

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 checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		5. Lease Serial No. NMNM094589 6. If Indian, Allottee or Tribe Name  7. If Unit or CA Agreement, Name and No.  8. Lease Name and Well No. OE FED COM 232H 9. API Well No.
2. Name of Operator TAP ROCK OPERATING LLC 3a. Address 602 Park Point Drive Suite 200, Golden, CO 80401 3b. Phone No. (include area code) (720) 460-3316		10. Field and Pool, or Exploratory PURPLE SAGE 11. Sec., T. R. M. or Blk. and Survey or Area SEC 8/T25S/R26E/NMP
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW / 404 FNL / 1192 FWL / LAT 32.1502396 / LONG -104.3204079 At proposed prod. zone SESW / 200 FSL / 1980 FWL / LAT 32.1234271 / LONG -104.317055		12. County or Parish EDDY 13. State NM
14. Distance in miles and direction from nearest town or post office* 4 miles	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1192 feet	16. No of acres in lease  17. Spacing Unit dedicated to this well 640.0
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 25 feet	19. Proposed Depth 9119 feet / 19209 feet	20. BLM/BIA Bond No. in file FED: NMB001443
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3372 feet	22. Approximate date work will start* 02/01/2021	23. Estimated duration 90 days
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.<br>2. A Drilling Plan.<br>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).<br>5. Operator certification.<br>6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

25. Signature (Electronic Submission)  Title President	Name (Printed/Typed) BRIAN WOOD / Ph: (720) 460-3316	Date 12/07/2020
Approved by (Signature) (Electronic Submission)  Title Assistant Field Manager Lands & Minerals	Name (Printed/Typed) Cody Layton / Ph: (575) 234-5959  Office Carlsbad Field Office	Date 07/30/2021

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)

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

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015- 49008</b>	<sup>2</sup> Pool Code <b>98220</b>	<sup>3</sup> Pool Name <b>PURPLE SAGE; WOLFCAMP (GAS)</b>
<sup>4</sup> Property Code <b>331668</b>	<sup>5</sup> Property Name <b>OE FED COM</b>	
<sup>7</sup> OGRID No. <b>372043</b>	<sup>8</sup> Operator Name <b>TAP ROCK OPERATING, LLC.</b>	<sup>6</sup> Well Number <b>232H</b>
		<sup>9</sup> Elevation <b>3372'</b>

<sup>10</sup>Surface Location

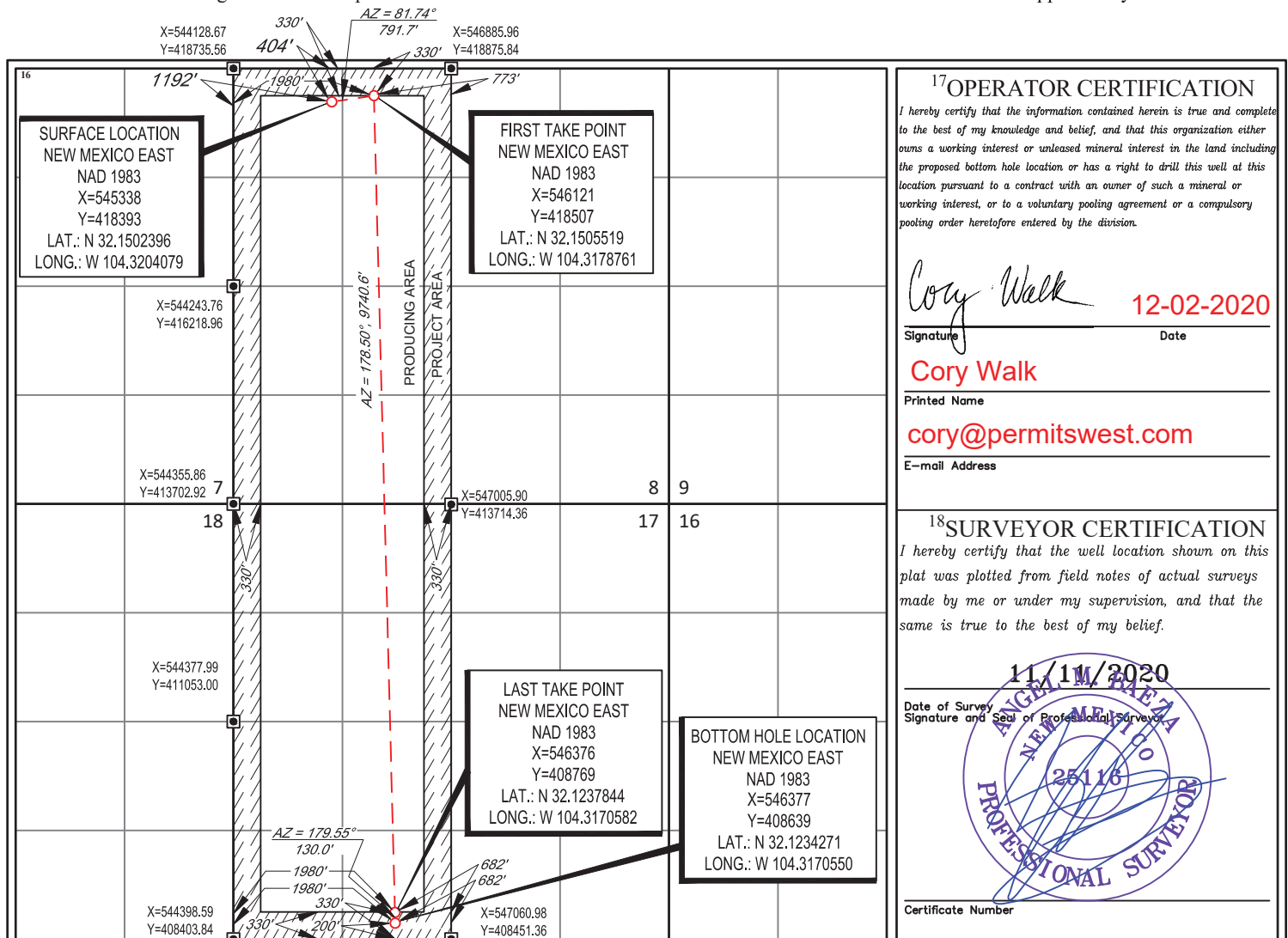
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>8</b>	<b>25-S</b>	<b>26-E</b>	<b>-</b>	<b>404'</b>	<b>NORTH</b>	<b>1192'</b>	<b>WEST</b>	<b>EDDY</b>

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>N</b>	<b>17</b>	<b>25-S</b>	<b>26-E</b>	<b>-</b>	<b>200'</b>	<b>SOUTH</b>	<b>1980'</b>	<b>WEST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>640</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>17</sup>OPERATOR CERTIFICATION

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Cory Walk*  
Signature

**12-02-2020**  
Date

**Cory Walk**  
Printed Name

Printed Name

**cory@permitswest.com**  
E-mail Address

E-mail Address

<sup>18</sup>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 to the best of my belief.

**11/11/2020**  
Date of Survey  
Signature and Seal of Professional Surveyor

Signature and Seal of Professional Surveyor

Signature and Seal of Professional Surveyor

Signature and Seal of Professional Surveyor

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Signature and Seal of Professional Surveyor

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:** \_\_\_\_\_ Tap Rock Operating LLC \_\_\_\_\_ **OGRID:** \_\_\_\_\_ 372043 \_\_\_\_\_ **Date:** \_\_\_\_\_ 08/06/2021 \_\_\_\_\_

**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
OE Fed Com #232H		Sec 8, T25S R 26E	399 FNL, 1092 FWL	1084	3817	1558

**IV. Central Delivery Point Name:** \_\_\_\_\_ OE Fed CDP \_\_\_\_\_ [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
OE Fed Com #232H		10/14/22	10/30/22	12/1/22	3/11/23	3/11/23

**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.

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: 
Printed Name: Christian Combs
Title: EHS & Regulatory Manager
E-mail Address: <a href="mailto:ccombs@taprk.com">ccombs@taprk.com</a>
Date: 10/19/2021
Phone: 720-360-4028
<b>OIL CONSERVATION DIVISION</b> <b>(Only applicable when submitted as a standalone form)</b>
Approved By:
Title:
Approval Date:
Conditions of Approval:

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

Each surface facility design includes the following process equipment: 3-phase separators (1 separator per well), a sales gas scrubber, one or two 3-phase heater treaters, a vapor recovery tower (VRT), a VRU compressor, multiple water and oil tanks, as well as flare knockouts (HP & LP), and flares (HP & LP). All process vessels will be sized to separate oil, water, gas based upon typical/historical & predicted well performance. Each process vessel will be fitted with an appropriately sized PSV as per ASME code requirements to mitigate vessel rupture and loss of containment. Additionally, the process vessels will be fitted with pressure transmitters tied to the facility control system which will allow operations to monitor pressures and when necessary, shut-in the facility to avoid vessel over-pressure and the potential vent of natural gas. Natural gas will preferentially be sold to pipeline, and only during upset/emergency conditions will gas be directed to the HP flare system. Flash gas from both the 3-phase heater treater and the VRT will be recompressed using a VRU compressor and this gas will also preferentially be directed to the gas sales pipeline. Oil tanks & water tanks will be fitted with 16 oz thief hatches as well as PVRVs to protect the tanks from rupture/collapse. Additionally, the tank vapor outlets and tank vapor capture system will be sized to keep tank pressures below 12 oz. The tank vapor capture system will include a tank vapor blower & knockout as well as a low-pressure flare and knockout. Tank vapors will preferentially be directed to the VRU and the sales gas pipeline. Only during process upsets/emergency conditions will tank vapors be directed to the LP flare system.

