Form 3160-5 (June 2019)

UNITED STATES DEPARTMENT OF THE INTERIOR

		FORM APPROVED OMB No. 1004-0137
		Expires: October 31, 2021
~	1 3 7	

Expires: October 3
5 Lease Serial No

BUR	EAU OF LAND MANAGEMEN	T	5. Lease Serial No.	MULTIPLE	
	IOTICES AND REPORTS ON		6. If Indian, Allottee	or Tribe Name	
	form for proposals to drill or Use Form 3160-3 (APD) for s				
SUBMIT IN	TRIPLICATE - Other instructions on p	age 2	_	reement, Name and/or No.	
1. Type of Well	_		MULTIPLE 8 Well Name and N	<u></u>	
Oil Well Gas W			8. Well Name and N	MULTIPLE	
2. Name of Operator OXY USA INCO	RPORATED		9. API Well No. MU	LTIPLE	
3a. Address 5 Greenway Plaza, Suit	te 110, Houston, TX 7704(3b. Phone N (713) 366-		e) 10. Field and Pool o MULTIPLE	r Exploratory Area	
4. Location of Well (Footage, Sec., T.,R MULTIPLE	.,M., or Survey Description)		11. Country or Paris	h, State	
12. CHE	CK THE APPROPRIATE BOX(ES) TO 1	INDICATE NATUR	E OF NOTICE, REPORT OR O	THER DATA	
TYPE OF SUBMISSION		ТУ	PE OF ACTION		
	Acidize De	eepen	Production (Start/Resume	Water Shut-Off	
Notice of Intent		ydraulic Fracturing	Reclamation	Well Integrity	
Subsequent Report	Casing Repair No	ew Construction	Recomplete	Other	
Subsequent Report	Change Plans Pl	ug and Abandon	Temporarily Abandon		
Final Abandonment Notice	Convert to Injection Pl	ug Back	Water Disposal		
is ready for final inspection.) OXY USA Inc. kindly requests this bulk sundry. The updates of the attachments and provide updates to surface hole location. Top Spot 12_13 Fed Com 21H Plan, Directional Survey, Direction Survey, Direc	H - HSU 640 acres to 320 acres (C102 ctional Plot, Wellhead Diagram, W425 - HSU 640 acres to 320 acres (C102 ctional Plot, Wellhead Diagram, W425 - HSU 640 acres to 320 acres (C102	d APD's for the subulk sundry are simill with the deepest 2 & Drill Path), 3 st/W461 Casing Col	riject wells. Supporting docs for and are noted below. A da TVD (Top Spot 12_13 Fed Corring to 4 string casing, Target nection Datasheets).	or each well are attached to tasheet is included on page om 21H). There are no TVD 10320' to 10372' (Drill	÷1
RONI MATHEW / Ph: (713) 215-78		REGULA	TORY SPECIALIST		
Signature		Date	09/29/	/2022	
	THE SPACE FOR FE	DERAL OR S	TATE OFICE USE		
Approved by					
KEITH P IMMATTY / Ph: (575) 988		Title	GINEER	11/28/2022 Date	:
	hed. Approval of this notice does not warn equitable title to those rights in the subject iduct operations thereon.		ARLSBAD		
Title 18 U.S.C. Section 1001 and Title 4	3 U.S.C. Section 1212 make it a crime for	r any person knowin	aly and willfully to make to any	department or agency of the II	nited States

any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Additional Remarks

Plan, Directional Survey, Directional Plot, Wellhead Diagram, W425/W461 Casing Connection Datasheets).

Batch Well Data

TOP SPOT 12_13 FED COM 1H, US Well Number: 3001548594, Case Number: NMNM29233, Lease Number: NMNM29233, Operator:OXY USA INCORPORATED

TOP SPOT 12_13 FED COM 11H, US Well Number: 3001548595, Case Number: NMNM29233, Lease Number: NMNM29233, Operator:OXY USA INCORPORATED

TOP SPOT 12_13 FED COM 21H, US Well Number: 3001547771, Case Number: NMNM29233, Lease Number: NMNM29233, Operator:OXY USA INCORPORATED



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

Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
TOP SPOT 12_13	1H	3001548594	NMNM29233	NMNM29233	OXY USA
TOP SPOT 12_13	11H	3001548595	NMNM29233	NMNM29233	OXY USA
TOP SPOT 12_13	21H	3001547771	NMNM29233	NMNM29233	OXY USA

Notice of Intent

Sundry ID: 2695470

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted: 09/29/2022 Time Sundry Submitted: 12:11

Date proposed operation will begin: 10/07/2022

Procedure Description: OXY USA Inc. kindly requests the following updates to the approved APD's for the subject wells. Supporting docs for each well are attached to this bulk sundry. The updates to each of the wells included in this bulk sundry are similar and are noted below. A datasheet is included on page 1 of the attachments and provides the updated drilling data for the well with the deepest TVD (Top Spot 12_13 Fed Com 21H). There are no updates to surface hole locations. Top Spot 12_13 Fed Com 21H - HSU 640 acres to 320 acres (C102 & Drill Path), 3 string to 4 string casing, Target TVD 10320' to 10372' (Drill Plan, Directional Survey, Directional Plot, Wellhead Diagram, W425/W461 Casing Connection Datasheets). Top Spot 12_13 Fed Com 1H - HSU 640 acres to 320 acres (C102 & Drill Path), 3 string to 4 string casing, Target TVD 9596' to 9881' (Drill Plan, Directional Survey, Directional Plot, Wellhead Diagram, W425/W461 Casing Connection Datasheets). Top Spot 12_13 Fed Com 11H - HSU 640 acres to 320 acres (C102 & Drill Path), 3 string to 4 string casing, Target TVD 8935' to 8994' (Drill Plan, Directional Survey, Directional Plot, Wellhead Diagram, W425/W461 Casing Connection Datasheets).

NOI Attachments

Procedure Description

TOP_SPOT_12_13_FED_COM_11H_SundryUpdates9.28.22_20220929110451.pdf

TOP_SPOT_12_13_FED_COM_1H_SundryUpdates9.28.22_20220929110428.pdf

TOP_SPOT_12_13_FED_COM_21H_SundryUpdates9.28.22_20220929110408.pdf

Conditions of Approval

Additional

TOP_SPOT_12_13_FEDERAL_COM_BATCH___SUNDRY_COA_20221122095821.pdf

Operator

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

Operator Electronic Signature: RONI MATHEW Signed on: SEP 29, 2022 12:10 PM

Name: OXY USA INCORPORATED

Title: REGULATORY SPECIALIST

Street Address: 5 Greenway Plaza, Suite 110

City: Houston State: TX

Phone: (713) 215-7827

Email address: RONI_MATHEW@OXY.COM

Field

Representative Name: JIM WILSON

Street Address: 6001 DEAUVILLE BLVD.

