Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. NMLC0064488E BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. **✓** DRILL REENTER 1a. Type of work: 1b. Type of Well: ✓ Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing ✓ Single Zone Multiple Zone PATRICK 10 FEDERAL COM 51H 2. Name of Operator 9. API Well No. SPUR ENERGY PARTNERS LLC 30-015-53465 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 9655 KATY FREEWAY, SUITE 500, Houston, TX 77024 (832) 930-8548 N. SEVEN RIVERS; GLORIETA -YESO 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area SEC 11/T19S/R25E/NMP At surface NWNW / 681 FNL / 1174 FWL / LAT 32.6808604 / LONG -104.4601822 At proposed prod. zone NWNW / 605 FNL / 50 FWL / LAT 32.6814119 / LONG -104.4813849 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13 State **EDDY** NM 11 miles 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well 681 feet location to nearest property or lease line, ft. 320.0 (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, 20 feet 3000 feet / 8976 feet FED: NMB001783 applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 3445 feet 09/01/2022 30 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above) 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the SUPO must be filed with the appropriate Forest Service Office). 25. Signature Name (Printed/Typed) Date BRIAN WOOD / Ph: (832) 930-8548 (Electronic Submission) 06/06/2022 Title President Approved by (Signature) Name (Printed/Typed) Date (Electronic Submission) CODY LAYTON / Ph: (575) 234-5959 02/22/2023 Title Office Assistant Field Manager Lands & Minerals Carlsbad Field Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction



(Continued on page 2)

*(Instructions on page 2)

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

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

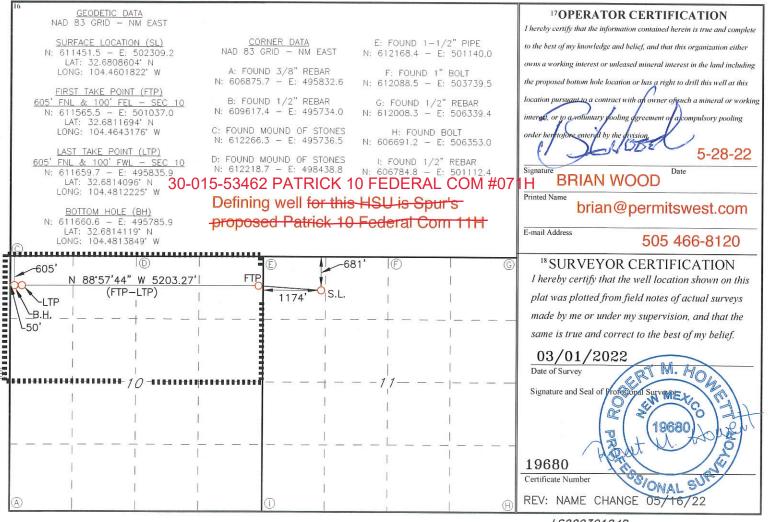
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

			W PPP P	OCHIN	JIV AND AC	KEAGE DEDIC	ATIONILA	. 1	
30-015- 53465			- [² Pool Code 97565 N. SEVEN RIVERS; GL					
⁴ Property Code 333341				PAT	ATRICK 10 FEDERAL COM				6 Well Number ${f 51H}$
⁷ OGRID 3289 4			*Operator Name SPUR ENERGY PARTNERS LLC.					⁹ Elevation 3445'	
					10 Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	e County
D	11	19S	25E	5E 681 NORTH 1174 WH		WEST	EDDY		
			11]	Bottom I	Hole Location	n If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	e County
D	10	19S	25E		605	NORTH	50	WEST	EDDY
Dedicated Acre	s 13 Joint	or Infill 14	Consolidation C	Code 15	Order No.		·		
		1							

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.



