

Form 3160-3
(June 2015)FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		5. Lease Serial No. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No.
2. Name of Operator		9. API Well No. 30 015 48973
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone		11. Sec., T. R. M. or Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		12. County or Parish
13. State		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

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 applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.

(Continued on page 2)

*(Instructions on page 2)





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

Application Data Report

09/08/2021

APD ID: 10400067670

Submission Date: 01/10/2021

Highlighted data
reflects the most
recent changes

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

APD ID: 10400067670

Tie to previous NOS? N

Submission Date: 01/10/2021

BLM Office: Carlsbad

User: MAYTE REYES

Title: Regulatory Analyst

Federal/Indian APD: FED

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

Lease number: NMNM57261

Lease Acres:

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: COG OPERATING LLC

Operator letter of designation:

Operator Info

Operator Organization Name: COG OPERATING LLC

Operator Address: 600 West Illinois Ave

Zip: 79701

Operator PO Box:

Operator City: Midland

State: TX

Operator Phone: (432)683-7443

Operator Internet Address: RODOM@CONCHO.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: HAMBONE FEDERAL COM

Well Number: 502H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: CORRAL CANYON Pool Name: BONE SPRING,
SOUTH

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

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

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

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:
HAMBONE FEDERAL COM

Number: 501H/502H

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 17 Miles

Distance to nearest well: 30 FT

Distance to lease line: 50 FT

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: COG_Hambone_502H_C102_20210110210313.pdf

Well work start Date: 04/01/2021

Duration: 30 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	222	FSL	1650	FEL	26S	29E	8	Aliquot SWSE	32.050251	- 104.000639	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 57261	2917	0	0	N
KOP Leg #1	222	FSL	1650	FEL	26S	29E	8	Aliquot SWSE	32.050251	- 104.000639	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 57261	2917	0	0	N
PPP Leg #1-1	100	FSL	1650	FEL	26S	29E	8	Aliquot SWSE	32.049918	- 104.002935	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 57261	- 5463	8468	8380	N

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

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?
PPP Leg #1-2	2639	FNL	1650	FEL	26S	29E	8	Aliquot SWNE	32.057033	-104.003013	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 123925	-5574	11000	8491	Y
PPP Leg #1-3	1	FSL	1650	FEL	26S	29E	5	Aliquot SWSE	32.064362	-104.003093	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 124655	-5556	13740	8473	N
EXIT Leg #1	100	FNL	1651	FEL	26S	29E	5	Aliquot NWNE	32.078672	-104.00325	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 115417	-5523	18800	8440	Y
BHL Leg #1	50	FNL	1650	FEL	26S	29E	5	Aliquot NWNE	32.078809	-104.003251	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 115417	-5588	18857	8505	Y



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

Drilling Plan Data Report

09/08/2021

APD ID: 10400067670

Submission Date: 01/10/2021

Highlighted data
reflects the most
recent changes

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1373258	QUATERNARY	2917	0	0	ALLUVIUM	NONE	N
1373261	RUSTLER	2840	77	77	CONGLOMERATE	NONE	N
1373262	TOP SALT	2517	400	400	SALT	NONE	N
1373263	BASE OF SALT	269	2648	2648	SALT	NONE	N
1373256	LAMAR	79	2838	2838	LIMESTONE	NONE	N
1373257	BELL CANYON	32	2885	2885	SANDSTONE	NONE	N
1373264	CHERRY CANYON	-775	3692	3692	SANDSTONE	NATURAL GAS, OIL	N
1373265	BRUSHY CANYON	-2012	4929	4929	SANDSTONE	NATURAL GAS, OIL	N
1373266	BONE SPRING LIME	-3633	6550	6550	LIMESTONE	NATURAL GAS, OIL	N
1373267	BONE SPRING 1ST	-4545	7462	7462	SANDSTONE	NATURAL GAS, OIL	N
1373268	BONE SPRING 2ND	-5409	8326	8326	SANDSTONE	NATURAL GAS, OIL	Y
1373260	BONE SPRING 3RD	-6434	9351	9351	SANDSTONE	NATURAL GAS, OIL	N
1373255	WOLFCAMP	-6795	9712	9712	SHALE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**Pressure Rating (PSI):** 3M**Rating Depth:** 8505

Equipment: BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor.

Requesting Variance? YES

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

Testing Procedure: The BOP and BOPE will be fully tested per Onshore Order #2 when initially installed, whenever any seal subject to test pressure is broken, and/or following related repairs.

Choke Diagram Attachment:

COG_Hambone_2M_Choke_20210110190418.pdf

BOP Diagram Attachment:

COG_Hambone_2M_BOP_20210110190429.pdf

Flex_Hose_Variance___Pioneer_84_20190926121403.pdf

Pressure Rating (PSI): 5M**Rating Depth:** 2860

Equipment: BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor.

Requesting Variance? YES

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

Testing Procedure: The BOP and BOPE will be fully tested per Onshore Order #2 when initially installed, whenever any seal subject to test pressure is broken, and/or following related repairs.

Choke Diagram Attachment:

COG_Hambone_3M_Choke_20210110190706.pdf

BOP Diagram Attachment:

COG_Hambone_2M_BOP_20210110190723.pdf

Flex_Hose_Variance___Pioneer_84_20190926121639.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	360	0	360	2917	2557	360	J-55	54.5	ST&C	6.86	2.25	DRY	26.2	DRY	26.2

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H

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
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	2860	0	2860	3585	57	2860	J-55	40	LT&C	1.71	1.21	DRY	4.55	DRY	4.55
3	PRODUCTION	8.75	5.5	NEW	API	N	0	18857	0	8505	3585	-5588	18857	P-110	17	LT&C	1.82	3.26	DRY	3.08	DRY	3.08

Casing Attachments**Casing ID:** 1 **String Type:** SURFACE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**

COG_Hambone_502H_Casing_Prog_20210110223652.pdf

Casing ID: 2 **String Type:** INTERMEDIATE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**

COG_Hambone_502H_Casing_Prog_20210110223801.pdf

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

Casing Attachments

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Hambone_502H_Casing_Prog_20210110223524.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	360	30	1.75	13.5	52	50	Class C	4% Gel + 1% CaCl2
SURFACE	Tail		0	360	250	1.34	14.8	335	50	Class C	2% CaCl2
INTERMEDIATE	Lead		0	2860	490	2	12.7	980	50	35:65:6 C Blend	N/A
INTERMEDIATE	Tail		9320	2860	250	1.34	14.8	335	50	Class C	2% CaCl
PRODUCTION	Lead		8505	1885 7	710	2.5	11.9	1775	20	50:50:10 H Blend	N/A
PRODUCTION	Tail		8505	1885 7	2650	1.24	14.4	3286	20	50:50:2 Class H Blend	N/A

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

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
360	2860	OTHER : Saturated Brine	10	10.1							Saturated Brine
2860	1885 7	OTHER : Cut Brine	8.6	9.3							Cut Brine
0	360	OTHER : Fresh water gel	8.6	8.8							Fresh water gel

Section 6 - Test, Logging, Coring

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

None planned

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

CEMENT BOND LOG, COMPENSATED NEUTRON LOG, GAMMA RAY LOG,

Coring operation description for the well:

None planned

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4115**Anticipated Surface Pressure:** 2243**Anticipated Bottom Hole Temperature(F):** 145**Anticipated abnormal pressures, temperatures, or potential geologic hazards?** NO**Describe:****Contingency Plans geohazards description:****Contingency Plans geohazards attachment:****Hydrogen Sulfide drilling operations plan required?** YES**Hydrogen sulfide drilling operations plan:**

COG_Hambone_501H_502H_H2S_Schem_20210110192743.pdf

COG_Hambone_H2S_SUP_20210110192755.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_Hambone_502H_AC_RPT_20210110224717.pdf

COG_Hambone_502H_Directional_Plan_20210110224727.pdf

Other proposed operations facets description:

Drilling prog attached.

Cement prog attached.

GCP attached.

Other proposed operations facets attachment:

COG_Hambone_501H_502H_505H_506H_GCP_20210110192927.pdf

COG_Hambone_501H_Cement_Prog_20210110192907.pdf

COG_Hambone_502H_Drilling_Prog_20210110224739.pdf

Other Variance attachment:



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

SUPO Data Report

09/08/2021

APD ID: 10400067670**Submission Date:** 01/10/2021

Highlighted data
reflects the most
recent changes

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H[Show Final Text](#)**Well Type:** OIL WELL**Well Work Type:** Drill

Section 1 - Existing Roads

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

COG_Hambone_Existing_Road_20210110193058.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT**Row(s) Exist?** NO

ROW ID(s)

ID:**Do the existing roads need to be improved?** YES**Existing Road Improvement Description:** Existing roads will be maintained in the same condition or better.**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:**

COG_Hambone_502H_1Mile_Data_20210110212038.pdf

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: The Hambone Federal 8P Central Tank Battery (CTB) in Sec.8, T26S, R29E will be utilized to produce 3 existing Wolfcamp wells and 3 new 2nd Bone Spring wells (Hambone Federal Com 501H,502H). Each well head will be connected to a buried 4 FP 601HT that will be used to carry oil, water and gas production from each wellhead to their respected test vessel at the CTB; the route for these flowlines will follow the flowline corridor route as shown in the exhibit drawing and attached plats. Furthermore, each well pad will have one buried 4 FP 150 line for gas lift supply from the CTB; the route for this gas lift line will start on the CTB pad where designated by gas line in the exhibit drawing and then following the flowline corridor in the attached plats.

Production Facilities map:

COG_Hambone_Federal_8P_CTB_Schematic_20210110204747.pdf

Section 5 - Location and Types of Water Supply**Water Source Table****Water source type:** OTHER**Describe type:** Brine Water**Water source use type:** INTERMEDIATE/PRODUCTION CASING**Source latitude:****Source longitude:****Source datum:****Water source permit type:** PRIVATE CONTRACT**Water source transport method:** TRUCKING**Source land ownership:** COMMERCIAL**Source transportation land ownership:** COMMERCIAL**Water source volume (barrels):** 30000**Source volume (acre-feet):** 3.866793**Source volume (gal):** 1260000

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**Water source type:** OTHER**Describe type:** Fresh Water

Water source use type: ICE PAD CONSTRUCTION &
MAINTENANCE
STIMULATION
SURFACE CASING

Source latitude:**Source longitude:****Source datum:****Water source permit type:** PRIVATE CONTRACT**Water source transport method:** PIPELINE**Source land ownership:** PRIVATE**Source transportation land ownership:** PRIVATE**Water source volume (barrels):** 450000**Source volume (acre-feet):** 58.001892**Source volume (gal):** 18900000**Water source and transportation map:**

COG_Hambone_501H_502H_Brine_H2O_20210110203202.pdf

COG_Hambone_501H_502H_Fresh_H2O_20210110203211.pdf

Water source comments: See attached maps**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.):**

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**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:** Caliche will be obtained from the actual well site. If caliche does not exist or is not plentiful from the well site, the caliche source will be from a Federal Caliche Pit located in Sec 24-T26S-R29E.**Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: DRILLING**Waste content description:** Drilling fluids and produced oil land water while drilling and completion operations**Amount of waste:** 6000 barrels**Waste disposal frequency :** One Time Only**Safe containment description:** All drilling waste will be stored safely and disposed of properly**Safe containmant attachment:****Waste disposal type:** HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL**Disposal type description:****Disposal location description:** Trucked to an approved disposal facility**Waste type:** SEWAGE**Waste content description:** Human waste and gray water**Amount of waste:** 1000 gallons**Waste disposal frequency :** One Time Only**Safe containment description:** Waste will be properly contained and disposed of properly at a state approved disposal facility.**Safe containmant attachment:****Waste disposal type:** HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** PRIVATE**Disposal type description:****Disposal location description:** Trucked to an approved disposal facility**Waste type:** GARBAGE**Waste content description:** Garbage and trash produced during drilling and completion operations.**Amount of waste:** 500 pounds**Waste disposal frequency :** One Time Only

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H

Safe containment description: Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to an approved disposal facility.

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 Roll off cutting containers on tracks

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

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

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: N

Ancillary Facilities attachment:

Comments: Gas Capture Plan attached

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**Section 9 - Well Site Layout****Well Site Layout Diagram:**

COG_Hambone_501H_502H_Layout_20210110193201.pdf

Comments:**Section 10 - Plans for Surface Reclamation****Type of disturbance:** New Surface Disturbance**Multiple Well Pad Name:** HAMBONE FEDERAL COM**Multiple Well Pad Number:** 501H/502H**Recontouring attachment:**

COG_Hambone_501H_502H_Reclamation_20210110203618.pdf

Drainage/Erosion control construction: Proper erosion control methods will be used at the well site to control erosion, runoff, and siltation of the surrounding area. Straw waddles will be used as necessary at the well site to reduce sediment impacts to fragile/sensitive soils.

Drainage/Erosion control reclamation: The interim reclamation will be monitored periodically to ensure that vegetation has re-established and that erosion is controlled.

