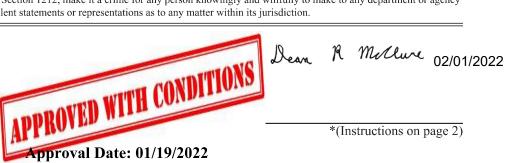
Form 3160-3 (June 2015) UNITED STATES					APPROV b. 1004-01 inuary 31,	137		
DEPARTMENT OF THE INT BUREAU OF LAND MANAG		,		5. Lease Serial No. NMLC058125				
APPLICATION FOR PERMIT TO DRI				6. If Indian, Allotee or Tribe Name				
1a. Type of work: 🔽 DRILL REED	NTER			7. If Unit or CA Agi	reement, N	Jame and No.		
1b. Type of Well: Oil Well Gas Well Other	r			8. Lease Name and	Well No			
Ic. Type of Completion: Hydraulic Fracturing Singl	le Zone	Multiple Zone		SWANSON 3/2 B2		сом		
2. Name of Operator MEWBOURNE OIL COMPANY				9. API Well No. 30-015-4923				
	o. Phone No 575) 393-5	o. (include area cod 905	'e)	10. Field and Pool, o 2ND BONE SPRIN	-			
 Location of Well (Report location clearly and in accordance with At surface NESW / 1400 FSL / 2470 FEL / LAT 32.77311 	02 / LONG	G-104.0620324		11. Sec., T. R. M. or SEC 3/T18S/R29E		Survey or Area		
At proposed prod. zone NESE / 1980 FSL / 100 FEL / LAT	32.774694	7 / LONG -104.03	371573					
 Distance in miles and direction from nearest town or post office* 10 miles 	*			12. County or Parisl EDDY	1	13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 10	6. No of ac	res in lease	17. Spacin 640.0	ng Unit dedicated to t	his well			
to nearest well, drilling, completed,	9. Proposed 282 feet / 1	l Depth 15089 feet	20, BLM/ FED: NM	/BIA Bond No. in file M1693				
3494 feet 10	0/27/2020	mate date work will	start*	23. Estimated duration60 days				
	24. Attacl	nments						
 The following, completed in accordance with the requirements of Or (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 I SUPO must be filed with the appropriate Forest Service Office). 		 Bond to cover th Item 20 above). Operator certific 	e operation	Iydraulic Fracturing r is unless covered by an mation and/or plans as	n existing	bond on file (see		
25. Signature	Name	(Printed/Typed)			Date			
(Electronic Submission)	BRAD	Ley Bishop / Pr	n: (575) 39	93-5905	09/15/2	020		
Title Regulatory								
Approved by (Signature) (Electronic Submission)		(Printed/Typed) _ayton / Ph: (575)	231_5050		Date 01/19/2	022		
Title	Office	-ayion / Fil. (575)	234-3939		01/13/2			
Assistant Field Manager Lands & Minerals		ad Field Office						
Application approval does not warrant or certify that the applicant h applicant to conduct operations thereon. Conditions of approval, if any, are attached.	olds legal o	r equitable title to th	nose rights	in the subject lease w	hich woul	d entitle the		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, mak of the United States any false, fictitious or fraudulent statements or r					any depart	ment or agency		



*(Instructions	on	page	2)
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(Continued on page 2)

1625 Phon Distr 311 S Phon Distr 1000 Phon Distr 1220	Strict IState of New Mexico25 N. French Dr., Hobbs, NM 88240State of New Mexico100 cone: (575) 393-6161 Fax: (575) 393-0720Energy, Minerals & Natural Resources Department15. First St., Artesia, NM 88210OIL CONSERVATION DIVISION100 Rio Brazos Road, Aztec, NM 874101220 South St. Francis Dr.000 Rio Brazos Road, Aztec, NM 87410Santa Fe, NM 87505001 St. Francis Dr., Santa Fe, NM 87505Santa Fe, NM 87505									Su	Form C-10 Revised August 1, 20 Submit one copy to appropria District Offi AMENDED REPOR			
				WEI	LL L	OCAT	FION AND	ACF	REAGE DEDIC	CATION PLA	ΔT			
[1	API Numbe	r			2 Pool	Code			³ Pool Na	me			
	30-015-	49234				96	832		SAND TANK; BONE SPRING					
ľ	⁴ Property Co	de			⁵ Property Name ⁶ Well Number									
	332214				SWANSON 3/2 B2JI FED COM 1H									
İ	7 OGRID	NO.						9Elevation						
	147-	44			MEWBOURNE OIL COMPANY								3494'	
							¹⁰ Sur	face	Location					
ſ	UL or lot no.	Section	Townsł	hip I	Range	Lot I	dn Feet from	n the	North/South line	Feet From the	East/W	est line	County	
	J	3	18S	: <u>2</u>	29E		140	0	SOUTH	2470	EAS	ST	EDDY	
•					¹¹ I	Bottor	n Hole Loca	ation	If Different Fr	om Surface				
ſ	UL or lot no.	Section	Townsł	hip I	Range	Lot I	dn Feet fron	n the	North/South line	Feet from the	East/W	est line	County	
	Ι	2	18S	2	29E	1980 SOUTH 100 EAST E								
Ī	12 Dedicated Acre	s 13 Joint	or Infill	14 Cons	solidation	Code	¹⁵ Order No.							
	240													

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

16		17 OPERATOR CERTIFICATION
	GEODETIC DATA	I hereby certify that the information contained herein is true and complete
	NAD 83 GRID – NM EAST NAD 83 GRID – NM EAST H: FOUND BRASS CAP "1916" N: 646351.0 – E: 632466.5	to the best of my knowledge and belief, and that this organization either
	SURFACE LOCATION A: FOUND BRASS CAP "1916" N: 645096.4 - E: 624724.4 N: 643688.2 - E: 621914.3 I: CALCULATED CORNER	owns a working interest or unleased mineral interest in the land including
	LAT: 32.7731102' N B: FOUND BRASS CAP "1916"	the proposed bottom hole location or has a right to drill this well at this
	LONG: 104.0620324" W N: 646328.9 – E: 621907.4 J: CALCULATED CORNER N: 643704.8 – E: 627198.1	location pursuant to a contract with an owner of such a mineral or working
	BOTTOM HOLE C: FOUND BRASS CAP "1914"	interest, or to a voluntary pooling agreement or a compulsory pooling
	N: 643696.2 – E: 624556.2	order heretofore entered by the division.
	LAT: 32.7746947' N D: FOUND BRASS CAP "1914" LONG: 104.0371573' W N: 648977.4 - E: 624542.8 L: FOUND BRASS CAP "1916"	Brothy Birly 8-26-20
	N: 646344.9 – E: 627189.9 E: FOUND BRASS CAP "1914"	Signature Date
	N: 648985.7 – E: 627182.8	BRADLEY BISHOP
	F: FOUND 1/2" REBAR N: 648985.2 — E: 629822.8	Printed Name
		BBISHOP@MEWBOURNE.COM
	G: FOUND BRASS CAP "1914" N: 648987.9 – E: 632463.3	E-mail Address
(Ds 89*49'02" w 2642.77' D s 89*49'12" w 2640.63' E n 89*59'22" w 2640.63' E s 89*56'34" w 2641.13' G	
٦		¹⁸ SURVEYOR CERTIFICATION
0.74	FTP: 1980' FSL & 2542' FEL	I hereby certify that the well location shown on this
264		plat was plotted from field notes of actual surveys
чL		made by me or under my supervision, and that the
3'37"	PROJECT AREA PRODUCING AREA	same is true and correct to the best of my belief.
90.0		× 04−06−2020
S 0		Date of Survey
B		Signature and Seal of Proceedings
35'		
2641.		
N 	5.L. $24/0$ $24/0$	
4 [*] E		S A A A A A A A A A A A A A A A A A A A
<i>40,6</i> 0		19680
60.00	19 19 19 19 19 19 19 19 19 19 19 19 19 1	Certificate Number
S		
(A)	S 89°49'35" W 2642.57' 🛞 S 89°48'51" W 2642.49' 🕕 S 89°53'58" W 5277.05') LS20030204
Rei	leased to Imaging: 2/1/2022 2:16:31 PM	

