Form 3160-3 (June 2015)				FORM A OMB No Expires: Jai	APPROVED 0. 1004-0137 1004-0137		
UNITED STATE DEPARTMENT OF THE I BUREAU OF LAND MAN	S NTERIOR AGEMENT	7		5. Lease Serial No.			
APPLICATION FOR PERMIT TO D	RILL OR	REENTER		6. If Indian, Allotee	or Tribe Name		
1a. Type of work: DRILL	EENTER			7. If Unit or CA Agreement, Name and No.			
1b. Type of Well: Oil Well Gas Well O 1a. Type of Completion: Hydraulia Execturing S)ther	Multiple Zope		8. Lease Name and V	Well No.		
		Multiple Zone		[320762]			
2. Name of Operator [372224]				9. API Well No. 3	0-025-487	/90	
3a. Address	3b. Phone N	o. (include area coa	le)	10. Field and Pool, c	r Exploratory	38131	
4. Location of Well <i>(Report location clearly and in accordance At surface)</i>	with any State	requirements.*)		11. Sec., T. R. M. or	Blk. and Surve	y or Area	
At proposed prod. zone	faa*			12 County or Parish	13 8	tate	
14. Distance in miles and direction from hearest town or post off	16 No of ac	res in lesse	17 Spacin	ng Unit dedicated to th	is well		
location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	10.100 01 ac		17. Spaci				
 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed	d Depth	20. BLM/	BIA Bond No. in file			
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approxi	mate date work will	start*	23. Estimated duration	on		
	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	ydraulic Fracturing ru	ile per 43 CFR	3162.3-3	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office 	em Lands, the e).	 Bond to cover th Item 20 above). Operator certific Such other site s BLM. 	ne operation cation. pecific infor	s unless covered by an mation and/or plans as	existing bond of may be requested	on file (see ed by the	
25. Signature	Name	(Printed/Typed)			Date		
Title							
Approved by (Signature)	Name	(Printed/Typed)			Date		
Title	Office						
Application approval does not warrant or certify that the applicat applicant to conduct operations thereon. Conditions of approval, if any, are attached.	nt holds legal o	or equitable title to t	hose rights	in the subject lease wh	nich would enti	tle the	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, r of the United States any false, fictitious or fraudulent statements	nake it a crime or representati	for any person kno ons as to any matter	wingly and within its j	willfully to make to a urisdiction.	ny department	or agency	
GCP Rec 04/16/2021		avnt	TONS	KZ	2021		
SL	VED WI	TH CONDI	10/10				
(Continued on page 2)				*(Ins	structions on	page 2)	

Approval Date: 04/16/2021



.

 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

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 ¹API Number ²Pool Code ³Pool Name Jal; Wolfcamp, West 33813 30-025-48790 ⁴Property Code Property Name Well Number RED BUD FED COM 25 36 32 122H 320762 ⁸Operator Name ⁷OGRID No. ⁹Elevation 372224 3009' AMEREDEV OPERATING, LLC. ¹⁰Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 32 25-S36 - E200' SOUTH 890' WEST LEA Μ ¹¹Bottom Hole Location If Different From Surface UL or lot no. Township Lot Idn Feet from the North/South line Feet from the East/West line County Section Rang 1672' 29 25-S **50**' C 36-ENORTH WEST LEA ²Dedicated Acres ⁴Consolidation Code ³Joint or Infill ⁵Order No. 320 С

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.



Released to Imaging: 5/3/2021 5:46:24 PM RVEYAMEREDEV_OPERATING_LLC\REDBUD_FED_COM/FINAL_PRODUCTS\LO_REDBUD_FED_COM_25_36_32_122H_REV3.DWG 10/2/2020 1:36:20 PM bgregory

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 mit Original

Page 3 of 41

Submit Original to Appropriate District Office

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

GAS CAPTURE PLAN

Date: 5/6/2020

 \boxtimes Original

Operator & OGRID No.: Ameredev Operating LLC (372224)

□ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete 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	SHL (ULSTR)	SHL	Expected	Flared or	Comments
			Footages	MCF/D	Vented	
Red Bud Fed Com 25 36 32 122H	30-025- 48790	M-32-25S-36E	200' FSL 850' FWL	1000	<30 days	Flare until well clean, then connect

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete. Gas produced from the above wells is not dedicated to a gas purchaser. The production facility will be (or is currently) connected to multiple low pressure gathering systems located in Lea County, New Mexico, which are operated by DCP Operating Co., ETC Texas Pipeline, and Lucid Energy Delaware (collectively "Gas Transporters"). Ameredev provides (periodically) to one or more Gas Transporters a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Ameredev and the Gas Transporters have periodic conference calls to discuss changes in drilling and completion schedules. Gas from the well(s) will be processed at one or more of Gas Transporters' processing plants located in several different locations. The actual flow of 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 or vented. 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 wells start flowing through the production facilities, unless there are operational issues on <u>Gas Transporter</u> system at that time. Based on current information, it is <u>Operator's</u> 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 vented and/or 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
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

