

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Notice of Intent

Type of Submission: Notice of Intent	Type of Action APD Change
Date Sundry Submitted: 02/03/2021	Time Sundry Submitted: 03:07
Date proposed operation will begin: 03/03/2021	

Procedure Description: Titus Oil & Gas Production, LLC respectfully requests the following changes to the approved APD: Name Change from Wild Salsa 24-13 Fed 224H to Wild Salsa Fed Com 226H; Target Depth change from 11,167' TVD & 21,855' MD to 11,119' TVD & 21,809' MD; Lateral Shift from 825' FEL to 330' FEL; Corrected Assigned Acres from 600ac to 640ac; Updates to C-102, Drilling Plan, Directional Plans, H2S Contingency Plan (name/location only), Gas Capture Plan, Flex Hose Certs.

Application

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
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Section 1 - General

APD ID: 10400046210	Tie to previous NOS? N	Submission Date: 08/22/2019
BLM Office: CARLSBAD	User: RYAN DELONG	Title: Regulatory Manager
Federal/Indian APD: FED	Is the first lease penetrated for production Federal or Indian? FED	
Lease number: NMLC0063228	Lease Acres:	
Surface access agreement in place?	Allotted?	Reservation:
Agreement in place? NO	Federal or Indian agreement:	
Agreement number:		
Agreement name:		
Keep application confidential? Y		
Permitting Agent? NO	APD Operator: TITUS OIL AND GAS PRODUCTION LLC	
Operator letter of designation:		

Operator Info

Operator Organization Name: TITUS OIL AND GAS PRODUCTION LLC		
Operator Address: 420 Throckmorton St., Suite 1150	Zip: 76102	
Operator PO Box:		
Operator City: Fort Worth	State: TX	
Operator Phone: (817)852-6358		
Operator Internet Address: rdelong@titusoil.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: WILD SALSA FED COM	Well Number: 226H	Well API Number: 3002547636
Field/Pool or Exploratory? Field and Pool	Field Name: DIAMONDTAIL	Pool Name: BONE SPRING
Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL		
Is the proposed well in a Helium production area? N	Use Existing Well Pad? N	New surface disturbance?
Type of Well Pad: MULTIPLE WELL	Multiple Well Pad Name: Wild Salsa	Number: 1
Well Class: HORIZONTAL	Number of Legs: 1	
Well Work Type: Drill		
Well Type: OIL WELL		
Describe Well Type:		

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Unit or CA Name:

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Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town:

Distance to nearest well: 25 FT

Distance to lease line: 653 FT

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: WILD_SALSA_FED_COM_226H_C_102_20210203145654.pdf

Well work start Date: 03/03/2020

Duration: 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

Reference Datum: GROUND LEVEL

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
SHL Leg #1	653	FNL	681	FEL	23S	32E	25	Tract A	32.2812095	-103.6219824	LEA	NEW MEXICO	NEW MEXICO	F	NMLC063228	3722	0	0	Y
KOP Leg #1	261	FNL	208	FEL	23S	32E	25	Tract A	32.282291	-103.6204482	LEA	NEW MEXICO	NEW MEXICO	F	NMLC063228	-6959	10713	10681	Y
PPP Leg #1-1	0	FSL	329	FEL	23S	32E	13	Tract P	32.297535	-103.620837	LEA	NEW MEXICO	NEW MEXICO	F	NMNM0536344	-7417	16550	11139	Y
EXIT Leg #1	1328	FNL	825	FEL	23S	32E	13	Tract A	32.3083838	-103.6224437	LEA	NEW MEXICO	NEW MEXICO	F	NMNM0536344	-7445	20544	11167	Y

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Allottee or Tribe Name:

Lease Number: NMLC0063228, NMLC063228

Unit or CA Name:

Unit or CA Number:

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Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
BHL Leg #1	1328	FNL	825	FEL	23S	32E	13	Tract A	32.3083839	-103.6224438	LEA	NEW MEXICO	NEW MEXICO	F	NMNM0536344	-7445	20544	11167	Y

Drilling Plan

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1541800	QUATERNARY	3722	0	0	ALLUVIUM	USEABLE WATER	N
1541801	RUSTLER	2407	1315	1315	ANHYDRITE	USEABLE WATER	N
1541802	SALADO	2382	1340	1340	SALT	NONE	N
1541803	BASE OF SALT	-1095	4817	4817	SALT	NONE	N
1541804	LAMAR	-1293	5015	5015	LIMESTONE	NONE	N
1541805	DELAWARE	-1375	5097	5097	SANDSTONE, SHALE, SILTSTONE	NONE	N
1541809	BONE SPRING LIME	-5140	8862	8862	LIMESTONE	NATURAL GAS, OIL	N
1541810	UPPER AVALON SHALE	-5343	9065	9065	SHALE	NATURAL GAS, OIL	N
1541811	BONE SPRING 1ST	-6280	10002	10002	SANDSTONE	NATURAL GAS, OIL	N
1541953	BONE SPRING 2ND	-6900	10622	10622	SANDSTONE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 5040

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

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See specs and hydrostatic test chart attached in part 8 as "Flex Hose Certifications."