Well pad proposed disturbance (acres): 3.95	Well pad interim reclamation (acres): 0.06	Well pad long term disturbance (acres): 3.46
Road proposed disturbance (acres): 0	Road interim reclamation (acres): 0	Road long term disturbance (acres): 0
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): 3.95	Other interim reclamation (acres): 3.95	Other long term disturbance (acres): 3.95
Total proposed disturbance: 7.9	Total interim reclamation: 4.01	Total long term disturbance: 7.41

Disturbance Comments:

Reconstruction method: If needed, portions of the pad not needed for production operations will be re-contoured to its original state as much as possible. The caliche that is removed will be reused. The stockpiled topsoil will be spread out over reclaimed area and reseeded with BLM approved seed mixture.

Topsoil redistribution: South

Soil treatment: None

Existing Vegetation at the well pad: Shinnery Oak/Mesquite grassland

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Shinnery Oak/Mesquite grassland

Existing Vegetation Community at the road attachment:

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**Existing Vegetation Community at the pipeline:** Shinnery Oak/Mesquite grassland**Existing Vegetation Community at the pipeline attachment:****Existing Vegetation Community at other disturbances:** N/A**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****Total pounds/Acre:****Seed Type****Pounds/Acre****Seed reclamation attachment:****Operator Contact/Responsible Official Contact Info****First Name:****Last Name:****Phone:****Email:****Seedbed prep:****Seed BMP:****Seed method:****Existing invasive species?** N**Existing invasive species treatment description:****Existing invasive species treatment attachment:**

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**Weed treatment plan description:** N/A**Weed treatment plan attachment:****Monitoring plan description:** N/A**Monitoring plan attachment:****Success standards:** N/A**Pit closure description:** N/A**Pit closure attachment:**

COG_Hambone_Closed_Loop_20210110203659.pdf

Section 11 - Surface Ownership

Disturbance type: WELL PAD**Describe:****Surface Owner:** BUREAU OF LAND MANAGEMENT**Other surface owner description:****BIA Local Office:****BOR Local Office:****COE Local Office:****DOD Local Office:****NPS Local Office:****State Local Office:****Military Local Office:****USFWS Local Office:****Other Local Office:****USFS Region:****USFS Forest/Grassland:****USFS Ranger District:**

Section 12 - Other Information

Right of Way needed? N**Use APD as ROW?****ROW Type(s):**

ROW Applications

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

SUPO Additional Information: Surface Use & Operating Plan.

Use a previously conducted onsite? Y

Previous Onsite information: Onsite completed on 07/01/2019 by Gerald Herrera (COG) and Matias Telles (BLM).

Other SUPO Attachment

COG_Hambone_Existing_Road_20210110203819.pdf

COG_Hambone_Fed_Com_GCP_20210110203806.docx

COG_Hambone_502H_C102_20210110212146.pdf



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

PWD Data Report

09/08/2021

APD ID: 10400067670

Submission Date: 01/10/2021

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

Well Type: OIL WELL

Well Work Type: Drill

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

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:

Describe 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:

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

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:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

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

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total 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?

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**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**Produced Water Disposal (PWD) Location:****PWD surface owner:****PWD disturbance (acres):****Surface discharge PWD discharge volume (bbl/day):****Surface Discharge NPDES Permit?****Surface Discharge NPDES Permit attachment:****Surface Discharge site facilities information:****Surface discharge site facilities map:**

Section 6 - Other

Would you like to utilize Other PWD options? N**Produced Water Disposal (PWD) Location:****PWD surface owner:****PWD disturbance (acres):****Other PWD discharge volume (bbl/day):**

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



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

Bond Info Data Report

09/08/2021

APD ID: 10400067670

Submission Date: 01/10/2021

Highlighted data
reflects the most
recent changes

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000215

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:



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

Operator Certification Data Report

09/08/2021

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: MAYTE REYES**Signed on:** 01/10/2021**Title:** Regulatory Analyst**Street Address:** 925 N ELDRIDGE PARKWAY**City:** HOUSTON**State:** TX**Zip:** 77252**Phone:** (281)293-1000**Email address:** MAYTE.X.REYES@CONOCOPHILLIPS.COM

Field Representative

Representative Name: Gerald Herrera**Street Address:** 2208 West Main Street**City:** Artesia**State:** NM**Zip:** 88210**Phone:** (575)748-6940**Email address:** gherrera@concho.com

**NAD 83 NME
PROPOSED BOTTOM
HOLE LOCATION**
Y=392564.4 N
X=643571.7 E
LAT.=32.078809° N
LONG.=104.003251° W

NMNM124655

POINT LEGEND

1	Y=392621.0 N X=645220.8 E
2	Y=389994.9 N X=645934.3 E
3	Y=387314.1 N X=645337.0 E
4	Y=384642.5 N X=645930.6 E
5	Y=381957.6 N X=645352.7 E
6	Y=381953.2 N X=642682.2 E
7	Y=387306.2 N X=642647.7 E
8	Y=392610.2 N X=642555.7 E

NMNM123925

NMNM057261

**NAD 83 NME
SURFACE LOCATION**
Y=382178.0 N
X=644412.8 E
LAT.=32.050251° N
LONG.=104.000639° W

SECTION 5
SECTION 8

GRID AZ. = 359°17'25"
HORIZ. DIST. = 105'
10.4'

50' B.H.
1650'

NMNM115417

LETP
100' FNL & 1651' FEL
Y=392514.4 N
X=643572.3 E
LAT.=32.078672° N
LONG.=104.003250° W

LEASE X-ING
LAT.=32.071705° N
LONG.=104.003173° W

LEASE X-ING
LAT.=32.064362° N
LONG.=104.003093° W

LEASE X-ING
LAT.=32.060700° N
LONG.=104.003053° W

LEASE X-ING
LAT.=32.057033° N
LONG.=104.003013° W

LETP
100' FSL & 1650' FEL
Y=382054.9 N
X=643701.8 E
LAT.=32.049918° N
LONG.=104.002915° W
GRID AZ. TO LETP
260°10'15"

S.L. 938'
1222'

OPERATOR CERTIFICATION
I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
Signature *Mayte Reyes* **Date** *11-0-2021*
Mayte Reyes
Printed Name
mreyes1@concho.com
E-mail Address

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
JULY 3, 2019
Date of Survey
Signature & Seal of Professional Surveyor
CHAD L. HARCROW
NEW MEXICO
17777
LICENSED PROFESSIONAL SURVEYOR
Chad Harcrow **11/6/20**
Certificate No. CHAD HARCROW 17777
W.O. #20-1447 **DRAWN BY: WN**

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: COG Operating LLC **OGRID:** 229137 **Date:** 09 / 16 / 21

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Hambone Federal Com 502H	30-015-	P-8-26S-29E	222 FSL & 938 FEL	± 1249	± 2694	± 2342

IV. Central Delivery Point Name: _____ [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Hambone Federal Com 502H	Pending	4/20/2022	± 25 days from spud	8/18/2022	8/28/2022	9/2/2022

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☐ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

VI. Separation Equipment

How Operator will size separation equipment to optimize gas capture:

All ConocoPhillips production facility equipment will be sized per industry standards (API 12J) with adequate retention time to effectively separate all phases of production. Each project will take into consideration the number of wells and type curves for each formation pool to ensure adequate facility capacity. Design considerations will also include review of all piping, tanks, VRU's and associated equipment to ensure optimized gas capture minimized risk of release.

VII. Operational Practices

Actions Operator will take to comply with the requirements below:

B. Drilling Operations

- During drilling, flare stacks will be located a minimum of 100 feet from the nearest surface hole location. All gas is captured or combusted. If an emergency or malfunction occurs, gas will be flared or vented for public health, safety, and the environment and be properly reported to the NMOCD pursuant to 19.15.27.8.G.
- Measure or estimate the volume of natural gas that is vented, flared or beneficially used during drilling, completion and production operations, regardless of the reason or authorization for such venting or flaring.

C. Completion Operations

- During completion operations, operator does not produce oil or gas but maintains adequate well control through completion operations.
- Individual well test separators will be set to properly separate gas and liquids. A temporary test separator will be utilized initially to process volumes. In addition, separators will be tied into flowback tanks which will be tied into the gas processing equipment for sales down a pipeline.

D. Venting and flaring during production operations

- During each phase of well life (drilling, completion and production) of a ConocoPhillips well, COP personnel will follow all necessary procedures to ensure both the operation and the equipment are within the NMAC 19.15.27.8 Subsection D guidelines.
- During well operations that require unloading of the well to atmospheric pressure, all reasonable actions will be taken to minimize vented gas
- Through the life of the well all flaring shall be measured, and venting events quantified using the data available and industry best practice.

E. Performance standards for separation, storage tank and flare equipment

- All storage tanks and separation equipment are designed minimize risk of liquid or vapor release and optimize gas capture. This includes automation for automatic gauging and pressure monitoring.

- All flare stacks are equipped with auto ignition devices and/or continuous pilots and are designed to operate at maximum combustion efficiency pursuant NMAC 19.15.27.8 Subsection E. Flares will follow COP spacing guidelines to ensure they are a safe distance from combustibles and operations equipment.
- COP personnel will conduct routine AVO inspections on a regular basis per NMAC 19.15.27.8 Subsection E guidelines.

F. Measurement of vented and flared natural gas.

- Measurement equipment will be installed to quantify gas flared during drilling, completion and production of the well.
- All measurement devices installed will meet accuracy ratings per AGA and API standards.
- Measurement devices will be installed without manifolds that allow diversion of gas around the metering element, except for the sole purpose of inspection of servicing the measurement device.

VIII. Best Management Practices

- Operator will curtail or shut in production, within reasonable limits, during upset conditions to minimize venting and flaring.
- When feasible, Operator will use equipment to capture gas that would otherwise be vented or flared.
- During completions and production operations Operator will minimize blowdowns to atmosphere
- When feasible, Operator will use electric or air actuated equipment to reduce bleed emissions

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: <i>Mayte Reyes</i>
Printed Name: Mayte Reyes
Title: Sr. Regulatory Coordinator
E-mail Address: mayte.x.reyes@conocophillips.com
Date: 9/16/2021
Phone: 575-748-6945
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:



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

Drilling Plan Data Report

09/08/2021

APD ID: 10400067670

Submission Date: 01/10/2021

Highlighted data
reflects the most
recent changes

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1373258	QUATERNARY	2917	0	0	ALLUVIUM	NONE	N
1373261	RUSTLER	2840	77	77	CONGLOMERATE	NONE	N
1373262	TOP SALT	2517	400	400	SALT	NONE	N
1373263	BASE OF SALT	269	2648	2648	SALT	NONE	N
1373256	LAMAR	79	2838	2838	LIMESTONE	NONE	N
1373257	BELL CANYON	32	2885	2885	SANDSTONE	NONE	N
1373264	CHERRY CANYON	-775	3692	3692	SANDSTONE	NATURAL GAS, OIL	N
1373265	BRUSHY CANYON	-2012	4929	4929	SANDSTONE	NATURAL GAS, OIL	N
1373266	BONE SPRING LIME	-3633	6550	6550	LIMESTONE	NATURAL GAS, OIL	N
1373267	BONE SPRING 1ST	-4545	7462	7462	SANDSTONE	NATURAL GAS, OIL	N
1373268	BONE SPRING 2ND	-5409	8326	8326	SANDSTONE	NATURAL GAS, OIL	Y
1373260	BONE SPRING 3RD	-6434	9351	9351	SANDSTONE	NATURAL GAS, OIL	N
1373255	WOLFCAMP	-6795	9712	9712	SHALE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**Pressure Rating (PSI):** 3M**Rating Depth:** 8505

Equipment: BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor.

Requesting Variance? YES

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

Testing Procedure: The BOP and BOPE will be fully tested per Onshore Order #2 when initially installed, whenever any seal subject to test pressure is broken, and/or following related repairs.

Choke Diagram Attachment:

COG_Hambone_2M_Choke_20210110190418.pdf

BOP Diagram Attachment:

COG_Hambone_2M_BOP_20210110190429.pdf

Flex_Hose_Variance___Pioneer_84_20190926121403.pdf

Pressure Rating (PSI): 5M**Rating Depth:** 2860

Equipment: BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor.

Requesting Variance? YES

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

Testing Procedure: The BOP and BOPE will be fully tested per Onshore Order #2 when initially installed, whenever any seal subject to test pressure is broken, and/or following related repairs.