**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. ← See attached reg for requirements.

- During drilling operations- Gas meters will be installed at the shakers and Volume Totalizers will be installed on the pits. In the event that elevated gas levels, or a pit gain are observed, returns will be diverted to a gas buster. Gas coming off the gas buster will be combusted at the flare stack. A 10' or taller flare will be located at least 100' from the SHL.
- During completions operations, including stimulation and frac plug drill out operations, hydrocarbon production to surface is minimized. When gas production does occur, gas will be combusted at a flare stack. A 10' or taller flare will be located at least 100' from the SHL.
- During production operations, all process vessels (separators, heater treaters, VRTs, Tanks) will recompress (where necessary) and route gas outlets into the natural gas gathering pipeline. Gas will preferentially be routed to natural gas gathering pipeline and the flare system will be used only during emergency, malfunction, or if the gas does not meet pipeline specifications. In the event of flaring off-specification gas, operations will pull gas samples twice a week and will also route gas back to pipeline as soon as the gas meets specification. Exceptions to this will include only those qualified exceptions per the regulation 19.15.27.8 Subsection D.

- To comply with state performance standards, separation and storage equipment will be designed to handle the maximum anticipated throughput and pressure to minimize waste and reduce the likelihood of venting gas to atmosphere. Additionally, each storage atmospheric tank (Oil & Water) will be fitted with a level transmitter to facilitate gauging of the tank without opening of the thief hatch. Any gas collected through the tank vent system is expected to be recompressed and routed to sales. However, in the event of an emergency, the tank vapor capture system will be designed to combust the gas using a flare stack fitted with a continuous or automatic ignitor. The flare stack will be properly anchored and will be located a minimum of 100 feet from the well and storage tanks. Operators will conduct weekly AVO inspections. These AVO inspection records will be stored for the required 5-year period and will be made available upon Division request.

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

- When performing routine or preventive maintenance on a vessel or tank, initially all inlet valves are closed, and the vessel or tank is allowed to depressurize through the normal outlet connections to gas sales and/or liquid tanks. Once the vessel or tank is depressurized to lowest acceptable sales outlet pressure, usually around 20 psig, a temporary low-pressure flowline is connected from the vessel or tank to the Vapor Recovery Unit (VRU) for further pressure reduction. Once depressurized to less than 1-2 psig, the remaining natural gas in the vessel or tank is vented to atmosphere through a controlled pressure relief valve. Once the vessel or tank is depressurized to atmospheric pressure, the vessel or tank can be safely opened, and maintenance performed.





Drilling Operations Plan  
 OE Fed Com #232H  
 Tap Rock Operating, LLC  
 SHL 404' FNL & 1192' FWL, Sec. 8  
 BHL 200' FSL & 1980' FWL, Sec. 17  
 T. 25S., R. 26E., Eddy County, NM

Elevation above Sea Level: 3372'

## **DRILLING PROGRAM**

### **1. Estimated Tops**

Formation	TVD	MD	Lithologies	Bearing
Quaternary Deposits	0	0	Surface	None
Rustler Anhydrite	415	415		Salt
Salado	860	860	Salt	Salt
Base Salt	1590	1594		Salt
Lamar	1800	1809	Limestone	None
Bell Canyon	1850	1860	Sandstone	Hydrocarbons
Cherry Canyon	2810	2845	Sandstone	Hydrocarbons
Brushy Canyon	3660	3718	Sandstone	Hydrocarbons
Bone Spring	5315	5401	Limestone	Hydrocarbons
1st Bone Spring	6255	6341	Sandstone	Hydrocarbons
2nd Bone Spring	6515	6601	Sandstone	Hydrocarbons
3rd Bone Spring	7075	7161	Sandstone	Hydrocarbons
KOP	8607	8693	Sandstone	Hydrocarbons
Wolfcamp B	8655	8741	Shale	Hydrocarbons
TD	9119	19209	Shale	Hydrocarbons

### **2. Notable Zones**

Wolfcamp B is the target formation.

### **3. Pressure Control**

Pressure Control Equipment (See Schematics):

A 15,000', 5,000 psi BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and 1 annular preventer will be used below surface casing to TD. See attachments for BOP and choke manifold diagrams. Also present will be an accumulator that meets the requirements of Onshore Order #2 for the pressure rating of the BOP stack. A rotating head will also be installed as needed. BOP will be inspected and operated as recommended in Onshore Order #2. A top drive check valve and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position. The wellhead will be a multi-bowl speed head.



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BOP Test procedure will be as follows:

After surface casing is set and the BOP is nipped up, the BOP pressure tests will be made with a third party tester to 250 psi low, 5000 psi high, and the annular preventer will be tested to 2,500 psi. The BOP will be tested in this manner after nipple-up if any break of the stack occurs.

Variance Requests:

Tap Rock requests a variance to run a multi-bowl speed head for setting the Intermediate 1, Intermediate 2, and Production Strings. Tap Rock requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Tap Rock requests a variance to have the option of batch drilling this well with other wells on the same pad. In the event that this well is batch drilled, after drilling surface, 1<sup>st</sup> intermediate, and 2<sup>nd</sup> intermediate hole sections and cementing 2<sup>nd</sup> intermediate casing, a 10M dry hole cap with bleed off valve will be installed. The rig will then walk to another well on the pad. When the rig returns to this well and BOPs are installed, the operator will perform a full BOP test. Tap Rock requests a variance to run 7-5/8" BTC casing inside 9-5/8" BTC casing will be less than the 0.422" stand off regulation. Through conversations with BLM representatives, Tap Rock has received approval for this design as long as the 7-5/8" flush casing was run throughout the entire 300' cement tie back section between 9-5/8" and 7-5/8" casing.

Tap Rock requests approval to possibly utilize a spudder rig to drill and set casing for the surface interval on this well. The spudder rig will be possibly utilized in order to reduce cost and save time. The wellhead will be installed and tested as soon as the surface casing is cut off per the existing COAs. A blind flange with the same pressure rating as the wellhead will be installed on the well. Once the spudder rig is removed, Tap Rock will secure the wellhead area by placing a guard rail around the cellar. Pressure will be monitored and a means for intervention will be maintained while the drilling rig is not over the well. Spudder rig operations are expected to take 2-3 days per well. Three wells on the pad will have surface casing set by the spudder rig as a part of this operation. The BLM will be notified 24 hours prior to commencing spudder rig operations. Within 90 days of the departure of the spudder rig, drilling operations will recommence on these wells. This rig will have a BOP stack equal or greater to the pressure rating required in the COAs. The BLM will be notified 24 hours before the larger rig moves on the pre-set wells. Tap Rock will have supervision on the spudder rig to ensure compliance with all BLM and NMOCD regulations.



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#### 4. Casing & Cement

All Casing will be new.

Name	Hole Size	Casing Size	Standard	Tapered	Top MD	Bottom MD	Top TVD	BTM TVD	Grade	Weight	Thread	Collapse	Burst	Tension
Surface	17 1/2	13 3/8	API	No	0	490	0	490	J-55	54.5	BUTT	1.13	1.15	1.6
1st Intermediate	12 1/4	9 5/8	API	No	0	1829	0	1820	J-55	40	BUTT	1.13	1.15	1.6
2nd Intermediate	8 3/4	7 5/8	API	No	0	1529	0	1520	P-110	29.7	BUTT	1.13	1.15	1.6
2nd Intermediate	8 3/4	7 5/8	NON API	Yes	1529	8593	1520	8507	P-110	29.7	W-513	1.13	1.15	1.6
Production	6 3/4	5 1/2	NON API	No	0	8393	0	8307	P-110	20	TXP	1.13	1.15	1.6
Production	6 3/4	5 1/2	NON API	Yes	8393	19209	8307	9119	P-110	20	W-441	1.13	1.15	1.6

Name	Type	Top MD	Sacks	Yield	Cu. Ft	Weight	Excess	Cement	Additives
Surface	Tail	0	504	1.35	681	14.8	100%	C	5% NCI + LCM
1st Intermediate	Lead	0	435	1.74	756	13.5	65%	C	Bentonite + 1% CaCL <sub>2</sub> + 8% NaCl + LCM
	Tail	1463	142	1.33	189	14.8	65%	C	5% NaCl + LCM
2nd Intermediate	Lead	1529	370	2.22	822	11.5	35%	TXI	Fluid Loss + Dispersant + Retarder + LCM
	Tail	7593	99	1.37	136	13.2	35%	H	Fluid Loss + Dispersant + Retarder + LCM
Production	Tail	7893	1036	1.14	1181	14.5	25%	H	Fluid Loss + Dispersant + Retarder + LCM

#### 5. Mud Program

Electronic Pason mud monitor system complying with Onshore Order 1 will be used. All necessary mud products (e. g., barite, cedar bark) for weight addition and fluid loss control will always be on site. Mud program is subject to change due to hole conditions. A closed loop system will be used.