City: MIDLAND State: TX Zip: 79710

Phone: (575)631-2442

 $\textbf{Email address:} \ \mathsf{JIM_WILSON@OXY.COM}$

BLM Point of Contact

BLM POC Name: KEITH P IMMATTY **BLM POC Title:** ENGINEER

BLM POC Phone: 5759884722 BLM POC Email Address: KIMMATTY@BLM.GOV

Disposition: Approved **Disposition Date:** 11/28/2022

Signature: KEITH IMMATTY

Top Spot 12 13 Federal Com 11H, 1H, 21H - Bulk Sundry

Well Name	API#	TVD	TD MD	KOP MD	Landing Point MD
Top Spot 12_13 Fed Com 11H	30-015-48595	8994'	19722'	8599'	9622'
Top Spot 12_13 Fed Com 1H	30-015-48594	9783'	20702'	9435'	10452′
Top Spot 12_13 Fed Com 21H	30-015-47771	10308'	21233'	9982'	10982'

^{**}As requested, the updated casing and cementing data tables provided below is for the deepest of the wells noted and highlighted above. Additionally, updated drill plans, directional surveys, and drill plots for each of the wells in the table above are attached to the bulk sundry submission in AFMSS.**

Oxy requests the option to run production casing with DQX, TORQ DQW, Wedge 425, Wedge 461, and/or Wedge 441 connections to accommodate hole conditions or drilling operations.

	I	ID	T\	/D					
	Hole	From	То	From	То	Csg.	Csg Wt.		
Section	Size (in)	(ft)	(ft)	(ft)	(ft)	OD (in)	(ppf)	Grade	Conn.
Surface	17.5	0	893	0	893	13.375	54.5	J-55	ВТС
Salt	12.25	0	4563	0	4557	9.625	40	L-80 HC	ВТС
Intermediate	8.75	0	9882	0	9627	7.625	26.4	L-80 HC	Wedge 425
Production	6.75	0	21233	0	10372	5.5	20	P-110	Wedge 461

Section	Stage	Slurry:	Sacks	Yield (ft^3/ft)	Density (lb/gal)	FVCASS	тос	Placement	Description
Surface	1	Surface - Tail	933	1.33	14.8	100%	-	Circulate	Class C+Accel.
Int.1	1	Intermediate - Tail	141	1.33	14.8	20%	4,063	Circulate	Class C+Accel.
Int.1	1	Intermediate - Lead	1048	1.73	12.9	50%	-	Circulate	Class Pozz+Ret.
Int. 2	1	Intermediate 1S - Tail	188	1.65	13.2	5%	6,934	Circulate	Class H+Accel., Disper., Salt
Int. 2	2	Intermediate 2S - Tail BH	464	1.71	13.3	25%	-	Bradenhead	Class C+Accel.
Prod.	1	Production - Tail	895	1.38	13.2	25%	9,382	Circulate	Class H+Ret., Disper., Salt

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

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

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) 476-3460 Fax: (505) 476-3462

☑ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name				
30-015-48595	5695	BILBREY BASIN; BONE SPRING				
Property Code	Prop	erty Name	Well Number			
329719	TOP SPOT 12_	13 FEDERAL COM	11H			
OGRID No.	0per	ator Name	Elevation			
16696	OXY U	JSA, INC.	3569.0'			

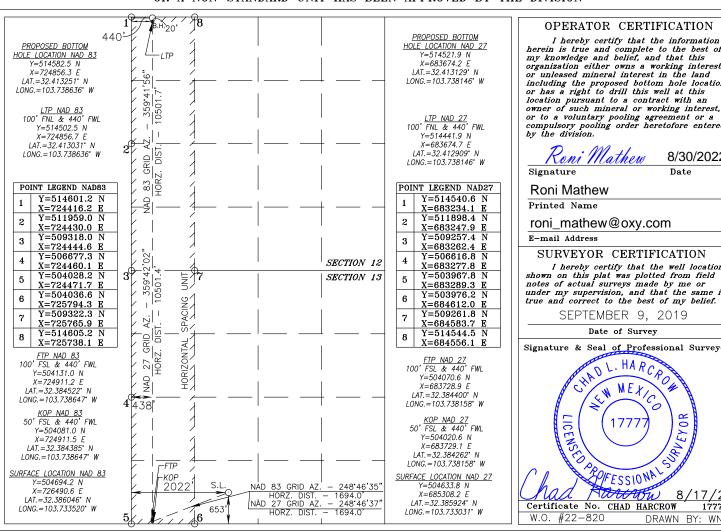
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Ν	13	22-S	31-E		653	SOUTH	2022	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot N	о.	Section	Townsh	nip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D		12	22-	-S	31-E		20	NORTH	440	WEST	EDDY
Dedicated .	cres	Joint o	r Infill	Cor	nsolidation (Code O1	der No.				
320											

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

8/30/2022 Date

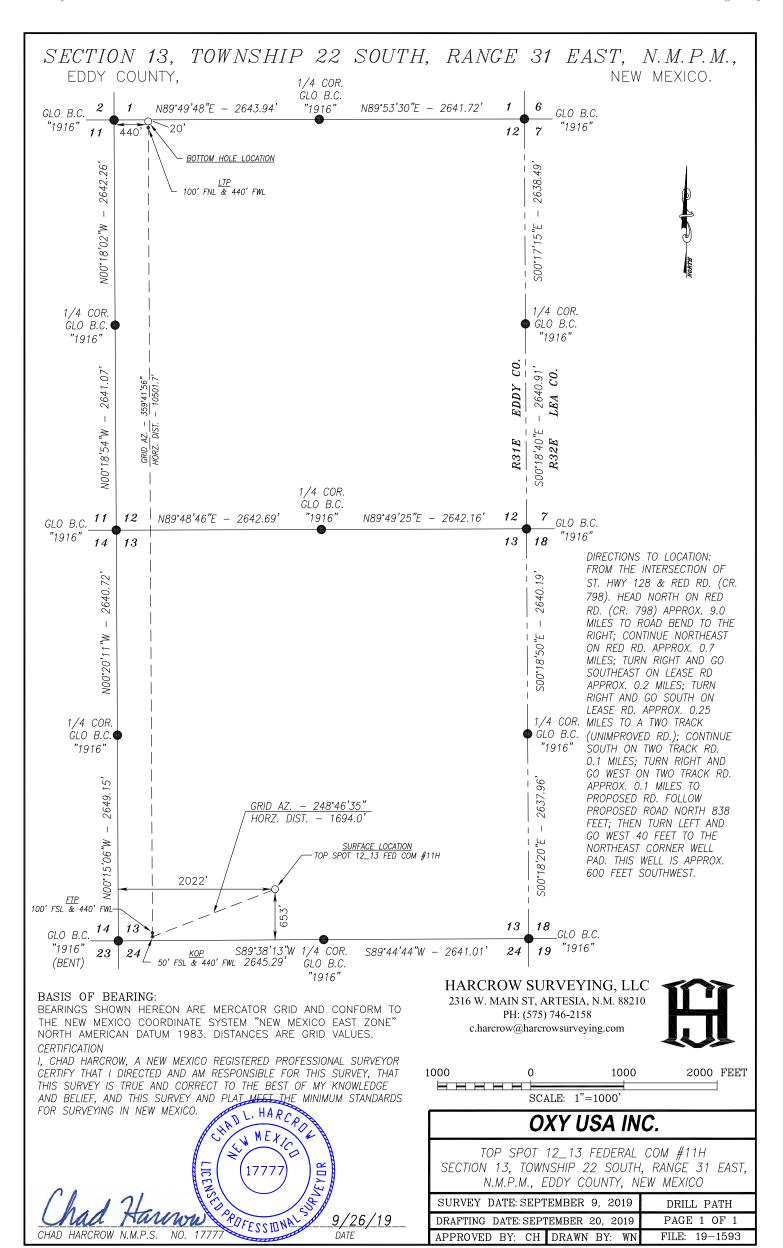
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 9. 2019

Signature & Seal of Professional Surveyor CHAD L. HARCRO 0R

Certificate No. CHAD HARCROW 17777 DRAWN BY: WN



Oxy USA Inc. - Top Spot 12_13 Federal Com 11H Drill Plan

1. Geologic Formations

TVD of Target (ft):	8994	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	19722	Deepest Expected Fresh Water (ft):	834