Choke Diagram Attachment:

COG_Hambone_3M_Choke_20210110190706.pdf

BOP Diagram Attachment:

COG_Hambone_2M_BOP_20210110190723.pdf

Flex_Hose_Variance___Pioneer_84_20190926121639.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	360	0	360	2917	2557	360	J-55	54.5	ST&C	6.86	2.25	DRY	26.2	DRY	26.2

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H

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
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	2860	0	2860	3585	57	2860	J-55	40	LT&C	1.71	1.21	DRY	4.55	DRY	4.55
3	PRODUCTION	8.75	5.5	NEW	API	N	0	18857	0	8505	3585	-5588	18857	P-110	17	LT&C	1.82	3.26	DRY	3.08	DRY	3.08

Casing Attachments**Casing ID:** 1 **String Type:** SURFACE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**

COG_Hambone_502H_Casing_Prog_20210110223652.pdf

Casing ID: 2 **String Type:** INTERMEDIATE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**

COG_Hambone_502H_Casing_Prog_20210110223801.pdf

Operator Name: COG OPERATING LLC

Well Name: HAMBONE FEDERAL COM

Well Number: 502H

Casing Attachments

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Hambone_502H_Casing_Prog_20210110223524.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	360	30	1.75	13.5	52	50	Class C	4% Gel + 1% CaCl ₂
SURFACE	Tail		0	360	250	1.34	14.8	335	50	Class C	2% CaCl ₂
INTERMEDIATE	Lead		0	2860	490	2	12.7	980	50	35:65:6 C Blend	N/A
INTERMEDIATE	Tail		9320	2860	250	1.34	14.8	335	50	Class C	2% CaCl
PRODUCTION	Lead		8505	1885 7	710	2.5	11.9	1775	20	50:50:10 H Blend	N/A
PRODUCTION	Tail		8505	1885 7	2650	1.24	14.4	3286	20	50:50:2 Class H Blend	N/A

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H**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
360	2860	OTHER : Saturated Brine	10	10.1							Saturated Brine
2860	1885 7	OTHER : Cut Brine	8.6	9.3							Cut Brine
0	360	OTHER : Fresh water gel	8.6	8.8							Fresh water gel

Section 6 - Test, Logging, Coring**List of production tests including testing procedures, equipment and safety measures:**

None planned

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

CEMENT BOND LOG, COMPENSATED NEUTRON LOG, GAMMA RAY LOG,

Coring operation description for the well:

None planned

Operator Name: COG OPERATING LLC**Well Name:** HAMBONE FEDERAL COM**Well Number:** 502H

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4115**Anticipated Surface Pressure:** 2243**Anticipated Bottom Hole Temperature(F):** 145**Anticipated abnormal pressures, temperatures, or potential geologic hazards?** NO**Describe:****Contingency Plans geohazards description:****Contingency Plans geohazards attachment:****Hydrogen Sulfide drilling operations plan required?** YES**Hydrogen sulfide drilling operations plan:**

COG_Hambone_501H_502H_H2S_Schem_20210110192743.pdf

COG_Hambone_H2S_SUP_20210110192755.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_Hambone_502H_AC_RPT_20210110224717.pdf

COG_Hambone_502H_Directional_Plan_20210110224727.pdf

Other proposed operations facets description:

Drilling prog attached.

Cement prog attached.

GCP attached.

Other proposed operations facets attachment:

COG_Hambone_501H_502H_505H_506H_GCP_20210110192927.pdf

COG_Hambone_501H_Cement_Prog_20210110192907.pdf

COG_Hambone_502H_Drilling_Prog_20210110224739.pdf

Other Variance attachment:

DELAWARE BASIN WEST

ATLAS PROSPECT (NM-E)

HAMBONE FEDERAL PROJECT (ATLAS 2629)

HAMBONE FEDERAL COM #502H

OWB

Plan: PWP1

Standard Survey Report

30 November, 2020

Concho Resources LLC

Survey Report

Company:	DELAWARE BASIN WEST	Local Co-ordinate Reference:	Well HAMBONE FEDERAL COM #502H
Project:	ATLAS PROSPECT (NM-E)	TVD Reference:	*KB=30' @ 2946.8usft (TBD)
Site:	HAMBONE FEDERAL PROJECT (ATLAS 2629)	MD Reference:	*KB=30' @ 2946.8usft (TBD)
Well:	HAMBONE FEDERAL COM #502H	North Reference:	Grid
Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Project	ATLAS PROSPECT (NM-E)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	HAMBONE FEDERAL PROJECT (ATLAS 2629)		
Site Position:		Northing:	382,232.28 usft
From:	Map	Easting:	601,211.49 usft
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "
		Latitude:	32° 3' 1.622 N
		Longitude:	104° 0' 23.979 W
		Grid Convergence:	0.17 °

Well	HAMBONE FEDERAL COM #502H		
Well Position	+N/-S	0.0 usft	Northing:
	+E/-W	0.0 usft	Easting:
Position Uncertainty		3.0 usft	Wellhead Elevation:
			Latitude:
			Longitude:
			Ground Level:

Wellbore	OWB		
Magnetics	Model Name	Sample Date	Declination (°)
	IGRF2020	11/30/2020	6.79
			Dip Angle (°)
			59.69
			Field Strength (nT)
			47,406.01750584

Design	PWP1		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth:
			0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)
	0.0	0.0	0.0
			Direction (°)
			355.37

Survey Tool Program	Date	11/30/2020		
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
0.0	7,950.0	PWP1 (OWB)	Standard Keeper 104	Standard Wireline Keeper ver 1.0.4
7,950.0	18,857.6	PWP1 (OWB)	MWD+IFR1+MS	OWSG MWD + IFR1 + Multi-Station Correction

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00

Concho Resources LLC

Survey Report

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Well:	HAMBONE FEDERAL COM #502H	North Reference:	Grid
Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
Start DLS 2.00 TFO 251.06									
2,600.0	2.00	251.06	2,600.0	-0.6	-1.7	-0.4	2.00	2.00	0.00
2,700.0	4.00	251.06	2,699.8	-2.3	-6.6	-1.7	2.00	2.00	0.00
2,748.8	4.98	251.06	2,748.5	-3.5	-10.2	-2.7	2.00	2.00	0.00
Start 5201.3 hold at 2748.8 MD									
2,800.0	4.98	251.06	2,799.5	-4.9	-14.4	-3.8	0.00	0.00	0.00
2,900.0	4.98	251.06	2,899.1	-7.8	-22.6	-5.9	0.00	0.00	0.00
3,000.0	4.98	251.06	2,998.7	-10.6	-30.8	-8.1	0.00	0.00	0.00
3,100.0	4.98	251.06	3,098.4	-13.4	-39.0	-10.2	0.00	0.00	0.00
3,200.0	4.98	251.06	3,198.0	-16.2	-47.2	-12.3	0.00	0.00	0.00
3,300.0	4.98	251.06	3,297.6	-19.0	-55.4	-14.5	0.00	0.00	0.00
3,400.0	4.98	251.06	3,397.2	-21.8	-63.6	-16.6	0.00	0.00	0.00
3,500.0	4.98	251.06	3,496.9	-24.7	-71.9	-18.8	0.00	0.00	0.00
3,600.0	4.98	251.06	3,596.5	-27.5	-80.1	-20.9	0.00	0.00	0.00
3,700.0	4.98	251.06	3,696.1	-30.3	-88.3	-23.1	0.00	0.00	0.00
3,800.0	4.98	251.06	3,795.7	-33.1	-96.5	-25.2	0.00	0.00	0.00
3,900.0	4.98	251.06	3,895.3	-35.9	-104.7	-27.4	0.00	0.00	0.00
4,000.0	4.98	251.06	3,995.0	-38.7	-112.9	-29.5	0.00	0.00	0.00
4,100.0	4.98	251.06	4,094.6	-41.6	-121.1	-31.7	0.00	0.00	0.00
4,200.0	4.98	251.06	4,194.2	-44.4	-129.3	-33.8	0.00	0.00	0.00
4,300.0	4.98	251.06	4,293.8	-47.2	-137.5	-35.9	0.00	0.00	0.00
4,400.0	4.98	251.06	4,393.5	-50.0	-145.7	-38.1	0.00	0.00	0.00
4,500.0	4.98	251.06	4,493.1	-52.8	-153.9	-40.2	0.00	0.00	0.00
4,600.0	4.98	251.06	4,592.7	-55.6	-162.1	-42.4	0.00	0.00	0.00
4,700.0	4.98	251.06	4,692.3	-58.5	-170.3	-44.5	0.00	0.00	0.00
4,800.0	4.98	251.06	4,792.0	-61.3	-178.5	-46.7	0.00	0.00	0.00
4,900.0	4.98	251.06	4,891.6	-64.1	-186.7	-48.8	0.00	0.00	0.00

Concho Resources LLC

Survey Report

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Site:	HAMBONE FEDERAL PROJECT (ATLAS 2629)	MD Reference:	*KB=30' @ 2946.8usft (TBD)
Well:	HAMBONE FEDERAL COM #502H	North Reference:	Grid
Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,000.0	4.98	251.06	4,991.2	-66.9	-194.9	-51.0	0.00	0.00	0.00
5,100.0	4.98	251.06	5,090.8	-69.7	-203.1	-53.1	0.00	0.00	0.00
5,200.0	4.98	251.06	5,190.4	-72.5	-211.3	-55.3	0.00	0.00	0.00
5,300.0	4.98	251.06	5,290.1	-75.4	-219.5	-57.4	0.00	0.00	0.00
5,400.0	4.98	251.06	5,389.7	-78.2	-227.8	-59.5	0.00	0.00	0.00
5,500.0	4.98	251.06	5,489.3	-81.0	-236.0	-61.7	0.00	0.00	0.00
5,600.0	4.98	251.06	5,588.9	-83.8	-244.2	-63.8	0.00	0.00	0.00
5,700.0	4.98	251.06	5,688.6	-86.6	-252.4	-66.0	0.00	0.00	0.00
5,800.0	4.98	251.06	5,788.2	-89.4	-260.6	-68.1	0.00	0.00	0.00
5,900.0	4.98	251.06	5,887.8	-92.3	-268.8	-70.3	0.00	0.00	0.00
6,000.0	4.98	251.06	5,987.4	-95.1	-277.0	-72.4	0.00	0.00	0.00
6,100.0	4.98	251.06	6,087.1	-97.9	-285.2	-74.6	0.00	0.00	0.00
6,200.0	4.98	251.06	6,186.7	-100.7	-293.4	-76.7	0.00	0.00	0.00
6,300.0	4.98	251.06	6,286.3	-103.5	-301.6	-78.8	0.00	0.00	0.00
6,400.0	4.98	251.06	6,385.9	-106.3	-309.8	-81.0	0.00	0.00	0.00
6,500.0	4.98	251.06	6,485.5	-109.2	-318.0	-83.1	0.00	0.00	0.00
6,600.0	4.98	251.06	6,585.2	-112.0	-326.2	-85.3	0.00	0.00	0.00
6,700.0	4.98	251.06	6,684.8	-114.8	-334.4	-87.4	0.00	0.00	0.00
6,800.0	4.98	251.06	6,784.4	-117.6	-342.6	-89.6	0.00	0.00	0.00
6,900.0	4.98	251.06	6,884.0	-120.4	-350.8	-91.7	0.00	0.00	0.00
7,000.0	4.98	251.06	6,983.7	-123.2	-359.0	-93.9	0.00	0.00	0.00
7,100.0	4.98	251.06	7,083.3	-126.1	-367.2	-96.0	0.00	0.00	0.00
7,200.0	4.98	251.06	7,182.9	-128.9	-375.4	-98.2	0.00	0.00	0.00
7,300.0	4.98	251.06	7,282.5	-131.7	-383.7	-100.3	0.00	0.00	0.00
7,400.0	4.98	251.06	7,382.2	-134.5	-391.9	-102.4	0.00	0.00	0.00
7,500.0	4.98	251.06	7,481.8	-137.3	-400.1	-104.6	0.00	0.00	0.00
7,600.0	4.98	251.06	7,581.4	-140.1	-408.3	-106.7	0.00	0.00	0.00
7,700.0	4.98	251.06	7,681.0	-143.0	-416.5	-108.9	0.00	0.00	0.00
7,800.0	4.98	251.06	7,780.6	-145.8	-424.7	-111.0	0.00	0.00	0.00
7,900.0	4.98	251.06	7,880.3	-148.6	-432.9	-113.2	0.00	0.00	0.00
7,950.1	4.98	251.06	7,930.2	-150.0	-437.0	-114.2	0.00	0.00	0.00
Start DLS 10.00 TFO 94.62									
8,000.0	6.75	298.54	7,979.8	-149.3	-441.6	-113.2	10.00	3.56	95.20
8,100.0	15.39	327.31	8,078.0	-135.3	-454.0	-98.2	10.00	8.64	28.77
8,200.0	25.05	334.99	8,171.7	-104.9	-470.1	-66.6	10.00	9.66	7.68
8,300.0	34.90	338.54	8,258.2	-58.9	-489.6	-19.2	10.00	9.85	3.55
8,400.0	44.80	340.67	8,334.9	1.1	-511.8	42.4	10.00	9.91	2.13
8,500.0	54.74	342.17	8,399.4	73.4	-536.0	116.4	10.00	9.94	1.50
8,600.0	64.69	343.34	8,449.8	155.8	-561.5	200.6	10.00	9.95	1.17
8,700.0	74.65	344.32	8,484.5	245.7	-587.6	292.3	10.00	9.96	0.99
8,800.0	84.61	345.22	8,502.5	340.5	-613.4	388.9	10.00	9.96	0.90
8,857.9	90.37	345.72	8,505.0	396.4	-627.9	445.8	10.00	9.96	0.87
Start DLS 2.00 TFO 89.94									
8,900.0	90.37	346.56	8,504.7	437.3	-638.0	487.4	2.00	0.00	2.00