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	E	Stat nergy, Minerals a	te of New Mex and Natural Res		ent			it Electronically -permitting
		1220 \$	onservation Di South St. Fran 1ta Fe, NM 87	cis Dr.				
	Ν	ATURAL G	AS MANA	GEMENT PI	LAN			
his Natural Gas Mana	gement Plan m	ust be submitted w	ith each Applicat	tion for Permit to I	Drill (Al	PD) for a n	ew or	recompleted we
		<u>Section</u> <u>E</u>	1 – Plan D ffective May 25,	escription 2021				œ.
Operator:Me	wbourne (Dil Co.	OGRID:	14744		Date:	8/1	3/21
. Type: X Original [] Amendment	due to □ 19.15.27	.9.D(6)(a) NMA	C 🗆 19.15.27.9.D(6)(b) N	MAC 🗆 O	ther.	
Other, please describe	ə:							
II. Well(s): Provide th e recompleted from a s	e following in single well pad	formation for each or connected to a	new or recomple central delivery p	ted well or set of vooint.	wells pr	oposed to l	be dri	lled or proposed
II. Well(s): Provide th e recompleted from a s Well Name	e following in single well pad	formation for each or connected to a ULSTR	new or recomple central delivery p Footages	ted well or set of voint.	Anti	oposed to l cipated MCF/D	_	Anticipated roduced Water
e recompleted from a s Well Name	single well pad	or connected to a	central delivery p	ooint. Anticipated Oil BBL/D	Anti Gas J	cipated	_	Anticipated
e recompleted from a s Well Name	single well pad	ULSTR	Footages 1400' FSL x 2470'	ODINT. Anticipated Oil BBL/D	Anti- Gas I 1	cipated MCF/D 000	Pr	Anticipated roduced Water BBL/D 2500
wanson 3-2 B2JI Fed Com 1H	API	ULSTR	Footages 1400' FSL x 2470'	ODINT. Anticipated Oil BBL/D	Anti- Gas I 1	cipated MCF/D 000	Pr	Anticipated roduced Water BBL/D
e recompleted from a s	API API Coint Name:	Or connected to a OULSTR	Footages 1400' FSL x 2470' II Fed Com 1H ation for each new	Noint. Anticipated Oil BBL/D	Anti Gas I	cipated MCF/D 000 [See 19	Pr 9.15.2	Anticipated roduced Water BBL/D 2500 7.9(D)(1) NMA
e recompleted from a s Well Name wanson 3-2 B2JI Fed Com 1H V. Central Delivery F 7. Anticipated Schedu	API API Coint Name:	N 3 185 29E Swanson 3-2 B2J collowing informating well pad or cor	Footages 1400' FSL x 2470' 1400' FSL x 2470' II Fed Com 1H ation for each new nnected to a centr	Noint. Anticipated Oil BBL/D	Antii Gas 1 1 vell or so	cipated MCF/D 000 [See 19 et of wells	Pr 9.15.2 propo	Anticipated roduced Water BBL/D 2500 7.9(D)(1) NMA(sed to be drilled

Page 4 of 45

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.

 \Box 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		

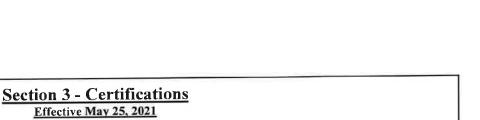
XI. Map. \Box Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the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

XII. Line Capacity. The natural gas gathering system \Box will \Box 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 \Box does \Box 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: \Box 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.



Page 5 of 45

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

X 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

 \Box 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:	Bradley Bishop
Printed Name:	BRADLEY BISHOP
Title:	REGULATORY MANAGER
E-mail Address:	BBISHOP@MEWBOURNE.COM
Date:	8/13/21
Phone:	575-393-5905
	OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:	
Title:	
Approval Date:	
Conditions of Ap	iproval:

Mewbourne Oil Company

Natural Gas Management Plan – Attachment

- VI. Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing ProMax modelling software to ensure adequate capacity for anticipated production volumes and conditions.
- VII. Mewbourne Oil Company (MOC) will take following actions to comply with the regulations listed in 19.15.27.8 :
 - A. MOC will maximize the recovery of natural gas by minimizing the waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. MOC will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas. If there is no adequate takeaway for the gas, well(s) will be shut in until the natural gas gathering system is available.
 - B. All drilling operations will be equipped with a rig flare located at least 100 ft from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations. In the case of emergency venting or flaring the volumes will be estimated and reported appropriately.
 - C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flow will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However, if natural gas does not meet gathering pipeline quality specifications, MOC will flare the natural gas for 60 days or until the natural gas meets the pipeline quality specifications, whichever is sooner. MOC will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
 - D. Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D.(1) through (4). If there is no adequate takeaway for the separator gas, well(s) will be shut in until the natural gas gathering system is available with exception of emergency or malfunction situations. Venting and/or flaring volumes will be estimated and reported appropriately.
 - E. MOC will comply with the performance standards requirements and provisions listed in 19.15.27.8 E.(1) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs in order to minimize the waste. Production storage tanks constructed after May 25, 2021 will be equipped with automatic gauging system. Flares constructed after May 25, 2021 will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. MOC will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
 - F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared or beneficially used during production operations, will be measured or estimated. MOC will install equipment to measure

the volume of natural gas flared from existing process piping or a flowline piped from equipment such as high pressure separators, heater treaters, or vapor recovery units associated with a well or facility associated with a well authorized by an APD issued after May 25, 2021 that has an average daily production greater than 60 Mcf/day. If metering is not practicable due to circumstances such as low flow rate or low pressure venting and flaring, MOC will estimate the volume of vented or flared natural gas. Measuring equipment will conform to industry standards and will not be designed or equipped with a manifold that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing the measurement equipment.

VIII. For maintenance activities involving production equipment and compression, venting will be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production and compression equipment the associated producing wells will be shut in to eliminate venting. For maintenance of VRUs all gas normally routed to the VRU will be routed to flare to eliminate venting.



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

Operator Name: MEWBOURNE OIL COMPANY

Well Name: SWANSON 3/2 B2JI FED COM

Well Type: OIL WELL

Submission Date: 09/15/2020

Well Work Type: Drill

Well Number: 1H

Section 1 - Geologic Formations

Formation			True Vertical				Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	
730377	UNKNOWN	3508	28	28	OTHER : Topsoil	NONE	N
867575	TOP SALT	3123	385	385	SALT	NONE	N
730378	BOTTOM SALT	2603	905	905	SALT	NONE	N
867576	YATES	2438	1070	1070	SANDSTONE	NATURAL GAS, OIL	N
867577	SEVEN RIVERS	2058	1450	1450	DOLOMITE	NATURAL GAS, OIL	N
867578	QUEEN	1393	2115	2115	DOLOMITE, SANDSTONE	NATURAL GAS, OIL	N
867579	SAN ANDRES	563	2945	2945	DOLOMITE	NATURAL GAS, OIL	N
730376	BONE SPRING LIME	-692	4200	4200	LIMESTONE, SHALE	NATURAL GAS, OIL	N
730379	BONE SPRING 1ST	-2577	6085	6085	SANDSTONE	NATURAL GAS, OIL	N
730380	BONE SPRING 2ND	-3222	6730	6730	SANDSTONE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 15089

Equipment: Annular, Pipe Ram, Blind Ram

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. Anchors aren't required by manufacturer. A multi-bowl wellhead is being used. See attached schematic

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

Released to Imaging: 2/1/2022 2:16:31 PM Choke Diagram Attachment:



Highlighted data reflects the most recent changes

Show Final Text

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

Swanson_3_2_B2JI_Fed_Com_1H_3M_BOPE_Choke_Diagram_20200914172927.pdf

Swanson_3_2_B2JI_Fed_Com_1H_Flex_Line_Specs_20200914172927.pdf

 $Swanson_3_2_B2JI_Fed_Com_1H_Flex_Line_Specs_API_16C_20200914172927.pdf$

BOP Diagram Attachment:

Swanson_3_2_B2JI_Fed_Com_1H_Multi_Bowl_WH_20200914172935.pdf

Swanson_3_2_B2JI_Fed_Com_1H_3M_BOPE_Schematic_20200914172935.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	300	0	300	3508	3208	300	H-40	48	ST&C	5.61	12.6	DRY	22.3 6	DRY	37.5 7
	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	1075	0	1075	2968	2433	1075	J-55	36	LT&C	3.61	6.3	DRY	11.7 1	DRY	14.5 7
	PRODUCTI ON	8.75	7.0	NEW	API	N	0	7437	0	7095	2968	-3587	7437	P- 110	26	LT&C	2.18	3.01	DRY	3.58	DRY	4.29
4	LINER	6.12 5	4.5	NEW	API	N	6550	15089	6522	7282	-3014	-3774	8539	P- 110	13.5	LT&C	2.82	3.28	DRY	2.93	DRY	3.66

Casing Attachments

Casing ID: 1

String Type:SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Swanson_3_2_B2JI_Fed_Com_1H_Csg_Assumptions_20200914173232.doc

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Swanson_3_2_B2JI_Fed_Com_1H_Csg_Assumptions_20200914173213.doc