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

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tested.

Choke Diagram Attachment:

2M_Choke_Diagram_20190821101816.pdf

BOP Diagram Attachment:

2M_BOP_Diagram_20190821101824.pdf

Pressure Rating (PSI): 3M Rating Depth: 11119

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

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Choke Diagram Attachment:

3M_Choke_Diagram_20190821101904.pdf

BOP Diagram Attachment:

3M_BOP_Diagram_20190821101909.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	
1	SURFACE	17.5	13.375	NEW	API	N	0	1340	0	1340	3722	2382	1340	J-55	54.5	ST&C	1.84	1.26	DRY	7.04	DRY	7.04
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	5040	0	5040	3721	-1318	5040	J-55	40	LT&C	1	1	DRY	2.58	DRY	2.58
3	PRODUCTION	8.75	5.5	NEW	API	N	0	21809	0	11119	3721	-7397	21809	P-110	17	LT&C	1.39	2.49	DRY	2.35	DRY	2.35

Casing Attachments

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Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Assumptions__shallow__WILD_SALSA_20190821102525.pdf

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Assumptions__shallow__WILD_SALSA_20190821102631.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Assumptions__shallow__WILD_SALSA_20190821102729.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
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Lease Number: NMLC0063228, NMLC063228

Unit or CA Name:

Unit or CA Number:

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String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1340	610	1.75	13.5	1067.5	50	Class C	4% Gel, 1% CaCl2
SURFACE	Tail		0	1340	250	1.34	14.8	335	50	Class C	2% CaCl2
INTERMEDIATE	Lead		0	5040	950	2	12.7	1900	50	35:65:6 C Blend	N/A
INTERMEDIATE	Tail		0	5040	250	1.34	14.8	335	50	Class C	N/A
PRODUCTION	Lead		0	21809	850	2.5	11.9	2125	25	50:50:10 H Blend	N/A
PRODUCTION	Tail		0	21809	2850	1.24	14.4	3534	40	50:50:2 H Blend	N/A

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1340	OTHER : Fresh Water Gel	8.6	8.8							
1340	5040	OTHER : Saturated Brine	10	10.2							
5040	11119	OTHER : Cut Brine	8.6	9.3							

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Section 6 - Test, Logging, Coring

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

GR from TD to surface (horizontal well - vertical portion of hole). Logs run will be stated in the completion report and submitted to the BLM.

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

DIRECTIONAL SURVEY,

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5380	Anticipated Surface Pressure: 2923
--	------------------------------------

Anticipated Bottom Hole Temperature(F): 170

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:

Wild_Salsa_Fed_Com_226H_H2S_20210203104225.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Wild_Salsa_Fed_Com_226H__Plan_1_01_29_21_20210203104243.pdf

Wild_Salsa_Fed_Com_226H__Plan_1_01_29_21_AC_Report_20210203104243.pdf

Other proposed operations facets description:

- Flex Hose Certifications
- Gas Capture Plan
- Drilling Plan APD

Other proposed operations facets attachment:

Gas_Capture_Plan_V4_WILD_SALSA_20210203104258.pdf

Wild_Salsa_Fed_Com_226H__APD_Template__NON_Reef__DLWR_BSS__20210203104258.pdf

Choke_Hose_SN_64409_20210203104258.pdf

Other Variance attachment:

SUPO

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Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Vicinity_and_Existing_Roads_WILD_SALSA_20190814085608.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:

New_Roads_WILD_SALSA_20190814085630.pdf

New road type: LOCAL,RESOURCE

Length: 449.9 Feet

Width (ft.): 30

Max slope (%): 2

Max grade (%): 1

Army Corp of Engineers (ACOE) permit required? N

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: The access road will be constructed to drain properly, preventing soil and caliche erosion. The road bed features 6" of 1" diameter caliche, crowned at 2% and shoulders with a 3:1 cut/fill slope. Adequately sized CMP culverts may be used on an as-needed basis to move runoff water under and away from access roads.