Name	Top	Bottom	Type	Mud Weight	Visc	Fluid Loss
Surface	0	490	FW Spud Mud	8.30	28	NC
Intermediate	490	1829	Brine Water	10.00	30-32	NC
Intermediate 2	1829	8593	FW/Cut Brine	9.00	30-32	NC
Production	8593	19209	Oil Base Mud	11.50	50-70	<10

#### 6. Cores, Tests, & Logs

- Electric Logging Program: No open-hole logs are planned at this time for the pilot hole.
- GR will be collected while drilling through the MWD tools from 9.625" casing shoe to TD.
- A 2-person mud logging program will be used from 9.625" casing shoe to TD.
- No DSTs or cores are planned at this time.
- CBL w/ CCL from as far as gravity will let it fall to TOC.



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T. 25S., R. 26E., Eddy County, NM

**7. Down Hole Conditions**

No abnormal pressure or temperature is expected. Maximum expected bottom hole pressure is  $\approx 5,490$  psi. Expected bottom hole temperature is  $\approx 160^{\circ}$  F.

Tap Rock does not anticipate that there will be enough H<sub>2</sub>S from the surface to the Wolfcamp formations to meet the BLM's Onshore Order 6 requirements for the submission of an "H<sub>2</sub>S Drilling Operation Plan" or "Public Protection Plan" for drilling and completing this well. Tap Rock has an H<sub>2</sub>S safety package on all wells and an "H<sub>2</sub>S Drilling Operations Plan" is attached. Adequate flare lines will be installed off the mud/gas separator where gas may be safely flared. All personnel will be familiar with all aspects of safe operation of equipment being used.

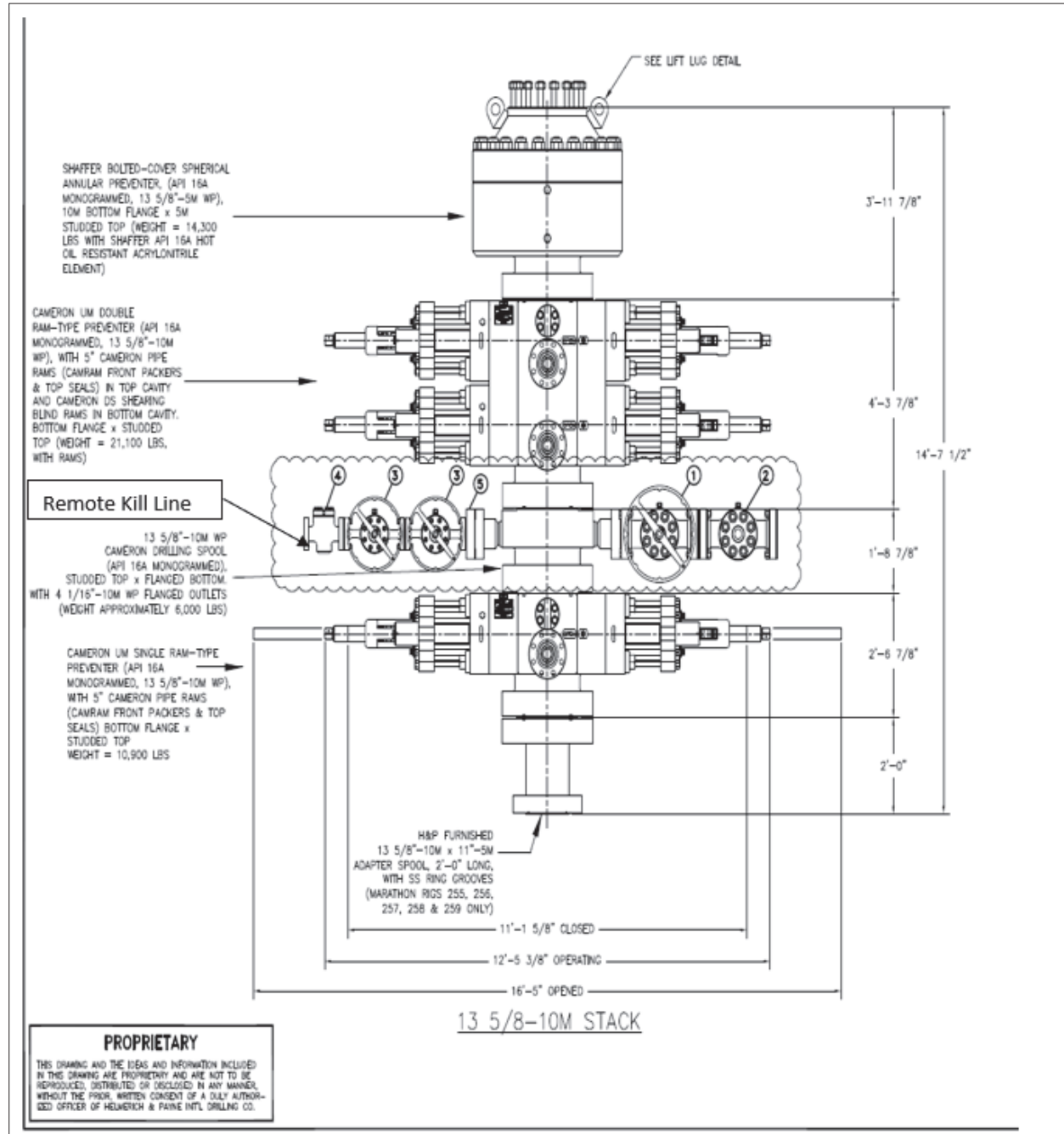
**8. Other Information**

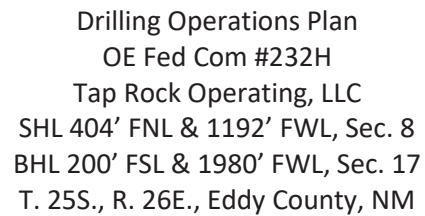
Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 30 days. If production casing is run an additional 60 days will be required to complete and construct surface facilities.



Drilling Operations Plan  
 OE Fed Com #232H  
 Tap Rock Operating, LLC  
 SHL 404' FNL & 1192' FWL, Sec. 8  
 BHL 200' FSL & 1980' FWL, Sec. 17  
 T. 25S., R. 26E., Eddy County, NM

5,000 psi BOP Stack



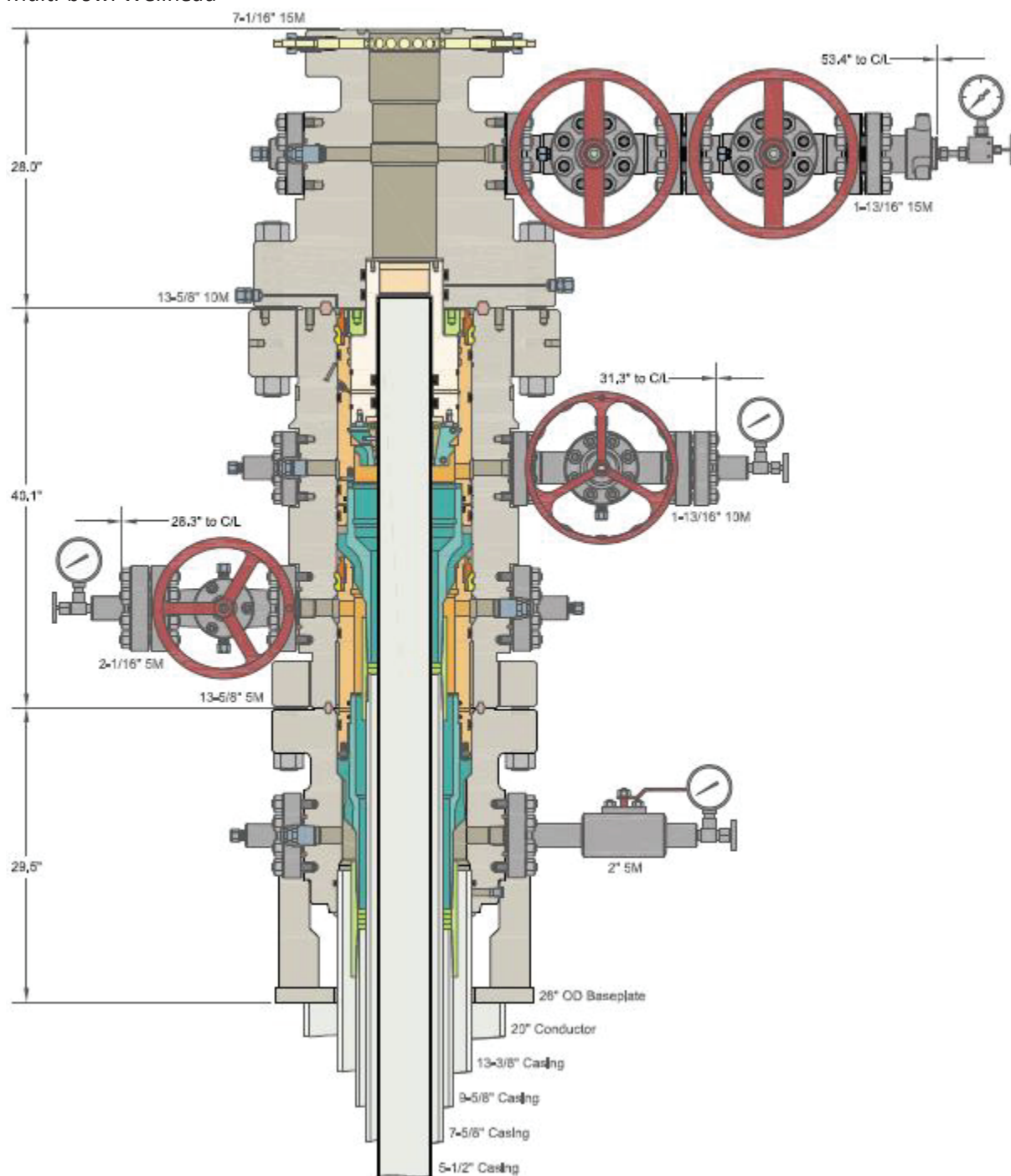






Drilling Operations Plan  
 OE Fed Com #232H  
 Tap Rock Operating, LLC  
 SHL 404' FNL & 1192' FWL, Sec. 8  
 BHL 200' FSL & 1980' FWL, Sec. 17  
 T. 25S., R. 26E., Eddy County, NM