Concho Resources LLC

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Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
9,000.0	90.37	348.56	8,504.1	535.0	-659.5	586.5	2.00	0.00	2.00
9,100.0	90.37	350.56	8,503.4	633.3	-677.6	686.0	2.00	0.00	2.00
9,200.0	90.37	352.56	8,502.8	732.2	-692.3	785.7	2.00	0.00	2.00
9,300.0	90.37	354.56	8,502.1	831.6	-703.5	885.7	2.00	0.00	2.00
9,400.0	90.37	356.56	8,501.5	931.3	-711.3	985.7	2.00	0.00	2.00
9,500.0	90.37	358.56	8,500.8	1,031.2	-715.5	1,085.6	2.00	0.00	2.00
9,564.3	90.37	359.85	8,500.4	1,095.5	-716.4	1,149.7	2.00	0.00	2.00
Start 4038.6 hold at 9564.3 MD									
9,600.0	90.37	359.85	8,500.2	1,131.2	-716.5	1,185.3	0.00	0.00	0.00
9,700.0	90.37	359.85	8,499.5	1,231.2	-716.8	1,285.0	0.00	0.00	0.00
9,800.0	90.37	359.85	8,498.9	1,331.2	-717.0	1,384.7	0.00	0.00	0.00
9,900.0	90.37	359.85	8,498.2	1,431.2	-717.3	1,484.4	0.00	0.00	0.00
10,000.0	90.37	359.85	8,497.6	1,531.2	-717.5	1,584.1	0.00	0.00	0.00
10,100.0	90.37	359.85	8,496.9	1,631.2	-717.8	1,683.8	0.00	0.00	0.00
10,200.0	90.37	359.85	8,496.3	1,731.2	-718.1	1,783.5	0.00	0.00	0.00
10,300.0	90.37	359.85	8,495.6	1,831.2	-718.3	1,883.2	0.00	0.00	0.00
10,400.0	90.37	359.85	8,495.0	1,931.2	-718.6	1,982.9	0.00	0.00	0.00
10,500.0	90.37	359.85	8,494.3	2,031.2	-718.9	2,082.6	0.00	0.00	0.00
10,600.0	90.37	359.85	8,493.7	2,131.2	-719.1	2,182.2	0.00	0.00	0.00
10,700.0	90.37	359.85	8,493.0	2,231.2	-719.4	2,281.9	0.00	0.00	0.00
10,800.0	90.37	359.85	8,492.3	2,331.2	-719.6	2,381.6	0.00	0.00	0.00
10,900.0	90.37	359.85	8,491.7	2,431.2	-719.9	2,481.3	0.00	0.00	0.00
11,000.0	90.37	359.85	8,491.0	2,531.2	-720.2	2,581.0	0.00	0.00	0.00
11,100.0	90.37	359.85	8,490.4	2,631.2	-720.4	2,680.7	0.00	0.00	0.00
11,200.0	90.37	359.85	8,489.7	2,731.2	-720.7	2,780.4	0.00	0.00	0.00
11,300.0	90.37	359.85	8,489.1	2,831.1	-721.0	2,880.1	0.00	0.00	0.00
11,400.0	90.37	359.85	8,488.4	2,931.1	-721.2	2,979.8	0.00	0.00	0.00
11,500.0	90.37	359.85	8,487.8	3,031.1	-721.5	3,079.5	0.00	0.00	0.00
11,600.0	90.37	359.85	8,487.1	3,131.1	-721.7	3,179.2	0.00	0.00	0.00
11,700.0	90.37	359.85	8,486.5	3,231.1	-722.0	3,278.9	0.00	0.00	0.00
11,800.0	90.37	359.85	8,485.8	3,331.1	-722.3	3,378.6	0.00	0.00	0.00
11,900.0	90.37	359.85	8,485.2	3,431.1	-722.5	3,478.3	0.00	0.00	0.00
12,000.0	90.37	359.85	8,484.5	3,531.1	-722.8	3,577.9	0.00	0.00	0.00
12,100.0	90.37	359.85	8,483.9	3,631.1	-723.1	3,677.6	0.00	0.00	0.00
12,200.0	90.37	359.85	8,483.2	3,731.1	-723.3	3,777.3	0.00	0.00	0.00
12,300.0	90.37	359.85	8,482.6	3,831.1	-723.6	3,877.0	0.00	0.00	0.00
12,400.0	90.37	359.85	8,481.9	3,931.1	-723.8	3,976.7	0.00	0.00	0.00
12,500.0	90.37	359.85	8,481.3	4,031.1	-724.1	4,076.4	0.00	0.00	0.00
12,600.0	90.37	359.85	8,480.6	4,131.1	-724.4	4,176.1	0.00	0.00	0.00
12,700.0	90.37	359.85	8,480.0	4,231.1	-724.6	4,275.8	0.00	0.00	0.00
12,800.0	90.37	359.85	8,479.3	4,331.1	-724.9	4,375.5	0.00	0.00	0.00
12,900.0	90.37	359.85	8,478.7	4,431.1	-725.2	4,475.2	0.00	0.00	0.00
13,000.0	90.37	359.85	8,478.0	4,531.1	-725.4	4,574.9	0.00	0.00	0.00

Concho Resources LLC

Survey Report

Company:	DELAWARE BASIN WEST	Local Co-ordinate Reference:	Well HAMBONE FEDERAL COM #502H
Project:	ATLAS PROSPECT (NM-E)	TVD Reference:	*KB=30' @ 2946.8usft (TBD)
Site:	HAMBONE FEDERAL PROJECT (ATLAS 2629)	MD Reference:	*KB=30' @ 2946.8usft (TBD)
Well:	HAMBONE FEDERAL COM #502H	North Reference:	Grid
Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
13,100.0	90.37	359.85	8,477.4	4,631.1	-725.7	4,674.6	0.00	0.00	0.00
13,200.0	90.37	359.85	8,476.7	4,731.1	-725.9	4,774.3	0.00	0.00	0.00
13,300.0	90.37	359.85	8,476.1	4,831.1	-726.2	4,873.9	0.00	0.00	0.00
13,400.0	90.37	359.85	8,475.4	4,931.1	-726.5	4,973.6	0.00	0.00	0.00
13,500.0	90.37	359.85	8,474.8	5,031.1	-726.7	5,073.3	0.00	0.00	0.00
13,600.0	90.37	359.85	8,474.1	5,131.1	-727.0	5,173.0	0.00	0.00	0.00
13,603.0	90.37	359.85	8,474.1	5,134.1	-727.0	5,176.0	0.00	0.00	0.00
Start DLS 2.00 TFO 90.96									
13,607.8	90.37	359.95	8,474.1	5,138.9	-727.0	5,180.8	2.00	-0.03	2.00
Start 2663.9 hold at 13607.8 MD									
13,700.0	90.37	359.95	8,473.5	5,231.1	-727.1	5,272.7	0.00	0.00	0.00
13,800.0	90.37	359.95	8,472.8	5,331.1	-727.2	5,372.4	0.00	0.00	0.00
13,900.0	90.37	359.95	8,472.2	5,431.1	-727.3	5,472.1	0.00	0.00	0.00
14,000.0	90.37	359.95	8,471.5	5,531.1	-727.4	5,571.7	0.00	0.00	0.00
14,100.0	90.37	359.95	8,470.9	5,631.1	-727.5	5,671.4	0.00	0.00	0.00
14,200.0	90.37	359.95	8,470.2	5,731.1	-727.6	5,771.1	0.00	0.00	0.00
14,300.0	90.37	359.95	8,469.6	5,831.1	-727.7	5,870.8	0.00	0.00	0.00
14,400.0	90.37	359.95	8,468.9	5,931.1	-727.7	5,970.5	0.00	0.00	0.00
14,500.0	90.37	359.95	8,468.3	6,031.1	-727.8	6,070.1	0.00	0.00	0.00
14,600.0	90.37	359.95	8,467.6	6,131.1	-727.9	6,169.8	0.00	0.00	0.00
14,700.0	90.37	359.95	8,467.0	6,231.1	-728.0	6,269.5	0.00	0.00	0.00
14,800.0	90.37	359.95	8,466.3	6,331.1	-728.1	6,369.2	0.00	0.00	0.00
14,900.0	90.37	359.95	8,465.7	6,431.1	-728.2	6,468.9	0.00	0.00	0.00
15,000.0	90.37	359.95	8,465.0	6,531.1	-728.3	6,568.5	0.00	0.00	0.00
15,100.0	90.37	359.95	8,464.4	6,631.1	-728.4	6,668.2	0.00	0.00	0.00
15,200.0	90.37	359.95	8,463.7	6,731.1	-728.5	6,767.9	0.00	0.00	0.00
15,300.0	90.37	359.95	8,463.1	6,831.1	-728.6	6,867.6	0.00	0.00	0.00
15,400.0	90.37	359.95	8,462.5	6,931.1	-728.7	6,967.3	0.00	0.00	0.00
15,500.0	90.37	359.95	8,461.8	7,031.1	-728.8	7,066.9	0.00	0.00	0.00
15,600.0	90.37	359.95	8,461.2	7,131.0	-728.9	7,166.6	0.00	0.00	0.00
15,700.0	90.37	359.95	8,460.5	7,231.0	-729.0	7,266.3	0.00	0.00	0.00
15,800.0	90.37	359.95	8,459.9	7,331.0	-729.1	7,366.0	0.00	0.00	0.00
15,900.0	90.37	359.95	8,459.2	7,431.0	-729.2	7,465.6	0.00	0.00	0.00
16,000.0	90.37	359.95	8,458.6	7,531.0	-729.2	7,565.3	0.00	0.00	0.00
16,100.0	90.37	359.95	8,457.9	7,631.0	-729.3	7,665.0	0.00	0.00	0.00
16,200.0	90.37	359.95	8,457.3	7,731.0	-729.4	7,764.7	0.00	0.00	0.00
16,271.7	90.37	359.95	8,456.8	7,802.7	-729.5	7,836.2	0.00	0.00	0.00
Start DLS 2.00 TFO -89.97									
16,300.0	90.37	359.38	8,456.6	7,831.0	-729.7	7,864.4	2.00	0.00	-2.00
16,395.4	90.37	357.47	8,456.0	7,926.4	-732.3	7,959.7	2.00	0.00	-2.00
Start 2462.1 hold at 16395.4 MD									
16,400.0	90.37	357.47	8,456.0	7,931.0	-732.5	7,964.2	0.00	0.00	0.00
16,500.0	90.37	357.47	8,455.3	8,030.9	-736.9	8,064.2	0.00	0.00	0.00
16,600.0	90.37	357.47	8,454.7	8,130.8	-741.3	8,164.1	0.00	0.00	0.00

Concho Resources LLC

Survey Report

Company:	DELAWARE BASIN WEST	Local Co-ordinate Reference:	Well HAMBONE FEDERAL COM #502H
Project:	ATLAS PROSPECT (NM-E)	TVD Reference:	*KB=30' @ 2946.8usft (TBD)
Site:	HAMBONE FEDERAL PROJECT (ATLAS 2629)	MD Reference:	*KB=30' @ 2946.8usft (TBD)
Well:	HAMBONE FEDERAL COM #502H	North Reference:	Grid
Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
16,700.0	90.37	357.47	8,454.0	8,230.7	-745.7	8,264.0	0.00	0.00	0.00
16,800.0	90.37	357.47	8,453.4	8,330.6	-750.1	8,364.0	0.00	0.00	0.00
16,900.0	90.37	357.47	8,452.7	8,430.5	-754.5	8,463.9	0.00	0.00	0.00
17,000.0	90.37	357.47	8,452.1	8,530.4	-759.0	8,563.8	0.00	0.00	0.00
17,100.0	90.37	357.47	8,451.4	8,630.3	-763.4	8,663.7	0.00	0.00	0.00
17,200.0	90.37	357.47	8,450.8	8,730.2	-767.8	8,763.7	0.00	0.00	0.00
17,300.0	90.37	357.47	8,450.1	8,830.1	-772.2	8,863.6	0.00	0.00	0.00
17,400.0	90.37	357.47	8,449.5	8,930.0	-776.6	8,963.5	0.00	0.00	0.00
17,500.0	90.37	357.47	8,448.8	9,029.9	-781.0	9,063.5	0.00	0.00	0.00
17,600.0	90.37	357.47	8,448.2	9,129.8	-785.4	9,163.4	0.00	0.00	0.00
17,700.0	90.37	357.47	8,447.5	9,229.7	-789.8	9,263.3	0.00	0.00	0.00
17,800.0	90.37	357.47	8,446.9	9,329.6	-794.2	9,363.3	0.00	0.00	0.00
17,900.0	90.37	357.47	8,446.2	9,429.5	-798.7	9,463.2	0.00	0.00	0.00
18,000.0	90.37	357.47	8,445.6	9,529.4	-803.1	9,563.1	0.00	0.00	0.00
18,100.0	90.37	357.47	8,444.9	9,629.3	-807.5	9,663.1	0.00	0.00	0.00
18,200.0	90.37	357.47	8,444.3	9,729.2	-811.9	9,763.0	0.00	0.00	0.00
18,300.0	90.37	357.47	8,443.6	9,829.1	-816.3	9,862.9	0.00	0.00	0.00
18,400.0	90.37	357.47	8,443.0	9,929.0	-820.7	9,962.8	0.00	0.00	0.00
18,500.0	90.37	357.47	8,442.3	10,028.9	-825.1	10,062.8	0.00	0.00	0.00
18,600.0	90.37	357.47	8,441.7	10,128.8	-829.5	10,162.7	0.00	0.00	0.00
18,700.0	90.37	357.47	8,441.0	10,228.7	-833.9	10,262.6	0.00	0.00	0.00
18,800.0	90.37	357.47	8,440.4	10,328.6	-838.4	10,362.6	0.00	0.00	0.00
18,857.6	90.37	357.47	8,440.0	10,386.1	-840.9	10,420.1	0.00	0.00	0.00
TD at 18857.6									