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	834	834	
Salado	1143	1143	Salt
Castile	2898	2898	Salt
Delaware	4482	4462	Oil/Gas/Brine
Bell Canyon	4547	4525	Oil/Gas/Brine
Cherry Canyon	5545	5474	Oil/Gas/Brine
Brushy Canyon	6719	6590	Losses
Bone Spring	8554	8336	Oil/Gas
Bone Spring 1st			Oil/Gas
Bone Spring 2nd			Oil/Gas
Bone Spring 3rd			Oil/Gas
Wolfcamp			Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

^{*}H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

		V	1D	TVD					
	Hole	From	То	From	То	Csg.	Csg Wt.		
Section	Size (in)	(ft)	(ft)	(ft)	(ft)	OD (in)	(ppf)	Grade	Conn.
Surface	17.5	0	894	0	894	13.375	54.5	J-55	ВТС
Salt	12.25	0	4562	0	4539	9.625	40	L-80 HC	ВТС
Intermediate	8.75	0	8499	0	8278	7.625	26.4	L-80 HC	Wedge 425
Production	6.75	0	19722	0	8994	5.5	20	P-110	Wedge 461

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

^{*}Oxy requests the option to run production casing with DQX, TORQ DQW, Wedge 425, Wedge 461, and/or Wedge 441 connections to accommodate hole conditions or drilling operations.

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All Casing SF Values will meet or exceed						
those below						
SF SF Body SF Joint SF						
Collapse	Burst	Tension	Tension			
1.125	1.2	1.4	1.4			

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

- 1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
- 2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards?	Y
If not provide justification (loading assumptions, casing design criteria).	1
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching	Y
the collapse pressure rating of the casing?	1
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?	Y
If yes, are the first three strings cemented to surface?	Y
Is 2 nd string set 100' to 600' below the base of salt?	Y
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 strings cemented to surface?	

Occidental - Permian New Mexico

3. Cementing Program

Section	Stage	Slurry:	Sacks	Yield (ft^3/ft)	Density (lb/gal)	Evence	тос	Placement	Description
Surface	1	Surface - Tail	934	1.33	14.8	100%	-	Circulate	Class C+Accel.
Int.1	1	Intermediate - Tail	141	1.33	14.8	20%	4,062	Circulate	Class C+Accel.
Int.1	1	Intermediate - Lead	1048	1.73	12.9	50%	-	Circulate	Class Pozz+Ret.
Int. 2	1	Intermediate 1S - Tail	98	1.65	13.2	5%	6,969	Circulate	Class H+Accel., Disper., Salt
Int. 2	2	Intermediate 2S - Tail BH	467	1.71	13.3	25%	-	Bradenhead	Class C+Accel.
Prod.	1	Production - Tail	885	1.38	13.2	25%	7,999	Circulate	Class H+Ret., Disper., Salt

Offline Cementing

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe). Land casing.

Fill pipe with kill weight fluid, and confirm well is static.

If well Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

- 1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
- 2. Land casing.
- 3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
- 4. Set and pressure test annular packoff.
- 5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
- 6. Skid rig to next well on pad.
- 7. Confirm well is static before removing cap flange.
- 8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
- 9. Install offline cement tool.
- 10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
- 11. Perform cement job.
- 12. Confirm well is static and floats are holding after cement job.
- 13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

Oxy requests permission to adjust the CBL requirement after bradenhead cement jobs, on 7-5/8" intermediate casings, as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

Four string wells:

- CBL is not required
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

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Created On: 9/22/2022 at 2:15 PM

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4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре	1	Tested to:	TVD Depth (ft) per Section:
		3M	Annular	✓	70% of working pressure	
			Blind Ram	✓		
12.25" Hole	13-5/8"	3M	Pipe Ram		250 psi / 3000 psi	4539
		SIVI	Double Ram	✓	230 psi / 3000 psi	
			Other*			
		5M	Annular	✓	70% of working pressure	
	13-5/8"		Blind Ram	✓		8278
8.75" Hole		5M	Pipe Ram		250 psi / 5000 psi	
		SIVI	Double Ram	✓	250 psi / 5000 psi	
			Other*			
		5M	Annular	✓	70% of working pressure	
			Blind Ram	✓		
6.75" Hole	13-5/8"	5M	Pipe Ram		250 psi / 5000 psi	8994
		SIVI	Double Ram	✓	250 psi / 5000 psi	
			Other*			

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

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

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^{*}Specify if additional ram is utilized

Formation integrity test will be performed per Onshore Order #2.

On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.

A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.

Y Are anchors required by manufacturer?

A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015.

See attached schematics.

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.

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If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

1)Wellhead flange, co-flex hose, check valve, upper pipe rams

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5. Mud Program

Section	Depth		Depth - TVD		Tymo	Weight	Viscosity	Water
Section	From (ft)	To (ft)	From (ft)	To (ft)	Туре	(ppg)	Viscosity	Loss
Surface	0	894	0	894	Water-Based Mud	8.6 - 8.8	40-60	N/C
Intermediate 1	894	4562	894	4539	Saturated Brine-Based or Oil-Based Mud	8.0 - 10.0	35-45	N/C
Intermediate 2	4562	8499	4539	8278	Water-Based or Oil- Based Mud	8.0 - 10.0	38-50	N/C
Production	8499	19722	8278	8994	Water-Based or Oil- Based Mud	8.0 - 9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the	DVT/MD Total Missel Manitoring
loss or gain of fluid?	PVT/MD Totco/Visual Monitoring

6. Logging and Testing Procedures

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

Add	itional logs planned	Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	Bone Spring – TD
No	PEX	

Page 7 of 8

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4490 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	152°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal

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

DLIVI.	
N	H2S is present
Υ	H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe.	
We plan to drill the 3 well pad in batch by section: all surface sections, intermediate	Yes
sections and production sections. The wellhead will be secured with a night cap whenever	res
the rig is not over the well.	
Will more than one drilling rig be used for drilling operations? If yes, describe.	
Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for	
this well. If the timing between rigs is such that Oxy would not be able to preset surface,	Yes
the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the	
attached document for information on the spudder rig.	