WAFMSS

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

APD ID: 10400056919

Operator Name: AMEREDEV OPERATING LLC

Well Name: RED BUD FED COM 25 36 32

Well Type: OIL WELL

Section 1 - Geologic Formations

Formation			True Vertical	Measured			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
731612	RUSTLER ANHYDRITE	3009	1129	1129	ANHYDRITE	NONE	N
731615	SALADO	1499	1510	1510	SALT	NONE	N
731606	TANSILL	-219	3228	3228	LIMESTONE	NONE	N
731607	CAPITAN REEF	-729	3738	3738	LIMESTONE	USEABLE WATER	N
731616	LAMAR	-2092	5101	5101	LIMESTONE	NONE	N
731617	BELL CANYON	-2128	5137	5137	SANDSTONE	NATURAL GAS, OIL	N
731608	BRUSHY CANYON	-4055	7064	7064	SANDSTONE	NATURAL GAS, OIL	N
731609	BONE SPRING LIME	-5166	8175	8175	LIMESTONE	NONE	N
731613	BONE SPRING 1ST	-6545	9554	9554	SANDSTONE	NATURAL GAS, OIL	N
731610	BONE SPRING 2ND	-7074	10083	10083	SANDSTONE	NATURAL GAS, OIL	N
731614	BONE SPRING 3RD	-7690	10699	10699	LIMESTONE	NATURAL GAS, OIL	N
731618	BONE SPRING 3RD	-8292	11301	11301	SANDSTONE	NATURAL GAS, OIL	N
731611	WOLFCAMP	-8548	11557	11557	SHALE	NATURAL GAS, OIL	N
731633	WOLFCAMP	-8882	11891	11891	SHALE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention



Highlighted data reflects the most

recent changes

Show Final Text



Submission Date: 05/07/2020

Well Number: 122H

Well Work Type: Drill

Received by OCD: 4/16/2021 8:20:32 PM

Operator Name: AMEREDEV OPERATING LLC

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Pressure Rating (PSI): 10M

Rating Depth: 15000

Equipment: 10M BOPE SYSTEM WILL BE USED AFTER THE SURFACE CASING IS SET. A KELLY COCK WILL BE KEPT IN THE DRILL STRING AT ALL TIMES. A FULL OPENING DRILL PIPE STABBING VALVE WITH PROPER DRILL PIPE CONNECTIONS WILL BE ON THE RIG FLOOR AT ALL TIMES. **Requesting Variance?** YES

Variance request: Co-Flex Choke Line, 5M Annular Preventer

Testing Procedure: See attachment

Choke Diagram Attachment:

10M_Choke_Manifold_REV_20200507132336.pdf

BOP Diagram Attachment:

5M_Annular_Preventer_Variance_and_Well_Control_Plan_20200507132352.pdf

Pressure_Control_Plan_Single_Well_MB4_3String_Big_Hole_BLM_20200507132352.pdf

5M_BOP_System_20200507132353.pdf

4_String_MB_Ameredev_Wellhead_Drawing_net_REV_20200507133045.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1254	0	1254	3009	1755	1254	J-55	68	OTHER - BTC	7.32	1	DRY	10.7 3	DRY	12.5 4
2	INTERMED IATE	9.87 5	7.625	NEW	API	N	0	10824	0	10824		-7815	10824	HCL -80	29.7	OTHER - FJM	1.27	1.2	DRY	2.02	DRY	2.92
3	PRODUCTI ON	6.75	5.5	NEW	API	N	0	22832	0	12191		-9182	22832	P- 110	23	OTHER - USS Eagle SFH	1.72	1.81	DRY	2.34	DRY	2.6

Casing Attachments

Received by OCD: 4/16/2021 8:20:32 PM

Operator Name: AMEREDEV OPERATING LLC

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

13.375_68_J55_SEAH_20200507133511.pdf

Redbud_Fed_Com_25_36_32_122H___Wellbore_Diagram_and_CDA_R3_20210111103043.pdf

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

7.625_29.70_P110HC_LIBERTY_FJM_20210111103133.pdf

Redbud_Fed_Com_25_36_32_122H___Wellbore_Diagram_and_CDA_R3_20210111103141.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

5_20210111103235.5_23

Redbud_Fed_Com_25_36_32_122H___Wellbore_Diagram_and_CDA_R3_20210111103244.pdf

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Section	4 - Ce	emen	t								
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	868	837	1.76	13.5	1472. 75	100	Class C	Bentonite, Accelerator, Kolseal, Defoamer, Celloflake
SURFACE	Tail		868	1254	200	1.34	14.8	268	100	Class C	None
INTERMEDIATE	Lead	3228	0	2697	617	3.5	9	2159. 62	50	Class C	Salt, Bentonite, Kolseal, Defoamer, Celloflake, Anti-Settling Expansion Additive
INTERMEDIATE	Tail		2697	3228	200	1.33	14.8	266	25	Class C	None
INTERMEDIATE	Lead	3228	3228	9603	2213	2.47	11.9	5466. 84	50	Class H	Bentonite, Salt, Kolseal, Defoamer, Celloflake, Retarder, Anti-Settling Expansion Additive
INTERMEDIATE	Tail		9603	1082 4	200	1.31	14.2	262	25	Class H	Salt, Bentonite, Retarder, Dispersant, Fluid Loss
PRODUCTION	Lead		0	2283 2	1777	1.34	14.2	2381. 65	25	Class H	Salt, Bentonite, Fluid Loss, Dispersant, Retarder, Defoamer

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 supplies (e.g. bentonite, cedar bark) for fluid control will be on site.

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

Circulating Medium Table

Page 8 of 41

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (Ibs/gal)	Density (Ibs/cu ft)	Gel Strength (lbs/100 sqft)	НА	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
1082 4	1219 1	OIL-BASED MUD	10.5	12.5							
1254	1082 4	OTHER : Diesel Brine Emulsion	8.5	9.4							
0	1254	WATER-BASED MUD	8.4	8.6							

Section 6 - Test, Logging, Coring

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

A directional survey, measurement while drilling and a mudlog/geologic lithology log will all be run from surface to TD.