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Date: 04 / 21 / 2022

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

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description <u>Effective May 25, 2021</u>

I. Operator: SPUR ENERGY PARTNERS LLC OGRID:

328947

II. Type: ▼ Original	☐ Amendment	due to ☐ 19.15.27.9	9.D(6)(a) NMAC	□ 19.15.27.9.D((6)(b) NMAC 🗆 (Other.
If Other, please descri	be:					
III. Well(s): Provide be recompleted from a	_				wells proposed to	be drilled or proposed to
Well Name	API	ULSTR	Footages	Anticipated	Anticipated	Anticipated
				Oil BBL/D	Gas MCF/D	Produced Water BBL/D
PATRICK 10 FEDERAL 11H	30-015-	D-11-19S-25E	653' FNL 1203' FWL	457 BBL/D	475 MCF/D	1143 BBL/D
PATRICK 10 FEDERAL 30H	30-015-	D-11-19S-25E	695' FNL 1159' FWL	366 BBL/D	380 MCF/D	1143 BBL/D
PATRICK 10 FEDERAL 51H	30-015-	D-11-19S-25E	681' FNL 1174' FWL	315 BBL/D	472 MCF/D	1889 BBL/D
PATRICK 10 FEDERAL 71H	30-015-	D-11-19S-25E	667' FNL 1188' FWL	272 BBL/D	408 MCF/D	2450 BBL/D

IV. Central Delivery Point Name: PATRICK 10 FEDERAL TANK BATTERY [See 19.15.27.9(D)(1) NMAC]

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

Well Name API		Spud Date	TD Reached	Completion	Initial Flow	First Production
			Date	Commencement Date	Back Date	Date
PATRICK 10 FEDERAL 11H	30-015-	07/14/2023	07/21/2023	08/14/2023	09/03/2023	09/03/2023
PATRICK 10 FEDERAL 30H	30-015-	07/22/2023	07/28/2023	08/14/2023	09/03/2023	09/03/2023
PATRICK 10 FEDERAL 51H	30-015-	07/29/2023	08/05/2023	08/14/2023	09/03/2023	09/03/2023
PATRICK 10 FEDERAL 71H	30-015-	08/06/2023	08/14/2023	08/14/2023	09/03/2023	09/03/2023

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

VIII. Best Management Practices:

Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

XII. Line Capacity. The natural	gas gathering system □	☐ will ☐ will not h	nave 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 \square does \square 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 w	ell(s).

	olan to manage proc	luction in response to t	the increased line p	oressure
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XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information pr	ovided 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 in	formation
for which confidentiality is asserted and the basis for such assertion.	

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 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 ☐ 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; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and (h) 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: Sarah Chapman
Printed Name: SARAH CHAPMAN
Title: REGULATORY DIRECTOR
E-mail Address: SCHAPMAN@SPURENERGY.COM
Date: APRIL 21, 2022
Phone:
832-930-8613
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Well Name: PATRICK 10 FEDERAL COM



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

Drilling Plan Data Report

02/23/2023

APD ID: 10400085849

Submission Date: 06/06/2022

Highlighted data reflects the most recent changes

Operator Name: SPUR ENERGY PARTNERS LLC

Well Number: 51H

Well Type: OIL WELL

Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
8698609	QUATERNARY	3445	0	0	OTHER : Caliche	USEABLE WATER	N
8698604	GRAYBURG	2985	460	460	DOLOMITE	NATURAL GAS, OIL	N
8698605	SAN ANDRES	2636	809	812	DOLOMITE	NATURAL GAS, OIL	N
8698606	SAN ANDRES	2334	1111	1119	DOLOMITE, OTHER : Middle	NATURAL GAS, OIL	N
8698607	GLORIETA	1142	2303	2342	DOLOMITE	NATURAL GAS, OIL	N
8698608	YESO	922	2523	2560	DOLOMITE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 5000

Equipment: A conventional well head will be used. A 5000-psi 5000 rated BOP stack consisting of annular preventer and blind and pipe rams will be used before drilling the surface hole and continuously to TD.

