minutes of exposure without respirator. | |
| 0.01 | 100 | 6.48 | Kills smell in 3-15 minutes; may sting eyes and throat. | |
| 0.02 | 200 | 12.96 | Kills smell quickly; stings eyes and throat. | |
| 0.05 | 500 | 32.96 | Dizziness; breathing ceases in a few minutes; need prompt artificial respiration. | |
| 0.07 | 700 | 45.92 | Rapid Unconsciousness; death will result if not rescued promptly. | |
| 0.1 | 1000 | 64.80 | Instant unconsciousness, followed by death within minutes. | |

¹ Grains per 100 Cubic Feet

VII. Treatment Procedures for Hydrogen Sulfide Poisoning

- A. Remove the victim to fresh air.
- B. If breathing has ceased or is labored, begin resuscitation immediately.

Note: This is the quickest and preferred method of clearing victim's lungs of contaminated air; however, under disaster conditions, it may not be practical to move the victim to fresh air. In such instances, where those rendering first aid must continue to wear masks, a resuscitator should be used.

- C. Apply resuscitator to help purge H₂S from the blood stream.
- D. Keep the victim at rest and prevent chilling.
- E. Get victim under physician's care as soon as possible.

C. SULPHUR DIOXIDE

- 1. Sulfur Dioxide (SO₂) is a colorless, non-flammable, transparent gas.
- 2. SO₂ is produced during the burning of H₂S. Although SO₂ is heavier than air, it can be picked up by a breeze and carried downwind at elevated temperatures. Since SO₂ is extremely irritating to the eyes and mucous membranes of the upper respiratory tract, it has exceptionally good warning powers in this respect. The following table indicates the toxic nature of SO₂:

| CONCEN | TRATION | EFFECTS | |
|-------------------|---------|---|--|
| % SO ₂ | PPM | | |
| 0.0005 | 3 to 5 | Pungent odor, normally a person can detect SO ₂ in this range. | |
| 0.0012 | 12 | Throat irritation, coughing, constriction of the chest, tearing and smarting of eyes. | |
| 0.015 | 150 | So irritating that it can only be endured for a few minutes. | |
| .05 | 500 | Causes a sense of suffocation, event with the first breath. | |

VIII. BREATHING AIR EQUIPMENT DRILLS FOR ON & OFF DUTY PERSONNEL

An H₂S Drill and Training Session must be given once a week to ALL on-duty personnel with off duty personnel. On-duty and Off-duty personnel will reverse roles on alternate drills.

An H2S drill and training session must be given once a week to all off-duty personnel in coincidence with on-duty personnel reversing roles on alternate drills.

The purpose of this drill is to instruct the crews in the operation and use of breathing air and H₂S related emergency equipment and to allow the personnel to become acquainted with using the equipment under working conditions. The crews should be trained to put on the breathing air equipment within one minute when required or requested to do so.

The following procedure should be used for weekly drills. The MRC supervisor must be satisfied that the crews are proficient with the equipment.

- 1. All personnel should be informed that a drill will be held.
- 2. The Total H2S Safety Technician or a designee assigned by the MRC Drilling Foreman should initiate the drill by signaling as he/she would if H2S was detected.
- 3. Personnel should don their breathing apparatus.
- 4. Once the breathing air equipment is on, the H2S Technician should check all personnel to insure proper operation.

A training and information session will be conducted after each drill to answer any H₂S related questions and to cover any gaps identified from one of the following topics:

- Condition II, and III alerts and steps to be taken by all personnel.
- \cdot The importance of wind direction when dealing with H_2S .
- Proper use and storage of all types of breathing equipment.
- Proper use and storage of oxygen resuscitators.
- Proper use and storage of H₂S detectors (Mini Checks or equivalent).
- The "buddy system" and the procedure for rescuing a person overcome by H_2S .
- · Responsibilities and duties.
- · Location of H₂S safety equipment.
- Other parts of the "H₂S Contingency Plan" that should be reviewed.

NOTE: A record of attendance must be kept for weekly drills and training sessions.

IX. HYDROGEN SULFIDE TRAINING CURRICULUM

(FOR EMPLOYERS, VISITORS, AND CONTRACTORS)

EACH PERSON WILL BE INFORMED ON THE RESTRICTIONS OF HAVING BEARDS AND CONTACT LENS. THEY WILL ALSO BE INFORMED OF THE AVAILABILITY OF SPECTACLE KITS.