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (HAMBONE FE - plan hits target center - Rectangle (sides W100.0 H2,585.0 D20.0))	0.37	177.47	8,440.0	10,386.1	-840.9	392,506.50	602,386.50	32° 4' 43.265 N	104° 0' 9.961 W
LTP (HAMBONE FED - plan misses target center by 7.7usft at 18800.0usft MD (8440.4 TVD, 10328.6 N, -838.4 E) - Point	0.00	0.00	8,440.0	10,336.1	-840.2	392,456.50	602,387.20	32° 4' 42.770 N	104° 0' 9.954 W
POI 2 (HAMBONE FE - plan hits target center - Rectangle (sides W100.0 H2,672.0 D20.0))	0.37	179.95	8,456.8	7,802.7	-729.5	389,923.14	602,497.90	32° 4' 17.696 N	104° 0' 8.758 W
POI 1 (HAMBONE FE - plan hits target center - Rectangle (sides W100.0 H5,300.0 D20.0))	0.37	179.85	8,474.1	5,134.1	-727.0	387,254.45	602,500.40	32° 3' 51.285 N	104° 0' 8.824 W
FTP (HAMBONE FED - plan misses target center by 280.5usft at 8468.3usft MD (8380.4 TVD, 49.3 N, -528.2 E) - Circle (radius 50.0)	0.00	0.00	8,505.0	-123.2	-711.0	381,997.20	602,516.40	32° 2' 59.256 N	104° 0' 8.825 W

Concho Resources LLC

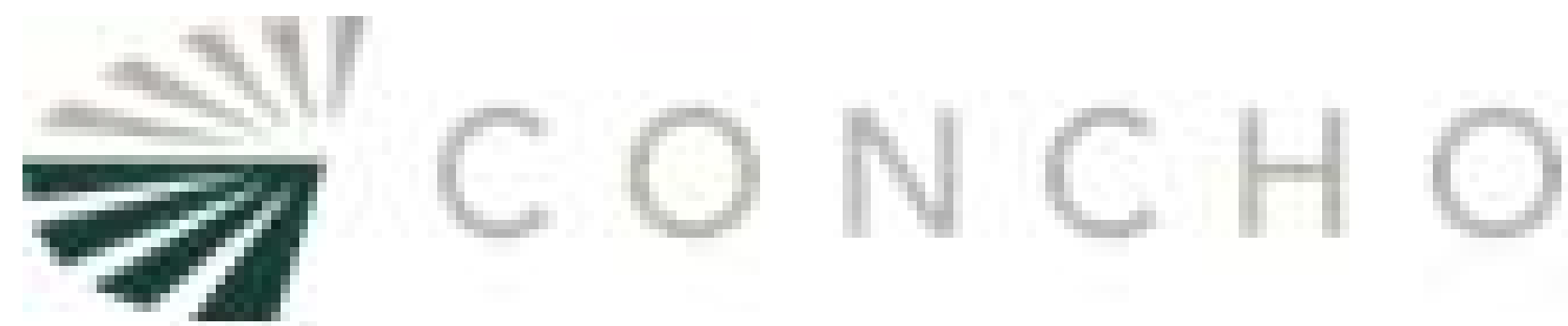
Survey Report

Company:	DELAWARE BASIN WEST	Local Co-ordinate Reference:	Well HAMBONE FEDERAL COM #502H
Project:	ATLAS PROSPECT (NM-E)	TVD Reference:	*KB=30' @ 2946.8usft (TBD)
Site:	HAMBONE FEDERAL PROJECT (ATLAS 2629)	MD Reference:	*KB=30' @ 2946.8usft (TBD)
Well:	HAMBONE FEDERAL COM #502H	North Reference:	Grid
Wellbore:	OWB	Survey Calculation Method:	Minimum Curvature
Design:	PWP1	Database:	edm

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
2500	2500	0	0	Start DLS 2.00 TFO 251.06
2749	2749	-4	-10	Start 5201.3 hold at 2748.8 MD
7950	7930	-150	-437	Start DLS 10.00 TFO 94.62
8858	8505	396	-628	Start DLS 2.00 TFO 89.94
9564	8500	1096	-716	Start 4038.6 hold at 9564.3 MD
13,603	8474	5134	-727	Start DLS 2.00 TFO 90.96
13,608	8474	5139	-727	Start 2663.9 hold at 13607.8 MD
16,272	8457	7803	-730	Start DLS 2.00 TFO -89.97
16,395	8456	7926	-732	Start 2462.1 hold at 16395.4 MD
18,858	8440	10,386	-841	TD at 18857.6

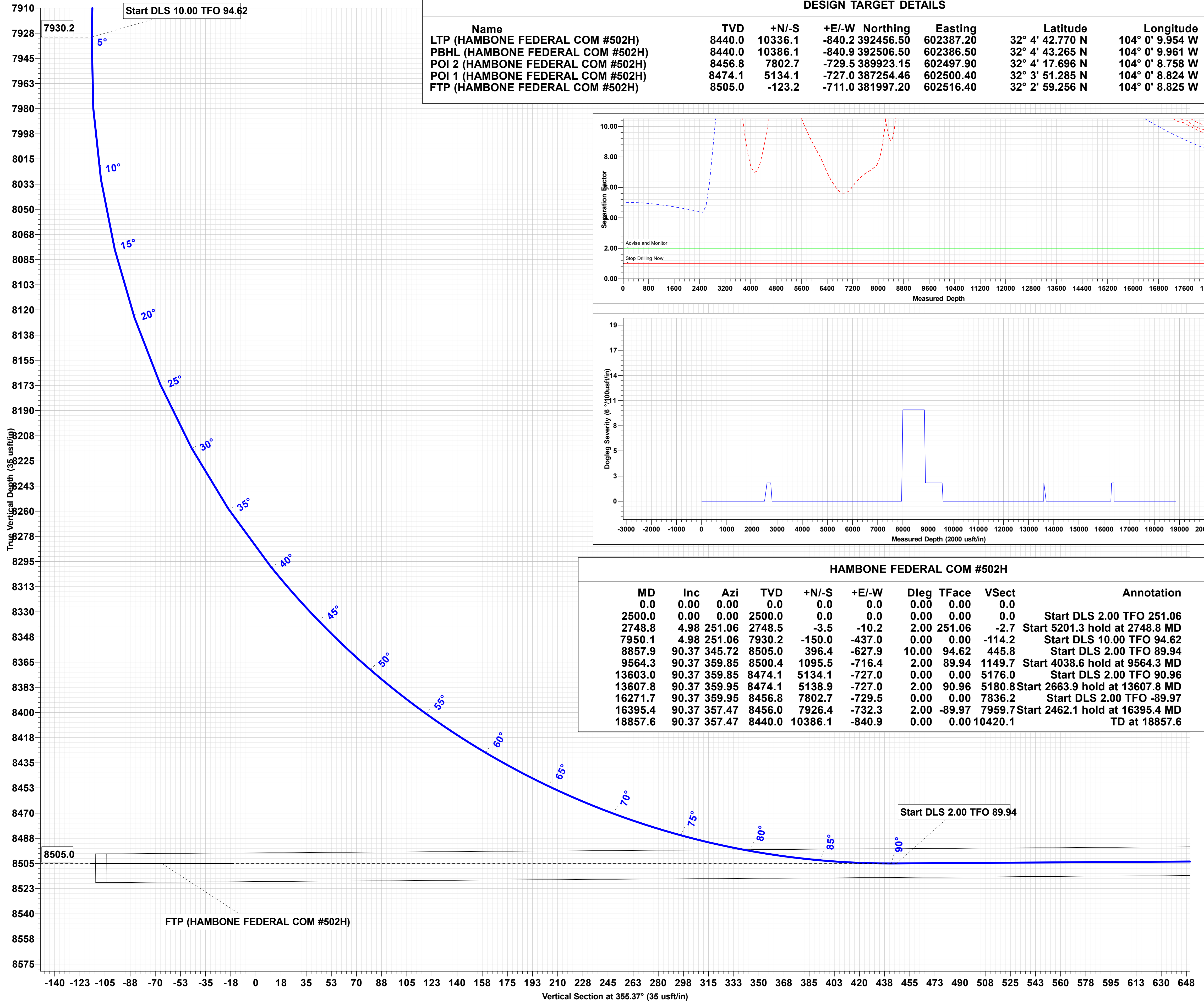
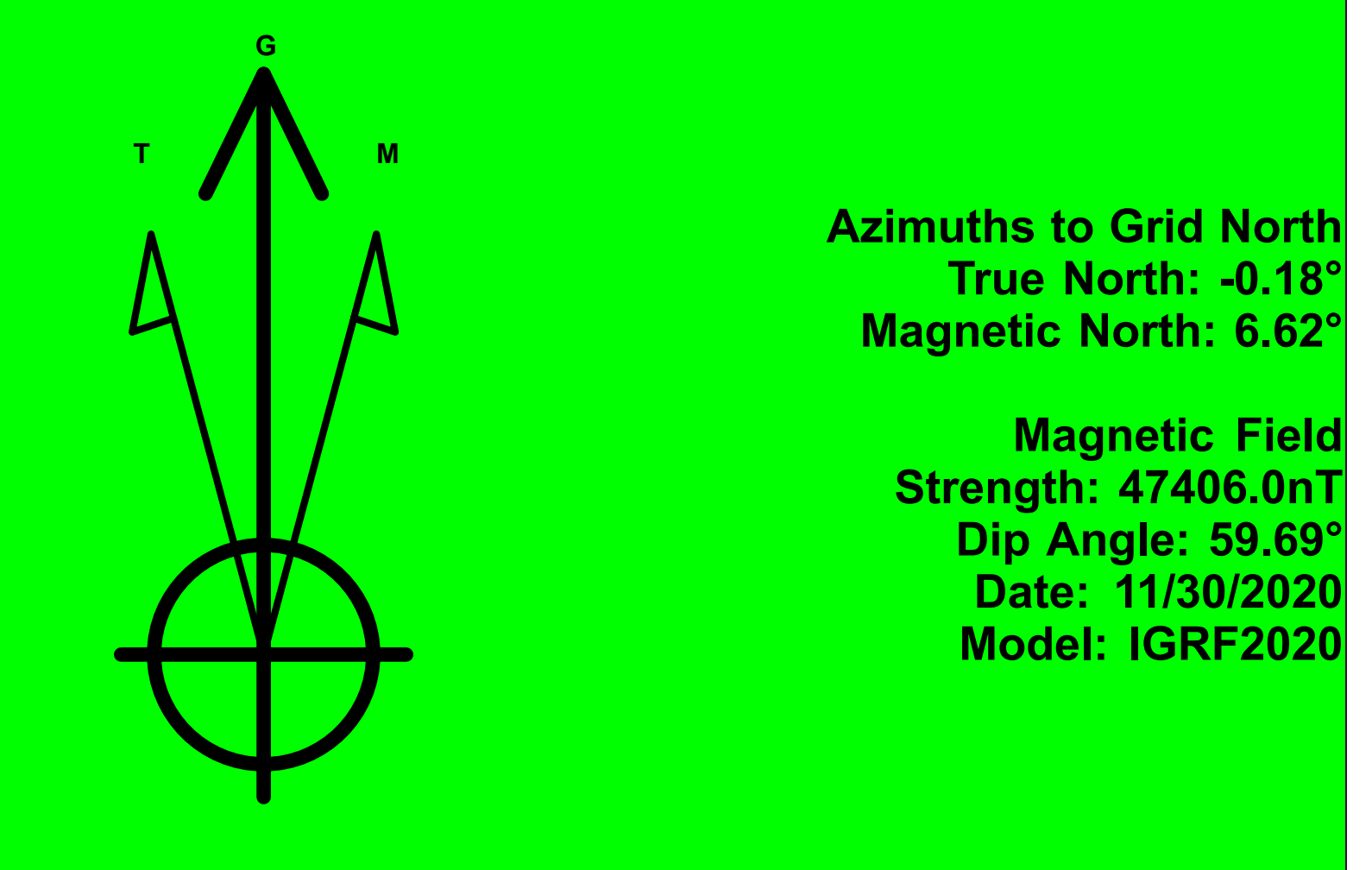
Checked By: _____ Approved By: _____ Date: _____