New road access plan or profile prepared? N

New road access plan attachment:

Access road engineering design? N

Access road engineering design attachment:

Turnout? N

Access surfacing type: GRAVEL

Access topsoil source: OFFSITE

Access surfacing type description:

Access onsite topsoil source depth:

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Offsite topsoil source description: State pit located at 32.23463, -103,61045

Onsite topsoil removal process:

Access other construction information:

Access miscellaneous information:

Number of access turnouts: Access turnout map:

Drainage Control

New road drainage crossing: CULVERT

Drainage Control comments: Culverts and other methods of managing drainage may be used on an as-needed basis to direct water flow and prevent erosion.

Road Drainage Control Structures (DCS) description: CMP culverts as needed

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Radius_Map_WILD_SALSA_20190814085719.pdf

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

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: This well will utilize the Wild Salsa 24-13 central tank battery located in Section 25, T23S, R32E, Lea County, NM. The survey for the facility pad has been included with "Other SUPO Attachments." Final facility design will be submitted via sundry notice once complete.

Section 5 - Location and Types of Water Supply

Water Source Table

Water source type: RECYCLED	
Water source use type:	SURFACE CASING INTERMEDIATE/PRODUCTION CASING
Source latitude: 32.28337	Source longitude: -103.6173
Source datum: NAD83	
Water source permit type:	PRIVATE CONTRACT
Water source transport method:	PIPELINE

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Source land ownership: PRIVATE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 22728

Source volume (acre-feet): 2.92948229

Source volume (gal): 954576

Water source type: RECYCLED

Water source use type: STIMULATION

Source latitude: 32.28337

Source longitude: -103.6173

Source datum:

Water source permit type: PRIVATE CONTRACT

Water source transport method: PIPELINE

Source land ownership: PRIVATE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 207200

Source volume (acre-feet): 26.70664956

Source volume (gal): 8702400

Water source type: RECYCLED

Water source use type: STIMULATION

Source latitude: 32.28337

Source longitude: -103.6173

Source datum: NAD83

Water source permit type: PRIVATE CONTRACT

Water source transport method: PIPELINE

Source land ownership: PRIVATE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 207200

Source volume (acre-feet): 26.70664956

Source volume (gal): 8702400

Water source and transportation map:

Water_Source_WILD_SALSA_20190814082850.pdf

Water source comments: Water source transportation "pipeline" will be filed with BLM as a temporary water line.

New water well? N

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New Water Well Info

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

Section 6 - Construction Materials

Using any construction materials: YES

Construction Materials description: This location will be turned over, using as much material on location as possible. Additional material needed will be trucked from a local caliche pit located at 32.234634, -103.610458.

Construction Materials source location attachment:

Caliche_Source_WILD_SALSA_20190814082906.pdf

Section 7 - Methods for Handling Waste

Waste type: GARBAGE

Waste content description: Garbage and Trash

Amount of waste: 1500 pounds

Waste disposal frequency : One Time Only

Safe containment description: Enclosed trash trailer

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Lea Land in Hobbs, Waste Management in Carlsbad, or another commercial facility.

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Waste type: SEWAGE

Waste content description: Human waste and gray water

Amount of waste: 1500 gallons

Waste disposal frequency : Weekly

Safe containment description: 2000 gallon plastic container

Safe containmant attachment:

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

Disposal type description:

Disposal location description: City of Carlsbad Water Treatment facility

Waste type: DRILLING

Waste content description: Drill Cuttings

Amount of waste: 22728 barrels

Waste disposal frequency : One Time Only

Safe containment description: Drill cutting swill be properly contained in steel tanks (20 yard roll off bins)

Safe containmant attachment:

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

Disposal type description:

Disposal location description: R360 Facility

Reserve Pit

Reserve Pit being used? N

Temporary disposal of produced water into reserve pit? NO

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

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

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

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? N

Description of cuttings location

Cuttings area length (ft.) **Cuttings area width (ft.)**

Cuttings area depth (ft.) **Cuttings area volume (cu. yd.)**

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Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

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?: N

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Well_Pad_Plat_WILD_SALSA_20190814085800.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: Wild Salsa

Multiple Well Pad Number: 1

Recontouring attachment:

Drainage/Erosion control construction: All areas disturbed shall be reclaimed as early and as closely as practicable to their original condition or their final land use and shall be maintained to control dust and minimize erosion to the extent practicable.

Drainage/Erosion control reclamation: Topsoils and subsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability, and preservation of surface water flow patterns. The disturbed area then shall be reseeded in the first favorable growing season.