Casing ID: 4 String Type:LINER

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $Swanson_3_2_B2JI_Fed_Com_1H_Csg_Assumptions_20200914173324.doc$

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	112	75	2.12	12.5	159	100	Class C	Salt, Gel, Extender, LCM
SURFACE	Tail		112	300	200	1.34	14.8	268	100	Class C	Retarder
INTERMEDIATE	Lead		0	432	85	2.12	12.5	180	25	Class C	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		432	1075	200	1.34	14.8	268	25	Class C	Retarder
PRODUCTION	Lead		875	4950	365	2.12	12.5	774	25	Class C	Gel, Retarder, Defoamer, Extender
PRODUCTION	Tail		4950	7437	400	1.18	15.6	472	25	Class C	Retarder, Fluid Loss, Defoamer
LINER	Lead		6550	1508 9	345	2.97	11.2	1025	25	Class C	Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti-Settling Agent

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: Lost circulation material Sweeps Mud scavengers in surface hole

Describe the mud monitoring system utilized: Visual Monitoring

Circulating Medium Table

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	300	SPUD MUD	8.6	8.8							
300	1075	SALT SATURATED	10	10							
1075	7095	WATER-BASED MUD	8.6	9.6							
7095	7282	OIL-BASED MUD	8.6	9.7				6			

Section 6 - Test, Logging, Coring

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

Will run GR/CNL in the offset Samsonite 3/4 B2KL Fed Com #1H

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

DIRECTIONAL SURVEY, GAMMA RAY LOG, MEASUREMENT WHILE DRILLING, MUD LOG/GEOLOGIC LITHOLOGY LOG,

Coring operation description for the well:

None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 3787

Anticipated Surface Pressure: 2184

Anticipated Bottom Hole Temperature(F): 140

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

 $Swanson_3_2_B2JI_Fed_Com_1H_H2S_Plan_20200914173844.pdf$

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

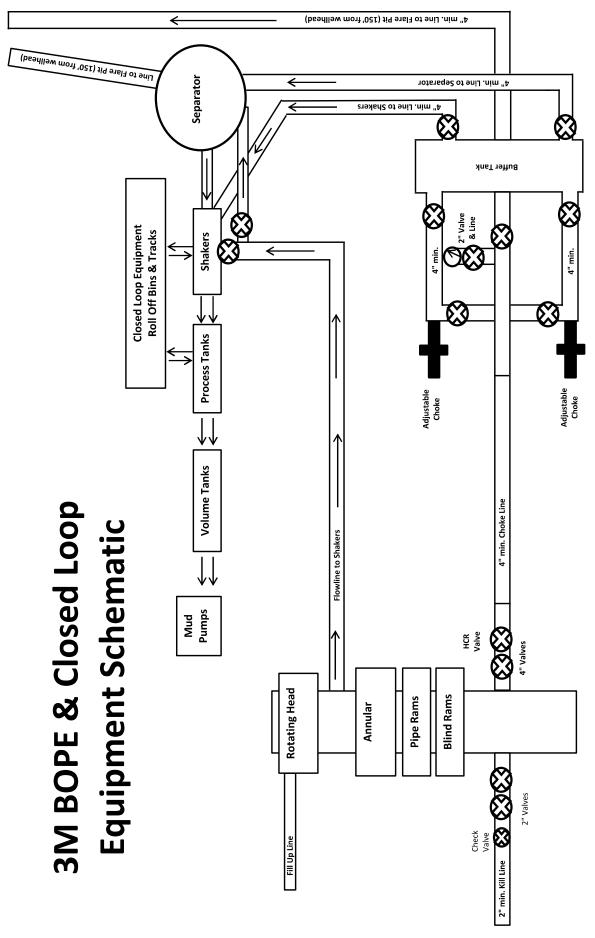
Swanson_3_2_B2JI_Fed_Com_1H_Dir_Plot_20200914173903.pdf Swanson_3_2_B2JI_Fed_Com_1H_Dir_Plan_20200914173903.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

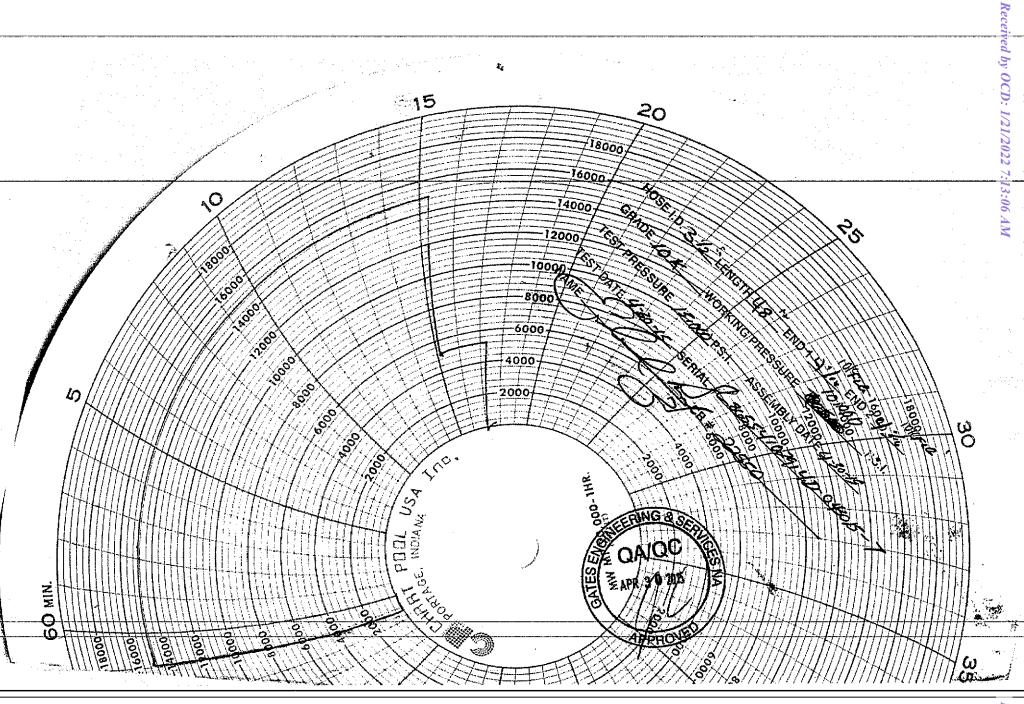
Swanson_3_2_B2JI_Fed_Com_1H_Add_Info_20200914173911.pdf

Other Variance attachment:



Drawing not to scale

Toton	ENGINEERING & SERVICES			
GATES E & S NORTH 134 44TH STREET CORPUS CHRISTI, T			PHONE: 361-887-9807 FAX: 361-887-0812 EMAIL: <i>Tim.Cantu@gates.con</i> WEB: www.gates.com	n
10K CE	MENTING ASSEMBI	LY PRESSURE T	EST CERTIFICATE	
Customer :	AUSTIN DISTRIBUTING	Test Date:	4/30/2015	
Customer Ref. : Invoice No. :	4060578 500506	Hose Serial No.: Created By:	D-043015-7 JUSTIN CROPPER	
Product Description:		10K3.548.0CK4.1/1610KFLG	E/E LE	
End Fitting 1 :	4 1/16 10K FLG	End Fitting 2 :	4 1/16 10K FLG	
Gates Part No. :	4773-6290	Assembly Code : Test Pressure :	L36554102914D-043015-7 15,000 PSI	
Working Pressure :	10,000 PSI			- I
Working Pressure : Gates E & S No the Gates Oilfie hydrostatic test p	erth America, Inc. certifie Id Roughneck Agreement/S per API Spec 7K/Q1, Fifth Ed accordance with this produ	s that the following he Specification requirem dition, June 2010, Tes uct number. Hose bur	ose assembly has been tested to ents and passed the 15 minute st pressure 9.6.7 and per Table 9 st pressure 9.6.7.2 exceeds the	
Working Pressure : Gates E & S No the Gates Oilfie hydrostatic test p	orth America, Inc. certifie Id Roughneck Agreement/S Der API Spec 7K/Q1, Fifth Ed	s that the following he Specification requirem dition, June 2010, Tes uct number. Hose bur	ose assembly has been tested to ents and passed the 15 minute st pressure 9.6.7 and per Table 9 st pressure 9.6.7.2 exceeds the	
Working Pressure : Gates E & S No the Gates Oilfie hydrostatic test p	erth America, Inc. certifie Id Roughneck Agreement/S per API Spec 7K/Q1, Fifth Ed accordance with this produ	s that the following he Specification requirem dition, June 2010, Tes uct number. Hose bur	pose assembly has been tested to ents and passed the 15 minute st pressure 9.6.7 and per Table 9 st pressure 9.6.7.2 exceeds the per Table 9. PRODUCTION 4/30/2018	
Working Pressure : Gates E & S No the Gates Oilfie hydrostatic test p to 15,000 psi in Quality Manager : Date :	orth America, Inc. certifie eld Roughneck Agreement/S per API Spec 7K/Q1, Fifth Ed accordance with this produ minimum of 2.5 times t	s that the following he Specification requirem dition, June 2010, Tes uct number. Hose bur the working pressure Produciton: Date :	ose assembly has been tested to ents and passed the 15 minute st pressure 9.6.7 and per Table 9 st pressure 9.6.7.2 exceeds the per Table 9. PRODUCTION	