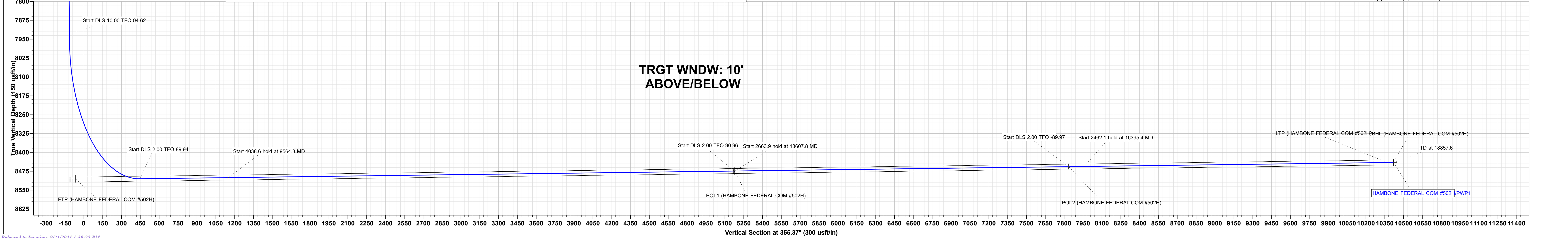
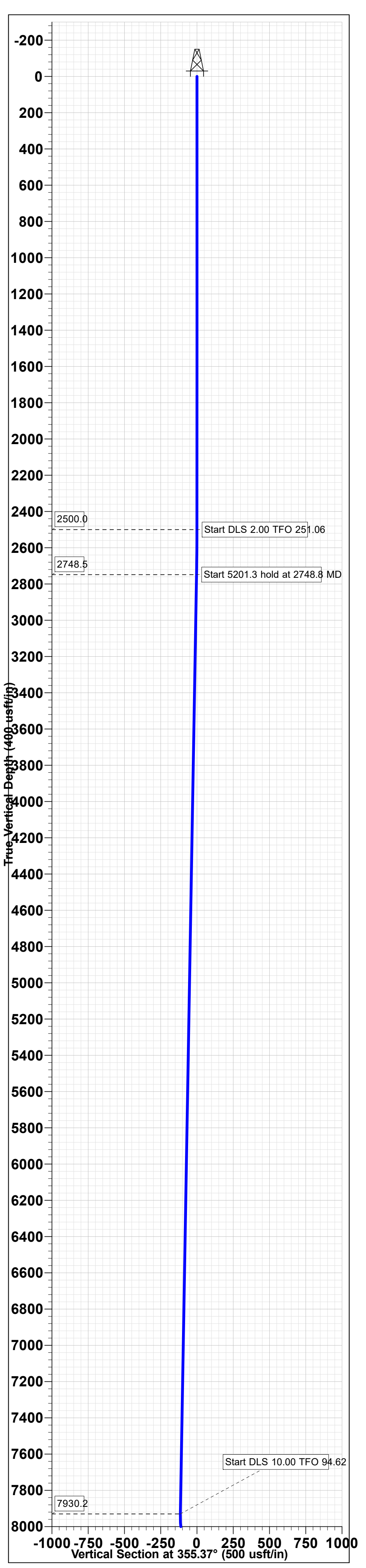
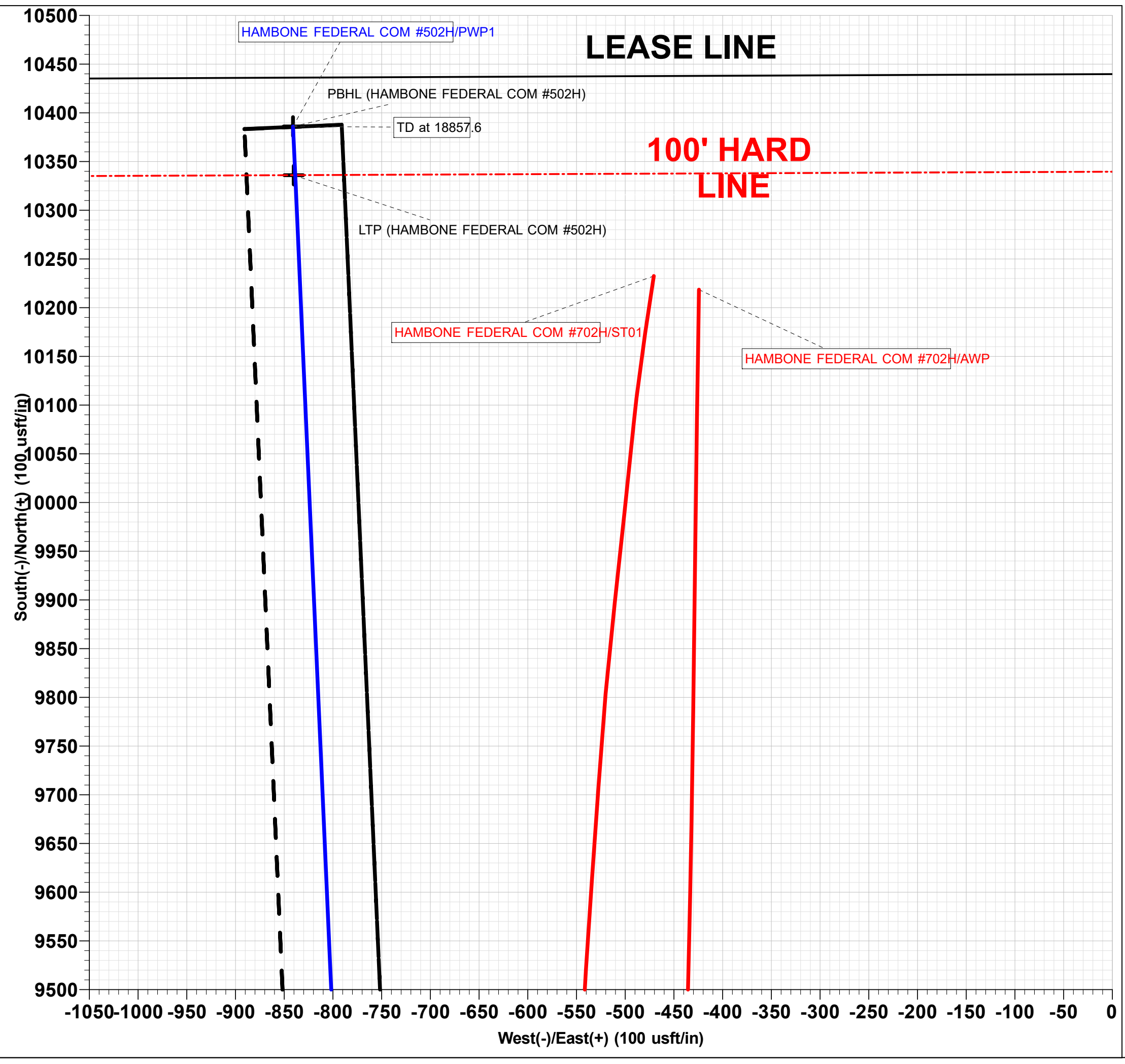
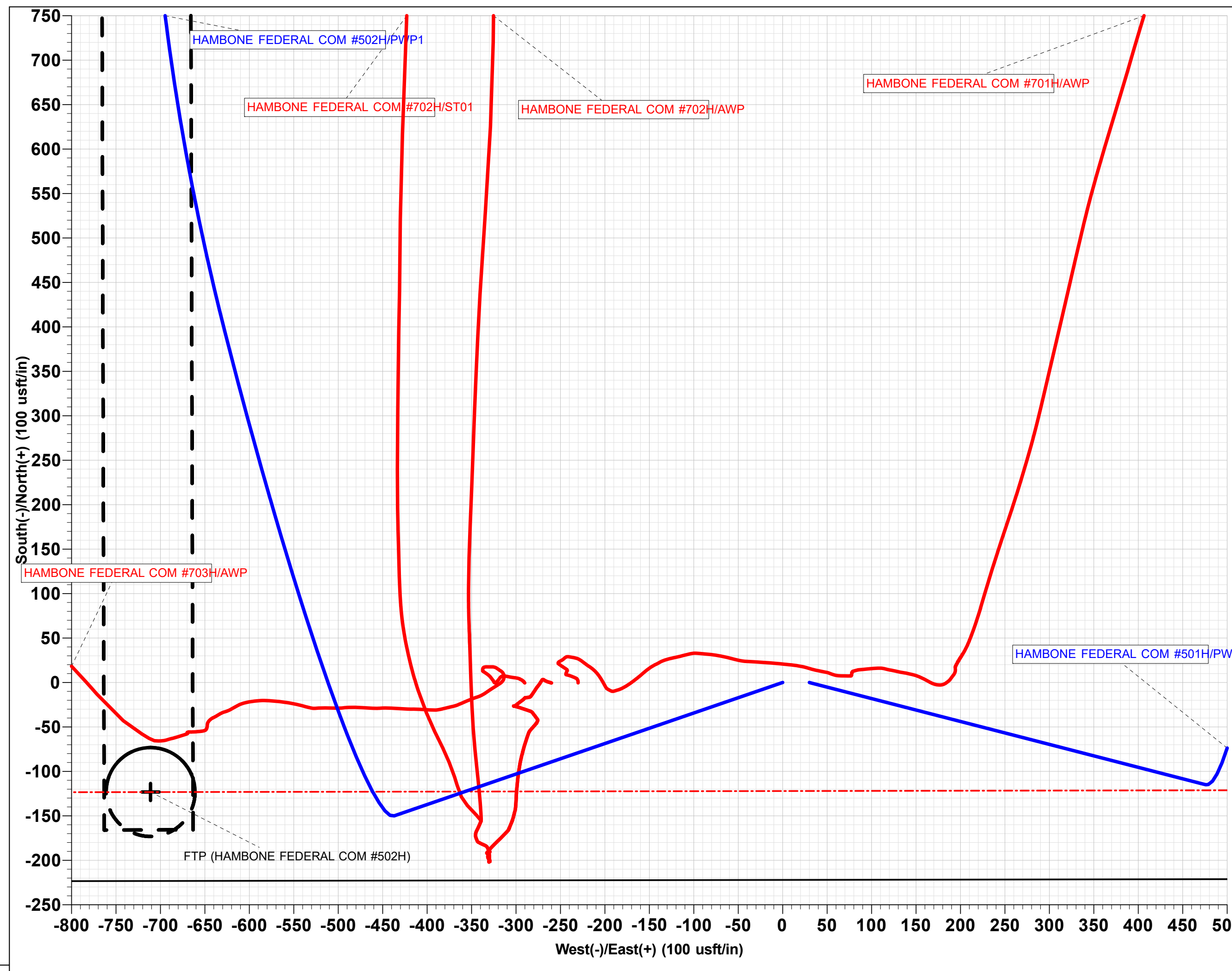
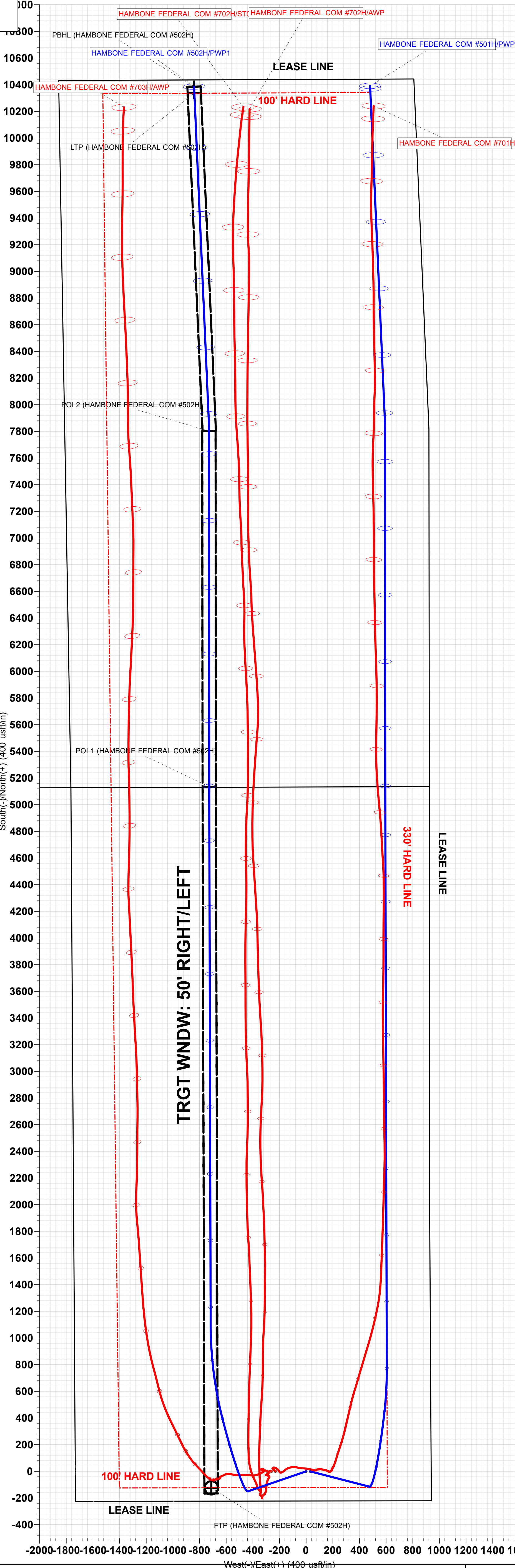
Project: ATLAS PROSPECT (NM-E)
Site: HAMBONE FEDERAL PROJECT (ATLAS 2629)
Well: HAMBONE FEDERAL COM #502H
Wellbore: OWB
Design: PWP1
GL: 2916.8
*KB=30° @ 2946.8usft (TBD)

WELL DETAILS: HAMBONE FEDERAL COM #502H					
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.0	0.0	382120.40	603227.40	32° 3' 0.454 N	104° 0' 0.560 W