Well pad proposed disturbance (acres): 13.69	Well pad interim reclamation (acres): 3.37	Well pad long term disturbance (acres): 10.32
Road proposed disturbance (acres): 0.3	Road interim reclamation (acres): 0	Road long term disturbance (acres): 0.3
Powerline proposed disturbance (acres): 0	Powerline interim reclamation (acres): 0	Powerline long term disturbance (acres): 0
Pipeline proposed disturbance (acres): 0	Pipeline interim reclamation (acres): 0	Pipeline long term disturbance (acres): 0
Other proposed disturbance (acres): 3.18	Other interim reclamation (acres): 0	Other long term disturbance (acres): 3.18
Total proposed disturbance: 17.17	Total interim reclamation: 3.37	Total long term disturbance: 13.8

Disturbance Comments: "Other Proposed Disturbance (acres)" represents the facility pad disturbance

Reconstruction method: Operator will use Best Management Practices to mechanically recontour to obtain the desired outcome.

Topsoil redistribution: Topsoils shall be replaced to their original relative positions and recontoured as to achieve erosion control, long-term stability, and preservation of surface water flow patterns.

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Soil treatment: Topsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-terms stability, and preservation of surface water flow patterns.
Existing Vegetation at the well pad: Native plant and grass species.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Native plant and grass species.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Native plant and grass species.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Native plant and grass species.

Existing Vegetation Community at other disturbances attachment:

Non native seed used? N

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? N

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? N

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed Summary	
Seed Type	Pounds/Acre

Total pounds/Acre:

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name:

Last Name:

Phone:

Email:

Seedbed prep:

Seed BMP:

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Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Seed method:

Existing invasive species? N

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Weeds will be treated/maintained on an as-needed basis

Weed treatment plan attachment:

Monitoring plan description: Location will be monitored on an as-needed basis

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner:

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: USFS Ranger District:

Received by OCD: 3/30/2021 8:05:34 AM

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Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner:

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: OTHER

Describe: Facility Pad

Surface Owner:

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
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Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Section 12 - Other Information

Right of Way needed? N

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information: The Wild Salsa pad is designed to be constructed in one, two, or three phases. In one phase the entire pad would be constructed at a single time. In two phases, the central portion of the pad would be constructed first, with the east and west extensions being added at a later date. In three stages, the central pad would be constructed first, then followed by east or west extensions as desirable.

Use a previously conducted onsite? Y

Previous Onsite information: The Wild Salsa onsite took place 6/18/2019.

Other SUPO Attachment

20190816_R4009_WILD_SALSA_24_13_FED_REV0_CUT_AND_FILL_20190816193617.pdf

Tank_Battery_Plat_WILD_SALSA_20190814085826.pdf

PWD

Section 1 - General

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

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? N

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Produced Water Disposal (PWD) Location:

PWD surface owner: PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

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

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD disturbance (acres): PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

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

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

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

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

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

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner: PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number: Injection well name:

Assigned injection well API number? Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? N

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC0063228, NMLC063228	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Produced Water Disposal (PWD) Location:

PWD surface owner:

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

PWD disturbance (acres):

Section 6 - Other

Would you like to utilize Other PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

PWD disturbance (acres):

Operator Certification

Operator Certification

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

NAME: RYAN DELONG

Title: Regulatory Manager

Street Address: 420 Throckmorton Street, Suite 1150

City: Fort Worth State: TX

Phone: (817)852-6370

Email address: rdelong@titusoil.com

Signed on:

Zip: 76102

Field Representative

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
Well Number: 224H	Type of Well: OIL WELL	Allottee or Tribe Name:
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US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

Well Name: WILD SALSA 24-13 FED	Well Location: T23S / R32E / SEC 25 / TR A / 32.2812095 / -103.6219824	County or Parish/State: LEA / NM
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US Well Number: 3002547636	Well Status: Approved Application for Permit to Drill	Operator: TITUS OIL AND GAS PRODUCTION LLC

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature:

Signed on:

Name: TITUS OIL AND GAS PRODUCTION LLC

Title: Regulatory Manager

Street Address: 420 Throckmorton St., Suite 1150

City: Fort Worth**State:** TX

Phone: (817) 852-6358

Email address: rdelong@titusoil.com

Field Representative

Representative Name:

Street Address:

City:**State:****Zip:**

Phone:

Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS**BLM POC Title:** Petroleum Engineer

BLM POC Phone: 5752342234**BLM POC Email Address:** cwalls@blm.gov

Disposition: Approved**Disposition Date:** 03/10/2021

Signature: Chris Walls

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47636	² Pool Code 17644	³ Pool Name DIAMONDTAIL; BONE SPRING
⁴ Property Code 328507	⁵ Property Name WILD SALSA FED COM	⁶ Well Number 226H
⁷ OGRID No. 373986	⁸ Operator Name TITUS OIL & GAS PRODUCTION LLC	⁹ Elevation 3722'