AFTER THE H2S EQUIPMENT IS RIGGED UP, ALL IN SCOPE PERSONNEL WILL BE H2S TRAINED AND PUT THROUGH A DRILL. ANY DEFICIENCIES WILL BE CORRECTED.

Training Completion cards are good for one year and will indicate date of completion or expiration. Personnel previously trained on another facility and visiting, must attend a "supplemental briefing" on H2S equipment and procedures before beginning duty. Visitors who remain on the location more than 24 hours must receive full H2S training given all crew members. A "supplemental briefing" will include but not be limited to: Location of respirators, familiarization with safe briefing areas, alarms with instruction on responsibilities in the event of a release and hazards of H2S and (SO2, if applicable). A training and drill log will be kept.

Topics for full H2S training shall include the following equipment if on location, but not be limited to the following:

1. **Brief Introduction on H2S**

- A. Slide or Computer presentation (If Available)
- B. H2S material will be distributed
- C. Re-emphasize the properties, toxicity, and hazards of H2S
- D. Source of SO2 (if applicable)

2. **H2S Detection**

- A. Description of H2S sensors
- B. Description of warning system (how it works & it's location)
- C. Actual location of H2S sensors
- D. Instruction on use of pump type detector (Gastec)
- E. Use of card detectors, ampoules, or dosimeters
- F. Use of combustible gas detector
- G. Other personnel detectors used
- H. Alarm conditions I & II,
- I. SO2 alarms (if applicable)

3. **H2S Protection**

- A. Types of breathing apparatus provided (30-minute SCBA & 5-minute SCBA (with voice diaphragms for communication if supplied)
- B. Principle of how breathing apparatus works
- C. Demonstration on how to use breathing apparatus
- D. Location of breathing apparatus

4. Cascade System

- A. Description of cascade system
- B. How system works
- Cascade location of rig with reference to briefing areas
- D. How to use cascade system (with 5-minute hose work line units & refill, if supplied)
- E. Importance of wind direction and actual location of Windsocks
- F. Purpose of compressor/function (if one is on site)

5. **H2S Rescue and First Aid**

- A. Importance of wind direction
- B. Safe briefing area
- C. Buddy system
- D. H2S symptoms
- E. Methods of rescue

6. Hands on Training

- A. Donning/familiarization of SCBA 30-minue unit
- B. Donning/familiarization of SKADA 5- MIN. Packs
- C. Familiarization of cascades
- D. Use of O2 resuscitator
- E. Alarm conditions upwind briefing areas, etc...
- F. Duties and responsibilities of all personnel
- G. Procedures for evacuation
- H. Search and Rescue teams

7. Certification

A. Testing on material covered

TOTAL SAFETY US INC., FIT TEST

X. EMPLOYEE INFORMATION

| Employee Name: | Employee Name: Date: | | | |
|---|----------------------|--------------|----------------|-------------|
| Date of Employee Med | ical Evaluation: | | · | |
| Medical Status (circle): Authorized | Unrestricted | Limitation | s on Use | Use Not |
| RESPIRATOR INFORMA | ATIOIN | | | |
| Respirator Type (Dustn | nask, SCBA, etc):_ | | | |
| Brand: | | | | |
| Size: (circle): XS | S S | M | L | XL |
| FIT TEST INFORMATIO | N . | | | |
| Type of Fit Test Perform | ned: | | | |
| Quantitative Porta Cou Fittester 3 | | | Fit Factor: | |
| Qualitative | | | | |
| Irritant Si | moke | | Passed / Faile | d |
| - | Acetate (Banana Oi | 1) | Passed / Faile | |
| Saccharin | l | | Passed / Faile | |
| Bitrex | | | Passed / Faile | d |
| I hereby certify that this fittest Protocols found in Appendix A | | accordance w | ith the OSHA l | Fit Testing |
| Fit Tester Name (Print): | | | | |
| Signature: | | | Date: | |

XI. H₂S SAFETY SERVICES

HYDROGEN SULFIDE SAFETY PACKAGE – Contained on location in Total Safety H2S Equipment Trailer, unless otherwise noted:

RESPIRATORY SAFETY SYSTEMS

QTY DESCRIPTION

- 30-Minute Pressure Demand SCBA
 (4-Primary Safe Briefing Area, 4-Secondary Safe Briefing Area, 4-floor with one of these for derrick man)
- 9 Hose Line 5-minute Work Unit w/Escape Cylinder (1 in derrick, 6 on drill floor, 1 in mud pit wt area, 1 in shaker area)

The following shall be part of the package if requested by the MRC Foremen (at least one trailer with cascade system is required to be located in the MRC Magnolia asset for use as needed)

- 1 Breathing air cascade of 10 bottles w/regulator
- 2 Refill lines to refill 30-minute units on location
- 1 6-Man manifold that can be rigged up to work area on floor, if needed
- 6 25 foot hose lines
- 2 50 foot hose lines
- 100 Feet of hose line to rig cascade up to 12 man manifold on floor
- 12 30-minute Self Contained Breathing apparatus

DETECTION AND ALARM SAFETY SYSTEM

- H2S Fixed Monitor w/8Channels (Loc determined at rig up) suggested.
 (Mud pit area, shaker area, bell nipple area, floor/driller area, & outside quarters)
- 5 H2S Sensors
- Explosion Proof Alarms (Light and Siren)
 (1 on floor, 1 in work area, 1 in trailer area where quarters are located)
- 2 Personal H2S monitors
- 1 Portable Tri-Gas Hand Held Meter (O2, LEL, H2S)
- 1 Sensidyne/Gastech Manual Pump Type Detector
- 8 Boxes H2S Tubes Various Ranges
- 2 Boxes SO2 Tubes Various Ranges
- 1 Calibration Gas
- 1 Set Paper Work for Records: Training, Cal, Inspection, other

ADDITIONAL SAFETY RELATED EQUIPMENT

QTY DESCRIPTION

- Windsocks with Pole and Bracket
- 1 Set Well Condition Sign w/Green, Yellow, Red Flags
- 1 Primary Safe Briefing Area Sign
- 1 Secondary Safe Briefing Area Sign
- 6 Operating Condition Signs for Work Areas & Living Quarters

TRAILER WITH BREATHING AIR CASCADE WILL ALSO INCLUDE THE FOLLOWING:

This equipment will be part of the H2S equipment stored in the trailer, when on location

- 1 First aid kit
- 1 Fire Blanket
- 1 Eye wash station
- 2 Safety Harness w/150' safety line

XII. EMERGENCY PHONE NUMBERS (Updated March 18, 2009)

EMERGENCY PHONE NUMBERS

MRC Energy Co. Emergency Phone #
MRC Energy Co. Permian Operations Phone----MRC Energy Co. Production
113 Daw Rd
Mansfield LA 71052

| Title | Names | Phone | · Cell |
|--------------------|-------|-------|--------|
| Operations Manager | | | |
| Operation Supt. | | | |
| Operations | | | |
| Supervisor | | | |
| Operations | | | |
| Supervisor | | | |
| Office Supervisor | | | |
| HSE | | | |
| Scheduler Planner | | , | |

Hydrogen Sulfide Safety Consultants

| Hydrogen Suniae Saiety | Consultants | <u> </u> |
|------------------------|--------------|--------------------------|
| Total Safety W. Bender | 575-392-2973 | After Hours 24 Hour Call |
| Blvd. Hobbs, NM | | Center Through Office |
| | | Number |
| Tommy Throckmorton | 575-392-2973 | 940-268-9614 |
| Operations Manager | | |
| Rodney Jourdan Sales | 575-392-2973 | 432-349-3928 |
| Contact | | <u> </u> |

MRC Energy Co. MEDICAL RESPONSE PLAN AND IT'S MEDICAL PROTOCOLS WILL BE FOLLOWED

MEDICAL COORDINATOR # -----

Emergency Numbers & Directions

Hospitals (911)