Requesting Variance? YES

Variance request: Spur requests a variance to use a flex line from the BOP to the choke manifold. A typical flex line certificate is attached. Certificate for actual flex line in use will be on site. Flex line will have no external damage. Flex line will be installed as straight as possible to avoid bends. Spur requests a variance to adjust the BOP break requirements as agreed in a phone call between Spur and BLM on September 7, 2020. A Sundry Notice will be filed before spud that reflects the padbased break test plan. BOP break test will be conducted after a full BOP test is conducted and when skidding to drill the production section. If the kill line is broken prior to the skid, then 4 tests will be performed. - The void between the wellhead and the spool (this consists of 2 tests) - The spool between the kill lines and choke manifold (also 2 tests) If the kill line is not broken before the skid, then 2 tests will be performed. - The void between the well head and the pipe rams.

Testing Procedure: BOP/BOPE will be tested by an independent service company. Annular will be tested to 70% of its working pressure. Rams will be tested to 250 psi low and 3000 psi high. The system may be upgraded to a higher pressure, but still tested to the above listed working pressure. If the system is upgraded, then all the installed components will be functional and tested. Pipe rams will be operationally checked each 24-jour 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 BOP accessories will include a Kelly cock and floor safety valve (inside BOP), choke lines, and choke manifold. 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.

Well Name: PATRICK 10 FEDERAL COM Well Number: 51H

Choke Diagram Attachment:

BOP_Choke_20220604095633.pdf

BOP Diagram Attachment:

BOP_Choke_20220604095640.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	12.2 5	9.625	NEW	API	N	0	1250	0	1239	0	-1239	1250	J-55	36	BUTT	1.12 5	1.2	DRY	1.4	DRY	1.4
2	PRODUCTI ON	8.75	7.0	NEW	NON API	N	0	3450	0	3121	0	-3121	3450	L-80	-		1.12 5	1.2	DRY	1.4	DRY	1.4
3	PRODUCTI ON	8.75	5.5	NEW	NON API	N	3450	8976	3121	3000	-3121	-3000	5526	L-80	_	_	1.12 5	1.2	DRY	1.4	DRY	1.4

Casing Attachments

Casing ID: 1 Strin	g SURFACE
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Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20220604095713.pdf

Well Name: PATRICK 10 FEDERAL COM Well Number: 51H

Casing Attachments

Casing ID: 2

String

PRODUCTION

Inspection Document:

Spec Document:

7.0in_Casing_Spec_20220604095742.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20220604095752.pdf

Casing ID: 3

String

PRODUCTION

Inspection Document:

Spec Document:

5.5in_Casing_Spec_20220604095829.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Assumptions_20220604095837.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1250	259	2.4	12	621	100	Plus	6% bentonite + 0.5% thixotropic agent + ¼ #/sk cello flake
SURFACE	Tail		0	1250	111	1.87	13.2	207	100	Class C Premium Plus	1/4 #/sk cello flake
PRODUCTION	Lead		0	8976	236	2.42	11.4	571	25	Class C Premium Plus	5% salt + 6% bentonite + 0.1% retarder + ¼ #/sk cello flake
PRODUCTION	Tail		0	8976	1243	1.56	13.2	1939	25	Class C Premium Plus	0.3% fluid loss + 0.1% dispersant + 0.1% free water

Well Name: PATRICK 10 FEDERAL COM Well Number: 51H

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
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control + 0.4% defoamer + 0.1% retarder + ¼ #/sk cello flake

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: Same type mud will be used for both casing strings. Necessary mud products (e. g., barite, bentonite, gypsum, lime, soda ash, caustic soda, nut plug, cedar bark fiber, cotton seed hulls, drilling paper, saltwater clay, CaCl2) will be on site to handle any abnormal hole condition that may be encountered while drilling. High viscosity sweeps will be pumped as needed to clean the hole.

Describe the mud monitoring system utilized: Mud system will be monitored visually and electronically with a Pason PVT system or its equivalent.

Circulating Medium Table

Water	O Top Depth	Bottom Depth	other:		Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
	1250	8976		8.6	8.9							

Well Name: PATRICK 10 FEDERAL COM Well Number: 51H

Section 6 - Test, Logging, Coring

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

A mud logger will be used from surface casing point to TD. A gamma ray log will be run from TD to the surface casing point. No other logs are planned at this time.