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

DIRECTIONAL SURVEY, MEASUREMENT WHILE DRILLING, MUD LOG/GEOLOGIC LITHOLOGY LOG, MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

No coring will be done on this well.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 6656

Anticipated Surface Pressure: 3973

Anticipated Bottom Hole Temperature(F): 165

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:

H2S_Plan_20210111103810.pdf

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

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Page 9 of 41

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Redbud_122H_DR_20210111103847.pdf Redbud_122H_LLR_20210111103847.pdf 5M_Annular_Preventer_Variance_and_Well_Control_Plan_20210111103859.pdf Pressure_Control_Plan_Single_Well_MB4_3String_Big_Hole_BLM_20210111103859.pdf

Other proposed operations facets description:

4-STRING CONTINGENCY PLAN AND SKID PROCEDURE ATTACHED

Other proposed operations facets attachment:

Rig_Skid_Procedure_20200507135015.pdf Wolfcamp_Contingency_20210111103926.pdf

Other Variance attachment:

Requested_Exceptions___3_String_Revised_01312019_20200507135038.pdf R616___CoC_for_hoses_12_18_17_20200507135131.pdf



Wellbore Schematic

Well:	Redbud Fed Com 25-36-32 122H	Co. Well ID:	XXXXXX
SHL:	Sec. 32 25S-36E 200' FSL & 890' FWL	AFE No.:	2020-016
BHL:	Sec. 29 25S-36E 50' FNL & 1672' FWL	API No.:	XXXXXXXXXXX
	Lea, NM	GL:	3,009'
Wellhead:	A - 13-5/8" 10M x 13-5/8" SOW	Field:	Delaware
	B - 13-5/8" 10M x 13-5/8" 10M	Objective:	Wolfcamp B
	C - 13-5/8" 10M x 13-5/8" 10M	TVD:	12,191'
	Tubing Spool - 7-1/16" 15M x 13-3/8" 10M	MD:	22,832'
Xmas Tree:	2-9/16" 10M	Rig:	TBD KB 27'
Tubing:	2-7/8" L-80 6.5# 8rd EUE	E-Mail:	Wellsite2@ameredev.com

Hole Size	Formation Tops	Logs	Cement	Mud Weight
17.5"	Rustler 1,129' 13.375" 68# J-55 BTC 1,254'		1,037 Sacks TOC 0' 100% Evress	8.4-8.6 ppg WBM
	Salado 1,510'		817 Sacks TOC 0' 50% Evress	
12.25"	Tansill 3,228'			
12.25	Capitan Reef 3,738'			ion
	Lamar 5,101'			muls
	Bell Canyon 5,137'			пе
	No Casing 5,226'			B
	Brushy Canyon 7,064'			Diese
	Bone Spring Lime 8,175'			6-0.4
9.875"	First Bone Spring 9,554'			8
	Second Bone Spring 10,083'		cks ocks	
	Third Bone Spring Upper 10,699'		3 Sa C 0' E Y C	
	7.625" 29.7# L-80HC FJM 10,824'		2,41 TOC 50%	
6.75"	Third Bone Spring 11,301'			
12° Build	Wolfcamp A 11,557'			DBM
@ 11,444' MD thru	Wolfcamp B 11,891'			5 ppg C
12,513' MD			<i>(</i>)	-12.
	5.5" 23# P-110 USS-Eagle SFH 22,832'		acks	10.5
	Target Wolfcamp B 12191 TVD // 22832 MD		7 S; 7 0'	
			<u>1,77</u> ТОС 25%	

.

•

Casing Specifications										
Segment Hole ID Depth OD Weight Grade Coupling										
Surface	17.5	1,254'	13.375	68	J-55	BTC				
Intermediate	9.875	10,824'	7.625	29.7	HCL-80	FJM				
Prod Segment A	6.75	11,444'	5.5	23	P-110	SFH				
Prod Segment B	6.75	22,832'	5.5	23	P-110	SFH				

Casing Design and Safety Factor Check

-									
Check Surface Casing									
OD Cplg	Body	Joint	Collapse	Burst					
inches	1000 lbs	1000 lbs	psi	psi					
14.375	1,069	915	4,100	3,450					
	S	afety Facto	ors						
1.56	12.54	10.73	7.32	0.65					
	Check I	ntermedia	te Casing						
OD Cplg	Body	Joint	Collapse	Burst					
inches	1000 lbs	1000 lbs	psi	psi					
7.625	940	558	6700	9460					
	S	afety Facto	ors						
1.13	2.92	2.02	1.27	1.20					
	Check Pro	od Casing,	Segment A						
OD Cplg	Body	Joint	Collapse	Burst					
inches	1000 lbs	1000 lbs	psi	psi					
5.777	728	655	12780	14360					
	S	afety Facto	ors						
0.49	2.60	2.34	1.72	1.81					
	Check Pro	od Casing,	Segment B						
OD Cplg	Body	Joint	Collapse	Burst					
inches	1000 lbs	1000 lbs	psi	psi					
5.777	728	655	12780	14360					
	S	afety Facto	ors						
0.49	42.37	38.12	1.61	1.81					