Page 17 of 45



GATES ENGINEERING & SERVICES NORTH AMERICA 7603 Prairie Oak Dr. Houston, TX 77086 PHONE: (281) 602 - 4119 FAX: EMAIL: Troy.Schmidt@gates.com WEB: www.gates.com

10K CHOKE & KILL ASSEMBLY PRESSURE TEST CERTIFICATE

Customer:	A-7 AUSTIN INC DEA AUSTIN HOSE	Test Date:	8/20/2018
Customer Ref.:	4101901	Hose Serial No.:	H-082018-10
Invoice No.:	511956	Created By:	Moosa Naqvi
Product Description:	10KF.	3.035.0CK41/1610KFLGFXDxFLT	L/E
Product Description:	10KF: 4 1/16 in. Fixed Flange 68503010-9721632	End Fitting 2: Assembly Code:	4 1/16 in. Float Flange L40695052218H-082018-10

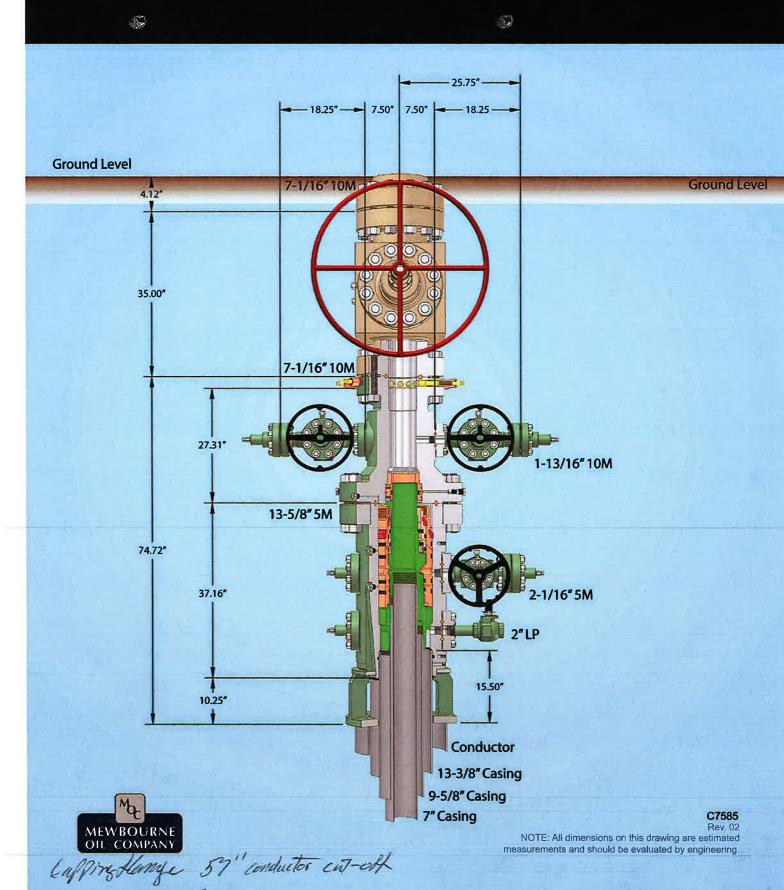
Gates Engineering & Services North America certifies that the following hose assembly has successfully passed all pressure testing requirements set forth in Gates specifications: GTS-04-052 (for 5K assemblies) or GTS-04-053 (10K assemblies), which include reference to Specification API 16C (2nd Edition); sections 7.5.4, 7.5.9, and 10.8.7. A test graph will accompany this test certificate to illustrate conformity to test requirements.

Quality:	QUALITY	Production:	PRODUCTION
Date :	8/20/2018	Date :	8/20/2018
Signature :	1000	Signature :	The I
	Mossa Nym	/	Form PTC - 01 Rev.0 2

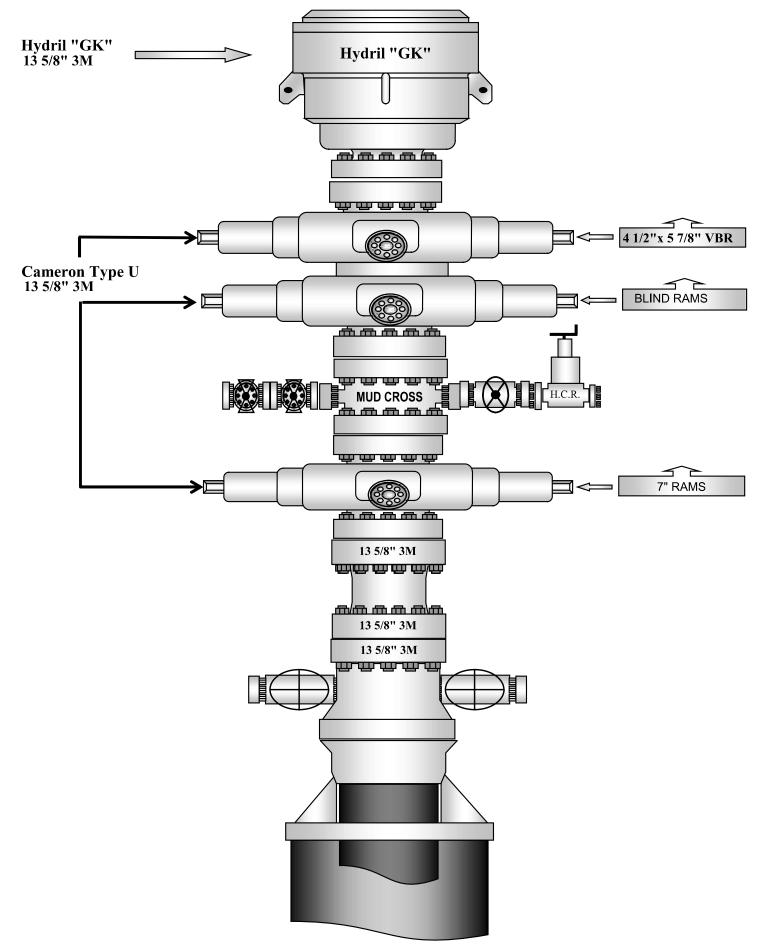




13-5/8" MN-DS Wellhead System



Released to Imaging: 2/1/2022/2:16:31 PM



Casing Program

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	300'	13.375"	48	H40	STC	5.61	12.60	22.36	37.57
12.25"	0'	1075'	9.625"	36	J55	LTC	3.61	6.30	11.71	14.57
8.75"	0'	7437'	7"	26	HCP110	LTC	2.18	3.01	3.58	4.29
6.125"	6550'	15,089'	4.5"	13.5	P110	LTC	2.82	3.28	2.93	3.66
B	LM Mini	mum Safet	y 1.125	1	1.6 Dr	y 1.6 D	ry			
		Facto	or		1.8 We	et 1.8 V	Vet			

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Ν
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the 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?	

Casing Program

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	300'	13.375"	48	H40	STC	5.61	12.60	22.36	37.57
12.25"	0'	1075'	9.625"	36	J55	LTC	3.61	6.30	11.71	14.57
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6.125"	6550'	15,089'	4.5"	13.5	P110	LTC	2.82	3.28	2.93	3.66
B	LM Mini	mum Safet	y 1.125	1	1.6 Dr	y 1.6 D	Dry			
		Facto	or		1.8 We	et 1.8 W	Vet			

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Ν
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the 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?	