DESIGN TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude
LTP (HAMBONE FEDERAL COM #502H)	8440.0	10336.1	-840.2	392456.50	602387.20	32° 4' 42.770 N
PBHL (HAMBONE FEDERAL COM #502H)	8440.0	10386.1	-840.9	392506.50	602386.50	32° 4' 43.265 N
POI 2 (HAMBONE FEDERAL COM #502H)	8456.8	7802.7	-729.5	389923.15	602497.90	32° 4' 17.696 N
POI 1 (HAMBONE FEDERAL COM #502H)	8474.1	5134.1	-727.0	387254.46	602500.40	32° 3' 51.265 N
FTP (HAMBONE FEDERAL COM #502H)	8505.0	-123.2	-711.0	381997.20	602516.40	32° 2' 59.256 N



HAMBONE FEDERAL COM #502H									
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	Annotation
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2500.0	0.00	0.00	2500.0	0.0	0.0	0.00	0.00	0.0	Start DLS 2.00 TFO 251.06
2748.8	4.98	251.06	2748.5	-3.5	-10.2	2.00	251.06	-2.7	Start 5201.3 hold at 2748.8 MD
7950.1	4.98	251.06	7930.2	-150.0	-437.0	0.00	0.00	-114.2	Start DLS 10.00 TFO 94.62
8857.9	90.37	345.72	8505.0	396.4	-627.9	10.00	94.62	445.8	Start DLS 2.00 TFO 89.94
9564.3	90.37	359.85	8500.4	1095.5	-716.4	2.00	89.94	1149.7	Start 4038.6 hold at 9564.3 MD
13603.0	90.37	359.85	8474.1	5134.1	-727.0	0.00	0.00	5176.0	Start DLS 2.00 TFO 90.96
13607.8	90.37	359.95	8474.1	5138.9	-727.0	2.00	90.96	5180.8	Start 2663.9 hold at 13607.8 MD
16271.7	90.37	359.95	8456.8	7802.7	-729.5	0.00	0.00	7836.2	Start DLS 2.00 TFO -89.97
16395.4	90.37	357.47	8456.0	7926.4	-732.3	2.00	-89.97	7959.7	Start 2462.1 hold at 16395.4 MD
18857.6	90.37	357.47	8440.0	10386.1	-840.9	0.00	0.00	10420.1	TD at 18857.6



PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG
LEASE NO.:	NMNM57261
LOCATION:	Section 8, T.26 S., R.29 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Hambone Fed Com 502H
SURFACE HOLE FOOTAGE:	222'/S & 1650'/E
BOTTOM HOLE FOOTAGE:	50'/N & 1650'/E

COA

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input type="radio"/> Low	<input checked="" type="radio"/> Medium	<input type="radio"/> High
Cave/Karst Potential	<input type="radio"/> Critical		
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input checked="" type="radio"/> Conventional	<input type="radio"/> Multibowl	<input type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input type="checkbox"/> Fluid Filled	<input type="checkbox"/> Cement Squeeze	<input type="checkbox"/> Pilot Hole
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> 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 **360** 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 **8**

- hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:
- Cement to surface. If cement does not circulate see B.1.a, c-d above.
- Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**
- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
3. 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. **Excess calculates to 23%. Additional cement maybe required.**

C. PRESSURE CONTROL

1. **Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'**
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **3000 (3M)** psi.
4. **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 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. When the Communitization Agreement number is known, it shall also be on the sign.

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 times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on

which the draw works are located, this does not include the dog house or stairway area.

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

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity 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 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.

ZS 072621

COG OPERATING LLC
HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- a. The hazards and characteristics of hydrogen sulfide (H₂S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- d. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- a. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- b. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- c. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

2. H₂S SAFETY EQUIPMENT AND SYSTEMS

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S. If H₂S greater than 100 ppm is encountered in the gas stream we will shut in and install H₂S equipment.

- a. Well Control Equipment:
 - Flare line.
 - Choke manifold with remotely operated choke.
 - Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
 - Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

- b. Protective equipment for essential personnel:
Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:
2 - portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- d. Visual warning systems:
Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
- e. Mud Program:
The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:
All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- g. Communication:
Company vehicles equipped with cellular telephone.

COG OPERATING LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

W A R N I N G

**YOU ARE ENTERING AN H₂S AREA
AUTHORIZED PERSONNEL ONLY**

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED***
- 2. HARD HATS REQUIRED***
- 3. SMOKING IN DESIGNATED AREAS ONLY***
- 4. BE WIND CONSCIOUS AT ALL TIMES***
- 5. CK WITH COG OPERATING LLC FOREMAN AT MAIN OFFICE***

COG OPERATING LLC

1-575-748-6940

EMERGENCY CALL LIST

	<u>OFFICE</u>	<u>MOBILE</u>
COG OPERATING LLC OFFICE	575-748-6940	
SETH WILD	432-683-7443	432-528-3633
WALTER ROYE	575-748-6940	432-934-1886

EMERGENCY RESPONSE NUMBERS

	<u>OFFICE</u>
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT	575-885-3125
NEW MEXICO OIL CONSERVATION DIVISION	575-748-1283
INDIAN FIRE & SAFETY	800-530-8693
HALLIBURTON SERVICES	800-844-8451

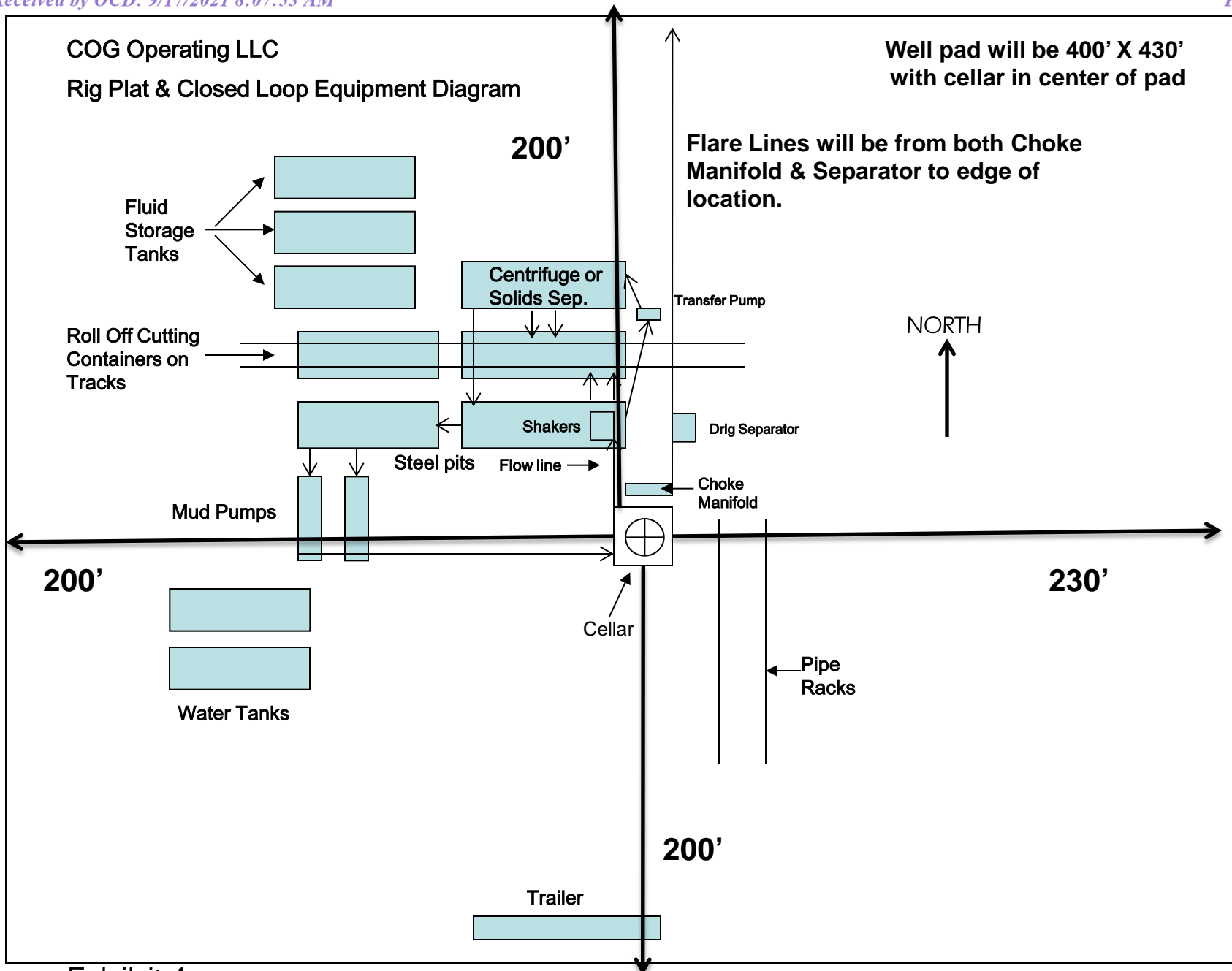


Exhibit 1

1. Geologic Formations

TVD of target	8,505' EOL	Pilot hole depth	NA
MD at TD:	18,857'	Deepest expected fresh water:	50'

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	77	Water	
Top of Salt	400	Salt	
Base of Salt	2648	Salt	
Lamar	2838	Salt Water	
Bell Canyon	2885	Salt Water	
Cherry Canyon	3692	Oil/Gas	
Brushy Canyon	4929	Oil/Gas	
Bone Spring Lime	6550	Oil/Gas	
1st Bone Spring Sand	7462	Oil/Gas	
2nd Bone Spring Sand	8326	Oil/Gas	
3rd Bone Spring Sand	9351	Not Penetrated	
Wolfcamp	9712	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	360	13.375"	54.5	J55	STC	6.86	2.25	26.20
12.25"	0	2860	9.625"	40	J55	LTC	1.71	1.21	4.55
8.75"	0	18,857	5.5"	17	P110	LTC	1.82	3.26	3.08
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

	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?	

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft ³ / sack	H ₂ O gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	30	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.	490	12.7	2.0	9.6	16	Lead: 35:65:6 C Blend
	250	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl
5.5 Prod	710	11.9	2.5	19	72	Lead: 50:50:10 H Blend
	2650	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	2,360'	20% OH in Lateral (KOP to EOL) – 25% OH in Vertical

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?
N	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.

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 - 10.1	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	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4115 psi at 8505' TVD
Abnormal Temperature	NO 145 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