PERFORMANCE DATA

API BTC Technical Data Sheet 13.375 in

68.00 lbs/ft

J-55

Iubular Parameters					
Size	13.375	in	Minimum Yield	55,000	psi
Nominal Weight	68.00	lbs/ft	Minimum Tensile	75,000	psi
Grade	J-55		Yield Load	1,069,000	lbs
PE Weight	66.10	lbs/ft	Tensile Load	1,458,000	lbs
Wall Thickness	0.480	in	Min. Internal Yield Pressure	3,500	psi
Nominal ID	12.415	in	Collapse Pressure	1,950	psi
Drift Diameter	12.259	in		1	
		-			

Connection Parameters		
Connection OD	14.375	in
Coupling Length	10.625	in
Threads Per Inch	5.000	in
Standoff Thread Turns	1.000	
Make-Up Loss	4.513	in
Yield Load In Tension		lbs

19.445

3,500

psi

Connection OD	14.37
Coupling Length	10.62
Threads Per Inch	5.000
Standoff Thread Turns	1.000

Min. Internal Yield Pressure

Nom. Pipe Body Area

in²

Printed on: February-13-2015

NOTE:

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U. S. Steel Tubular Products 6/6/2017 6:18:53 PM 7.625" 29.70lbs/ft (0.375" Wall) P110 HC USS-LIBERTY FJM[®]

		······	>
MECHANICAL PROPERTIES	Pipe	USS-LIBERTY FJM [®]	
Minimum Yield Strength	110,000		psi
Maximum Yield Strength Minimum Tensile Strength	140,000 125,000		psi psi
DIMENSIONS	Pipe	USS-LIBERTY FJM [®]	
Outside Diameter	7.625	7.625	in.
Wall Thickness	0.375		in.
Inside Diameter	6.875	6.789	in.
Standard Drift	6.750	6.750	in.
Alternate Drift			in.
Nominal Linear Weight, T&C	29.70		lbs/ft
Plain End Weight	29.06		lbs/ft
ECTION AREA	Pipe	USS-LIBERTY FJM [®]	
Critical Area	8.541	5.074	sq. in.
Joint Efficiency		59.4	%
ERFORMANCE	Pipe	USS-LIBERTY FJM [®]	
Minimum Collapse Pressure	6,700	6,700	psi
Minimum Internal Yield Pressure	9,460	9,460	psi
Minimum Pipe Body Yield Strength	940,000		lbs
Joint Strength		558,000	lbs
Compression Rating		558,000	lbs
Reference Length		12,810	ft
Maximum Uniaxial Bend Rating		39.3	deg/100 ft
IAKE-UP DATA	Pipe	USS-LIBERTY FJM [®]	
Make-Up Loss		3.92	in.
Minimum Make-Up Torque		10,800	ft-lbs
Maximum Make-Up Torque		15,250	ft-lbs

1. Other than proprietary collapse and connection values, performance properties have been calculated using standard equations defined by API 5C3 and do not incorporate any additional design or safety factors. Calculations assume nominal pipe OD, nominal wall thickness and Specified Minimum Yield Strength (SMYS).

Compressive & Tensile Connection Efficiencies are calculated by dividing the connection critical area by the pipe body area.

3. Uniaxial bending rating shown is structural only, and equal to compression efficiency.

4. USS-LIBERTY FJM[™] connections are optimized for each combination of OD and wall thickness and cannot be interchanged.

5. Torques have been calculated assuming a thread compound friction factor of 1.0 and are recommended only. Field make-up torques may require adjustment based on actual field conditions (e.g. make-up speed, temperature, thread compound, etc.).

6. Reference length is calculated by joint strength divided by nominal plain end weight with 1.5 safety factor.

7. Connection external pressure leak resistance has been verified to 100% API pipe body collapse pressure following the guidelines of API 5C5 Cal III.

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U. S. Steel Tubular Products 10343 Sam Houston Park Dr., #120 Houston, TX 77064 1-877-893-9461 connections@uss.com www.usstubular.com

U. S. Steel Tubular Products 11/14/2018 9:02:57 AM 5.500" 23.00lbs/ft (0.415" Wall) USS RYS110 USS-EAGLE SFH™

MECHANICAL PROPERTIES	Pipe	USS-EAGLE SFH™	
Minimum Yield Strength	110,000		psi
Maximum Yield Strength	125,000		psi
Minimum Tensile Strength	120,000		psi
DIMENSIONS	Pipe	USS-EAGLE SFH™	
Outside Diameter	5.500	5.830	in.
Wall Thickness	0.415		in.
Inside Diameter	4.670	4.585	in.
Standard Drift	4.545	4.545	in.
Alternate Drift		4.545	in.
Nominal Linear Weight, T&C	23.00		lbs/ft
Plain End Weight	22.56		lbs/ft
ECTION AREA	Pipe	USS-EAGLE SFH™	
Critical Area	6.630	5.507	sq. in.
Joint Efficiency		83.1	%
ERFORMANCE	Pipe	USS-EAGLE SFH™	
Minimum Collapse Pressure	14,540	14,540	psi
External Pressure Leak Resistance		10,000	psi
Minimum Internal Yield Pressure	14,520	14,520	psi
Minimum Pipe Body Yield Strength	729,000		lbs
Joint Strength		606,000	lbs
Compression Rating		606,000	lbs
Reference Length		17,909	ft
Maximum Uniaxial Bend Rating		76.2	deg/100 ft
AKE-UP DATA	Pipe	USS-EAGLE SFH™	
Make-Up Loss		6.65	in.
Minimum Make-Up Torque		16,600	ft-lbs
Maximum Make-Up Torque		19,800	ft-lbs
Maximum Operating Torque		28,000	ft-lbs