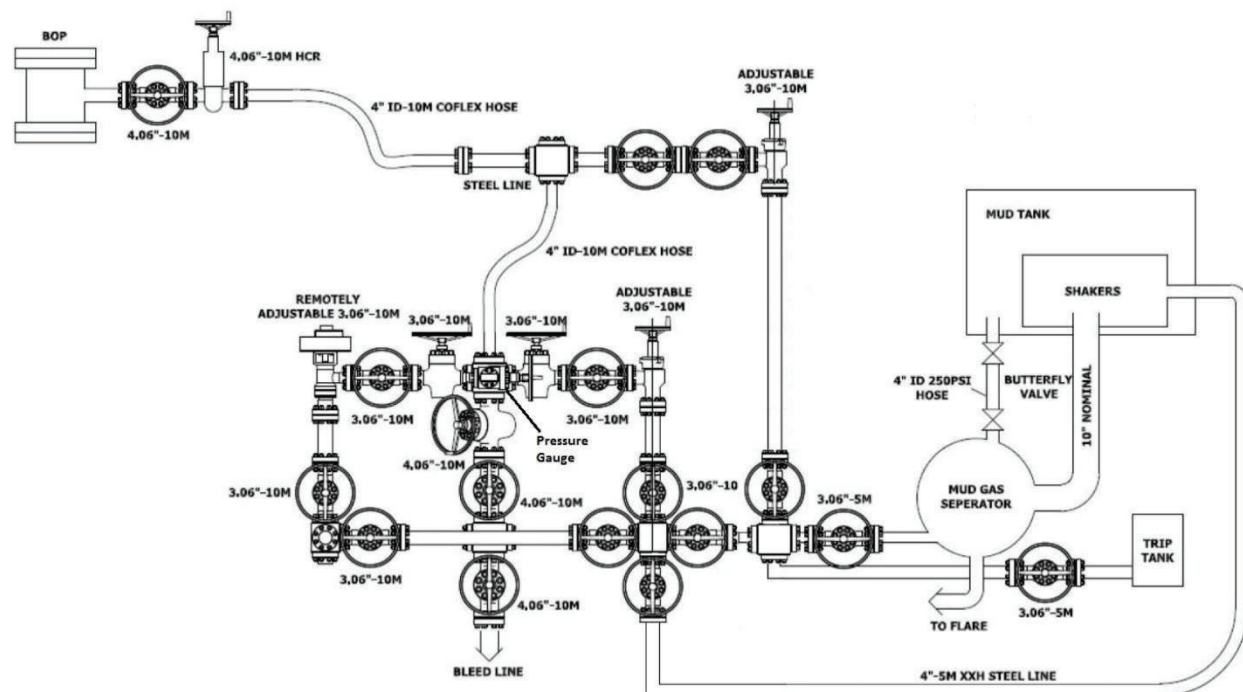
Multi-bowl Wellhead





Drilling Operations Plan  
 OE Fed Com #232H  
 Tap Rock Operating, LLC  
 SHL 404' FNL & 1192' FWL, Sec. 8  
 BHL 200' FSL & 1980' FWL, Sec. 17  
 T. 25S., R. 26E., Eddy County, NM

10M Choke Layout





# **Tap Rock Operating, LLC.**

**Eddy County, NM (NAD83)**

**OE Fed Com**

**232H**

**OH**

**Plan: Plan #1**

## **Standard Planning Report**

**09 October, 2020**

## Planning Report

<b>Database:</b>	EDM 5000.1 Single User Db	<b>Local Co-ordinate Reference:</b>	Well 232H
<b>Company:</b>	Tap Rock Operating, LLC.	<b>TVD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

<b>Project</b>	Eddy County, NM (NAD83)		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		
<b>Map Zone:</b>	New Mexico Eastern Zone		

Site	OE Fed Com				
Site Position:		Northing:	418,417.76 usft	Latitude:	32° 9' 1.110 N
From:	Lat/Long	Easting:	545,157.69 usft	Longitude:	104° 19' 15.562 W
Position Uncertainty:	2.0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.01

Well	232H					
Well Position	+N/-S	-25.0 usft	Northing:	418,392.78 usft	Latitude:	32° 9' 0.863 N
	+E/-W	80.0 usft	Easting:	545,237.69 usft	Longitude:	104° 19' 14.632 W
Position Uncertainty		2.0 usft	Wellhead Elevation:		Ground Level:	3,374.0 usft

<b>Wellbore</b>	OH				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2015	10/8/2020	6.94	59.84	47,476

<b>Design</b>	Plan #1			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.0
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Direction (°)</b>
	0.0	0.0	0.0	178.50

<b>Plan Sections</b>										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
875.0	0.00	0.00	875.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,741.7	13.00	60.00	1,734.2	48.9	84.8	1.50	1.50	0.00	60.00	
4,541.7	13.00	60.00	4,462.5	363.9	630.3	0.00	0.00	0.00	0.00	
5,408.3	0.00	0.00	5,321.7	412.8	715.0	1.50	-1.50	0.00	180.00	
8,693.6	0.00	0.00	8,607.0	412.8	715.0	0.00	0.00	0.00	0.00	
9,597.3	90.36	167.60	9,180.0	-150.3	838.9	10.00	10.00	0.00	167.60	
10,142.4	90.36	178.50	9,176.6	-690.7	904.7	2.00	0.00	2.00	89.95	
19,078.6	90.36	178.50	9,120.0	-9,623.6	1,138.1	0.00	0.00	0.00	0.00	LTP_OE.232H
19,208.6	90.36	178.50	9,119.2	-9,753.5	1,141.5	0.00	0.00	0.00	0.00	PBHL_OE.232H

## Planning Report

<b>Database:</b>	EDM 5000.1 Single User Db	<b>Local Co-ordinate Reference:</b>	Well 232H
<b>Company:</b>	Tap Rock Operating, LLC.	<b>TVD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

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
415.0	0.00	0.00	415.0	0.0	0.0	0.0	0.00	0.00	0.00
<b>Rustler Anhydrite</b>									
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
860.0	0.00	0.00	860.0	0.0	0.0	0.0	0.00	0.00	0.00
<b>Top Salt</b>									
875.0	0.00	0.00	875.0	0.0	0.0	0.0	0.00	0.00	0.00
<b>Start Build 1.50</b>									
900.0	0.38	60.00	900.0	0.0	0.1	0.0	1.50	1.50	0.00
1,000.0	1.88	60.00	1,000.0	1.0	1.8	-1.0	1.50	1.50	0.00
1,100.0	3.38	60.00	1,099.9	3.3	5.7	-3.2	1.50	1.50	0.00
1,200.0	4.88	60.00	1,199.6	6.9	12.0	-6.6	1.50	1.50	0.00
1,300.0	6.38	60.00	1,299.1	11.8	20.5	-11.3	1.50	1.50	0.00
1,400.0	7.88	60.00	1,398.3	18.0	31.2	-17.2	1.50	1.50	0.00
1,500.0	9.38	60.00	1,497.2	25.5	44.2	-24.3	1.50	1.50	0.00
1,594.2	10.79	60.00	1,590.0	33.8	58.5	-32.2	1.50	1.50	0.00
<b>Base Salt</b>									
1,600.0	10.88	60.00	1,595.7	34.3	59.4	-32.7	1.50	1.50	0.00
1,700.0	12.38	60.00	1,693.6	44.4	76.9	-42.3	1.50	1.50	0.00
1,741.7	13.00	60.00	1,734.2	48.9	84.8	-46.7	1.50	1.50	0.00
<b>Start 2800.0 hold at 1741.7 MD</b>									
1,800.0	13.00	60.00	1,791.1	55.5	96.1	-53.0	0.00	0.00	0.00
1,804.0	13.00	60.00	1,795.0	56.0	96.9	-53.4	0.00	0.00	0.00
<b>Delaware Mountain Gp</b>									
1,809.1	13.00	60.00	1,800.0	56.5	97.9	-54.0	0.00	0.00	0.00
<b>Lamar</b>									
1,860.5	13.00	60.00	1,850.0	62.3	107.9	-59.5	0.00	0.00	0.00
<b>Bell Canyon</b>									
1,900.0	13.00	60.00	1,888.5	66.8	115.6	-63.7	0.00	0.00	0.00
1,906.6	13.00	60.00	1,895.0	67.5	116.9	-64.4	0.00	0.00	0.00
<b>Ramsey Sand</b>									
2,000.0	13.00	60.00	1,986.0	78.0	135.1	-74.4	0.00	0.00	0.00
2,100.0	13.00	60.00	2,083.4	89.3	154.6	-85.2	0.00	0.00	0.00
2,200.0	13.00	60.00	2,180.8	100.5	174.1	-95.9	0.00	0.00	0.00
2,300.0	13.00	60.00	2,278.3	111.7	193.6	-106.6	0.00	0.00	0.00
2,400.0	13.00	60.00	2,375.7	123.0	213.0	-117.4	0.00	0.00	0.00
2,500.0	13.00	60.00	2,473.1	134.2	232.5	-128.1	0.00	0.00	0.00
2,600.0	13.00	60.00	2,570.6	145.5	252.0	-138.8	0.00	0.00	0.00
2,700.0	13.00	60.00	2,668.0	156.7	271.5	-149.6	0.00	0.00	0.00
2,800.0	13.00	60.00	2,765.5	168.0	291.0	-160.3	0.00	0.00	0.00
2,845.7	13.00	60.00	2,810.0	173.1	299.9	-165.2	0.00	0.00	0.00
<b>Cherry Canyon</b>									
2,900.0	13.00	60.00	2,862.9	179.2	310.4	-171.0	0.00	0.00	0.00
3,000.0	13.00	60.00	2,960.3	190.5	329.9	-181.8	0.00	0.00	0.00
3,100.0	13.00	60.00	3,057.8	201.7	349.4	-192.5	0.00	0.00	0.00
3,200.0	13.00	60.00	3,155.2	213.0	368.9	-203.2	0.00	0.00	0.00