Total Estimated Cuttings Volume: 1591 bbls

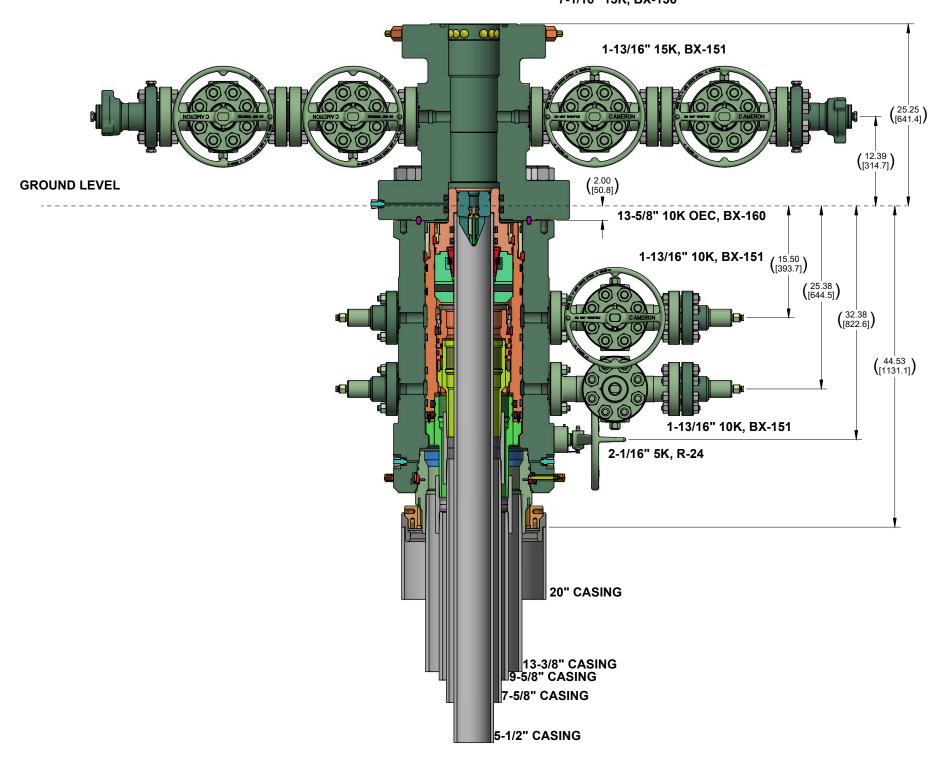
Attachments

- _x__ Directional Plan
- _x__ H2S Contingency Plan
- _x__ Flex III Attachments
- _x__ Spudder Rig Attachment
- _x__ Premium Connection Specs

9. Company Personnel

Name	<u>Title</u>	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer		832-265-0581
Filip Krneta	Drilling Engineer Supervisor	713-350-4751	832-244-4980
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932

7-1/16" 15K, BX-156



		CONF	IDEN	ITIAL		
SURFACE TREATMENT	DO NOT SC			CAMERON	SURFACE	
	DRAWN BY:	DATE			SYSTEMS	
	A. SKLENKA	26 Apr 22	Ì	A Schlumberger Company	OTOTEMO	
MATERIAL & HEAT TREAT	CHECKED BY:	DATE		OXY		
	A. SKLENKA	26 Apr 22	۸٦	APT NST 10K 3 STAGE	WELLHEAD	
	APPROVED BY:	DATE				
	A. SKLENKA	26 Apr 22	S	「ANDARD / EMERGENC	Y SYSTEM	
ESTIMATED 7	968.4 LBS INITIAL USE B/M:		SHEET	1 0 000000 0	REV:	
WEIGHT:	3614.4 KG T# 7836394		1 or 1	LO-096232-6	2 0)1

PRD NM DIRECTIONAL PLANS (NAD 1983) Top Spot 12_13 Fed Com Top Spot 12_13 Federal Com 11H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

22 September, 2022

Planning Report

HOPSPP Database:

ENGINEERING DESIGNS Company:

PRD NM DIRECTIONAL PLANS (NAD 1983) Project:

Site: Top Spot 12_13 Fed Com Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1 Design: Permitting Plan Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 11H

RKB=25' @ 3594.00ft RKB=25' @ 3594.00ft

Grid

Minimum Curvature

Project PRD NM DIRECTIONAL PLANS (NAD 1983)

Map System: US State Plane 1983 North American Datum 1983 Geo Datum:

Map Zone: New Mexico Eastern Zone System Datum:

Mean Sea Level

Using geodetic scale factor

Site Top Spot 12_13 Fed Com

Site Position: Northing: 514,494.39 usft Latitude: 32.413000 From: Мар Easting: 725,461.56 usft Longitude: -103.736677 Slot Radius: **Position Uncertainty:** 49.91 ft 13.200 in **Grid Convergence:** 0.32

Well Top Spot 12_13 Federal Com 11H

Well Position +N/-S -9,800.72 ft Northing: 504.694.20 usft Latitude: 32.386046 +E/-W 1,029.10 ft Easting: 726,490.60 usft Longitude: -103.733520

Position Uncertainty 1.00 ft Wellhead Elevation: **Ground Level:** 3,569.00 ft

Wellbore Wellbore #1 Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (nT) HDGM FILE 11/6/2019 6.75 60.10 48,028.00000000

Design	Permitting Plan					
Audit Notes:						
Version:		Phase:	PROTOTYPE	Tie On Depth:	0.00	
Vertical Section:		Depth From (TVD)	+N/-S	+E/-W	Direction	
		(ft)	(ft)	(ft)	(°)	
		-1.50	0.00	0.00	350.62	

Plan Survey Tool Program Date 9/22/2022 **Depth From**

Depth To (ft)

0.00

(ft) Survey (Wellbore) Remarks **Tool Name**

19,721.74 Permitting Plan (Wellbore #1) B001Mb_MWD+HRGM OWSG MWD + HRGM

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,895.00	0.00	0.00	2,895.00	0.00	0.00	0.00	0.00	0.00	0.00	
4,695.35	18.00	238.31	4,665.87	-147.38	-238.70	1.00	1.00	0.00	238.31	
8,598.67	18.00	238.31	8,378.07	-781.19	-1,265.21	0.00	0.00	0.00	0.00	
9,050.22	45.00	319.70	8,773.10	-691.40	-1,436.82	10.00	5.98	18.03	99.57	
9,622.24	90.00	359.70	8,994.00	-210.53	-1,581.34	10.00	10.00	0.00	49.88	
19,721.74	90.00	359.70	8,994.00	9,888.83	-1,634.39	0.00	0.00	0.00	0.00 F	BHL (Top Spot

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 11H

RKB=25' @ 3594.00ft RKB=25' @ 3594.00ft

Grid

esign:	Permitting Pia								
lanned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
4 000 00	0.00	0.00	4 000 00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1.600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00		0.00	0.00	0.00
,						0.00			
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,895.00	0.00	0.00	2,895.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.05	238.31	2,900.00	0.00	0.00	0.00	1.00	1.00	0.00
3,000.00	1.05	238.31	2,999.99	-0.51	-0.82	-0.37	1.00	1.00	0.00
		238.31	,	-0.51 -1.93	-0.62 -3.12			1.00	
3,100.00	2.05		3,099.96			-1.39	1.00		0.00
3,200.00	3.05	238.31	3,199.86	-4.26	-6.91	-3.08	1.00	1.00	0.00
3,300.00	4.05	238.31	3,299.66	-7.52	-12.17	-5.43	1.00	1.00	0.00
3,400.00	5.05	238.31	3,399.35	-11.68	-18.92	-8.44	1.00	1.00	0.00
3,500.00	6.05	238.31	3,498.88	-16.77	-27.15	-12.11	1.00	1.00	0.00
3,600.00	7.05	238.31	3,598.22	-22.76	-36.86	-16.44	1.00	1.00	0.00
3,700.00	8.05	238.31	3,697.35	-29.66	-48.04	-21.43	1.00	1.00	0.00
3,800.00	9.05	238.31	3,796.24	-37.47	-60.69	-21.43 -27.07	1.00	1.00	0.00
3,900.00	10.05	238.31	3,894.85	-46.19	-74.81	-33.37	1.00	1.00	0.00
4,000.00	11.05	238.31	3,993.16	-55.81	-90.38	-40.32	1.00	1.00	0.00
4,100.00	12.05	238.31	4,091.14	-66.33	-107.42	-47.92	1.00	1.00	0.00
4,200.00	13.05	238.31	4,188.75	-77.74	-125.91	-56.17	1.00	1.00	0.00
4,300.00	14.05	238.31	4,285.96	-90.05	-145.84	-65.06	1.00	1.00	0.00
4,400.00	15.05	238.31	4,382.75	-103.25	-167.22	-74.60	1.00	1.00	0.00
4,500.00	16.05	238.31	4,479.09	-117.33	-190.03	-84.78	1.00	1.00	0.00
4,600.00	17.05	238.31	4,574.95	-132.30	-214.27	-95.59	1.00	1.00	0.00
4,695.35	18.00	238.31	4,665.87	-147.38	-238.70	-106.49	1.00	1.00	0.00
4,700.00	18.00	238.31	4,670.29	-148.14	-239.92	-107.03	0.00	0.00	0.00
4,800.00	18.00	238.31	4,765.40	-164.37	-266.22	-118.77	0.00	0.00	0.00
4,900.00	18.00	238.31	4,860.50	-180.61	-200.22	-130.50	0.00	0.00	0.00
5,000.00	18.00	238.31	4,955.60	-196.85	-318.82	-142.23	0.00	0.00	0.00
5,100.00		238.31	5,050.71	-190.00	-316.62 -345.12	-142.23 -153.96		0.00	
5,700.00	18.00 18.00	238.31	5,050.71 5,145.81	-213.09 -229.33	-345.12 -371.42	-153.96 -165.70	0.00 0.00	0.00	0.00 0.00
						- Inn /U	O OO	O OO	0.00