Casing Program

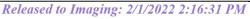
Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	300'	13.375"	48	H40	STC	5.61	12.60	22.36	37.57
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6.125"	6550'	15,089'	4.5"	13.5	P110	LTC	2.82	3.28	2.93	3.66
B	LM Mini	mum Safet	y 1.125	1	1.6 Dr	y 1.6 D	Pry			
		Facto	or		1.8 We	et 1.8 W	Vet			

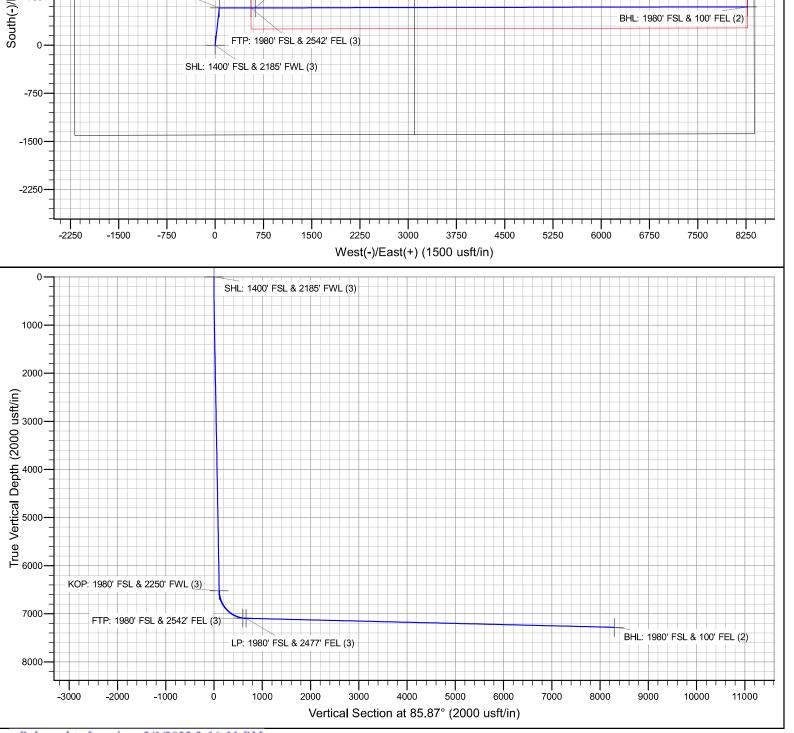
	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Ν
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
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Casing Program

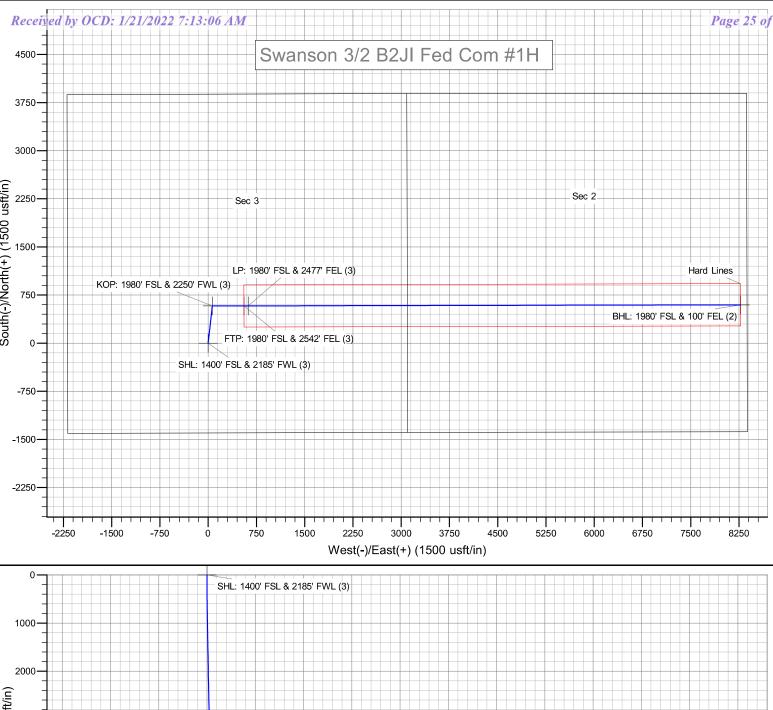
Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
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B	LM Mini	mum Safet	y 1.125	1	1.6 Dr	y 1.6 D	ry			
		Facto	or		1.8 We	et 1.8 W	Vet			

	Y or N
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(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?	





South(-)/North(+) (1500 usft/in) 1500 LP: 1980' FSL & 2477' FEL (3) KOP: 1980' FSL & 2250' FWL (3) 750-



45

Mewbourne Oil Company

Eddy County, New Mexico NAD 83 Swanson 3/2 B2JI Fed Com #1H Sec 3, T18S, R29E SHL: 1400' FSL & 2185' FWL, Sec 3 BHL: 1980' FSL & 100' FEL, Sec 2

Plan: Design #1

Standard Planning Report

14 September, 2020

Database: Company: Project: Site: Well: Wellbore: Design:	Eddy Swans Sec 3,	ourne Oil Comp County, New M son 3/2 B2JI Fe , T18S, R29E 1980' FSL & 10	exico NAD 83 d Com #1H		TVD Refer MD Refer North Ref	ence:	1	Site Swanson 3/ WELL @ 3536.0 WELL @ 3536.0 Grid Minimum Curvat	usft (Original usft (Original	Well Elev)
Project	Eddy C	ounty, New Me	xico NAD 83							
Map System: Geo Datum: Map Zone:	North An	e Plane 1983 nerican Datum kico Eastern Zo			System Da	tum:	Gr	ound Level		
Site	Swanse	on 3/2 B2JI Fed	I Com #1H							
Site Position: From: Position Uncertain	Map ty:		North Eastin) usft Slot F	-		,095.00 usft ,095.00 usft 13-3/16 "	Latitude: Longitude: Grid Converg	ence:		32.7731107 -104.0640800 0.15 °
Well	Sec 3, ⁻	Г18S, R29E								
Well Position	+N/-S +E/-W	0		orthing: asting:		645,095.00 624,095.00		tude: gitude:		32.7731107 -104.0640800
Position Uncertain	ty	0	.0 usft W	ellhead Elevati	on:	3,536.0	usft Gro	und Level:		3,508.0 usft
Wellbore	BHL: 1	980' FSL & 100)' FEL, Sec 2							
Magnetics	Мо	del Name	Samp	le Date	Declina (°)	ition	Dip A (°	-		Strength nT)
		IGRF2010		12/31/2014		7.42		60.52		48,512
Design	Design	#1								
Audit Notes:										
Version:			Phas	e: P	ROTOTYPE	Tie	On Depth:		0.0	
Vertical Section:		D	epth From (T (usft)	VD)	+N/-S (usft)		/-W sft)		ection (°)	
			0.0		0.0	-	.0		5.87	
Plan Sections										
Measured Depth Ind (usft)	clination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0 325.0	0.00 0.00	0.00 0.00	0.0 325.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	
606.7 6,268.6 6,550.3	5.63 5.63 0.00	6.30 6.30 0.00	606.2 6,240.8 6,522.0	13.8 566.2 580.0	1.5 62.5 64.0	2.00 0.00 2.00	2.00 0.00 -2.00	0.00 0.00 0.00	6.30 0.00 180.00	KOP: 1980' FSL & 22:
7,436.6	88.60 88.60	89.87 89.87	7,095.0 7,282.0	581.2 598.0	623.1 8,273.0	10.00 0.00	10.00 0.00	0.00	89.87 0.00	

.