Legal Notice

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> U. S. Steel Tubular Products 460 Wildwood Forest Drive, Suite 300S connections@uss.com Spring, Texas 77380

1-877-893-9461 www.usstubular.com

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Ameredev Operating LLC
WELL NAME & NO.:	Red Bud Fed Com 25 36 32 122H
LOCATION:	Sec 5-26S-36E-NMP
COUNTY:	Lea County, New Mexico

COA

H2S	C Yes	🖸 No	
Potash	None	C Secretary	C R-111-P
Cave/Karst Potential	💽 Low	C Medium	C High
Cave/Karst Potential	Critical		
Variance	C None	• Flex Hose	C Other
Wellhead	C Conventional	Multibowl	C Both
Other	4 String Area	Capitan Reef	□ WIPP
Other	Fluid Filled	Cement Squeeze	Pilot Hole
Special Requirements	Water Disposal	COM	🗖 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

- 1. The **13-3/8** inch surface casing shall be set at approximately 1297 feet (a minimum of 70 feet (Eddy 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.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> <u>hours</u> 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.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

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.
- In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.
- 3. The minimum required fill of cement behind the **7-5/8** inch alternate intermediate casing is:

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 **50 feet** on top of Capitan Reef top. If cement does not circulate see B.1.a, c-d above.
- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - 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).'
- 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 10,000 (10M) psi. Variance is approved to use a 5000 (5M) Annular which shall be tested to 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.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

• The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to

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the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

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)

Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

Lea County Call 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

Page 4 of 8

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.
- <u>Wait on cement (WOC) for Potash Areas:</u> 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 <u>24 hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 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

Page 5 of 8

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.
- 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: The flex line must meet the requirements of API 16C. 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 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, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
 - 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.

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.

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AFMSS

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

ID:

Do the existing roads need to be improved? NO

Section 1 - Existing Roads

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

RED_BUD_FED_COM_25_36_32_122H___ONE_MILE_RADIUS_WELLS_20200507135553.pdf

Submission Date: 05/07/2020

Well Number: 122H

Highlighted data reflects the most recent changes

Show Final Text

Page 1 of 9

SUPO Data Repor

04/16/2021

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Well Work Type: Drill

Operator Name: AMEREDEV OPERATING LLC Well Name: RED BUD FED COM 25 36 32

Well Type: OIL WELL

APD ID: 10400056919

Will existing roads be used? YES **Existing Road Map:**

ROW ID(s)

RED_BUD_FED_COM_25_36_32_122H___WELL_PAD_ACCESS_MAP_20200507135454.pdf

Existing Road Purpose: ACCESS

Row(s) Exist? NO

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: A buried 4 poly flowline will run approximately 3,032 feet from the Red Bud Fed Com 25 36 32 122H to the existing Red Bud/Holly CTB southeast of the well pad. Should any type of production facilities be located on the well pad, they will be strategically placed to allow for maximum interim reclamation, re-contouring, and revegetation of the well location.

Production Facilities map:

RB_HOL_FLOWLINE_SEC5_2N_20200507135651.pdf EXISTING_REDBUD_STATE_COM_BATTERY_SITE_S_20200507135653.pdf

Section 5 - Location and Types of Water Supply

Water Source Tabl	е		
Water source type: GW WELL			
Water source use type:	SURFACE C	SING	
	STIMULATIO	N	
	DUST CONT	ROL	
	INTERMEDIA CASING	TE/PRODUCTION	
Source latitude:			Source longitude:
Source datum:			
Water source permit type:	PRIVATE CO	NTRACT	
Water source transport method:	TRUC	KING	
	PIPELI	NE	
Source land ownership: PRIVATE			
Source transportation land owners	ship: FEDERA	L	
Water source volume (barrels): 20	000		Source volume (acre-feet)
Source volume (gal): 840000			

Received by OCD: 4/16/2021 8:20:32 PM

Operator Name: AMEREDEV OPERATING LLC

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Water source and transportation map:

RED_BUD_FED_COM_25_36_32_122H___WATER_WELLS_LIST_20200507135836.pdf RED_BUD_FED_COM_25_36_32_122H___WATER_WELLS_MAP_20200507135840.pdf

Water source comments: Water will be trucked or surface piped from existing water wells on private land. See attached list of available wells.

New water well? N

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: NM One Call (811) will be notified before construction start. Top 6" of soil and brush will be stockpiled north of the pad. Closed loop drilling system will be used. Caliche will be hauled from an existing caliche pit on private (Dinwiddie Cattle Company) land in W2 08-25S-36E or an existing caliche pit on private (Dinwiddie Cattle Company) land in E2 17-25S-36E.