## Planning Report

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<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

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)
3,300.0	13.00	60.00	3,252.6	224.2	388.4	-214.0	0.00	0.00	0.00
3,400.0	13.00	60.00	3,350.1	235.5	407.8	-224.7	0.00	0.00	0.00
3,500.0	13.00	60.00	3,447.5	246.7	427.3	-235.4	0.00	0.00	0.00
3,600.0	13.00	60.00	3,545.0	258.0	446.8	-246.2	0.00	0.00	0.00
3,700.0	13.00	60.00	3,642.4	269.2	466.3	-256.9	0.00	0.00	0.00
3,718.1	13.00	60.00	3,660.0	271.2	469.8	-258.9	0.00	0.00	0.00
<b>Brushy Canyon</b>									
3,800.0	13.00	60.00	3,739.8	280.5	485.8	-267.6	0.00	0.00	0.00
3,900.0	13.00	60.00	3,837.3	291.7	505.3	-278.4	0.00	0.00	0.00
4,000.0	13.00	60.00	3,934.7	303.0	524.7	-289.1	0.00	0.00	0.00
4,100.0	13.00	60.00	4,032.1	314.2	544.2	-299.9	0.00	0.00	0.00
4,200.0	13.00	60.00	4,129.6	325.5	563.7	-310.6	0.00	0.00	0.00
4,300.0	13.00	60.00	4,227.0	336.7	583.2	-321.3	0.00	0.00	0.00
4,400.0	13.00	60.00	4,324.5	347.9	602.7	-332.1	0.00	0.00	0.00
4,500.0	13.00	60.00	4,421.9	359.2	622.1	-342.8	0.00	0.00	0.00
4,541.7	13.00	60.00	4,462.5	363.9	630.3	-347.3	0.00	0.00	0.00
<b>Start Drop -1.50</b>									
4,600.0	12.13	60.00	4,519.4	370.2	641.2	-353.3	1.50	-1.50	0.00
4,700.0	10.63	60.00	4,617.5	380.1	658.3	-362.7	1.50	-1.50	0.00
4,800.0	9.13	60.00	4,716.0	388.7	673.2	-370.9	1.50	-1.50	0.00
4,900.0	7.63	60.00	4,814.9	395.9	685.8	-377.9	1.50	-1.50	0.00
5,000.0	6.13	60.00	4,914.2	401.9	696.2	-383.6	1.50	-1.50	0.00
5,100.0	4.63	60.00	5,013.7	406.6	704.3	-388.0	1.50	-1.50	0.00
5,200.0	3.13	60.00	5,113.5	410.0	710.1	-391.3	1.50	-1.50	0.00
5,300.0	1.63	60.00	5,213.4	412.1	713.7	-393.2	1.50	-1.50	0.00
5,401.6	0.10	60.00	5,315.0	412.8	715.0	-394.0	1.50	-1.50	0.00
<b>Bone Spring Lime</b>									
5,408.3	0.00	0.00	5,321.7	412.8	715.0	-394.0	1.50	-1.50	0.00
<b>Start 3285.3 hold at 5408.3 MD</b>									
5,500.0	0.00	0.00	5,413.4	412.8	715.0	-394.0	0.00	0.00	0.00
5,511.6	0.00	0.00	5,425.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Upper Avalon</b>									
5,600.0	0.00	0.00	5,513.4	412.8	715.0	-394.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,613.4	412.8	715.0	-394.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,713.4	412.8	715.0	-394.0	0.00	0.00	0.00
5,851.6	0.00	0.00	5,765.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Middle Avalon</b>									
5,900.0	0.00	0.00	5,813.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,000.0	0.00	0.00	5,913.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,013.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,161.6	0.00	0.00	6,075.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Lower Avalon</b>									
6,200.0	0.00	0.00	6,113.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,213.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,341.6	0.00	0.00	6,255.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>1st Bone Spring Sand</b>									
6,400.0	0.00	0.00	6,313.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,413.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,513.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,601.6	0.00	0.00	6,515.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>2nd Bone Spring Carb</b>									
6,700.0	0.00	0.00	6,613.4	412.8	715.0	-394.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,713.4	412.8	715.0	-394.0	0.00	0.00	0.00

## Planning Report

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<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

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)
6,900.0	0.00	0.00	6,813.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,000.0	0.00	0.00	6,913.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,091.6	0.00	0.00	7,005.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>2nd Bone Spring Sand</b>									
7,100.0	0.00	0.00	7,013.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,161.6	0.00	0.00	7,075.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>3rd Bone Spring Carb</b>									
7,200.0	0.00	0.00	7,113.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,213.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,313.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,413.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,513.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,613.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,713.4	412.8	715.0	-394.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,813.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,000.0	0.00	0.00	7,913.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,013.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,116.6	0.00	0.00	8,030.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>3rd Bone Spring Sand</b>									
8,200.0	0.00	0.00	8,113.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,300.0	0.00	0.00	8,213.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,366.6	0.00	0.00	8,280.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>3rd BS W Sand</b>									
8,400.0	0.00	0.00	8,313.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,481.6	0.00	0.00	8,395.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Wolfcamp A X Sand</b>									
8,500.0	0.00	0.00	8,413.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,516.6	0.00	0.00	8,430.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Wolfcamp A Y Sand</b>									
8,586.6	0.00	0.00	8,500.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Wolfcamp A Lower</b>									
8,600.0	0.00	0.00	8,513.4	412.8	715.0	-394.0	0.00	0.00	0.00
8,693.6	0.00	0.00	8,607.0	412.8	715.0	-394.0	0.00	0.00	0.00
<b>Start Build 10.00</b>									
8,700.0	0.64	167.60	8,613.4	412.8	715.1	-393.9	10.00	10.00	0.00
8,741.7	4.81	167.60	8,655.0	410.9	715.5	-392.0	10.00	10.00	0.00
<b>Wolfcamp B</b>									
8,750.0	5.64	167.60	8,663.3	410.1	715.6	-391.2	10.00	10.00	0.00
8,800.0	10.64	167.60	8,712.8	403.2	717.2	-384.3	10.00	10.00	0.00
8,850.0	15.64	167.60	8,761.5	392.1	719.6	-373.1	10.00	10.00	0.00
8,900.0	20.64	167.60	8,809.0	376.9	722.9	-357.9	10.00	10.00	0.00
8,950.0	25.64	167.60	8,854.9	357.7	727.2	-338.6	10.00	10.00	0.00
9,000.0	30.64	167.60	8,899.0	334.7	732.2	-315.4	10.00	10.00	0.00
9,050.0	35.64	167.60	8,940.9	308.0	738.1	-288.6	10.00	10.00	0.00
9,100.0	40.64	167.60	8,980.2	277.9	744.7	-258.3	10.00	10.00	0.00
9,147.6	45.40	167.60	9,015.0	246.1	751.7	-226.4	10.00	10.00	0.00
<b>Wolfcamp B1</b>									
9,150.0	45.64	167.60	9,016.7	244.5	752.1	-224.7	10.00	10.00	0.00
9,200.0	50.64	167.60	9,050.0	208.1	760.0	-188.2	10.00	10.00	0.00
9,250.0	55.64	167.60	9,080.0	169.1	768.6	-148.9	10.00	10.00	0.00
9,300.0	60.63	167.60	9,106.4	127.6	777.8	-107.2	10.00	10.00	0.00
9,350.0	65.63	167.60	9,129.0	84.1	787.3	-63.4	10.00	10.00	0.00
9,400.0	70.63	167.60	9,147.6	38.8	797.3	-17.9	10.00	10.00	0.00