¹⁰ Surface Location

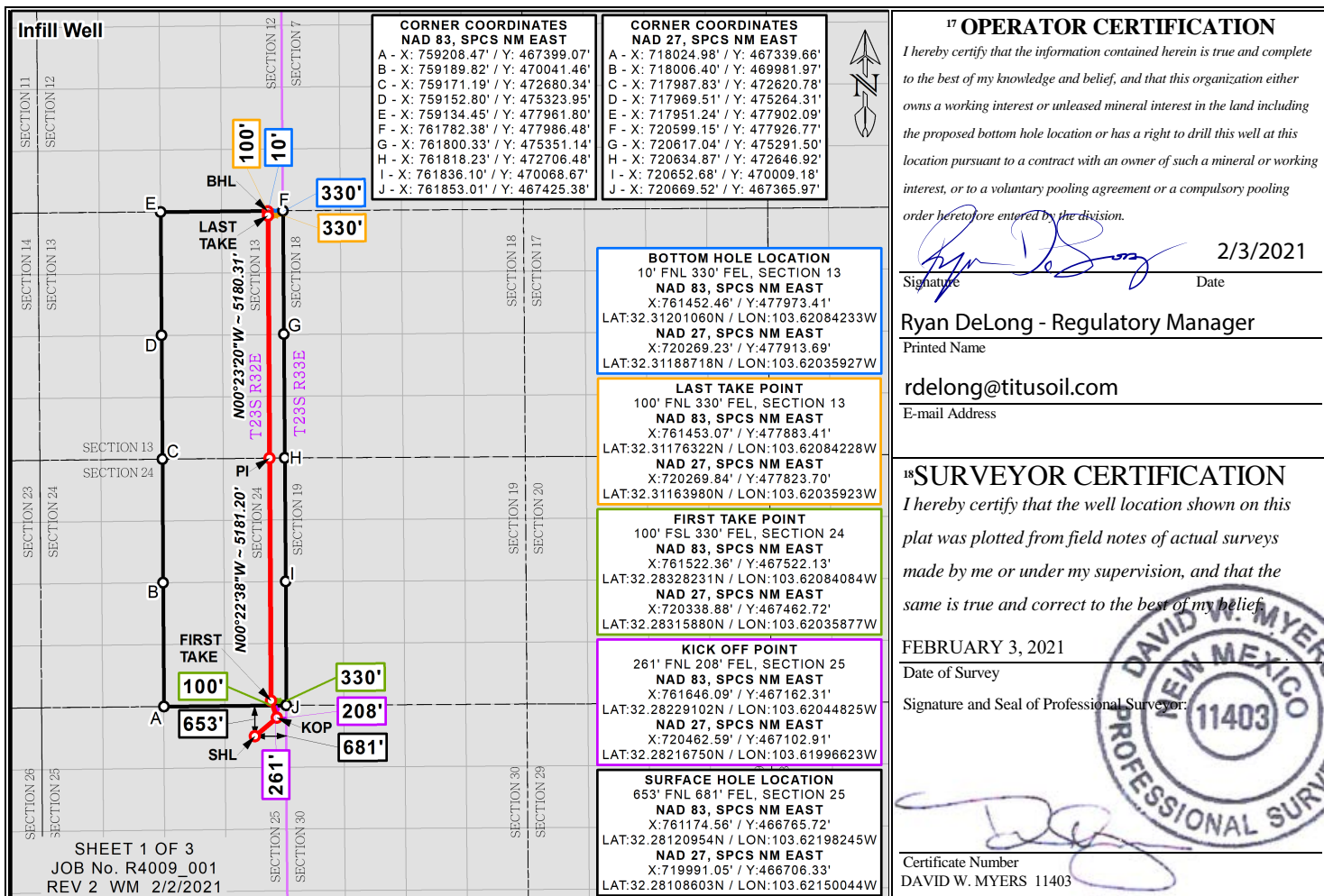
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	23S	32E		653	NORTH	681	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	23S	32E		10	NORTH	330	EAST	LEA