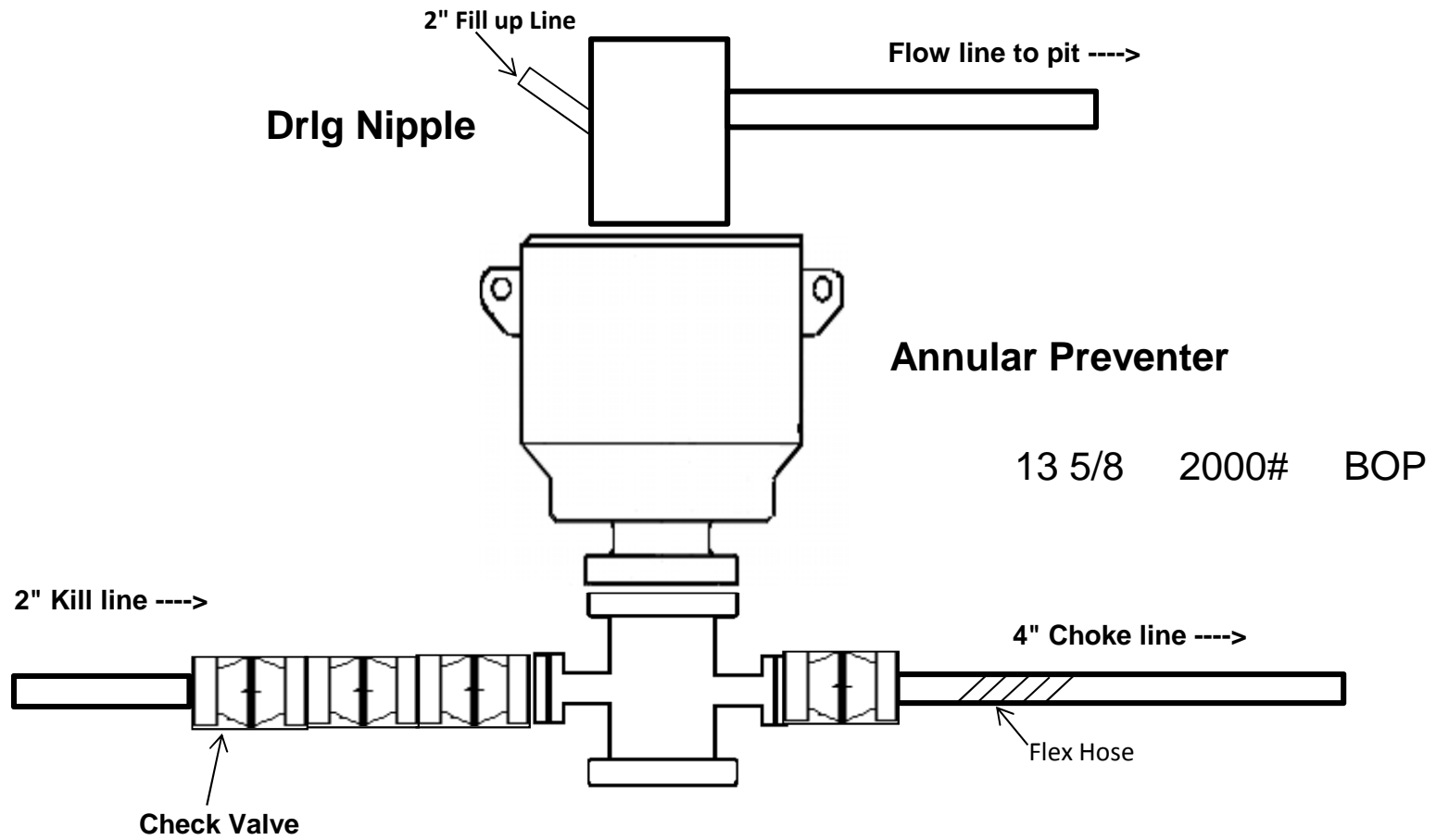
Y H₂S Plan attached

8. Other Facets of Operation

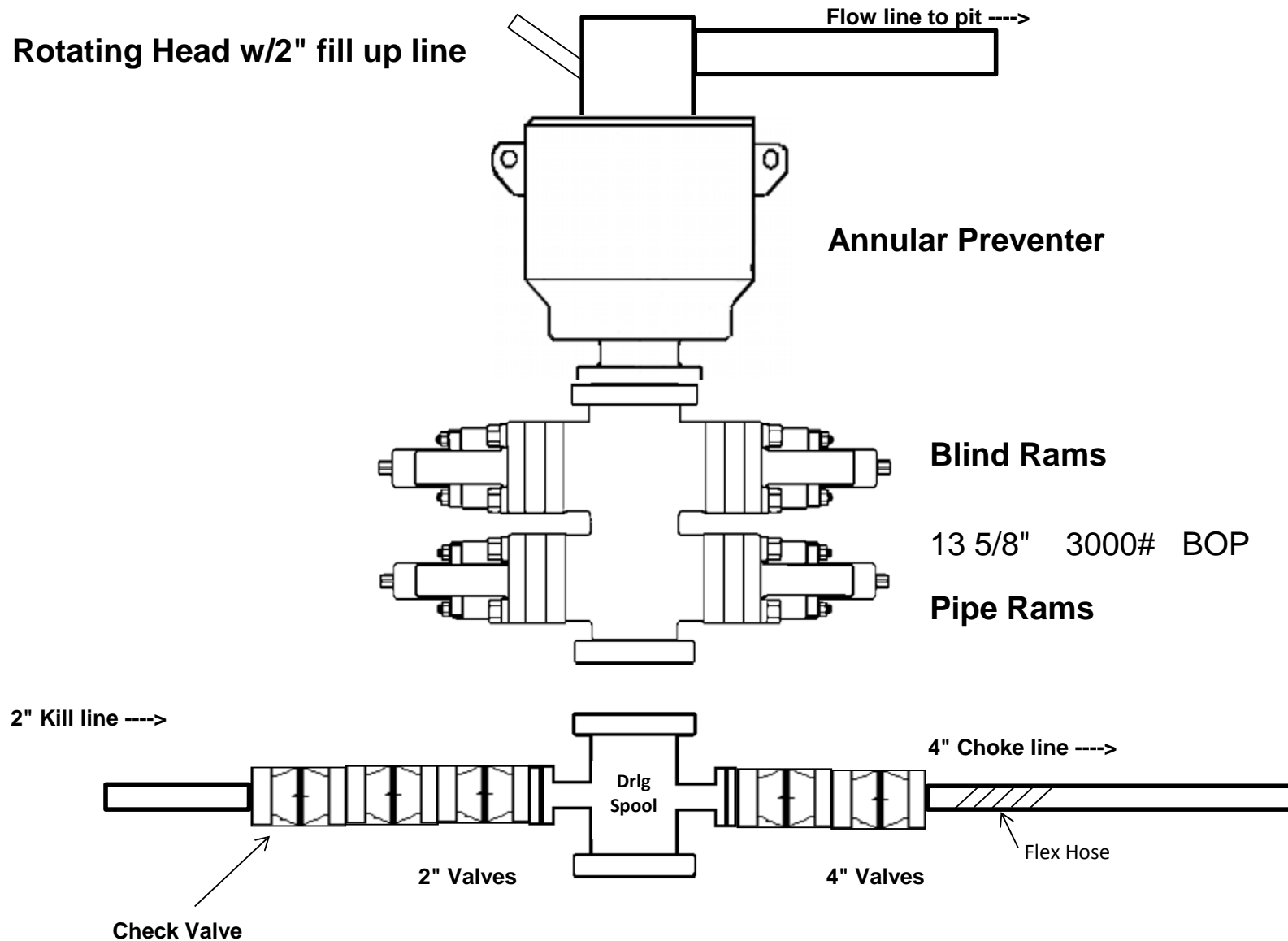
Y	Is it a walking operation?
Y	Is casing pre-set?

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

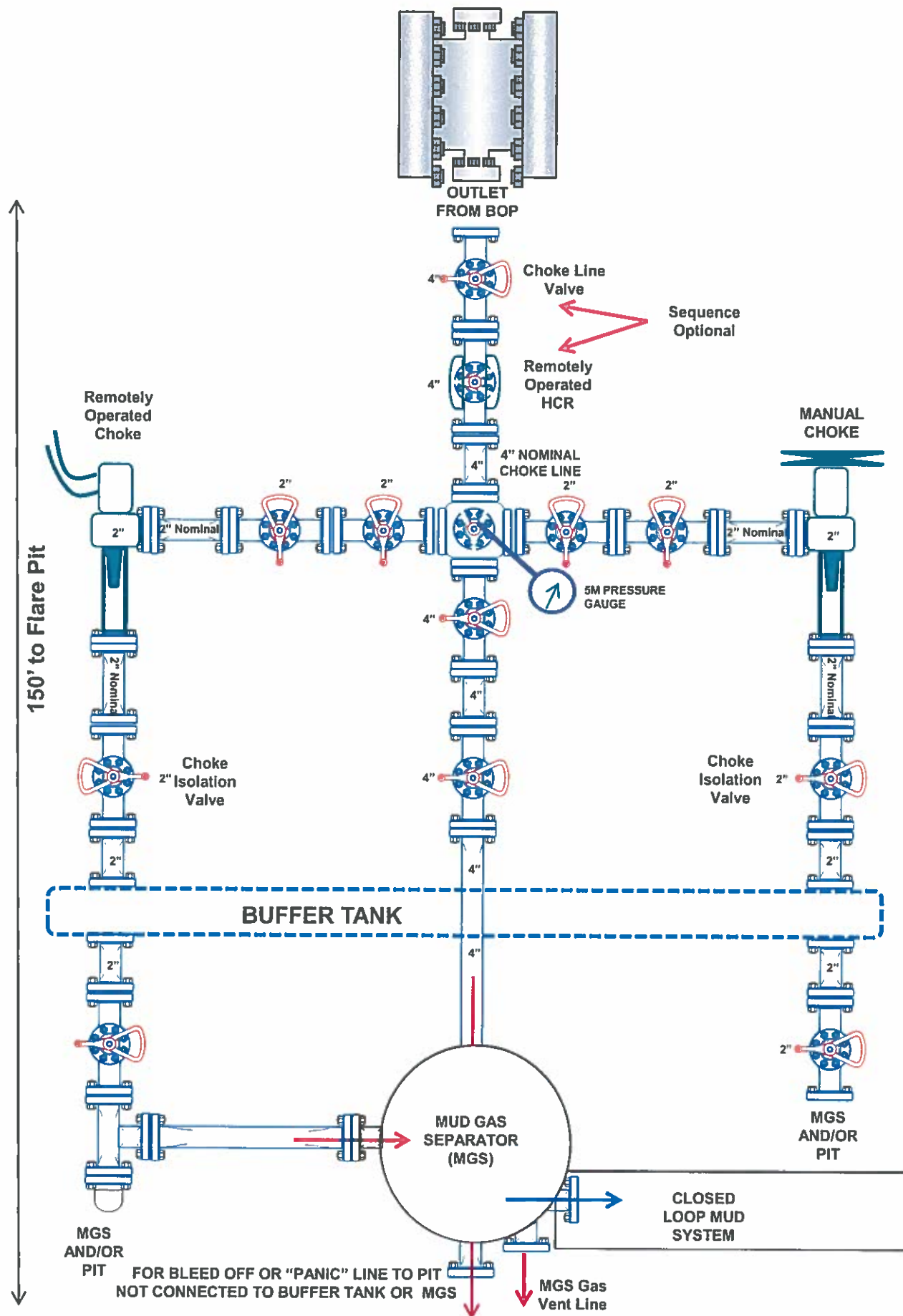
2,000 psi BOP Schematic



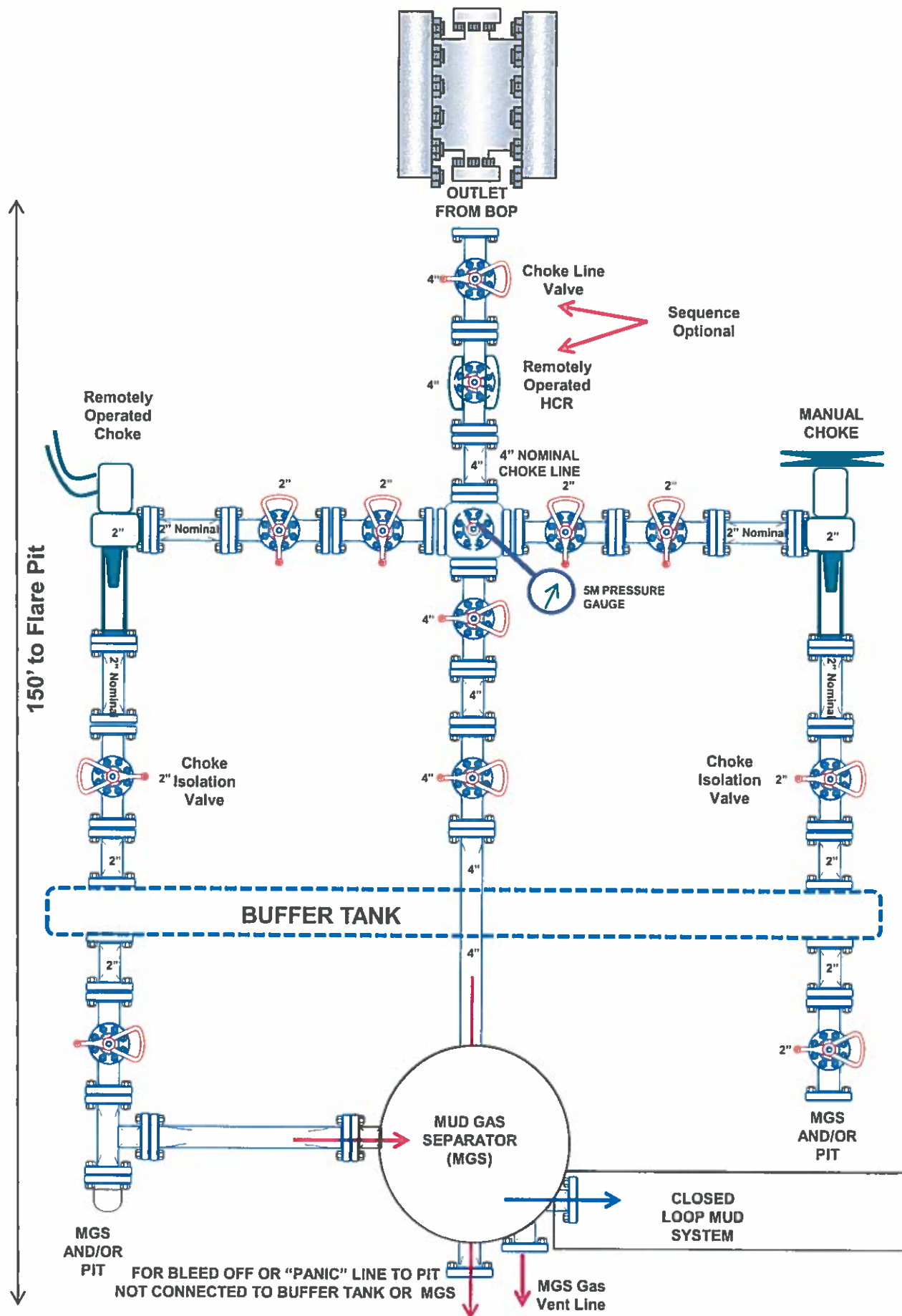
3,000 psi BOP Schematic



2M Choke Manifold Equipment (WITH MGS + CLOSED LOOP)



3M Choke Manifold Equipment (WITH MGS + CLOSED LOOP)



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
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

COMMENTS

Action 49610

COMMENTS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID:
	229137
	Action Number:
	49610
Action Type:	
[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)	

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 9/21/2021	9/21/2021

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

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District III

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 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

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

Action 49610

CONDITIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 49610
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify OCD 24 hours prior to casing & cement	9/21/2021
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104	9/21/2021
kpickford	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 shall immediately set in cement the water protection string	9/21/2021
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing	9/21/2021
kpickford	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	9/21/2021