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

MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

No core or drill stem test is planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 1470 Anticipated Surface Pressure: 771

Anticipated Bottom Hole Temperature(F): 106

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

Patrick_51H_H2S_Plan_20220604100203.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Other proposed operations facets description:

Other proposed operations facets attachment:

Patrick_51H_Drill_Plan_20220604100228.pdf

CoFlex_Certs_20220604100241.pdf

Patrick_51H_Anti_Collision_Report_20220604100249.pdf

Other Variance attachment:

Spudder_Rig_Variance_20220604100306.pdf



Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME) PATRICK 10 FEDERAL 51H

Wellbore #1

Plan: PLAN #1

Standard Planning Report

04 April, 2022





Design:

Planning Report



WBDS SQL 2 Database:

Company: Spur Energy Partners, LLC Project: Eddy County, NM (NAD 83 - NME) PATRICK 10 FEDERAL

Site: Well: 51H Wellbore: Wellbore #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 51H

RKB = 20' @ 3465.00usft (AKITA 57) RKB = 20' @ 3465.00usft (AKITA 57)

Minimum Curvature

PLAN #1 **Project** Eddy County, NM (NAD 83 - NME)

Map System: US State Plane 1983 North American Datum 1983 Geo Datum: Map Zone: New Mexico Eastern Zone

System Datum:

Mean Sea Level

Site PATRICK 10 FEDERAL

610,338.90 usft Site Position: Northing: Latitude: 32.6778015 502,095.70 usft -104.4608717 From: Мар Easting: Longitude: -0.069° **Position Uncertainty:** 0.00 usft Slot Radius: 13.200 in **Grid Convergence:**

Well 51H

Well Position +N/-S 1.112.60 usft 611.451.50 usft Latitude: 32.6808604 Northing: -104.4601822 213.50 usft 502,309.20 usft +E/-W Easting: Longitude: **Position Uncertainty** 0.00 usft Wellhead Elevation: **Ground Level:** 3,445.00 usft

Wellbore #1 Wellbore

Model Name Sample Date Declination **Dip Angle** Field Strength Magnetics (°) (°) (nT) 60.156 47.587.03517568 IGRF2020 04/04/22 6.898

PLAN #1 Design

Audit Notes:

Version: Phase: **PLAN** Tie On Depth: 0.00

Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.00 0.00 0.00 271.04

Date 04/04/22 **Plan Survey Tool Program**

Depth From Depth To

(usft)

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

0.00 PLAN #1 (Wellbore #1) MWD+IFR1+SAG+FDIR 1 8,975.90

OWSG MWD + IFR1 + Sag

Plan Section	s									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	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	0.000	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.000	
845.23	10.90	283.40	841.95	11.98	-50.32	2.00	2.00	0.00	283.396	
2,378.90	10.90	283.40	2,347.92	79.20	-332.56	0.00	0.00	0.00	0.000	
3,201.94	60.00	271.04	2,998.56	105.33	-793.51	6.00	5.97	-1.50	-14.134	
3,401.94	60.00	271.04	3,098.56	108.47	-966.69	0.00	0.00	0.00	0.000	
3,721.02	91.91	271.04	3,175.00	114.00	-1,272.20	10.00	10.00	0.00	0.000	3. FTP 51H: 605' FI
8,925.86	91.91	271.04	3,001.67	208.19	-6,473.30	0.00	0.00	0.00	0.000	4. LTP 51H: 605' FN
8,975.90	91.91	271.04	3,000.00	209.10	-6,523.30	0.00	0.00	0.00	0.000	5. BHL 51H: 605' FI





Planning Report



WBDS_SQL_2 Database:

Spur Energy Partners, LLC Company: Eddy County, NM (NAD 83 - NME) Project: PATRICK 10 FEDERAL

Site: Well: 51H Wellbore: Wellbore #1 Design: PLAN #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 51H