## Planning Report

<b>Database:</b>	EDM 5000.1 Single User Db	<b>Local Co-ordinate Reference:</b>	Well 232H
<b>Company:</b>	Tap Rock Operating, LLC.	<b>TVD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

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)
9,450.0	75.63	167.60	9,162.1	-7.9	807.6	29.1	10.00	10.00	0.00
9,500.0	80.63	167.60	9,172.4	-55.7	818.1	77.1	10.00	10.00	0.00
9,550.0	85.63	167.60	9,178.3	-104.2	828.7	125.8	10.00	10.00	0.00
9,597.3	90.36	167.60	9,180.0	-150.3	838.9	172.2	10.00	10.00	0.00
<b>EOC - 9597.3'MD, 90.36°INC, 167.60°AZI</b>									
9,600.0	90.36	167.65	9,180.0	-153.0	839.4	174.9	2.00	0.00	2.00
9,700.0	90.36	169.65	9,179.4	-251.0	859.1	273.4	2.00	0.00	2.00
9,800.0	90.36	171.65	9,178.7	-349.7	875.4	372.5	2.00	0.00	2.00
9,900.0	90.36	173.65	9,178.1	-448.9	888.1	472.0	2.00	0.00	2.00
10,000.0	90.36	175.65	9,177.5	-548.4	897.5	571.7	2.00	0.00	2.00
10,100.0	90.36	177.65	9,176.8	-648.2	903.3	671.7	2.00	0.00	2.00
10,142.4	90.36	178.50	9,176.6	-690.7	904.7	714.1	2.00	0.00	2.00
<b>Start 8936.2 hold at 10142.4 MD</b>									
10,200.0	90.36	178.50	9,176.2	-748.2	906.2	771.7	0.00	0.00	0.00
10,300.0	90.36	178.50	9,175.6	-848.2	908.8	871.7	0.00	0.00	0.00
10,400.0	90.36	178.50	9,174.9	-948.1	911.4	971.7	0.00	0.00	0.00
10,500.0	90.36	178.50	9,174.3	-1,048.1	914.1	1,071.7	0.00	0.00	0.00
10,600.0	90.36	178.50	9,173.7	-1,148.1	916.7	1,171.7	0.00	0.00	0.00
10,700.0	90.36	178.50	9,173.0	-1,248.0	919.3	1,271.7	0.00	0.00	0.00
10,800.0	90.36	178.50	9,172.4	-1,348.0	921.9	1,371.6	0.00	0.00	0.00
10,900.0	90.36	178.50	9,171.8	-1,447.9	924.5	1,471.6	0.00	0.00	0.00
11,000.0	90.36	178.50	9,171.1	-1,547.9	927.1	1,571.6	0.00	0.00	0.00
11,100.0	90.36	178.50	9,170.5	-1,647.9	929.7	1,671.6	0.00	0.00	0.00
11,200.0	90.36	178.50	9,169.9	-1,747.8	932.3	1,771.6	0.00	0.00	0.00
11,300.0	90.36	178.50	9,169.2	-1,847.8	934.9	1,871.6	0.00	0.00	0.00
11,400.0	90.36	178.50	9,168.6	-1,947.8	937.6	1,971.6	0.00	0.00	0.00
11,500.0	90.36	178.50	9,168.0	-2,047.7	940.2	2,071.6	0.00	0.00	0.00
11,600.0	90.36	178.50	9,167.3	-2,147.7	942.8	2,171.6	0.00	0.00	0.00
11,700.0	90.36	178.50	9,166.7	-2,247.7	945.4	2,271.6	0.00	0.00	0.00
11,800.0	90.36	178.50	9,166.1	-2,347.6	948.0	2,371.6	0.00	0.00	0.00
11,900.0	90.36	178.50	9,165.4	-2,447.6	950.6	2,471.6	0.00	0.00	0.00
12,000.0	90.36	178.50	9,164.8	-2,547.5	953.2	2,571.6	0.00	0.00	0.00
12,100.0	90.36	178.50	9,164.2	-2,647.5	955.8	2,671.6	0.00	0.00	0.00
12,200.0	90.36	178.50	9,163.5	-2,747.5	958.5	2,771.6	0.00	0.00	0.00
12,300.0	90.36	178.50	9,162.9	-2,847.4	961.1	2,871.6	0.00	0.00	0.00
12,400.0	90.36	178.50	9,162.3	-2,947.4	963.7	2,971.6	0.00	0.00	0.00
12,500.0	90.36	178.50	9,161.6	-3,047.4	966.3	3,071.6	0.00	0.00	0.00
12,600.0	90.36	178.50	9,161.0	-3,147.3	968.9	3,171.6	0.00	0.00	0.00
12,700.0	90.36	178.50	9,160.4	-3,247.3	971.5	3,271.6	0.00	0.00	0.00
12,800.0	90.36	178.50	9,159.7	-3,347.3	974.1	3,371.6	0.00	0.00	0.00
12,900.0	90.36	178.50	9,159.1	-3,447.2	976.7	3,471.6	0.00	0.00	0.00
13,000.0	90.36	178.50	9,158.5	-3,547.2	979.3	3,571.6	0.00	0.00	0.00
13,100.0	90.36	178.50	9,157.8	-3,647.1	982.0	3,671.6	0.00	0.00	0.00
13,200.0	90.36	178.50	9,157.2	-3,747.1	984.6	3,771.6	0.00	0.00	0.00
13,300.0	90.36	178.50	9,156.6	-3,847.1	987.2	3,871.6	0.00	0.00	0.00
13,400.0	90.36	178.50	9,155.9	-3,947.0	989.8	3,971.6	0.00	0.00	0.00
13,500.0	90.36	178.50	9,155.3	-4,047.0	992.4	4,071.6	0.00	0.00	0.00
13,600.0	90.36	178.50	9,154.7	-4,147.0	995.0	4,171.6	0.00	0.00	0.00
13,700.0	90.36	178.50	9,154.0	-4,246.9	997.6	4,271.6	0.00	0.00	0.00
13,800.0	90.36	178.50	9,153.4	-4,346.9	1,000.2	4,371.6	0.00	0.00	0.00
13,900.0	90.36	178.50	9,152.8	-4,446.9	1,002.9	4,471.6	0.00	0.00	0.00
14,000.0	90.36	178.50	9,152.1	-4,546.8	1,005.5	4,571.6	0.00	0.00	0.00
14,100.0	90.36	178.50	9,151.5	-4,646.8	1,008.1	4,671.6	0.00	0.00	0.00

## Planning Report

<b>Database:</b>	EDM 5000.1 Single User Db	<b>Local Co-ordinate Reference:</b>	Well 232H
<b>Company:</b>	Tap Rock Operating, LLC.	<b>TVD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