Construction Materials source location attachment:

RED_BUD_FED_COM_25_36_32_122H___CALICHE_MAP_20200507135927.pdf

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

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Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill cuttings, mud, salts, and other chemicals

Amount of waste: 2000 barrels

Waste disposal frequency : Daily

Safe containment description: Steel tanks on pad

Safe containmant attachment:

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

Disposal location description: R360's State approved (NM-01-0006) disposal site at Halfway, NM

Reserve Pit

Reserve Pit being used? NO

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? Y

 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

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: N

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

RED_BUD_FED_COM_25_36_32_122H___WELLSITE_20200507143310.pdf BO_RB_HOL_2N_PAD_SITE_S_20200507143323.pdf Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: RB/HOL

Multiple Well Pad Number: 2N

Recontouring attachment:

RED_BUD_FED_COM_25_36_32_122H___WELLSITE_20200507143544.pdf

Drainage/Erosion control construction: Crowned and ditched

Drainage/Erosion control reclamation: Harrowed on the contour

Well pad proposed disturbance (acres): 4.59	Well pad interim reclamation (acres): 0.79	Well pad long term disturbance (acres): 3.8
Road proposed disturbance (acres):	Road interim reclamation (acres): 0	Road long term disturbance (acres): 0
Powerline proposed disturbance	Powerline interim reclamation (acres):	Powerline long term disturbance
(acres): 0	0	(acres): 0
Pipeline proposed disturbance	Pipeline interim reclamation (acres): 0	Pipeline long term disturbance
(acres): 2.09 Other proposed disturbance (acres): 0	Other interim reclamation (acres): 0	(acres): 2.09 Other long term disturbance (acres): 0
Total proposed disturbance: 6.68	Total interim reclamation: 0.79	Total long term disturbance: 5.89

Disturbance Comments:

Reconstruction method: If circumstances allow, interim reclamation and/or final reclamation actions will be completed no later than 6 months from when the final well on location has been completed or plugged. Ameredev will gain written permission from the BLM if more time is needed. Interim reclamation will be completed within 6 months of completing the well. Interim reclamation will consist of shrinking the pad 17% (.79 acre) by removing caliche and reclaiming 40' wide swaths on the north and east sides of the pad. This will leave 3.8 acres for producing six wells, with tractor-trailer turn around. 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 surface owner's requirements. All topsoil for the battery will be reseeded in place for the life of the battery.

Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Topsoil redistribution: Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. New road will be similarly reclaimed within 6 months of plugging. Noxious weeds will be controlled. **Soil treatment:** None

Existing Vegetation at the well pad: Sparse low brush and intermittent grasses

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Sparse low brush and intermittent grasses

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Sparse low brush and intermittent grasses

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Sparse low brush and intermittent grasses 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? ${\sf N}$

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
 Total

 Seed Type
 Pounds/Acre

Total pounds/Acre:

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Christie

Last Name: Hanna

Operator Name: AMEREDEV OPERATING LLC Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

Phone: (737)300-4700

Email: channa@ameredev.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? N

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: To BLM standards

Weed treatment plan attachment:

Monitoring plan description: To BLM standards

Monitoring plan attachment:

Success standards: To BLM satisfaction

Pit closure description: No pit

Pit closure attachment:

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: HOBBS Military Local Office: USFWS Local Office: Other Local Office: USFS Region: USFS Forest/Grassland:

USFS Ranger District:

Well Name: RED BUD FED COM 25 36 32

Operator Name: AMEREDEV OPERATING LLC

Well Number: 122H

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:

State Local Office: HOBBS

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? N ROW Type(s):

ROW Applications

Use APD as ROW?

SUPO Additional Information:

Use a previously conducted onsite? ${\sf Y}$

Previous Onsite information: An on-site meeting for Ameredev's Red Bud Fed Com 25 36 32 122H was held on 11/19/2018. (NOS #: 10400037355) Attendees included Jeff Robertson (BLM), Shane McNeely (Ameredev), and Ged Adams (Topographic). Ameredev made a donation with the MOU fund in lieu of an archaeology report.

Other SUPO Attachment

Operator Name: AMEREDEV OPERATING LLC Well Name: RED BUD FED COM 25 36 32

Well Number: 122H

RED_BUD_FED_COM_25_36_32_122H___SURFACE_USE_PLAN_OF_OPERATIONS_R1_20210111104311.pdf



Wellbore Schematic

Well:	Redbud Fed Com 25-36-32 122H	Co. Well ID:	XXXXXX
SHL:	Sec. 32 25S-36E 200' FSL & 890' FWL	AFE No.:	2020-016
BHL:	Sec. 29 25S-36E 50' FNL & 1672' FWL	API No.:	XXXXXXXXXXX
	Lea, NM	GL:	3,009'
Wellhead:	A - 13-5/8" 10M x 13-5/8" SOW	Field:	Delaware
	B - 13-5/8" 10M x 13-5/8" 10M	Objective:	Wolfcamp B
	C - 13-5/8" 10M x 13-5/8" 10M	TVD:	12,191'
	Tubing Spool - 7-1/16" 15M x 13-3/8" 10M	MD:	22,832'
Xmas Tree:	2-9/16" 10M	Rig:	TBD KB 27'
Tubing:	2-7/8" L-80 6.5# 8rd EUE	E-Mail:	Wellsite2@ameredev.com

Hole Size	Formation Tops	Logs	Ce	ment	Mud Weight
17.5"	Rustler 1,129' 13.375" 68# J-55 BTC 1,254'		1,037 Sacks	TOC 0' 100% Evrass	8.4-8.6 ppg WBM
×	Salado 1,510' DV Tool with ACP 3,228'		817 Sacks	TOC 0' 50% Evcass	
40.05"	Tansill 3,228'				
12.25	Capitan Reef 3,738'				ion
	Lamar 5,101'				muls
	Bell Canyon 5,137'				ine E
	No Casing 5,226'				B
	Brushy Canyon 7,064'				Diese
	Bone Spring Lime 8,175'				5-9.4
9.875"	First Bone Spring 9,554'				8
	Second Bone Spring 10,083'		cks	000	
	Third Bone Spring Upper 10,699'		3 Sa	о Ц	
	7.625" 29.7# L-80HC FJM 10,824'		2,41	ТОС 50%	
6.75"	Third Bone Spring 11,301'				
12° Build	Wolfcamp A 11,557'				DBM
@ 11,444' MD thru	Wolfcamp B 11,891'				5 ppg (
12,513' MD					-12.
	5.5" 23# P-110 USS-Eagle SFH 22,832'		acks		10.5
	Target Wolfcamp B 12191 TVD // 22832 MD	1	7 S	ю ц	
			1,77	TОС 25%	

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5M Annular Preventer Variance Request and Well Control Procedures

Note: A copy of the Well Control Plan must be available at multiple locations on the rig for review by rig personnel, as well as review by the BLM PET/PE, and a copy must be maintained on the rig floor.