RKB = 20' @ 3465.00usft (AKITA 57) RKB = 20' @ 3465.00usft (AKITA 57)

Minimum Curvature

anned Surve	у								
Measure Depth (usft)	Inclination	on Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
	.00 0. . 51H: 681' FNL	00 0.00 . , 1174' FWL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100 200 300 400	.00 0. .00 0. .00 0. .00 2.	00 0.00 00 0.00 00 0.00 00 283.40	100.00 200.00 300.00 399.98	0.00 0.00 0.00 0.40	0.00 0.00 0.00 -1.70	0.00 0.00 0.00 1.70	0.00 0.00 0.00 2.00	0.00 0.00 0.00 2.00	0.00 0.00 0.00 0.00
500 600 700 800 845	.00 6. .00 8. .00 10.		499.84 599.45 698.70 797.47 841.95	1.62 3.64 6.46 10.08 11.98	-6.79 -15.27 -27.12 -42.34 -50.32	6.82 15.33 27.23 42.51 50.53	2.00 2.00 2.00 2.00 2.00	2.00 2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00 0.00
900 1,000 1,100 1,200 1,300	.00 10. .00 10. .00 10.	90 283.40 90 283.40 90 283.40	895.73 993.92 1,092.11 1,190.31 1,288.50	14.38 18.77 23.15 27.53 31.92	-60.40 -78.80 -97.21 -115.61 -134.01	60.65 79.13 97.61 116.09 134.57	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
1,400 1,500 1,600 1,700 1,800	.00 10. .00 10. .00 10. .00 10.	90 283.40 90 283.40 90 283.40 90 283.40	1,386.70 1,484.89 1,583.09 1,681.28 1,779.47	36.30 40.68 45.07 49.45 53.83	-152.41 -170.82 -189.22 -207.62 -226.03	153.05 171.53 190.01 208.49 226.97	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
1,900 2,000 2,100 2,200 2,300	.00 10. .00 10. .00 10. .00 10.	90 283.40 90 283.40 90 283.40 90 283.40	1,877.67 1,975.86 2,074.06 2,172.25 2,270.45	58.21 62.60 66.98 71.36 75.75	-244.43 -262.83 -281.23 -299.64 -318.04	245.44 263.92 282.40 300.88 319.36	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
2,378		90 283.40	2,347.92	79.20	-332.56	333.94	0.00	0.00	0.00
2,400 2,450 2,500 2,550	.00 12. .00 15. .00 18.	14 281.93 08 279.39 04 277.67	2,368.60 2,417.19 2,465.11 2,512.23	80.12 82.27 84.37 86.40	-336.67 -348.23 -362.32 -378.90	338.07 349.67 363.79 380.41	6.00 6.00 6.00 6.00	5.84 5.88 5.92 5.94	-6.97 -5.07 -3.44 -2.50
2,600 2,650 2,700 2,750 2,800	.00 26. .00 29. .00 32.	97 274.72 95 274.11 94 273.60	2,558.42 2,603.55 2,647.50 2,690.16 2,731.39	88.38 90.28 92.11 93.86 95.52	-397.93 -419.35 -443.11 -469.13 -497.36	399.47 420.92 444.71 470.76 499.01	6.00 6.00 6.00 6.00 6.00	5.96 5.97 5.97 5.98 5.98	-1.90 -1.50 -1.22 -1.02 -0.87
2,850 2,900 2,950 3,000 3,050	.00 41. .00 44. .00 47.	92 272.46 91 272.17 90 271.90	2,771.09 2,809.15 2,845.47 2,879.94 2,912.47	97.10 98.58 99.96 101.25 102.42	-527.70 -560.08 -594.41 -630.60 -668.54	529.37 561.78 596.13 632.33 670.29	6.00 6.00 6.00 6.00 6.00	5.98 5.98 5.99 5.99 5.99	-0.75 -0.66 -0.59 -0.53 -0.48
3,100 3,150 3,201 3,300 3,401	.00 56. .94 60. .00 60.	89 271.24 00 271.04 00 271.04	2,942.98 2,971.38 2,998.56 3,047.59 3,098.56	103.49 104.45 105.33 106.87 108.47	-708.13 -749.27 -793.51 -878.42 -966.69	709.89 751.04 795.30 880.22 968.50	6.00 6.00 6.00 0.00 0.00	5.99 5.99 5.99 0.00 0.00	-0.44 -0.41 -0.38 0.00 0.00
3,450 3,500 3,550 3,600 3,650	.00 69. .00 74. .00 79.	81 271.04 81 271.04 81 271.04	3,120.81 3,140.10 3,155.29 3,166.27 3,172.97	109.24 110.07 110.94 111.82 112.72	-1,009.26 -1,055.37 -1,102.98 -1,151.74 -1,201.26	1,011.08 1,057.19 1,104.81 1,153.58 1,203.11	10.00 10.00 10.00 10.00 10.00	10.00 10.00 10.00 10.00 10.00	0.00 0.00 0.00 0.00 0.00
3,700	.00 89.	81 271.04	3,175.31	113.62	-1,251.18	1,253.04	10.00	10.00	0.00