Database:	Hobbs	Local Co-ordinate Reference:	Site Swanson 3/2 B2JI Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3536.0usft (Original Well Elev)
Project:	Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3536.0usft (Original Well Elev)
Site:	Swanson 3/2 B2JI Fed Com #1H	North Reference:	Grid
Well:	Sec 3, T18S, R29E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 1980' FSL & 100' FEL, Sec 2		
Design:	Design #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
	FSL & 2185' FWL								
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
	0.00	0.00	300.0	0.0	0.0	0.0	0.00		0.00
300.0								0.00	
325.0	0.00	0.00	325.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	1.50	6.30	400.0	1.0	0.1	0.2	2.00	2.00	0.00
500.0	3.50	6.30	499.9	5.3	0.6	1.0	2.00	2.00	0.00
600.0	5.50	6.30	599.6	13.1	1.4	2.4	2.00	2.00	0.00
606.7	5.63	6.30	606.2	13.8	1.5	2.5	2.00	2.00	0.00
700.0	5.63	6.30	699.1	22.9	2.5	4.2	0.00	0.00	0.00
700.0	5.05	0.50	099.1	22.9	2.5	4.2	0.00	0.00	0.00
800.0	5.63	6.30	798.6	32.6	3.6	5.9	0.00	0.00	0.00
900.0	5.63	6.30	898.1	42.4	4.7	7.7	0.00	0.00	0.00
1,000.0	5.63	6.30	997.6	52.1	5.8	9.5	0.00	0.00	0.00
1,100.0	5.63	6.30	1,097.2	61.9	6.8	11.3	0.00	0.00	0.00
1,200.0	5.63	6.30	1,196.7	71.6	7.9	13.1	0.00	0.00	0.00
1,300.0	5.63	6.30	1,296.2	81.4	9.0	14.8	0.00	0.00	0.00
1,400.0	5.63	6.30	1,395.7	91.2	10.1	16.6	0.00	0.00	0.00
1,500.0	5.63	6.30	1,495.2	100.9	11.1	18.4	0.00	0.00	0.00
1,600.0	5.63	6.30	1,594.7	110.7	12.2	20.2	0.00	0.00	0.00
1,700.0	5.63	6.30	1,694.3	120.4	13.3	21.9	0.00	0.00	0.00
1,800.0	5.63	6.30	1,793.8	130.2	14.4	23.7	0.00	0.00	0.00
1,800.0	5.63	6.30	1,793.8	130.2	14.4	25.7	0.00	0.00	0.00
2,000.0	5.63	6.30	1,893.3	140.0	16.5	25.5	0.00	0.00	0.00
	5.63						0.00		
2,100.0		6.30	2,092.3	159.5	17.6	29.0		0.00	0.00
2,200.0	5.63	6.30	2,191.8	169.2	18.7	30.8	0.00	0.00	0.00
2,300.0	5.63	6.30	2,291.4	179.0	19.8	32.6	0.00	0.00	0.00
2,400.0	5.63	6.30	2,390.9	188.7	20.8	34.4	0.00	0.00	0.00
2,500.0	5.63	6.30	2,490.4	198.5	21.9	36.2	0.00	0.00	0.00
2,600.0	5.63	6.30	2,589.9	208.3	23.0	37.9	0.00	0.00	0.00
2,700.0	5.63	6.30	2,689.4	218.0	24.1	39.7	0.00	0.00	0.00
2,800.0	5.63	6.30	2,789.0	227.8	25.1	41.5	0.00	0.00	0.00
2,900.0	5.63	6.30	2,888.5	237.5	26.2	43.3	0.00	0.00	0.00
3,000.0	5.63	6.30	2,988.0	247.3	27.3	45.0	0.00	0.00	0.00
3,100.0	5.63	6.30	3,087.5	257.1	28.4	46.8	0.00	0.00	0.00
3,200.0	5.63	6.30	3,187.0	266.8	29.4	48.6	0.00	0.00	0.00
2 200 0	E 60	6.00	2 000 F	076.6	20 F	E0 4	0.00	0.00	0.00
3,300.0	5.63	6.30	3,286.5	276.6	30.5	50.4	0.00	0.00	0.00
3,400.0	5.63	6.30	3,386.1	286.3	31.6	52.2	0.00	0.00	0.00
3,500.0	5.63	6.30	3,485.6	296.1	32.7	53.9	0.00	0.00	0.00
3,600.0	5.63	6.30	3,585.1	305.8	33.7	55.7	0.00	0.00	0.00
3,700.0	5.63	6.30	3,684.6	315.6	34.8	57.5	0.00	0.00	0.00
3,800.0	5.63	6.30	3,784.1	325.4	35.9	59.3	0.00	0.00	0.00
3,900.0	5.63	6.30	3,883.6	335.1	37.0	61.0	0.00	0.00	0.00
4,000.0	5.63	6.30	3,983.2	344.9	38.1	62.8	0.00	0.00	0.00
4,000.0	5.63		3,963.2 4,082.7	344.9 354.6	30.1		0.00	0.00	0.00
		6.30				64.6			
4,200.0	5.63	6.30	4,182.2	364.4	40.2	66.4	0.00	0.00	0.00
4,300.0	5.63	6.30	4,281.7	374.1	41.3	68.2	0.00	0.00	0.00
4,400.0	5.63	6.30	4,381.2	383.9	42.4	69.9	0.00	0.00	0.00
4,500.0	5.63	6.30	4,480.7	393.7	43.4	71.7	0.00	0.00	0.00
4,600.0	5.63	6.30	4,580.3	403.4	44.5	73.5	0.00	0.00	0.00
4,700.0	5.63	6.30	4,679.8	413.2	45.6	75.3	0.00	0.00	0.00
4,800.0	5.63	6.30	4,779.3	422.9	46.7	77.0	0.00	0.00	0.00
4,900.0	5.63	6.30	4,878.8	432.7	47.7	78.8	0.00	0.00	0.00
5,000.0	5.63	6.30	4,978.3	442.5	48.8	80.6	0.00	0.00	0.00

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Hobbs	Local Co-ordinate Reference:	Site Swanson 3/2 B2JI Fed Com #1H
Mewbourne Oil Company	TVD Reference:	WELL @ 3536.0usft (Original Well Elev)
Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3536.0usft (Original Well Elev)
Swanson 3/2 B2JI Fed Com #1H	North Reference:	Grid
Sec 3, T18S, R29E	Survey Calculation Method:	Minimum Curvature
BHL: 1980' FSL & 100' FEL, Sec 2		
Design #1		
	Mewbourne Oil Company Eddy County, New Mexico NAD 83 Swanson 3/2 B2JI Fed Com #1H Sec 3, T18S, R29E BHL: 1980' FSL & 100' FEL, Sec 2	Mewbourne Oil Company TVD Reference: Eddy County, New Mexico NAD 83 MD Reference: Swanson 3/2 B2JI Fed Com #1H North Reference: Sec 3, T18S, R29E Survey Calculation Method: BHL: 1980' FSL & 100' FEL, Sec 2 Survey Calculation Method:

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)
	5,100.0	5.63	6.30	5,077.8	452.2	49.9	82.4	0.00	0.00	0.00
	5,200.0	5.63	6.30	5,177.4	462.0	51.0	84.1	0.00	0.00	0.00
	5,300.0	5.63	6.30	5,276.9	471.7	52.1	85.9	0.00	0.00	0.00
	5,400.0	5.63	6.30	5,376.4	481.5	53.1	87.7	0.00	0.00	0.00
	5,500.0	5.63	6.30	5,475.9	491.2	54.2	89.5	0.00	0.00	0.00
	5,600.0	5.63	6.30	5,575.4	501.0	55.3	91.3	0.00	0.00	0.00
	5,700.0	5.63	6.30	5,674.9	510.8	56.4	93.0	0.00	0.00	0.00
	5,800.0	5.63	6.30	5,774.5	520.5	57.4	94.8	0.00	0.00	0.00
	5,900.0	5.63	6.30	5,874.0	530.3	58.5	96.6	0.00	0.00	0.00
	6,000.0	5.63	6.30	5,973.5	540.0	59.6	98.4	0.00	0.00	0.00
	6,100.0	5.63	6.30	6,073.0	549.8	60.7	100.1	0.00	0.00	0.00
	6,200.0	5.63	6.30	6,172.5	559.6	61.7	101.9	0.00	0.00	0.00
	6,268.6	5.63	6.30	6,240.8	566.2	62.5	103.1	0.00	0.00	0.00
	6,300.0	5.01	6.30	6,272.1	569.1	62.8	103.7	2.00	-2.00	0.00
	6,400.0	3.01	6.30	6,371.8	576.1	63.6	104.9	2.00	-2.00	0.00
	6,500.0	1.01	6.30	6,471.7	579.6	64.0	105.6	2.00	-2.00	0.00
	6,550.3	0.00	0.00	6,522.0	580.0	64.0	105.6	2.00	-2.00	0.00
	KOP: 1980' I	FSL & 2250' FWL	. (3)							
	6,600.0	4.97	89.87	6,571.7	580.0	66.2	107.8	10.00	10.00	0.00
	6,700.0	14.97	89.87	6,670.0	580.0	83.4	125.0	10.00	10.00	0.00
	6,800.0	24.96	89.87	6,763.9	580.1	117.5	159.1	10.00	10.00	0.00
	6,900.0	34.96	89.87	6,850.4	580.2	167.4	208.8	10.00	10.00	0.00
	7,000.0	44.96	89.87	6,927.0	580.4	231.6	272.8	10.00	10.00	0.00
	7,100.0	54.95	89.87	6,991.3	580.5	308.0	349.1	10.00	10.00	0.00
	7,200.0	64.95	89.87	7,041.3	580.7	394.5	435.3	10.00	10.00	0.00
	7,300.0	74.95	89.87	7,075.5	580.9	488.3	528.9	10.00	10.00	0.00
	7,370.8	82.03	89.87	7,089.6	581.1	557.6	598.1	10.00	10.00	0.00
		SL & 2542' FEL	· /							
	7,400.0	84.94	89.87	7,092.9	581.1	586.6	627.0	10.00	10.00	0.00
	7,436.5	88.60	89.87	7,095.0	581.2	623.1	663.4	10.00	10.00	0.00
		L & 2477' FEL (3	•							
	7,500.0	88.60	89.87	7,096.6	581.4	686.5	726.7	0.00	0.00	0.00
	7,600.0	88.60	89.87	7,099.0	581.6	786.5	826.4	0.00	0.00	0.00
	7,700.0	88.60	89.87	7,101.4	581.8	886.5	926.1	0.00	0.00	0.00
	7,800.0	88.60	89.87	7,103.9	582.0	986.5	1,025.8	0.00	0.00	0.00
	7,900.0	88.60	89.87	7,106.3	582.2	1,086.4	1,125.6	0.00	0.00	0.00
	8,000.0	88.60	89.87	7,108.8	582.5	1,186.4	1,225.3	0.00	0.00	0.00
	8,100.0	88.60	89.87	7,111.2	582.7	1,286.4	1,325.0	0.00	0.00	0.00
	8,200.0	88.60	89.87	7,113.7	582.9	1,386.3	1,424.7	0.00	0.00	0.00
	8,300.0	88.60	89.87	7,116.1	583.1	1,486.3	1,524.5	0.00	0.00	0.00
	8,400.0	88.60	89.87	7,118.5	583.3	1,586.3	1,624.2	0.00	0.00	0.00
	8,500.0	88.60	89.87	7,121.0	583.6	1,686.2	1,723.9	0.00	0.00	0.00
	8,600.0	88.60	89.87	7,123.4	583.8	1,786.2	1,823.7	0.00	0.00	0.00
	8,700.0	88.60	89.87	7,125.9	584.0	1,886.2	1,923.4	0.00	0.00	0.00
	8,800.0	88.60	89.87	7,128.3	584.2	1,986.2	2,023.1	0.00	0.00	0.00
	8,900.0	88.60	89.87	7,130.8	584.4	2,086.1	2,122.8	0.00	0.00	0.00
	9,000.0	88.60	89.87	7,133.2	584.7	2,186.1	2,222.6	0.00	0.00	0.00
	9,100.0	88.60	89.87	7,135.7	584.9	2,286.1	2,322.3	0.00	0.00	0.00
	9,200.0	88.60	89.87	7,138.1	585.1	2,386.0	2,422.0	0.00	0.00	0.00
	9,300.0	88.60	89.87	7,140.5	585.3	2,486.0	2,521.7	0.00	0.00	0.00
	9,400.0	88.60	89.87	7,143.0	585.5	2,586.0	2,621.5	0.00	0.00	0.00
	9,500.0	88.60	89.87	7,145.4	585.7	2,685.9	2,721.2	0.00	0.00	0.00
1	9,600.0	88.60	89.87	7,147.9	586.0	2,785.9	2,820.9	0.00	0.00	0.00