Dual Isolation Design for 5M Annular Exception

Ameredev will utilize 13-5/8" 10M (5M Annular) BOPE System consisting of:

- 13-5/8" 5M Annular
- 13-5/8" 10M Upper Pipe Rams
 - o 3-1/2" 5-1/2" Variable Bore Ram
- 13-5/8" 10M Blind Rams
- 13-5/8" 10M Drilling Spool /w 2 4" 10M Outlets Double 10M Isolation Valves
- 13-5/8" 10M Lower Blind Rams
 - o 3-1/2" 5-1/2" Variable Bore Ram

All drilling components and casing associated to exposure > 5000 psi BHP requiring a 10M system will have a double isolation (secondary barrier) below the 5M Annular that would provide a barrier to flow. The mud system will always be primary barrier, it will be maintained by adjusting values based on tourly mud tests and monitoring a PVT System to maintain static wellbore conditions, displacement procedures will be followed and recorded on daily drilling reports during tripping operations. Surge and swab pressure values will be calculated and maintained and static flow check will be monitored at previous casing shoe and verified static well conditions prior to tripping out of hole and again prior to pulling last joint of drill pipe through BOPE. The below table, documents that two barriers to flow can be maintained at all times, independent of the rating of the annular preventer.

Drill Components	Size	Primary Barrier	Secondary Barrier	Third Barrier	
Drillpipe	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams	
HWDP Drillpipe	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams	
Drill Collars	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams	
Production Casing	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams	
0pen Hole	13-5/8	Drilling Fluid	Blind Rams		
All Drilling Components in 10M Environment will have OD that will allow full Operational RATED					
WORKING PRESSURE for system design. Kill line with minimum 2" ID will be available outside					
substructure with 10M Check Valve for OOH Kill Operations					

Well Control Procedures

Proper well control procedures are dependent to differentiating well conditions, to cover the basic well control operations there are will be standard drilling ahead, tripping pipe, tripping BHA, running casing, and pipe out of the hole/open hole scenarios that will be defined by procedures below. Initial Shut In Pressure can be taken against the Uppermost BOPE component the 5M Annular, pressure control can be transferred from the lesser 5M Annular to the 10M Upper Pipe Rams if needed. Shut In Pressures may be equal to or less than the Rated Working Pressure but at no time will the pressure on the annular preventer exceed the Rated Working Pressure of the annular. The annular will be tested to 5,000 psi. This will be the Rated Working Pressure of the annular preventer. All scenarios will be written such as shut in will be performed by closing the 10,000 psi Upper Pipe Rams for faster Accumulator pressure recovery to allow safer reaction to controlling wellbore pressure.

Shutting In While Drilling

- 1. Sound alarm signaling well control event to Rig Crew
- 2. Space out drill string to allow FOSV installation
- 3. Shut down pumps
- 4. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves Open to working pressure gauge
- 5. Install open, full open safety valve and close valve, Close Chokes
- 6. Verify well is shut-in and flow has stopped
- 7. Notify supervisory personnel
- 8. Record data (SIDP, SICP, Pit Gain, and Time)
- 9. Hold pre-job safety meeting and discuss kill procedure

Shutting In While Tripping

- 1. Sound alarm signaling well control event to Rig Crew
- 2. Space out drill string to allow FOSV installation
- 3. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves Open to working pressure gauge
- 4. Install open, full open safety valve and close valve, Close Chokes
- 5. Verify well is shut-in and flow has stopped
- 6. Notify supervisory personnel
- 7. Record data (SIDP, SICP, Pit Gain, and Time)
- 8. Hold pre-job safety meeting and discuss kill procedure

Shutting In While Running Casing

- 1. Sound alarm signaling well control event to Rig Crew
- 2. Space out casing to allow circulating swedge installation
- 3. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves Open to working pressure gauge
- 4. Install circulating swedge, Close high pressure, low torque valves, Close Chokes
- 5. Verify well is shut-in and flow has stopped
- 6. Notify supervisory personnel
- 7. Record data (SIDP, SICP, Pit Gain, and Time)
- 8. Hold Pre-job safety meeting and discuss kill procedure

Shutting in while out of hole

- 1. Sound alarm signaling well control event to Rig Crew
- 2. Shut-in well: close blind rams and open HCR against Open Chokes and Valves Open to working pressure gauge
- 3. Close Chokes, Verify well is shut-in and monitor pressures
- 4. Notify supervisory personnel
- 5. Record data (SIDP, SICP, Pit Gain, and Time)
- 6. Hold Pre-job safety meeting and discuss kill procedure

Shutting in prior to pulling BHA through stack

Prior to pulling last joint of drill pipe thru the stack space out and check flow If flowing see steps below.