Planning Report

Design:

WBDS_SQL_2 Database:

Spur Energy Partners, LLC Company: Eddy County, NM (NAD 83 - NME) Project: PATRICK 10 FEDERAL

Site: Well: 51H Wellbore:

Wellbore #1 PLAN #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 51H

RKB = 20' @ 3465.00usft (AKITA 57)

RKB = 20' @ 3465.00usft (AKITA 57)

Minimum Curvature

Design										
Planne	ed Survey									
riaiiiie	au Suivey									
	Manageman			Mantiaal			Mawtia al	Danian	D114	T
	Measured			Vertical			Vertical	Dogleg	Build	Turn
	Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
	(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100ft)	(°/100ft)	(°/100ft)
	2 724 02			2.475.00	444.00	4.070.00	4.074.00	40.00	40.00	0.00
	3,721.02	91.91	271.04	3,175.00	114.00	-1,272.20	1,274.06	10.00	10.00	0.00
		I: 605' FNL, 10								
	3,800.00	91.91	271.04	3,172.37	115.43	-1,351.12	1,352.99	0.00	0.00	0.00
	3,900.00	91.91	271.04	3,169.04	117.24	-1,451.05	1,452.94	0.00	0.00	0.00
	4,000.00	91.91	271.04	3,165.71	119.05	-1,550.97	1,552.88	0.00	0.00	0.00
	4,100.00	91.91	271.04	3,162.38	120.86	-1.650.90	1,652.82	0.00	0.00	0.00
	4,200.00	91.91	271.04	3,159.05	122.67	-1,750.83	1,752.77	0.00	0.00	0.00
	4,300.00	91.91	271.04	3,155.72	124.48	-1,850.76	1,852.71	0.00	0.00	0.00
	4,400.00	91.91	271.04	3,152.39	126.29	-1,950.69	1,952.66	0.00	0.00	0.00
	4,500.00	91.91	271.04	3,149.06	128.10	-2,050.62	2,052.60	0.00	0.00	0.00
	·					·				
	4,600.00	91.91	271.04	3,145.73	129.91	-2,150.54	2,152.55	0.00	0.00	0.00
	4,700.00	91.91	271.04	3,142.40	131.72	-2,250.47	2,252.49	0.00	0.00	0.00
	4,800.00	91.91	271.04	3,139.07	133.53	-2,350.40	2,352.44	0.00	0.00	0.00
	4,900.00	91.91	271.04	3,135.74	135.34	- 2,450.33	2,452.38	0.00	0.00	0.00
	5,000.00	91.91	271.04	3,132.41	137.15	-2,550.26	2,552.33	0.00	0.00	0.00
	5,100.00	91.91	271.04	3,129.08	138.96	-2,650.18	2,652.27	0.00	0.00	0.00
	5,200.00	91.91	271.04	3,125.75	140.77	-2,750.11	2,752.21	0.00	0.00	0.00
	5,300.00	91.91	271.04	3,122.42	142.58	-2,850.04	2,852.16	0.00	0.00	0.00
	5,400.00	91.91	271.04	3,119.09	144.39	-2,949.97	2,952.10	0.00	0.00	0.00
	5,500.00	91.91	271.04		144.39	-2,949.97		0.00	0.00	0.00
	·			3,115.76		-3,049.90	3,052.05			
	5,600.00	91.91	271.04	3,112.43	148.00	-3,149.83	3,151.99	0.00	0.00	0.00
	5,700.00	91.91	271.04	3,109.10	149.81	-3,249.75	3,251.94	0.00	0.00	0.00
	5,800.00	91.91	271.04	3,105.77	151.62	-3,349.68	3,351.88	0.00	0.00	0.00
	5,900.00	91.91	271.04	3,102.43	153.43	-3,449.61	3,451.83	0.00	0.00	0.00