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1

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Local Co-ordinate Reference:

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North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 11H

RKB=25' @ 3594.00ft RKB=25' @ 3594.00ft

Grid

Design:	Permitting Pla	an							
Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,300.00	18.00	238.31	5,240.91	-245.56	-397.71	-177.43	0.00	0.00	0.00
5,400.00	18.00	238.31	5,336.02	-261.80	-424.01	-189.16	0.00	0.00	0.00
5,500.00 5,600.00	18.00 18.00	238.31 238.31	5,431.12 5,526.23	-278.04 -294.28	-450.31 -476.61	-200.89 -212.62	0.00 0.00	0.00 0.00	0.00 0.00
5,700.00	18.00	238.31	5,621.33	-310.51	-502.91	-224.36	0.00	0.00	0.00
5,800.00	18.00	238.31	5,716.43	-326.75	-529.21	-236.09	0.00	0.00	0.00
5,900.00	18.00	238.31	5,710.43	-342.99	-529.21 -555.50	-236.09 -247.82	0.00	0.00	0.00
6,000.00	18.00	238.31	5.906.64	-359.23	-581.80	-259.55	0.00	0.00	0.00
6,100.00	18.00	238.31	6,001.75	-375.46	-608.10	-271.29	0.00	0.00	0.00
6,200.00	18.00	238.31	6,096.85	-391.70	-634.40	-283.02	0.00	0.00	0.00
6,300.00	18.00	238.31	6,191.95	-407.94	-660.70	-294.75	0.00	0.00	0.00
6,400.00	18.00	238.31	6,287.06	-424.18	-687.00	-306.48	0.00	0.00	0.00
6,500.00	18.00	238.31	6,382.16	-440.41	-713.30	-318.21	0.00	0.00	0.00
6,600.00	18.00	238.31	6,477.26	-456.65	-739.59	-329.95	0.00	0.00	0.00
6,700.00	18.00	238.31	6,572.37	-472.89	-765.89	-341.68	0.00	0.00	0.00
6,800.00	18.00	238.31	6,667.47	-489.13	-792.19	-353.41	0.00	0.00	0.00
6,900.00	18.00	238.31	6,762.58	-505.37	-818.49	-365.14	0.00	0.00	0.00
7,000.00	18.00	238.31	6,857.68	-521.60	-844.79	-376.88	0.00	0.00	0.00
7,100.00	18.00	238.31	6,952.78	-537.84	-871.09	-388.61	0.00	0.00	0.00
7,200.00	18.00	238.31	7,047.89	-554.08	-897.38	-400.34	0.00	0.00	0.00
7,300.00	18.00	238.31	7,142.99	-570.32	-923.68	-412.07	0.00	0.00	0.00
7,400.00	18.00	238.31	7,238.09	-586.55	-949.98	-423.80	0.00	0.00	0.00
7,500.00	18.00	238.31	7,333.20	-602.79	-976.28	-435.54	0.00	0.00	0.00
7,600.00 7,700.00	18.00 18.00	238.31 238.31	7,428.30 7,523.41	-619.03 -635.27	-1,002.58 -1,028.88	-447.27 -459.00	0.00 0.00	0.00 0.00	0.00 0.00
7,800.00	18.00	238.31	7,618.51	-651.50	-1,055.18	-470.73	0.00	0.00	0.00
7,900.00 8,000.00	18.00 18.00	238.31 238.31	7,713.61 7,808.72	-667.74 -683.98	-1,081.47 -1,107.77	-482.47 -494.20	0.00 0.00	0.00 0.00	0.00 0.00
8,100.00	18.00	238.31	7,903.82	-700.22	-1,107.77	-494.20 -505.93	0.00	0.00	0.00
8,200.00	18.00	238.31	7,998.92	-716.45	-1,160.37	-517.66	0.00	0.00	0.00
8,300.00	18.00	238.31	8,094.03	-732.69	-1,186.67	-529.39	0.00	0.00	0.00
8,400.00	18.00	238.31	8,189.13	-748.93	-1,212.97	-541.13	0.00	0.00	0.00
8,500.00	18.00	238.31	8,284.24	-765.17	-1,239.26	-552.86	0.00	0.00	0.00
8,598.67	18.00	238.31	8,378.07	-781.19	-1,265.21	-564.44	0.00	0.00	0.00
8,600.00	17.98	238.73	8,379.34	-781.40	-1,265.56	-564.59	10.00	-1.63	31.94
8,700.00	19.05	270.42	8,474.40	-789.32	-1,295.15	-567.57	10.00	1.07	31.69
8,800.00	24.41	293.52	8,567.43	-780.93	-1,330.50	-553.53	10.00	5.36	23.10
8,900.00	31.97	307.52	8,655.60	-756.50	-1,370.55	-522.90	10.00	7.56	14.00
9,000.00 9,050.22	40.51 45.00	316.37 319.70	8,736.23 8,773.10	-716.76 -691.40	-1,414.07 -1,436.82	-476.60 -447.86	10.00 10.00	8.54 8.93	8.85 6.63
9,100.00	48.33	324.80	8,807.27	-662.76	-1,458.94	-416.01	10.00	6.68	10.24
9,200.00 9,300.00	55.58 63.35	333.56 340.88	8,868.94 8,919.76	-595.14 -515.79	-1,498.93 -1,532.02	-342.77 -259.08	10.00 10.00	7.25 7.77	8.77 7.32
9,300.00	71.45	340.00 347.24	8,958.20	-315.79 -427.11	-1,552.02 -1,557.19	-259.06 -167.49	10.00	8.10	6.36
9,500.00	79.74	353.02	8,983.07	-331.80	-1,573.68	-70.77	10.00	8.29	5.78
9,600.00	88.13	358.50	8,993.64	-232.76	-1,580.99	28.14	10.00	8.39	5.48
9,622.24	90.00	359.70	8,994.00	-210.53	-1,581.34	50.13	10.00	8.41	5.41
9,700.00	90.00	359.70	8,994.00	-132.77	-1,581.75	126.92	0.00	0.00	0.00
9,800.00	90.00	359.70	8,994.00	-32.77	-1,582.27	225.67	0.00	0.00	0.00
9,900.00	90.00	359.70	8,994.00	67.23	-1,582.80	324.41	0.00	0.00	0.00
10,000.00	90.00	359.70	8,994.00	167.23	-1,583.32	423.16	0.00	0.00	0.00
10,100.00	90.00	359.70	8,994.00	267.23	-1,583.85	521.91	0.00	0.00	0.00
10,200.00	90.00	359.70	8,994.00	367.23	-1,584.37	620.65	0.00	0.00	0.00
10,300.00	90.00	359.70	8,994.00	467.23	-1,584.90	719.40	0.00	0.00	0.00
10,400.00	90.00	359.70	8,994.00	567.22	-1,585.42	818.14	0.00	0.00	0.00