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Database:	Hobbs	Local Co-ordinate Reference:	Site Swanson 3/2 B2JI Fed Com #1H
Company:	Mewbourne Oil Company	TVD Reference:	WELL @ 3536.0usft (Original Well Elev)
Project:	Eddy County, New Mexico NAD 83	MD Reference:	WELL @ 3536.0usft (Original Well Elev)
Site:	Swanson 3/2 B2JI Fed Com #1H	North Reference:	Grid
Well:	Sec 3, T18S, R29E	Survey Calculation Method:	Minimum Curvature
Wellbore:	BHL: 1980' FSL & 100' FEL, Sec 2		
Design:	Design #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)
. ,						. ,	. ,		, ,
9,700.0	88.60	89.87	7,150.3	586.2	2,885.9	2,920.6	0.00	0.00	0.00
9,800.0	88.60	89.87	7,152.8	586.4	2,985.8	3,020.4	0.00	0.00	0.00
9,900.0	88.60	89.87	7,155.2	586.6	3,085.8	3,120.1	0.00	0.00	0.00
9,911.2	88.60	89.87	7,155.5	586.7	3,097.0	3,131.2	0.00	0.00	0.00
PPP2: 1980	' FSL & 0' FWL (2	3							
10,000.0	88.60	, 89.87	7,157.6	586.8	3,185.8	3,219.8	0.00	0.00	0.00
10,100.0	88.60	89.87	7,160.1	587.1	3,285.8	3,319.5	0.00	0.00	0.00
10,200.0	88.60	89.87	7,162.5	587.3	3,385.7	3,419.3	0.00	0.00	0.00
10,300.0	88.60	89.87	7,165.0	587.5	3,485.7	3,519.0	0.00	0.00	0.00
10,400.0	88.60	89.87	7,167.4	587.7	3,585.7	3,618.7	0.00	0.00	0.00
10,500.0	88.60	89.87	7,169.9	587.9	3,685.6	3,718.4	0.00	0.00	0.00
10,600.0	88.60	89.87	7,172.3	588.2	3,785.6	3,818.2	0.00	0.00	0.00
10,700.0	88.60	89.87	7,174.8	588.4	3,885.6	3,917.9	0.00	0.00	0.00
10,800.0	88.60	89.87	7,177.2	588.6	3,985.5	4,017.6	0.00	0.00	0.00
10,900.0	88.60	89.87	7,179.6	588.8	4,085.5	4,117.3	0.00	0.00	0.00
11,000.0	88.60	89.87	7,182.1	589.0	4,185.5	4,217.1	0.00	0.00	0.00
11,100.0	88.60	89.87	7,184.5	589.3	4,285.5	4,316.8	0.00	0.00	0.00
11,200.0	88.60	89.87	7,187.0	589.5	4,385.4	4,416.5	0.00	0.00	0.00
11,300.0	88.60	89.87	7,189.4	589.7	4,485.4	4,516.2	0.00	0.00	0.00
11,400.0	88.60	89.87	7,191.9	589.9	4,585.4	4,616.0	0.00	0.00	0.00
11,500.0	88.60	89.87	7,194.3	590.1	4,685.3	4,715.7	0.00	0.00	0.00
11,600.0	88.60	89.87	7,196.7	590.4	4,785.3	4,815.4	0.00	0.00	0.00
11,700.0	88.60	89.87	7,199.2	590.6	4,885.3	4,915.1	0.00	0.00	0.00
11,800.0	88.60	89.87	7,201.6	590.8	4,985.2	5,014.9	0.00	0.00	0.00
11,900.0	88.60	89.87	7,204.1	591.0	5,085.2	5,114.6	0.00	0.00	0.00
12,000.0	88.60	89.87	7,206.5	591.2	5,185.2	5,214.3	0.00	0.00	0.00
12,100.0	88.60	89.87	7,209.0	591.4	5,285.2	5,314.0	0.00	0.00	0.00
12,200.0	88.60	89.87	7,211.4	591.7	5,385.1	5,413.8	0.00	0.00	0.00
12,300.0	88.60	89.87	7,213.9	591.9	5,485.1	5,513.5	0.00	0.00	0.00
12,400.0	88.60	89.87	7,216.3	592.1	5,585.1	5,613.2	0.00	0.00	0.00
12,500.0	88.60	89.87	7,218.7	592.3	5,685.0	5,712.9	0.00	0.00	0.00
12,600.0	88.60	89.87	7,221.2	592.5	5,785.0	5,812.7	0.00	0.00	0.00
12,700.0	88.60	89.87	7,223.6	592.8	5,885.0	5,912.4	0.00	0.00	0.00
12,800.0	88.60	89.87	7,226.1	593.0	5,984.9	6,012.1	0.00	0.00	0.00
12,900.0	88.60	89.87	7,228.5	593.2	6,084.9	6,111.8	0.00	0.00	0.00
13,000.0	88.60	89.87	7,231.0	593.4	6,184.9	6,211.6	0.00	0.00	0.00
13,100.0	88.60	89.87	7,233.4	593.6	6,284.9	6,311.3	0.00	0.00	0.00
13,200.0	88.60	89.87	7,235.8	593.9	6,384.8	6,411.0	0.00	0.00	0.00
13,300.0	88.60	89.87	7,238.3	594.1	6,484.8	6,510.8	0.00	0.00	0.00
13,400.0	88.60	89.87	7,240.7	594.3	6,584.8	6,610.5	0.00	0.00	0.00
13,500.0	88.60	89.87	7,243.2	594.5	6,684.7	6,710.2	0.00	0.00	0.00
13,600.0	88.60	89.87	7,245.6	594.7	6,784.7	6,809.9	0.00	0.00	0.00
13,700.0	88.60	89.87	7,248.1	595.0	6,884.7	6,909.7	0.00	0.00	0.00
13,800.0	88.60	89.87	7,250.5	595.2	6,984.6	7,009.4	0.00	0.00	0.00
13,900.0	88.60	89.87	7,253.0	595.4	7,084.6	7,109.1	0.00	0.00	0.00
14,000.0	88.60	89.87	7,255.4	595.6	7,184.6	7,208.8	0.00	0.00	0.00
14,100.0	88.60	89.87	7,257.8	595.8	7,284.6	7,308.6	0.00	0.00	0.00
14,200.0	88.60	89.87	7,260.3	596.1	7,384.5	7,408.3	0.00	0.00	0.00
14,300.0	88.60	89.87	7,262.7	596.3	7,484.5	7,508.0	0.00	0.00	0.00
14,400.0	88.60	89.87	7,265.2	596.5	7,584.5	7,607.7	0.00	0.00	0.00
14,500.0	88.60	89.87	7,267.6	596.7	7,684.4	7,707.5	0.00	0.00	0.00
14,600.0	88.60	89.87	7,270.1	596.9	7,784.4	7,807.2	0.00	0.00	0.00
14,700.0	88.60	89.87	7,272.5	597.1	7,884.4	7,906.9	0.00	0.00	0.00