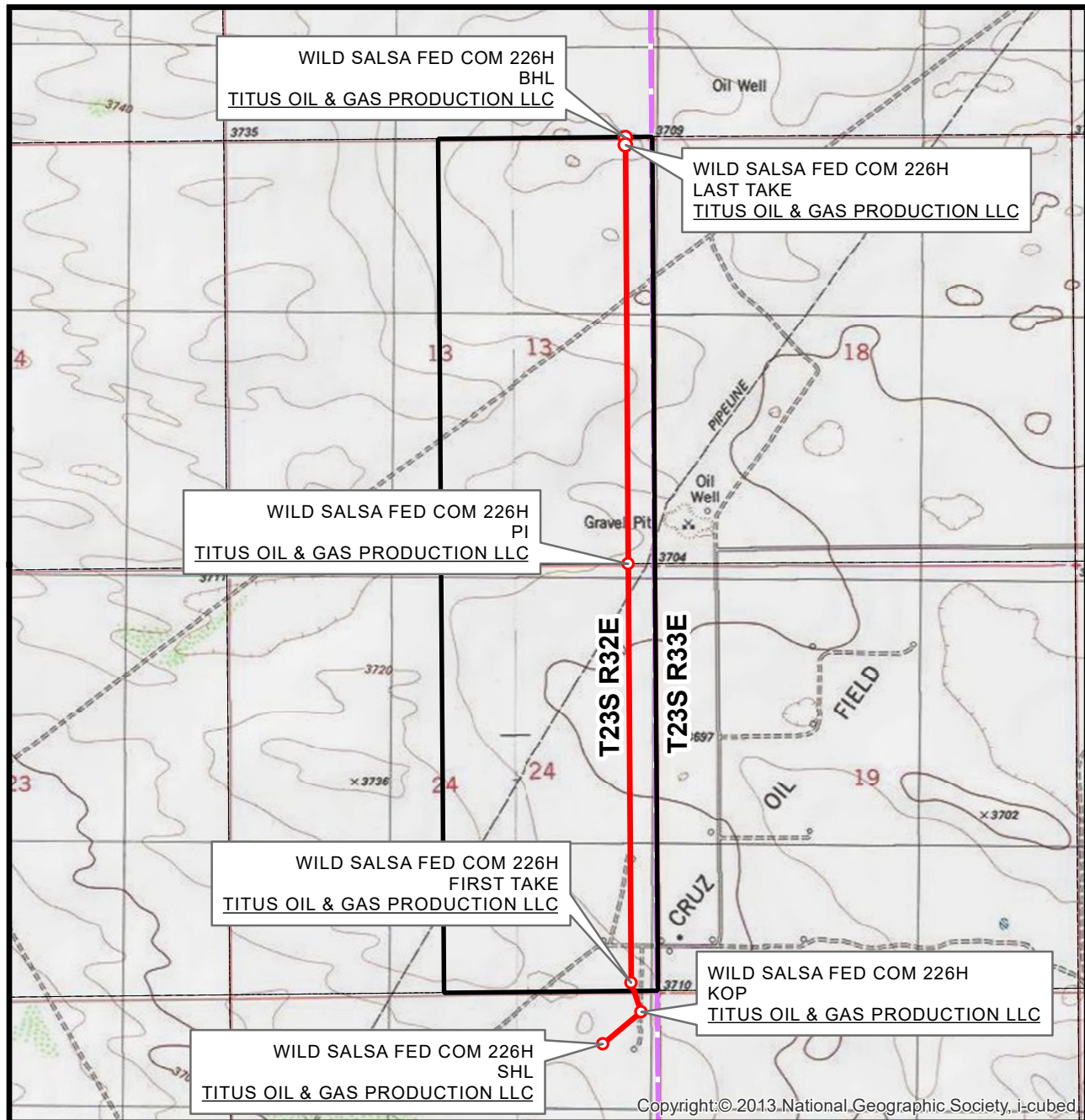
¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.9999645 Convergence Angle: 00°22'48.65002"

LOCATION VERIFICATION MAP



SEC. 25 TWP. 23-S RGE. 32-E
 SURVEY: N.M.P.M.
 COUNTY: LEA
 OPERATOR: TITUS OIL & GAS PRODUCTION LLC
 DESCRIPTION: 653' FNL & 681' FEL
 ELEVATION: 3722'
 LEASE: WILD SALSA FED COM
 U.S.G.S. TOPOGRAPHIC MAP: TIP TOP WELLS, NM.