| Artesia General Hospital | | |
|-----------------------------|-------------------|--------------|
| 702 N. 13 th St. | Main Phone Number | 575-748-3333 |
| Artesia, NM 88210 | | |
| Nor-Lea General Hospital | | |
| 1600 N. Main Ave. | Main Phone Number | 575-396-6611 |
| Lovington, NM 88260 | | |
| Lea Regional Medical | | |
| Center | Main Phone Number | 575-492-5260 |
| 5419 N. Lovington Hwy | | |
| Hobbs, NM 88240 | | |
| Carlsbad General Hospital | | |
| 2430 W. Pierce St. | Main Phone Number | 575-887-4100 |
| Carlsbad, NM | | |
| Lovelace Regional Hospital | | |
| 117 E. 19 th St | Main Phone Number | 575-627-7000 |
| Roswell, NM 88201 | | |
| Winkler Co. Memorial | | |
| Hospital | Main Phone Number | 432-586-8299 |
| 821 Jeffee Dr. | | |
| Kermit, Texas 79745 | | |
| Reeves County Hospital | | |
| 2323 Texas St. | Main Phone Number | 432-447-3551 |
| Pecos, Texas 79772 | | |

State Police (911)

| Office Number | 432-377-2411 |
|---------------|---|
| | |
| | |
| Office Number | 432-586-3465 |
| | |
| | |
| Office Number | 432-447-3532 |
| | |
| | |
| Office Number | 575-748-9718 |
| | |
| | |
| Office Number | 575-885-3137 |
| | |
| | |
| Office Number | 575-392-5588 |
| | |
| | Office Number Office Number Office Number |

Local Law Enforcement (911) (Sheriff)

| Document (>) | | |
|-------------------------------------|---------------|--------------|
| Reeves Co. Sheriff 500 N. Oak ST | Office Number | 432-445-4901 |
| Pecos, Texas 79722 | | |
| Winkler Co. Sheriff | | |
| 1300 Bellaire St. | Office Number | 432-586-3461 |
| Kermit, Texas 79745 | | |
| Loving Co. Sheriff | | |
| Courthouse | Office Number | 432-377-2411 |
| Mentone, Texas | | |
| Lea Co. Sheriff | | |
| 1417 S. Commercial St. | Office Number | |
| Lovington, NM 88260 | | |
| Eddy Co. Sheriff | | |
| 305 N 7th St. | Office Number | 575-766-9888 |
| Artesia, NM 88210 | | |
| Eddy Co. Sheriff | | |
| 305 N 7th St. | Office Number | 575-746-9888 |
| Carlsbad, NM 88220 | | |

Federal & State Agencies

| OSHA Lubbock Area Office 1205 Texas Av. Room 806 Lubbock, Texas 79401 | Main Number | 806-472-7681 EXT 7685 |
|--|--------------|-----------------------|
| New Mexico Environment Department 400 N Pennsylvania Roswell, NM 88201 | Joe Fresquez | 575-623-3935 |
| Texas Railroad Commission Midland, Texas | Main Number | 844-773-0305 |
| BLM Carlsbad, NM Field Office 620 E. Green ST Carlsbad, NM 88220 | Main Number | 575-234-5972 |
| BLM Hobbs Field Station 414 W. Taylor Rd. Hobbs, NM 88240 | Main Number | 575-393-3612 |
| BLM Roswell District Office 2909 W. Second St. Roswell, NM 88201 | Main Number | 575-627-0272 |
| TECQ Texas Commission on Environmental Quality | Main Number | 800-832-8224 |
| New Mexico OCD | | |
| U.S. Environmental Protection Agency Region 6 Texas/New Mexico | Main Number | 214-655-2222 |
| National Response Center Toxic Chemicals & Oil Spills | Main Number | 800-424-8802 |

Rig Company

XIII. EVACUATION OF THE GENERAL PUBLIC

The procedure to be used in alerting nearby persons in the event of any occurrence that could pose a threat to life or property will be arranged and completed with public officials in detail, prior to drilling into the hydrogen sulfide formations.

In the event of an actual emergency, the following steps will be immediately taken:

- 1. The MRC Energy Co.'s representative will dispatch sufficient personnel to immediately warn each resident and transients down-wind within radius of exposure from the well site. Then warn all residence in the radius of exposure. Additional evacuation zones may be necessary as the situation warrants.
- 2. The MRC Energy Co.'s representative will immediately notify proper authorities, including the Sheriff's Office, Highway Patrol, and any other public officials as described above and will enlist their assistance in warning residents and transients in the calculated radius of exposure.
- 3. The MRC Energy Co.'s representative will dispatch sufficient personnel to divert traffic in the vicinity away from the potentially dangerous area. A guard to the entrance of the well site will be posted to monitor essential and non essential traffic.