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Database: Company: Project: Site: Well: Wellbore: Design:	Swanson 3/2 I Sec 3, T18S, I	New Mexico NA B2JI Fed Com #	1H	TVD R MD Re North	Local Co-ordinate Reference:Site Swanson 3/2 B2JI Fed Com #1HTVD Reference:WELL @ 3536.0usft (Original Well Elev)MD Reference:WELL @ 3536.0usft (Original Well Elev)North Reference:GridSurvey Calculation Method:Minimum Curvature				l Well Elev)
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)
14,800.0 14,900.0 15,000.0 15,088.7	88.60 88.60 88.60 88.60	89.87 89.87 89.87 89.87	7,274.9 7,277.4 7,279.8 7,282.0	597.4 597.6 597.8 598.0	7,984.3 8,084.3 8,184.3 8,273.0	8,006.6 8,106.4 8,206.1 8,294.6	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00

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
SHL: 1400' FSL & 2185' - plan hits target cento - Point	0.00 er	0.00	0.0	0.0	0.0	645,095.00	624,095.00	32.7731107	-104.0640800
KOP: 1980' FSL & 2250' - plan hits target cente - Point	0.00 er	0.00	6,522.0	580.0	64.0	645,675.00	624,159.00	32.7747045	-104.0638670
FTP: 1980' FSL & 2542' - plan hits target cente - Point	0.00 er	0.00	7,089.6	581.1	557.6	645,676.09	624,652.60	32.7747040	-104.0622610
LP: 1980' FSL & 2477' F - plan hits target cente - Point	0.00 er	0.00	7,095.0	581.2	623.1	645,676.23	624,718.10	32.7747039	-104.0620479
PPP2: 1980' FSL & 0' F\ - plan hits target cente - Point	0.00 er	0.00	7,155.5	586.7	3,097.0	645,681.65	627,192.00	32.7747011	-104.0539989
BHL: 1980' FSL & 100' F - plan hits target cente - Point	0.00 er	0.00	7,282.0	598.0	8,273.0	645,693.00	632,368.00	32.7746936	-104.0371585

Intent	х	As Drilled
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API #		

Operator Name:	Property Name:	Well Number
Mewbourne Oil Co.	Swanson 3/2 B2JI Fed Com	1H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
K	3	18S	29E		1980	S	2250	W	Eddy
Latitude			Longitude				NAD		
32,7747045			-104.0638670				92		
32.7747045				-104.003	-104.0638670			83	

First Take Point (FTP)

Latitude Longitude NAD					Feet 1980	From N/S S	Feet 2542	From E/W	County Eddy
				Longitude -104.0622610				NAD 83	

Last Take Point (LTP)

					Feet 1980	From N/S S	Feet 100	From E/W	County Eddy
Latitude					Longitud	Longitude			NAD
32.7746947					-104.	-104.0371573			83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

Ν

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number
1		

KZ 06/29/2018

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Mewbourne Oil Company
LEASE NO.:	NMLC058125
WELL NAME & NO.:	SWANSON 3-2 B2JI FED COM 1H
SURFACE HOLE FOOTAGE:	1400'/S & 2470'/E
BOTTOM HOLE FOOTAGE	1980'/S & 100'/E
LOCATION:	Section 3, T.18 S., R.29 E., NMP
COUNTY:	Eddy County, New Mexico

COA

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

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Grayburg** formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

Casing Design:

- 1. The 13-3/8 inch surface casing shall be set at approximately 254 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 $\underline{\mathbf{8}}$ <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing shall be set at approximately **950** feet is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.
- 3. The minimum required fill of cement behind the 7 inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
 Excess cement calculates to 24%, additional cement might be required.
- 4. The minimum required fill of cement behind the 4-1/2 inch production liner is:
 - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.

- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, 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. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

GENERAL REQUIREMENTS

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

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - Eddy County

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

Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

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

Approval Date: 01/19/2022

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- 3. <u>Wait on cement (WOC) for Water Basin:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for

the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

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

D. WASTE MATERIAL AND FLUIDS

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

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

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Hydrogen Sulfide Drilling Operations Plan Mewbourne Oil Company

1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H2S were found. MOC will have on location and working all H2S safety equipment before the Delaware formation for purposes of safety and insurance requirements.

2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1. The hazards and characteristics of hydrogen sulfide gas.
- 2. The proper use of personal protective equipment and life support systems.
- 3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- 1 The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- 3 The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 9 5/8" intermediate casing.

- 1. <u>Well Control Equipment</u>
 - A. Choke manifold with minimum of one adjustable choke/remote choke.
 - B. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
 - C. Auxiliary equipment including annular type blowout preventer.
- 2. <u>Protective Equipment for Essential Personnel</u>

Thirty minute self contained work unit located in the dog house and at briefing areas.

Additionally: If H2S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas. If higher concentrations of H2S are detected the well will be shut in and a rotating head, mud/gas separator, remote choke and flare line with igniter will be installed.

3. <u>Hydrogen Sulfide Protection and Monitoring Equipment</u>

Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.

4. <u>Visual Warning Systems</u>

A. Wind direction indicators as indicated on the wellsite diagram.B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

8. Emergency Phone Numbers

Eddy County Sheriff's Office911 or 575-887-7551Ambulance Service911 or 575-885-2111Carlsbad Fire Dept911 or 575-885-2111Loco Hills Volunteer Fire Dept.911 or 575-677-3266Closest Medical Facility - Columbia Medical Center of Carlsbad575-492-5000

Mewbourne Oil Company	Hobbs District Office Fax 2 nd Fax	575-393-5905 575-397-6252 575-393-7259
District Manager	Robin Terrell	575-390-4816
Drilling Superintendent	Frosty Lathan	575-390-4103
	Bradley Bishop	575-390-6838
Drilling Foreman	Wesley Noseff	575-441-0729

Received by OCD: 1/21/2022 7:13:06 AM

Operator Name: MEWBOURNE OIL COMPANY

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

Safe containmant attachment:

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

FACILITY Disposal type description:

Disposal location description: Waste Management facility in Carlsbad.

Waste type: SEWAGE

Waste content description: Human waste & grey water

Amount of waste: 1500 gallons

Waste disposal frequency : Weekly

Safe containment description: 2,000 gallon plastic container

Safe containmant attachment:

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

FACILITY

Disposal type description:

Disposal location description: City of Carlsbad Water Treatment facility

Waste type: DRILLING

Waste content description: Drill cuttings

Amount of waste: 940 barrels

Waste disposal frequency : One Time Only

Safe containment description: Drill cuttings will be properly contained in steel tanks (20 yard roll off bins.)

Safe containmant attachment:

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

Disposal location description: NMOCD approved waste disposal locations are CRI or Lea Land, both facilities are located on HWY 62/180, Sec. 27 T20S R32E.

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

Released to Imaging: 2/1/2022 2:16:31 PM Reserve pit liner specifications and installation description

Well Name: SWANSON 3/2 B2JI FED COM

Well Number: 1H

Cuttings Area

Cuttings Area being used? NO Are you storing cuttings on location? N Description of cuttings location Cuttings area length (ft.) Cuttings area depth (ft.) Is at least 50% of the cuttings area in cut? WCuttings area liner

Cuttings area width (ft.) Cuttings area volume (cu. yd.)

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: N Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

SWANSON3_2B2JIFedCom1H_wellsitelayout_20200505131859.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: Samsonite 3/2 KL & NM & Swanson 3/2 JI & OP Fed com wells Multiple Well Pad Number: 4

Recontouring attachment:

Drainage/Erosion control construction: None

Drainage/Erosion control reclamation: None

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

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CONDITIONS

Action 74125

CONDITIONS

Operator:	OGRID:		
MEWBOURNE OIL CO	14744		
P.O. Box 5270	Action Number:		
Hobbs, NM 88241	74125		
	Action Type:		
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)		

CONDITIONS

CONDITION	-	
Created By	Condition	Condition Date
kpickford	Notify OCD 24 hours prior to casing & cement	1/24/2022
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104	1/24/2022
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	1/24/2022
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing	1/24/2022
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	1/24/2022