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)
14,200.0	90.36	178.50	9,150.9	-4,746.8	1,010.7	4,771.6	0.00	0.00	0.00
14,300.0	90.36	178.50	9,150.2	-4,846.7	1,013.3	4,871.6	0.00	0.00	0.00
14,400.0	90.36	178.50	9,149.6	-4,946.7	1,015.9	4,971.6	0.00	0.00	0.00
14,500.0	90.36	178.50	9,149.0	-5,046.6	1,018.5	5,071.6	0.00	0.00	0.00
14,600.0	90.36	178.50	9,148.3	-5,146.6	1,021.1	5,171.6	0.00	0.00	0.00
14,700.0	90.36	178.50	9,147.7	-5,246.6	1,023.8	5,271.6	0.00	0.00	0.00
14,800.0	90.36	178.50	9,147.1	-5,346.5	1,026.4	5,371.6	0.00	0.00	0.00
14,900.0	90.36	178.50	9,146.4	-5,446.5	1,029.0	5,471.6	0.00	0.00	0.00
15,000.0	90.36	178.50	9,145.8	-5,546.5	1,031.6	5,571.6	0.00	0.00	0.00
15,100.0	90.36	178.50	9,145.2	-5,646.4	1,034.2	5,671.6	0.00	0.00	0.00
15,200.0	90.36	178.50	9,144.5	-5,746.4	1,036.8	5,771.6	0.00	0.00	0.00
15,300.0	90.36	178.50	9,143.9	-5,846.4	1,039.4	5,871.6	0.00	0.00	0.00
15,400.0	90.36	178.50	9,143.3	-5,946.3	1,042.0	5,971.6	0.00	0.00	0.00
15,500.0	90.36	178.50	9,142.6	-6,046.3	1,044.6	6,071.6	0.00	0.00	0.00
15,600.0	90.36	178.50	9,142.0	-6,146.2	1,047.3	6,171.6	0.00	0.00	0.00
15,700.0	90.36	178.50	9,141.4	-6,246.2	1,049.9	6,271.6	0.00	0.00	0.00
15,800.0	90.36	178.50	9,140.7	-6,346.2	1,052.5	6,371.5	0.00	0.00	0.00
15,900.0	90.36	178.50	9,140.1	-6,446.1	1,055.1	6,471.5	0.00	0.00	0.00
16,000.0	90.36	178.50	9,139.5	-6,546.1	1,057.7	6,571.5	0.00	0.00	0.00
16,100.0	90.36	178.50	9,138.8	-6,646.1	1,060.3	6,671.5	0.00	0.00	0.00
16,200.0	90.36	178.50	9,138.2	-6,746.0	1,062.9	6,771.5	0.00	0.00	0.00
16,300.0	90.36	178.50	9,137.6	-6,846.0	1,065.5	6,871.5	0.00	0.00	0.00
16,400.0	90.36	178.50	9,137.0	-6,946.0	1,068.2	6,971.5	0.00	0.00	0.00
16,500.0	90.36	178.50	9,136.3	-7,045.9	1,070.8	7,071.5	0.00	0.00	0.00
16,600.0	90.36	178.50	9,135.7	-7,145.9	1,073.4	7,171.5	0.00	0.00	0.00
16,700.0	90.36	178.50	9,135.1	-7,245.8	1,076.0	7,271.5	0.00	0.00	0.00
16,800.0	90.36	178.50	9,134.4	-7,345.8	1,078.6	7,371.5	0.00	0.00	0.00
16,900.0	90.36	178.50	9,133.8	-7,445.8	1,081.2	7,471.5	0.00	0.00	0.00
17,000.0	90.36	178.50	9,133.2	-7,545.7	1,083.8	7,571.5	0.00	0.00	0.00
17,100.0	90.36	178.50	9,132.5	-7,645.7	1,086.4	7,671.5	0.00	0.00	0.00
17,200.0	90.36	178.50	9,131.9	-7,745.7	1,089.0	7,771.5	0.00	0.00	0.00
17,300.0	90.36	178.50	9,131.3	-7,845.6	1,091.7	7,871.5	0.00	0.00	0.00
17,400.0	90.36	178.50	9,130.6	-7,945.6	1,094.3	7,971.5	0.00	0.00	0.00
17,500.0	90.36	178.50	9,130.0	-8,045.6	1,096.9	8,071.5	0.00	0.00	0.00
17,600.0	90.36	178.50	9,129.4	-8,145.5	1,099.5	8,171.5	0.00	0.00	0.00
17,700.0	90.36	178.50	9,128.7	-8,245.5	1,102.1	8,271.5	0.00	0.00	0.00
17,800.0	90.36	178.50	9,128.1	-8,345.5	1,104.7	8,371.5	0.00	0.00	0.00
17,900.0	90.36	178.50	9,127.5	-8,445.4	1,107.3	8,471.5	0.00	0.00	0.00
18,000.0	90.36	178.50	9,126.8	-8,545.4	1,109.9	8,571.5	0.00	0.00	0.00
18,100.0	90.36	178.50	9,126.2	-8,645.3	1,112.6	8,671.5	0.00	0.00	0.00
18,200.0	90.36	178.50	9,125.6	-8,745.3	1,115.2	8,771.5	0.00	0.00	0.00
18,300.0	90.36	178.50	9,124.9	-8,845.3	1,117.8	8,871.5	0.00	0.00	0.00
18,400.0	90.36	178.50	9,124.3	-8,945.2	1,120.4	8,971.5	0.00	0.00	0.00
18,500.0	90.36	178.50	9,123.7	-9,045.2	1,123.0	9,071.5	0.00	0.00	0.00
18,600.0	90.36	178.50	9,123.0	-9,145.2	1,125.6	9,171.5	0.00	0.00	0.00
18,700.0	90.36	178.50	9,122.4	-9,245.1	1,128.2	9,271.5	0.00	0.00	0.00
18,800.0	90.36	178.50	9,121.8	-9,345.1	1,130.8	9,371.5	0.00	0.00	0.00
18,900.0	90.36	178.50	9,121.1	-9,445.1	1,133.5	9,471.5	0.00	0.00	0.00
19,000.0	90.36	178.50	9,120.5	-9,545.0	1,136.1	9,571.5	0.00	0.00	0.00
19,078.6	90.36	178.50	9,120.0	-9,623.6	1,138.1	9,650.1	0.00	0.00	0.00
19,100.0	90.36	178.50	9,119.9	-9,645.0	1,138.7	9,671.5	0.00	0.00	0.00
19,208.6	90.36	178.50	9,119.2	-9,753.5	1,141.5	9,780.1	0.00	0.00	0.00
TD at 19208.6									

## Planning Report

<b>Database:</b>	EDM 5000.1 Single User Db	<b>Local Co-ordinate Reference:</b>	Well 232H
<b>Company:</b>	Tap Rock Operating, LLC.	<b>TVD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Design Targets									
Target Name									
- hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- Shape	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
PBHL_OE.232H	0.00	0.00	9,119.2	-9,753.6	1,139.1	408,639.19	546,376.82	32° 7' 24.338 N	104° 19' 1.398 W
- plan misses target center by 2.4usft at 19208.6usft MD (9119.2 TVD, -9753.5 N, 1141.5 E)									
- Point									
LTP_OE.232H	0.00	0.00	9,120.0	-9,623.6	1,138.1	408,769.16	546,375.81	32° 7' 25.624 N	104° 19' 1.410 W
- plan hits target center									
- Point									
FTP_OE.232H	0.00	0.00	9,180.0	113.7	883.5	418,506.50	546,121.21	32° 9' 1.987 N	104° 19' 4.354 W
- plan misses target center by 112.1usft at 9361.3usft MD (9133.5 TVD, 74.0 N, 789.5 E)									
- Point									

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(usft)	(usft)			(°)	(°)	
415.0	415.0	Rustler Anhydrite				
860.0	860.0	Top Salt				
1,594.2	1,590.0	Base Salt				
1,804.0	1,795.0	Delaware Mountain Gp				
1,809.1	1,800.0	Lamar				
1,860.5	1,850.0	Bell Canyon				
1,906.6	1,895.0	Ramsey Sand				
2,845.7	2,810.0	Cherry Canyon				
3,718.1	3,660.0	Brushy Canyon				
5,401.6	5,315.0	Bone Spring Lime				
5,511.6	5,425.0	Upper Avalon				
5,851.6	5,765.0	Middle Avalon				
6,161.6	6,075.0	Lower Avalon				
6,341.6	6,255.0	1st Bone Spring Sand				
6,601.6	6,515.0	2nd Bone Spring Carb				
7,091.6	7,005.0	2nd Bone Spring Sand				
7,161.6	7,075.0	3rd Bone Spring Carb				
8,116.6	8,030.0	3rd Bone Spring Sand				
8,366.6	8,280.0	3rd BS W Sand				
8,481.6	8,395.0	Wolfcamp A X Sand				
8,516.6	8,430.0	Wolfcamp A Y Sand				
8,586.6	8,500.0	Wolfcamp A Lower				
8,741.7	8,655.0	Wolfcamp B				
9,147.6	9,015.0	Wolfcamp B1				



## Planning Report

<b>Database:</b>	EDM 5000.1 Single User Db	<b>Local Co-ordinate Reference:</b>	Well 232H
<b>Company:</b>	Tap Rock Operating, LLC.	<b>TVD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Project:</b>	Eddy County, NM (NAD83)	<b>MD Reference:</b>	WELL @ 3400.0usft (26' RKB)
<b>Site:</b>	OE Fed Com	<b>North Reference:</b>	Grid
<b>Well:</b>	232H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
875.0	875.0	0.0	0.0	Start Build 1.50
1,741.7	1,734.2	48.9	84.8	Start 2800.0 hold at 1741.7 MD
4,541.7	4,462.5	363.9	630.3	Start Drop -1.50
5,408.3	5,321.7	412.8	715.0	Start 3285.3 hold at 5408.3 MD
8,693.6	8,607.0	412.8	715.0	Start Build 10.00
9,597.3	9,180.0	-150.3	838.9	EOC - 9597.3'MD, 90.36°INC, 167.60°AZI
10,142.4	9,176.6	-690.7	904.7	Start 8936.2 hold at 10142.4 MD
19,208.6	9,119.2	-9,623.6	1,138.1	TD at 19208.6