- 1. Sound alarm signaling well control event to Rig Crew
- 2. Shut in upper pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
- 3. Install open, full open safety valve and close valve, Close Chokes
- 4. Verify well is shut-in and flow has stopped
- 5. Notify supervisory personnel
- 6. Record data (SIDP, SICP, Pit Gain, and Time)
- 7. Hold pre-job safety meeting and discuss kill procedure

Shutting in while BHA is in the stack and ram preventer and combo immediately available

- 1. Sound alarm signaling well control event to Rig Crew
- 2. Space out BHA with upset just beneath the compatible pipe ram
- 3. Shut in upper compatible pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
- 4. Install open, full open safety valve and close valve, Close Chokes
- 5. Verify well is shut-in and flow has stopped
- 6. Notify supervisory personnel
- 7. Record data (SIDP, SICP, Pit Gain, and Time)
- 8. Hold pre-job safety meeting and discuss kill procedure

*FOSV will be on rig floor in open position with operating handle for each type of connection utilized and tested to 10,000 psi

Shutting in while BHA is in the stack and no ram preventer or combo immediately available

- 1. Sound alarm signaling well control event to Rig Crew
- 2. If possible pick up high enough, to pull string clear and follow "Open Hole" scenario

If not possible to pick up high enough:

- 3. Stab Crossover, make up one joint/stand of drill pipe, and install open, full open safety valve (Leave Open)
- 4. Space out drill string with upset just beneath the compatible pipe ram.
- 5. Shut in upper compatible pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
- 6. Close FOSV, Close Chokes, Verify well is shut-in and flow has stopped
- 7. Notify supervisory personnel
- 8. Record data (SIDP, SICP, Pit Gain, and Time)
- 9. Hold pre-job safety meeting and discuss kill procedure



Pressure Control Plan

Pressure Control Equipment

- Following setting of 13-3/8" Surface Casing Ameredev will install 13-5/8 MB4 Multi Bowl Casing Head by welding on a 13-5/8 SOW x 13-5/8" 5M in combination with 13-5/8 5M x 13-5/8 10M B-Sec to Land Intm #1 and a 13-5/8 10M x 13-5/8 10M shouldered to land C-Sec to Land Intm #2 (Installation procedure witnessed and verified by a manufacturer's representative).
- Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Ameredev will install a 5M System Blowout Preventer (BOPE) with a 5M Annular Preventer and related equipment (BOPE). Full testing will be performed utilizing a full isolation test plug and limited to 5,000 psi MOP of MB4 Multi Bowl Casing Head. Pressure will be held for 10 min or until provisions of test are met on all valves and rams. The 5M Annular Preventer will be tested to 50% of approved working pressure (2,500 psi). Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Setting of 9-5/8" (7-5/8" as applicable) Intermediate will be done by landing a wellhead hanger in the 13-5/8" 5M Bowl, Cementing and setting Well Head Packing seals and testing same. (Installation procedure witnessed and verified by a manufacturer's representative) Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Full testing will be performed utilizing a full isolation test plug to 10,000 psi MOP of MB4 Multi Bowl B-Section. Pressure will be held for 10 min or until provisions of test are met on all valves and rams. The 5M Annular Preventer will be tested to 100% of approved working pressure (5,000 psi).
- Before drilling >20ft of new formation under the 9-5/8" (7-5/8" as applicable) Casing Shoe a pressure integrity test of the Casing Shoe will be performed to minimum of the MWE anticipated to control formation pressure to the next casing depth.
- Following setting of 5-1/2" Production Casing and adequate WOC time Ameredev will break 10M System Blowout Preventer (BOP) from 10M DOL-2 Casing Head, install annulus casing slips and test same (Installation procedure witnessed and verified by a manufacturer's representative) and install 11" 10M x 5-1/8" 15M Tubing Head (Installation procedure witnessed and verified by a manufacturer's representative). Ameredev will test head to 70% casing design and install Dry Hole cap with needle valve and pressure gauge to monitor well awaiting completion.



Pressure Control Plan

- Slow pump speeds will be taken daily by each crew and recorded on Daily Drilling Report after mudding up.
- A choke manifold and accumulator with floor and remote operating stations will be functional and in place after installation of BOPE, as well as full functioning mud gas separator.
- Weekly BOPE pit level drills will be conducted by each crew and recorded on Daily Drilling Report.
- BOP will be fully operated when out of hole and will be documented on the daily drilling log.
- All B.O.P.s and associated equipment will be tested in accordance with Onshore Order #2
- All B.O.P. testing will be done by an independent service company.
- The B.O.P. will be tested within 21 days of the original test if drilling takes more time than planned.
- Ameredev requests a variance to connect the B.O.P. choke outlet to the choke manifold using a co-flex hose with a 10,000 psi working pressure that has been tested to 15,000psi and is built to API Spec 16C. Once the flex line is installed it will be tied down with safety clamps. (certifications will be sent to Carlsbad BLM Office prior to install)
- Ameredev requests a variance to install a 5M Annular Preventer on the 10M System to drill the Production Hole below the 9-5/8" (7-5/8" as applicable) Intermediate Section. 5M Annular will be tested to 100% working pressure (5,000 psi). A full well control procedure will be included to isolate well bore.





CONDITIONS

Action 24399

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 Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS OF APPROVAL

Operator: Suite 600	AMEREDEV OPERATING, LLC 2901 Via Fortuna Austin, TX78746	OGRID: 372224	Action Number: 24399	Action Type: FORM 3160-3
OCD Roviewer	Condition			
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104			
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and			