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 11H

RKB=25' @ 3594.00ft RKB=25' @ 3594.00ft

Grid

Design:	Permitting Pla	an							
Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,500.00 10,600.00 10,700.00 10,800.00	90.00 90.00 90.00 90.00 90.00	359.70 359.70 359.70 359.70 359.70	8,994.00 8,994.00 8,994.00 8,994.00 8,994.00	667.22 767.22 867.22 967.22 1,067.22	-1,585.95 -1,586.47 -1,587.00 -1,587.52 -1,588.05	916.89 1,015.64 1,114.38 1,213.13	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
10,900.00 11,000.00 11,100.00 11,200.00 11,300.00 11,400.00	90.00 90.00 90.00 90.00 90.00	359.70 359.70 359.70 359.70 359.70	8,994.00 8,994.00 8,994.00 8,994.00 8,994.00	1,067.22 1,167.22 1,267.21 1,367.21 1,467.21 1,567.21	-1,588.57 -1,589.10 -1,589.63 -1,590.15 -1,590.68	1,311.87 1,410.62 1,509.37 1,608.11 1,706.86 1,805.60	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
11,500.00	90.00	359.70	8,994.00	1,667.21	-1,591.20	1,904.35	0.00	0.00	0.00
11,600.00	90.00	359.70	8,994.00	1,767.21	-1,591.73	2,003.10	0.00	0.00	0.00
11,700.00	90.00	359.70	8,994.00	1,867.21	-1,592.25	2,101.84	0.00	0.00	0.00
11,800.00	90.00	359.70	8,994.00	1,967.20	-1,592.78	2,200.59	0.00	0.00	0.00
11,900.00	90.00	359.70	8,994.00	2,067.20	-1,593.30	2,299.33	0.00	0.00	0.00
12,000.00	90.00	359.70	8,994.00	2,167.20	-1,593.83	2,398.08	0.00	0.00	0.00
12,100.00	90.00	359.70	8,994.00	2,267.20	-1,594.35	2,496.83	0.00	0.00	0.00
12,200.00	90.00	359.70	8,994.00	2,367.20	-1,594.88	2,595.57	0.00	0.00	0.00
12,300.00	90.00	359.70	8,994.00	2,467.20	-1,595.40	2,694.32	0.00	0.00	0.00
12,400.00	90.00	359.70	8,994.00	2,567.20	-1,595.93	2,793.06	0.00	0.00	0.00
12,500.00	90.00	359.70	8,994.00	2,667.20	-1,596.45	2,891.81	0.00	0.00	0.00
12,600.00	90.00	359.70	8,994.00	2,767.19	-1,596.98	2,990.56	0.00	0.00	0.00
12,700.00	90.00	359.70	8,994.00	2,867.19	-1,597.50	3,089.30	0.00	0.00	0.00
12,800.00	90.00	359.70	8,994.00	2,967.19	-1,598.03	3,188.05	0.00	0.00	0.00
12,900.00	90.00	359.70	8,994.00	3,067.19	-1,598.55	3,286.79	0.00	0.00	0.00
13,000.00	90.00	359.70	8,994.00	3,167.19	-1,599.08	3,385.54	0.00	0.00	0.00
13,100.00	90.00	359.70	8,994.00	3,267.19	-1,599.61	3,484.29	0.00	0.00	0.00
13,200.00	90.00	359.70	8,994.00	3,367.19	-1,600.13	3,583.03	0.00	0.00	0.00
13,300.00	90.00	359.70	8,994.00	3,467.18	-1,600.66	3,681.78	0.00	0.00	0.00
13,400.00	90.00	359.70	8,994.00	3,567.18	-1,601.18	3,780.52	0.00	0.00	0.00
13,500.00	90.00	359.70	8,994.00	3,667.18	-1,601.71	3,879.27	0.00	0.00	0.00
13,600.00	90.00	359.70	8,994.00	3,767.18	-1,602.23	3,978.02	0.00	0.00	0.00
13,700.00	90.00	359.70	8,994.00	3,867.18	-1,602.76	4,076.76	0.00	0.00	0.00
13,800.00	90.00	359.70	8,994.00	3,967.18	-1,603.28	4,175.51	0.00	0.00	0.00
13,900.00	90.00	359.70	8,994.00	4,067.18	-1,603.81	4,274.25	0.00	0.00	0.00
14,000.00	90.00	359.70	8,994.00	4,167.17	-1,604.33	4,373.00	0.00	0.00	0.00
14,100.00	90.00	359.70	8,994.00	4,267.17	-1,604.86	4,471.75	0.00	0.00	0.00
14,200.00	90.00	359.70	8,994.00	4,367.17	-1,605.38	4,570.49	0.00	0.00	0.00
14,300.00	90.00	359.70	8,994.00	4,467.17	-1,605.91	4,669.24	0.00	0.00	0.00
14,400.00	90.00	359.70	8,994.00	4,567.17	-1,606.43	4,767.98	0.00	0.00	0.00
14,500.00	90.00	359.70	8,994.00	4,667.17	-1,606.96	4,866.73	0.00	0.00	0.00
14,600.00	90.00	359.70	8,994.00	4,767.17	-1,607.48	4,965.48	0.00	0.00	0.00
14,700.00	90.00	359.70	8,994.00	4,867.16	-1,608.01	5,064.22	0.00	0.00	0.00
14,800.00	90.00	359.70	8,994.00	4,967.16	-1,608.54	5,162.97	0.00	0.00	0.00
14,900.00	90.00	359.70	8,994.00	5,067.16	-1,609.06	5,261.71	0.00	0.00	0.00
15,000.00	90.00	359.70	8,994.00	5,167.16	-1,609.59	5,360.46	0.00	0.00	0.00
15,100.00	90.00	359.70	8,994.00	5,267.16	-1,610.11	5,459.21	0.00	0.00	0.00
15,200.00	90.00	359.70	8,994.00	5,367.16	-1,610.64	5,557.95	0.00	0.00	0.00
15,300.00	90.00	359.70	8,994.00	5,467.16	-1,611.16	5,656.70	0.00	0.00	0.00
15,400.00	90.00	359.70	8,994.00	5,567.16	-1,611.69	5,755.44	0.00	0.00	0.00
15,500.00	90.00	359.70	8,994.00	5,667.15	-1,612.21	5,854.19	0.00	0.00	0.00
15,600.00	90.00	359.70	8,994.00	5,767.15	-1,612.74	5,952.94	0.00	0.00	0.00
15,700.00	90.00	359.70	8,994.00	5,867.15	-1,613.26	6,051.68	0.00	0.00	0.00
15,800.00	90.00	359.70	8,994.00	5,967.15	-1,613.79	6,150.43	0.00	0.00	0.00
15,900.00	90.00	359.70	8,994.00	6,067.15	-1,614.31	6,249.17	0.00	0.00	0.00