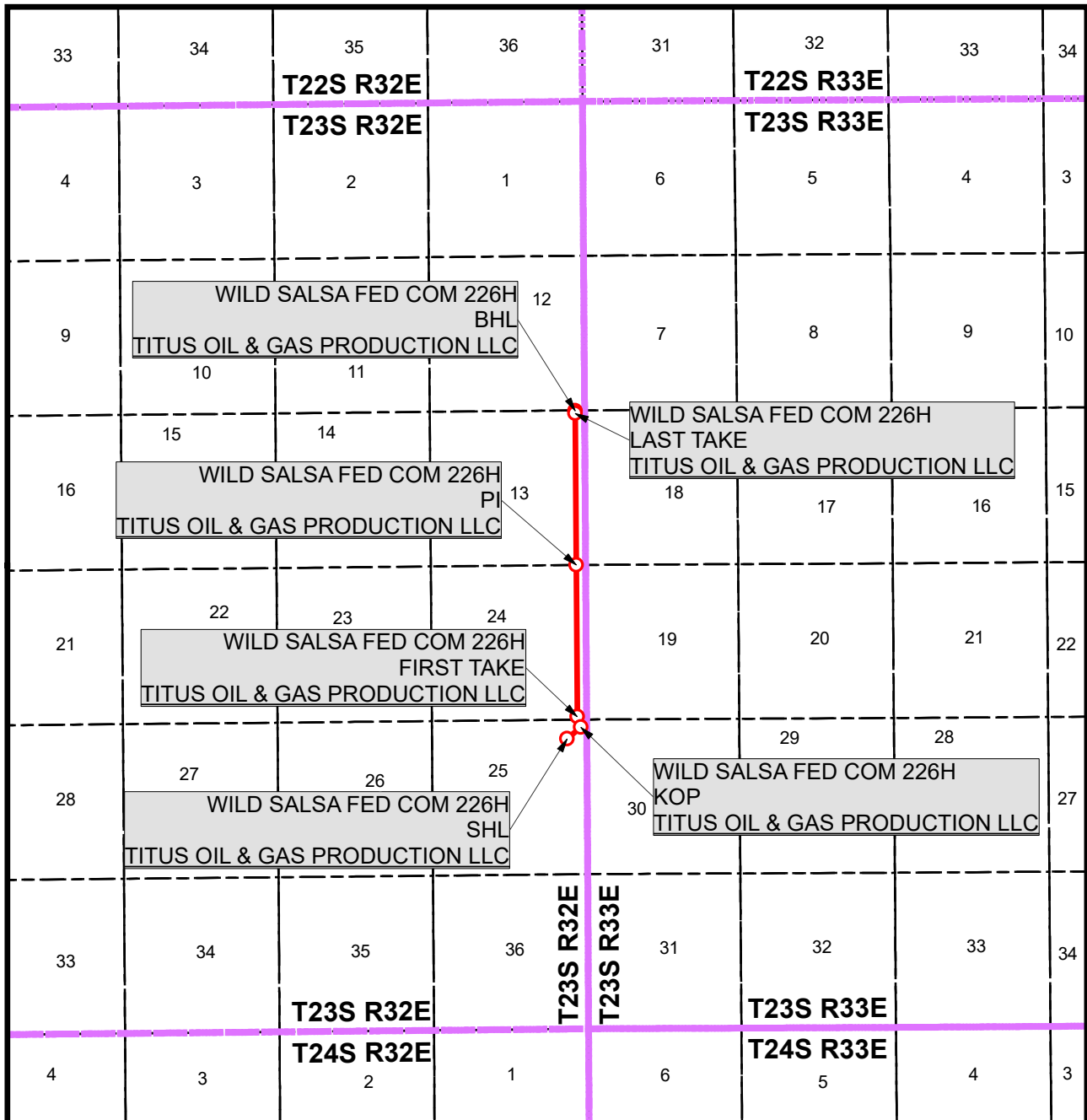
1" = 2,000'
 CONTOUR INTERVAL = 10'



SHEET 2 OF 3

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R4009_001

VICINITY MAP



SEC. 25 TWP. 23-S RGE. 32-E

1" = 1 MILE

SURVEY: N.M.P.M.

COUNTY: LEA

OPERATOR: TITUS OIL & GAS PRODUCTION LLC

DESCRIPTION: 653' FNL & 681' FEL

ELEVATION: 3722'

LEASE: WILD SALSA FED COM

U.S.G.S. TOPOGRAPHIC MAP: TIP TOP WELLS, NM.



SHEET 3 OF 3

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R4009_001

Titus Oil & Gas Production, LLC - Wild Salsa Fed Com 226H

1. Geologic Formations

TVD of target	11,119' EOL	Pilot hole depth	NA
MD at TD:	21,809'	Deepest expected fresh water:	400'

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	1315	Water	
Top of Salt	1340	Salt	
Base of Salt	4817	Salt	
Lamar	5015	Salt Water	
Delaware	5097	Salt Water	
Bone Spring Lime	8862	Oil/Gas	
Upper Avalon Shale	9065	Oil/Gas	
1st Bone Spring Sand	10002	Oil/Gas	
2nd Bone Spring Sand	10622	Target Oil/Gas	
3rd Bone Spring Sand	11900	Not Penetrated	
Wolfcamp	12208	Not Penetrated	
X	X	Not Penetrated	
X	X	Not Penetrated	
X	X	Not Penetrated	