4. General:

- A. The area included within the radius of exposure is considered to be the zone of maximum potential hazard from a hydrogen sulfide gas escape. Immediate evacuation of public areas, in accordance with the provisions of this contingency plan, is imperative. When it is determined that conditions exist which create an additional area (beyond the initial zone of maximum potential hazard) vulnerable to possible hazard, public areas in the additional hazardous area will be evacuated in accordance with the contingency plan.
- B. In the event of a disaster, after the public areas have been evacuated and traffic stopped, it is expected that local civil authorities will have arrived and within a few hours will have assumed direction of and control of the public, including all public areas. MRC Energy Co. will cooperate with these authorities to the fullest extent and will exert every effort by careful advice to such authorities to prevent panic or rumors.
- C. MRC Energy Co. will dispatch appropriate management personnel at the disaster site as soon as possible. The company's personnel

- will cooperate with and provide such information to civil authorities as they might require.
- D. One of the products of the combustion of hydrogen sulfide is sulfur dioxide (SO₂). Under certain conditions this gas may be equally as dangerous as H₂S. A pump type detector device, which determines the percent of SO₂ in air through concentrations in ppm, will be available. Although normal air movement is sufficient to dissipate this material to safe levels, the SO₂ detector should be utilized to check concentrations in the proximity of the well once every hour, or as necessary and the situation warrants. Also, if any low areas are suspected of having high concentrations, personnel should be made aware of these areas, and steps should be taken to determine whether or not these low areas are hazardous.

Exhibit E-6: H2S Contingency Plan Emergency Contacts Rodney Robinson Federal

Rodney Robinson Federal Matador Resources Company

Sec. 6-23S-33E Lea County, NM

| Company Office | | | - |
|--|--------------------------------|--------------|-----------------|
| Matador Resources Company | (972)-371-5200 | | |
| Key Personnel | | | |
| Name | Title | Office | Mobile |
| Billy Goodwin | Vice President Drilling | 972-371-5210 | 817-522-2928 |
| Gary Martin | Drilling Superintendent | | 601-669-1774 |
| Dee Smith | Drilling Superintendent | 972-371-5447 | 972-822-1010 |
| Blake Hermes | Drilling Engineer | 972-371-5485 | 713-876-8558 |
| | Construction Superintenden | t | |
| | Construction Superintenden | t | |
| <u>Artesia</u> | | | |
| Ambulance | | 911 | |
| State Police | | 575-746-2703 | |
| City Police | | 575-746-2703 | |
| Sheriff's Office | | 575-746-9888 | |
| Fire Department | | 575-746-2701 | |
| Local Emergency Planning Commit | tee | 575-746-2122 | |
| New Mexico Oil Conservation Divis | ion | 575-748-1283 | |
| <u>Carlsbad</u> | | | |
| Ambulance | | 911 | |
| State Police | | 575-885-3137 | |
| City Police | | 575-885-2111 | |
| Sheriff's Office | | 575-887-7551 | |
| Fire Department | | 575-887-3798 | |
| Local Emergency Planning Commit | tee | 575-887-6544 | |
| New Mexico Oil Conservation Divis | sion | 575-887-6544 | |
| Santa Fe | | | |
| New Mexico Emergency Response | - | 505-476-9600 | |
| New Mexico Emergency Response | | 505-827-9126 | |
| New Mexico State Emergency Ope | rations Center | 505-476-9635 | |
| <u>National</u> | | | |
| National Emegency Response Cent | er (Washington, D.C.) | 800-424-8802 | |
| <u>Medical</u> | | | |
| Flight for Life- 4000 24th St.; Lubbo | | 806-743-9911 | |
| Aerocare- R3, Box 49F; Lubbock, T | | 806-747-8923 | |
| Med Flight Air Amb- 2301 Yale Blv | | 505-842-4433 | |
| SB Air Med Service- 2505 Clark Car | r Loop S.E.; Albuquerque, NM | 505-842-4949 | |
| <u>Other</u> | | | |
| Boots & Coots IWC | | 800-256-9688 | or 281-931-8884 |
| Cudd Pressure Control | | 432-699-0139 | or 432-563-3356 |
| Haliburton | | 575-746-2757 | |
| B.J. Services | | 575-746-3569 | |