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 11H

RKB=25' @ 3594.00ft RKB=25' @ 3594.00ft

Grid

Minimum Curvature

ned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
16,000.00	90.00	359.70	8,994.00	6,167.15	-1,614.84	6,347.92	0.00	0.00	0.00
16,100.00	90.00	359.70	8,994.00	6,267.15	-1,615.36	6,446.67	0.00	0.00	0.00
16,200.00	90.00	359.70	8,994.00	6,367.14	-1,615.89	6,545.41	0.00	0.00	0.00
16,300.00	90.00	359.70	8,994.00	6,467.14	-1,616.41	6,644.16	0.00	0.00	0.00
16,400.00	90.00	359.70	8,994.00	6,567.14	-1,616.94	6,742.90	0.00	0.00	0.00
16,500.00	90.00	359.70	8.994.00	6.667.14	-1,617.46	6.841.65	0.00	0.00	0.00
16,600.00	90.00	359.70	8,994.00	6,767.14	-1,617.99	6,940.40	0.00	0.00	0.00
16,700.00	90.00	359.70	8,994.00	6.867.14	-1,618.52	7,039.14	0.00	0.00	0.00
16,800.00	90.00	359.70	8,994.00	6,967.14	-1,619.04	7,137.89	0.00	0.00	0.00
16,900.00	90.00	359.70	8,994.00	7,067.13	-1,619.57	7,236.63	0.00	0.00	0.00
17.000.00	90.00	359.70	8.994.00	7.167.13	-1,620.09	7,335.38	0.00	0.00	0.00
17,100.00	90.00	359.70	8,994.00	7,267.13	-1,620.62	7,434.13	0.00	0.00	0.00
17,200.00	90.00	359.70	8,994.00	7,367.13	-1,621.14	7,532.87	0.00	0.00	0.00
17,300.00	90.00	359.70	8,994.00	7,467.13	-1,621.67	7,631.62	0.00	0.00	0.00
17,400.00	90.00	359.70	8,994.00	7,567.13	-1,622.19	7,730.36	0.00	0.00	0.00
17.500.00	90.00	359.70	8.994.00	7.667.13	-1.622.72	7.829.11	0.00	0.00	0.00
17,600.00	90.00	359.70	8,994.00	7,767.12	-1,623.24	7,927.86	0.00	0.00	0.00
17,700.00	90.00	359.70	8,994.00	7.867.12	-1,623.77	8,026.60	0.00	0.00	0.00
17,800.00	90.00	359.70	8,994.00	7,967.12	-1,624.29	8,125.35	0.00	0.00	0.00
17,900.00	90.00	359.70	8,994.00	8,067.12	-1,624.82	8,224.09	0.00	0.00	0.00
18,000.00	90.00	359.70	8,994.00	8,167.12	-1,625.34	8,322.84	0.00	0.00	0.00
18,100.00	90.00	359.70	8,994.00	8,267.12	-1,625.87	8,421.59	0.00	0.00	0.00
18,200.00	90.00	359.70	8,994.00	8,367.12	-1,626.39	8,520.33	0.00	0.00	0.00
18,300.00	90.00	359.70	8,994.00	8,467.12	-1,626.92	8,619.08	0.00	0.00	0.00
18,400.00	90.00	359.70	8,994.00	8,567.11	-1,627.44	8,717.82	0.00	0.00	0.00
18,500.00	90.00	359.70	8,994.00	8,667.11	-1,627.97	8,816.57	0.00	0.00	0.00
18,600.00	90.00	359.70	8,994.00	8,767.11	-1,628.50	8,915.32	0.00	0.00	0.00
18,700.00	90.00	359.70	8,994.00	8,867.11	-1,629.02	9,014.06	0.00	0.00	0.00
18,800.00	90.00	359.70	8,994.00	8,967.11	-1,629.55	9,112.81	0.00	0.00	0.00
18,900.00	90.00	359.70	8,994.00	9,067.11	-1,630.07	9,211.55	0.00	0.00	0.00
19,000.00	90.00	359.70	8,994.00	9,167.11	-1,630.60	9,310.30	0.00	0.00	0.00
19,100.00	90.00	359.70	8,994.00	9,267.10	-1,631.12	9,409.04	0.00	0.00	0.00
19,200.00	90.00	359.70	8,994.00	9,367.10	-1,631.65	9,507.79	0.00	0.00	0.00
19,300.00	90.00	359.70	8,994.00	9,467.10	-1,632.17	9,606.54	0.00	0.00	0.00
19,400.00	90.00	359.70	8,994.00	9,567.10	-1,632.70	9,705.28	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (Top Spot - plan hits target cen - Point	0.00 ter	0.00	8,994.00	9,888.83	-1,634.39	514,582.50	724,856.30	32.413251	-103.738636
FTP (Top Spot 12_13 - plan misses target - Point	0.00 center by 12	0.00 22.80ft at 93	- , -	-563.23 (8924.17 TVE	-1,579.48 D, -507.33 N,	504,131.00 -1534.89 E)	724,911.20	32.384522	-103.738647

-1,633.22

-1,633.75

-1,634.27

-1,634.39

9,804.03

9,902.77

10,001.52

10,022.98

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

9,667.10

9,767.10

9,867.10

9,888.83

19,500.00

19,600.00

19,700.00

19,721.74

90.00

90.00

90.00

90.00

359.70

359.70

359.70

359.70

8,994.00

8,994.00

8,994.00

8,994.00

Planning Report

Database: HOPSPP

Company: ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 11H

RKB=25' @ 3594.00ft RKB=25' @ 3594.00ft

Grid

rmations							
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
	832.00	832.00	RUSTLER				
	1,141.00	1,141.00	SALADO				
	2,896.00	2,896.00	CASTILE				
	4,482.22	4,462.00	DELAWARE				
	4,545.74	4,523.00	BELL CANYON				
	5,545.09	5,474.00	CHERRY CANYON				
	6,718.54	6,590.00	BRUSHY CANYON				
	8,552.33	8,334.00	BONE SPRING				

Plan Annotations				
Measured	Vertical	Local Coor	dinates	
Depth (ft)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment
2,895.00	2,895.00	0.00	0.00	Build 1°/100'
4,695.35	4,665.87	-147.38	-238.70	Hold 18° Tangent
8,598.67	8,378.07	-781.19	-1,265.21	KOP, Build & Turn 10°/100'
9,050.22	8,773.10	-691.40	-1,436.82	Continue 10°/100'
9,622.24	8,994.00	-210.53	-1,581.34	Landing Point
19,721.74	8,994.00	9,888.83	-1,634.39	TD at 19721.74' MD