2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
	From	To							
17.5"	0	1340	13.375"	54.5	J55	STC	1.84	1.26	7.04
12.25"	0	5040	9.625"	40	J55	LTC	0.96	0.93	2.58
8.75"	0	21,809	5.5"	17	P110	LTC	1.39	2.49	2.35
BLM Minimum Safety Factor							1.125	1	1.6 Dry 1.8 Wet

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse.
Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.
All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Titus Oil & Gas Production, LLC - Wild Salsa Fed Com 226H

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

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3. Cementing Program

Casing	# Sk	Wt. lb/ gal	Yld ft ³ / sack	H ₂ O gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	610	13.5	1.75	9	12	Lead: Class C + 4% Gel + 1% CaCl ₂
	250	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl ₂
Inter.	950	12.7	2.0	9.6	16	Lead: 35:65:6 C Blend
	250	14.8	1.34	6.34	8	Tail: Class C
5.5 Prod	850	11.9	2.5	19	72	Lead: 50:50:10 H Blend
	2850	14.4	1.24	5.7	19	Tail: 50:50:2 Class H Blend

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results

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

Casing String	TOC	% Excess
Surface	0'	50%
1 st Intermediate	0'	50%
Production	4,540'	25% OH in Lateral (KOP to EOL) – 40% OH in Vertical

Titus Oil & Gas Production, LLC - Wild Salsa Fed Com 226H

4. Pressure Control Equipment

N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.
---	---

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	x	Tested to:
12-1/4"	13-5/8"	2M	Annular	x	2000 psi
			Blind Ram		2M
			Pipe Ram		
			Double Ram		
			Other*		
8-3/4"	13-5/8"	3M	Annular	x	50% testing pressure
			Blind Ram	x	3M
			Pipe Ram	x	
			Double Ram		
			Other*		

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

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

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

Titus Oil & Gas Production, LLC - Wild Salsa Fed Com 226H

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	Surf. Shoe	FW Gel	8.6 - 8.8	28-34	N/C
Surf csg	9-5/8" Int shoe	Saturated Brine	10 - 10.2	28-34	N/C
9-5/8" Int shoe	Lateral TD	Cut Brine	8.6 - 9.3	28-34	N/C

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

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

6. Logging and Testing Procedures

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

Additional logs planned		Interval
N	Resistivity	Pilot Hole TD to ICP
N	Density	Pilot Hole TD to ICP
Y	CBL	Production casing (If cement not circulated to surface)
Y	Mud log	Intermediate shoe to TD
N	PEX	

Titus Oil & Gas Production, LLC - Wild Salsa Fed Com 226H

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5380 psi at 11119' TVD
Abnormal Temperature	NO 170 Deg. F.

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

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

N H₂S is present

Y H₂S Plan attached

8. Other Facets of Operation

Y	Is it a walking operation?
N	Is casing pre-set?

x	H ₂ S Plan.
x	BOP & Choke Schematics.
x	Directional Plan

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 2/2/2021

☐ Original Operator & OGRID No.: 373986
☒ Amended - Reason for Amendment: Revised well names/locations

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Wild Salsa 24-13 Fed 093H		Sec 25, T23S, R32E	653' FNL & 1261' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 323H		Sec 25, T23S, R32E	653' FNL & 1236' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 404H		Sec 25, T23S, R32E	653' FNL & 1211' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 324H		Sec 25, T23S, R32E	653' FNL & 1186' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 406H		Sec 25, T23S, R32E	653' FNL & 1161' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 224H		Sec 25, T23S, R32E	653' FNL & 1766' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 094H		Sec 25, T23S, R32E	653' FNL & 1741' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 215H		Sec 25, T23S, R32E	653' FNL & 1716' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 095H		Sec 25, T23S, R32E	653' FNL & 706' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 226H		Sec 25, T23S, R32E	653' FNL & 681' FEL	4024	None Planned	Wild Salsa CTB will be utilized
Wild Salsa 24-13 Fed 096H		Sec 25, T23S, R32E	653' FNL & 656' FEL	4024	None Planned	Wild Salsa CTB will be utilized

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Lucid and is connected to a Lucid high pressure gathering system located in Lea County, New Mexico. Titus provides (periodically) to Lucid a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Titus and Lucid have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at a Lucid's Red Hills Plant located in Sec 13, T24S, R33E near Jal, NM. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the well(s) start flowing through the production facilities, unless there are operational issues on Lucid's system at that time. Based on current information, it is Titus's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

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CONDITIONS

Action 22298

CONDITIONS OF APPROVAL

Operator:	TITUS OIL & GAS PRODUCTION, LL	420 Throckmorton St, Ste 1150	Fort Worth, TX76012	OGRID:	373986	Action Number:	22298	Action Type:	C-103A
OCD Reviewer	Condition								
pkautz	None								