	6,000.00	91.91	271.04	3,099.10	155.24	-3,549.54	3,551.77	0.00	0.00	0.00
	0.400.00	04.04	074.04	2.005.77		0.040.47	0.054.70	0.00	0.00	0.00
	6,100.00	91.91	271.04	3,095.77	157.05	-3,649.47	3,651.72	0.00	0.00	0.00
	6,200.00	91.91	271.04	3,092.44	158.86	-3,749.39	3,751.66	0.00	0.00	0.00
	6,300.00	91.91	271.04	3,089.11	160.67	-3,849.32	3,851.60	0.00	0.00	0.00
	6,400.00	91.91	271.04	3,085.78	162.48	-3,949.25	3,951.55	0.00	0.00	0.00
	6,500.00	91.91	271.04	3,082.45	164.29	-4,049.18	4,051.49	0.00	0.00	0.00
	6,600.00	91.91	271.04	3,079.12	166.10	-4,149.11	4,151.44	0.00	0.00	0.00
	6,700.00	91.91	271.04	3,075.79	167.91	-4,249.03	4,251.38	0.00	0.00	0.00
	6,800.00	91.91	271.04	3,072.46	169.72	-4,348.96	4,351.33	0.00	0.00	0.00
	6,900.00	91.91	271.04	3,069.13	171.53	-4,448.89	4,451.27	0.00	0.00	0.00
	7,000.00	91.91	271.04	3,065.80	173.34	-4,548.82	4,551.22	0.00	0.00	0.00
	•			·		•	*			
	7,100.00	91.91	271.04	3,062.47	175.15	-4,648.75	4,651.16	0.00	0.00	0.00
	7,200.00	91.91	271.04	3,059.14	176.96	-4,748.68	4,751.11	0.00	0.00	0.00
	7,300.00	91.91	271.04	3,055.81	178.77	-4,848.60	4,851.05	0.00	0.00	0.00
	7,400.00	91.91	271.04	3,052.48	180.58	-4,948.53	4,950.99	0.00	0.00	0.00
	7,500.00	91.91	271.04	3,049.15	182.39	-5,048.46	5,050.94	0.00	0.00	0.00
	7,600.00	91.91	271.04	3,045.82	184.20	-5,148.39	5,150.88	0.00	0.00	0.00
	7,700.00	91.91	271.04	3,042.49	186.01	-5,248.32	5,250.83	0.00	0.00	0.00
	7,800.00	91.91	271.04	3,039.16	187.82	-5,348.24	5,350.77	0.00	0.00	0.00
	7,900.00	91.91	271.04	3,035.83	189.63	-5,448.17	5,450.72	0.00	0.00	0.00
	8,000.00	91.91	271.04	3,032.50	191.44	-5,548.10	5,550.66	0.00	0.00	0.00
	•					·				
	8,100.00	91.91	271.04	3,029.17	193.25	-5,648.03	5,650.61	0.00	0.00	0.00
	8,200.00	91.91	271.04	3,025.84	195.06	-5,747.96	5,750.55	0.00	0.00	0.00
	8,300.00	91.91	271.04	3,022.51	196.87	-5,847.89	5,850.50	0.00	0.00	0.00
	8,400.00	91.91	271.04	3,019.18	198.68	-5,947.81	5,950.44	0.00	0.00	0.00
	8,500.00	91.91	271.04	3,015.85	200.49	-6,047.74	6,050.38	0.00	0.00	0.00
	8.600.00	91.91	271.04	3,012.52	202.30	-6,147.67	6,150.33	0.00	0.00	0.00
	8,700.00	91.91	271.04 271.04	3,009.19	202.30	-6,147.67 -6,247.60	,	0.00	0.00	0.00
	8,800.00	91.91	271.04 271.04	3,005.86	204.11	-6,247.60 -6,347.53	6,250.27	0.00	0.00	0.00
	8,900.00		271.04 271.04	3,005.66	205.92	-6,347.33 -6,447.45	6,350.22	0.00	0.00	0.00
	0,900.00	91.91	211.04	3,002.33	201.13	-0,447.43	6,450.16	0.00	0.00	0.00