## Hydrogen Sulfide Drilling

### Operations Plan

#### Tap Rock Resources

##### 1 H2S safety instructions to the following:

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

##### 2 H2S Detection and Alarm Systems:

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

##### 3 Windsocks and / Wind Streamers:

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

##### 4 Condition Flags and Signs:

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

##### 5 Well Control Equipment:

- See Drilling Operations Plan Schematics

##### 6 Communication:

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



#### 7 Drilling Stem Testing:

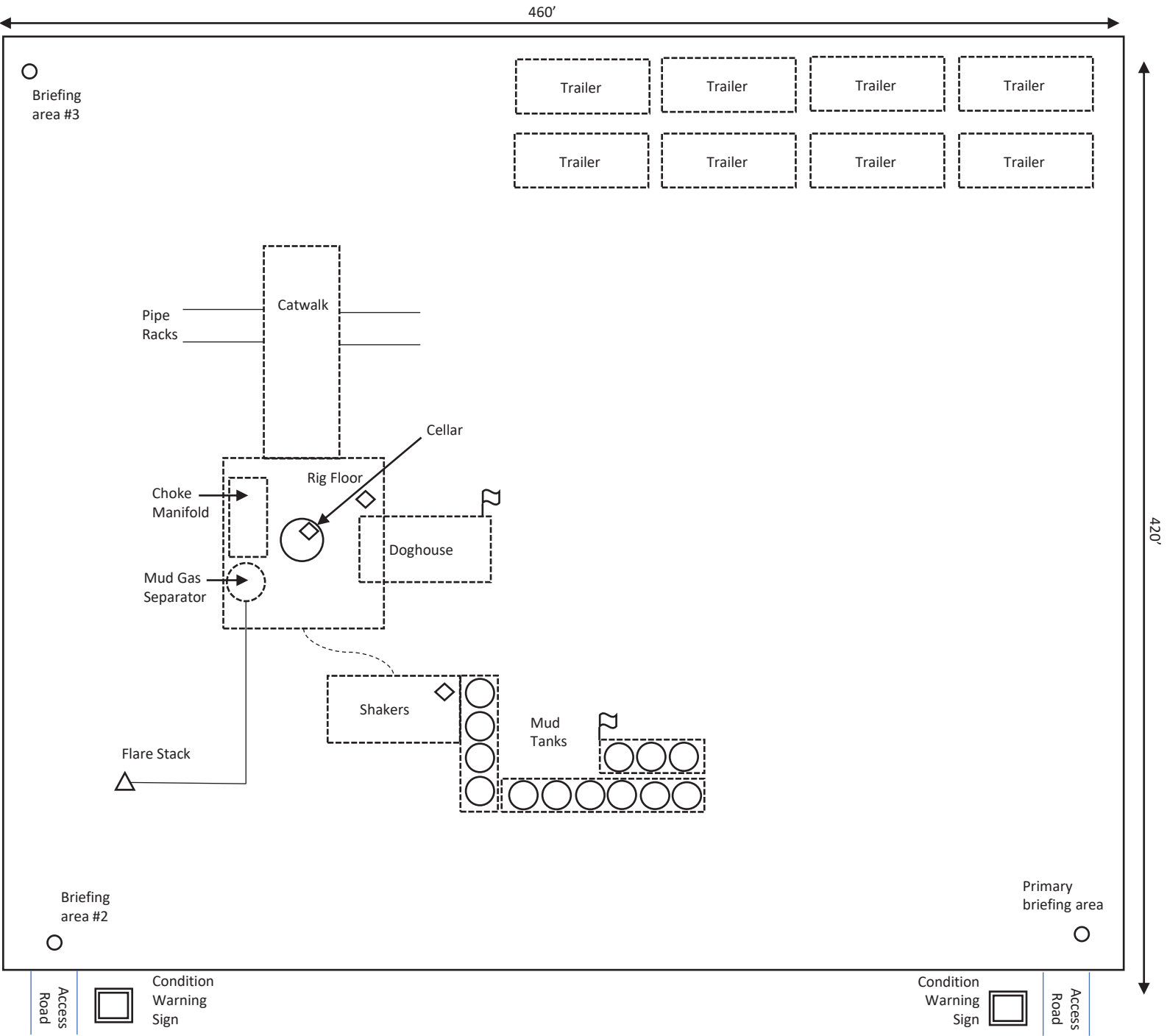
- No DST cores are planned at this time

8 Drilling contractor supervisor will be required to be familiar with the effects H<sub>2</sub>S has on tubulars good and other mechanical equipment

9 If H<sub>2</sub>S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H<sub>2</sub>S scavengers if necessary

#### 11 Emergency Contacts

<b>Emergency Contacts</b>		
Carlsbad Police Department	575.887.7551	911
Carlsbad Medical Center	575.887.4100	911
Eddy County Fire Service	575.628.5450	911
Eddy County Sherriff	575.887.7551	911
Lea County Fire Service	575.391.2983	911
Lea County Sherriff	575.396.3611	911
Jal Police Department	575.395.2121	911
Jal Fire Department	575.395.2221	911
Tap Rock Resources	720.772.5090	



Rig Diagram  
OE Fed Com W2 Pad  
Tap Rock Operating, LLC  
8-25S-26E  
Eddy County, NM

- N ↑
- Briefing Area
  - Current Well
  - △ Flare Stack
  - ◇ H2S Monitor
  - ~ Wind Indicator
  - Mud Gas Separator

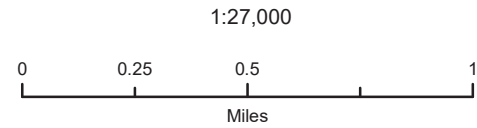


# Tap Rock Operating LLC

OE Fed Com W2 Pad  
H2S Contingency Plan:  
2 Mile Radius Map

Sec. 8, Township 25S, Range 26E  
Eddy County, New Mexico

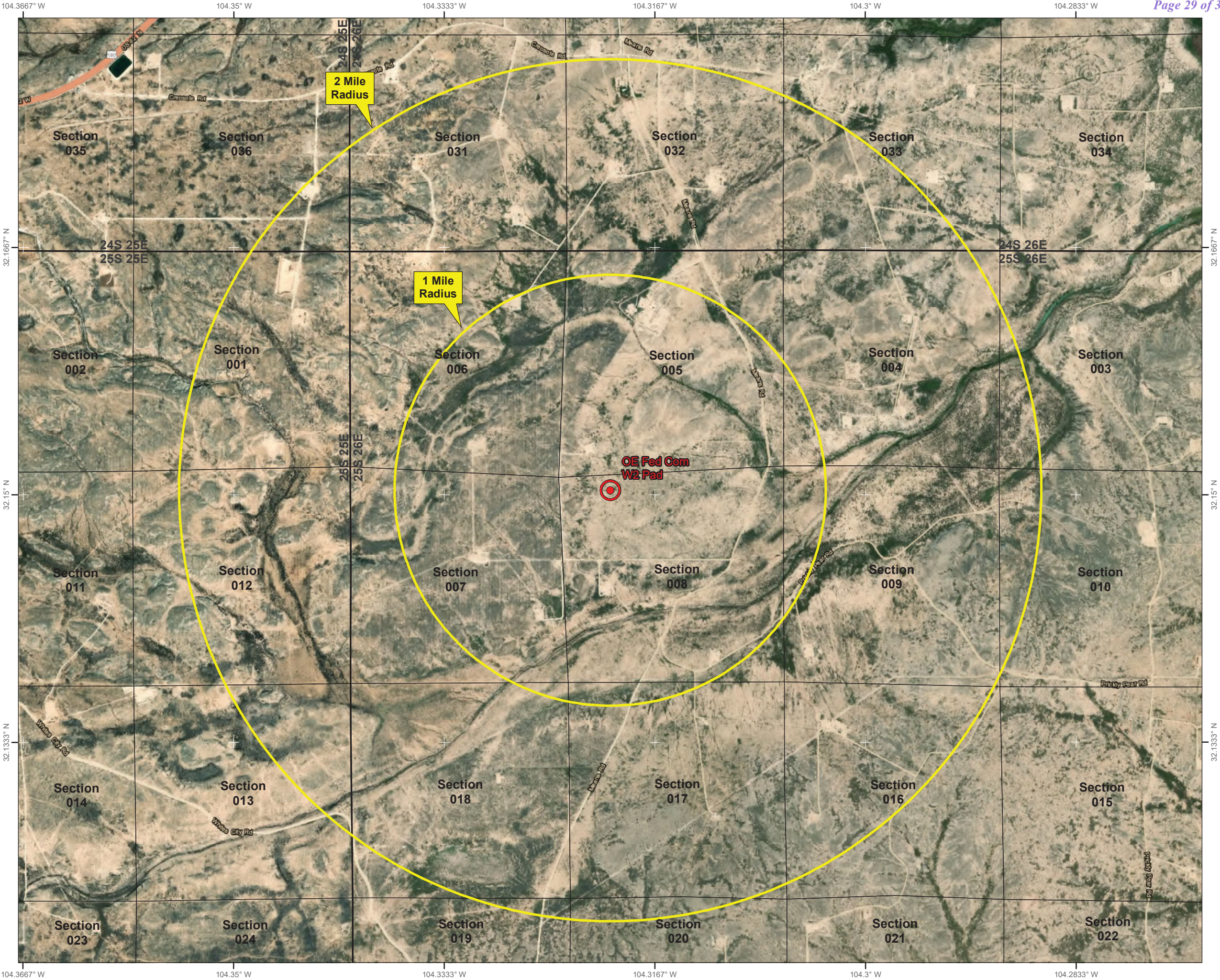
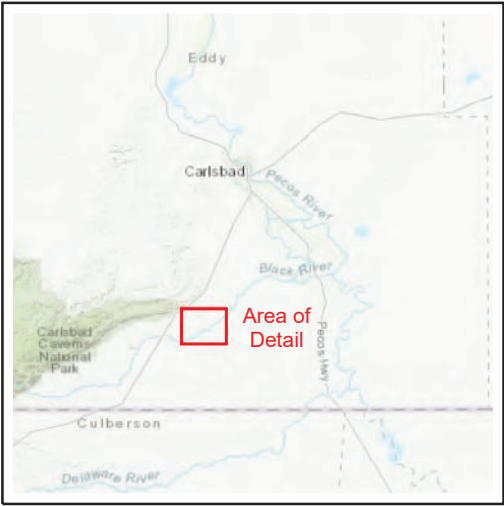
 Well Pad Location



NAD 1983 New Mexico State Plane East  
FIPS 3001 Feet



Prepared by Permits West, Inc., December 2, 2020  
for Tap Rock Operating, LLC





**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 56887

## COMMENTS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 56887
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

## COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 10/21/2021	10/21/2021

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CONDITIONS

Action 56887

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Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 56887
	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	10/21/2021
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104	10/21/2021
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	10/21/2021
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing	10/21/2021
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	10/21/2021