keleased to Imaging: 12/12/2022 8:04:18 AM

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

OXY

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com

Well: Top Spot 12_13 Federal Com 11H

Wellbore: Wellbore #1
Design: Permitting Plan

Geodetic System: US State Plane 1983

Datum: North American Datum 1983

Ellipsoid: GRS 1980

Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

WELL DETAILS: Top Spot 12_13 Federal Com 11H	PBHL TD 4 40704 74 MD	
3569.00 +N/-S +E/-W Northing Easting Latittude Longitude 0.00 0.00 504694.20 726490.60 32.386046 -103.733520	10000 TD at 19721.74' MD	
SECTION DETAILS MD Inc Azi TVD +N/-S +E/-W DIeg TFace VSect Annotation		
0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	9000	
9050.22 45.00 319.70 8773.10 -691.40 -1436.82 10.00 99.57 -447.86 Continue 10°/100 9622.24 90.00 359.70 8994.00 -210.53 -1581.34 10.00 49.88 50.13 Landing Point 19721.74 90.00 359.70 8994.00 9888.83 -1634.39 0.00 0.00 10022.98 TD at 19721.74 MD	8000	
T G M Azimuths to Grid North: -0.326	32° 7000— 5	
Magnetic Field Strength: 48028.0nT	eld anT & 6000	
Dip Angle: 60.10° Date: 11/6/2019 Model: HDGM_FILE	119 00 1 ILE 00 5000	
	South(-)/North(+)	
1000	N(-) 4000	
2000 — Build 1°/100'	⊗ 3000 -	
3000	2000	
	1000	
Hold 18° Tangent	Landing Point	
(Li) 4000 Hold 18° Tangent	0 Build 1º/10	00'
© 6000 KOP, Build & Turn 10°/100'	-1000 FTP Continue 10°/100' Hold 18° Tangent	
6000 KOP, Build & Turn 10°/100'	-2000 -2000 -1000 0 1000	200
Continue 10°/100'	West(-)/East(+) (2000 ft/in)	
Landing Point	TD at 19721.74' MD PBHL	
9000		
10000 — FTP		
11000		
-2000 -1000 0 1000 2000 3000 4000 5000 Vertical Section at 350	6000 7000 8000 9000 10000 11000 12000 50.62° (2000 ft/in)	

TenarisHydril

7.625" 29.70 lb/ft L80-IC TenarisHydril Wedge 425™

Special Data Sheet

TH DS-21.3633.00 18 October 2021

Nominal OD	7.625 in.	Wall Thickness	0.375 in.	Grade	L80-IC
Min Wall Thickness	90%	Туре	CASING	Connection OD Option	REGULAR
Pipe Body Data					
Geometry				Performance	
Nominal OD	7.625 in.	Nominal ID	6.875 in.	Body Yield Strength	683 x 1000 lbs
Nominal Weight	29.70 lbs/ft	Wall Thickness	0.375 in.	Internal Yield¹	6890 psi
Standard Drift Diameter	6.750 in.	Plain End Weight	29.06 lbs/ft	SMYS	80000 psi
Special Drift Diameter	NA	OD Tolerance	API	Collapse Pressure	5900 psi
Connection Data					
Geometry		Performance		Make-up Torques	
Connection OD	7.888 in.	Tension Efficiency	90%	Minimum	22500 ft-lbs
Connection ID	6.831 in.	Joint Yield Strength	615 x 1000 lbs	Optimum	25000 ft-lbs
Make-up Loss	5.646 in.	Internal Yield¹	7080 psi	Maximum	27500 ft-lbs
Threads per in.	3.51	Compression Efficiency	90%	Operational Limit Torques	
Connection OD Option	REGULAR	Compression Strength	615 x 1000 lbs	Operating Torque	49000 ft-lbs
Critical Section Area	7.994 sq in.	Bending	43 °/100 ft	Yield Torque	61000 ft-lbs
		Collapse	5900 psi		

Notes

- 1. Internal Yield Rating is based on 90% RBW
- 2. Important Note: In October 2019, TenarisHydril Wedge 625® RF™ was renamed TenarisHydril Wedge 425™. Product dimensions and properties remain identical and both connections are fully interchangeable.

^{*}If you need to use torque values that are higher than the maximum indicated, please contact a local Tenaris technical sales representative

TenarisHydril

5.500" 20.00 lb/ft P110-CY TenarisHydril Wedge 461™ Matched Strength



Special Data Sheet TH DS-20.0359 12 August 2020 Rev 00

Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min Wall Thickness	87.5%	Туре	CASING	Connection OD Option	MATCHED STRENGTH
Pipe Body Data					
Geometry				Performance	
Nominal OD	5.500 in.	Nominal ID	4.778 in.	Body Yield Strength	641 x 1000 lbs
Nominal Weight	20.00 lbs/ft	Wall Thickness	0.361 in.	Internal Yield	12640 psi
Standard Drift Diameter	4.653 in.	Plain End Weight	19.83 lbs/ft	SMYS	110000 psi
Special Drift Diameter	N/A	OD Tolerance	API	Collapse Pressure	11110 psi
Connection Data					
Geometry		Performance		Make-up Torques	
Matched Strength OD	6.050 in.	Tension Efficiency	100%	Minimum	17000 ft-lbs
Make-up Loss	3.775 in.	Joint Yield Strength	641 x 1000 lbs	Optimum	18000 ft-lbs
Threads per in.	3.40	Internal Yield	12640 psi	Maximum	21600 ft-lbs
Connection OD Option	MATCHED STRENGTH	Compression Efficiency	100%	Operational Limit Torque	s
Coupling Length	7.714 in.	Compression Strength	641 x 1000 lbs	Operating Torque	32000 ft-lbs
		Bending	92 °/100 ft	Yield Torque	38000 ft-lbs
		Collapse	11110 psi	Buck-On Torques	
				Minimum	21600 ft-lbs
				Maximum	23100 ft-lbs

Notes

^{*}If you need to use torque values that are higher than the maximum indicated, please contact a local Tenaris technical sales representative

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

ALL PREVIOUS COAs STILL APPLY

TOP SPOT 12 13 FED COM	1H	11H	21H
USWN	3001548594	3001548595	3001547771
LEASE NUMBER	NMNM29233	NMNM29233	NMNM29233

COA

H2S	O Yes	No	
Potash	O None	Secretary	● R-111-P
Cave/Karst Potential	• Low	Medium	O High
Cave/Karst Potential	Critical		
Variance	O None	Flex Hose	Other
Wellhead	Conventional	• Multibowl	O Both
Other	☐4 String Area	☐ Capitan Reef	□WIPP
Other	☐ Fluid Filled		☐ Pilot Hole
Special Requirements	☐ Water Disposal	▼ COM	□ Unit

A. CASING

Alternate Casing Design:

- 1. The **13-3/8** inch surface casing shall be set at approximately **893** 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 **24 hours in the Potash Area** 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 9-5/8 inch intermediate casing shall be set at approximately 4,557 feet. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
 - Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- ❖ In <u>R111 Potash Areas</u> if cement does not circulate to surface on the first two salt protection casing strings, the cement on the 3rd casing string must come to surface.
- 3. The 7-5/8 inch intermediate casing shall be set at approximately 9,882 feet. KEEP CASING FULL DURING RUN FOR COLLAPSE SF REQUIREMENT. BRADENHEAD VULUME MIGHT NEED TO BE ADJUSTED TO ACCOMPLISH CEMENT TO SURFACE. The minimum required fill of cement behind the 7-5/8 inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- c. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- d. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
 - Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- ❖ In <u>R111 Potash Areas</u> if cement does not circulate to surface on the first two salt protection casing strings, the cement on the 3rd casing string must come to surface.

Operator has proposed to pump down 7-5/8" X 9-5/8" annulus. Operator must top out cement after the bradenhead squeeze and verify cement to surface. Operator can also check TOC with Echo-meter. CBL must be run from TD of the 7-5/8" casing to surface if confidence is lacking on the quality of the bradenhead squeeze cement job. Submit results to BLM.

4. The **5-1/2** inch production casing shall be set at approximately **21,233** feet. The minimum required fill of cement behind the **5-1/2** inch production casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:

• Cement to surface. If cement does not circulate, contact the appropriate BLM office.

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)
 689-5981
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

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

A. CASING

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

KPI - 11/22/2022

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

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

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

CONDITIONS

Action 164849

CONDITIONS

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	164849
F	Action Type:
	[C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Adhere to previous NMOCD Conditions of Approval	12/12/2022