Planning Report



0.00

-104.4643175

Database: Company: Project: WBDS_SQL_2

91.91

0.00

360.00 3,175.00

5. BHL 51H: 605' FNL, 50' FWL

Spur Energy Partners, LLC Eddy County, NM (NAD 83 - NME)

271.04

PATRICK 10 FEDERAL

 Site:
 PATRICK 10

 Well:
 51H

 Wellbore:
 Wellbore #1

 Design:
 PLAN #1

8,975.90

3. FTP 51H: 605' FNL

- Point

- plan hits target center

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

-6,523.30

611,565.50

501,037.00

6,526.02

Well 51H

RKB = 20' @ 3465.00usft (AKITA 57)

0.00

32.6811696

RKB = 20' @ 3465.00usft (AKITA 57)

Grid

Minimum Curvature

0.00

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,925.86	91.91	271.04	3,001.67	208.19	-6,473.30	6,476.01	0.00	0.00	0.00
4. LTP 51H	l: 605' FNL, 10	0' FWL							

209.10

3,000.00

Design Targets Target Name - hit/miss target **Dip Angle** Dip Dir. **TVD** +N/-S +E/-W **Northing** Easting - Shape (usft) (usft) (usft) (usft) (usft) (°) Latitude Longitude -104.4601822 1. SHL 51H: 681' FNL 0.00 360.00 0.00 0.00 0.00 611,451.50 502,309.20 32.6808604 - plan hits target center - Point 2. KOP 51H @ 2378.§ 0.00 0.00 2,347.92 79.20 -332.56 611,530.71 501,976.64 32.6810771 -104.4612634 - plan hits target center - Point 5. BHL 51H: 605' FNL 0.00 611,660.60 495,785.90 32.6814120 -104.4813849 360.00 3,000.00 209.10 -6,523.30 - plan hits target center - Point 4. LTP 51H: 605' FNL 0.00 - plan misses target center by 0.01usft at 8925.86usft MD (3001.67 TVD, 208.19 N, -6473.30 E) - Point 360.00 3,001.67 208.20 -6,473.30 611,659.70 495,835.90 32.6814097 -104.4812224

114.00 -1,272.20

Pecos District

Application for Permit to Drill

Conditions of Approval

Geology Concerns

Potash	⊠ None	☐ Secretary	□ R-111-P
Cave/Karst	⊠ Medium	□ High	☐ Critical
H2S	□ None	☐ Below 100 PPM	⊠ Above 100 PPM
Other	☐ 4 String Area	☐ Capitan Reef	□ SWD Well

Note: The geology of the area where the well is being drilled determines the COAs that apply, not the above table.

Additional Engineering Requirements

Surface casing must be set at: 1,250 feet

General Requirements

- 1. Changes to the approved APD casing program need prior approval.
- 2. The Bureau of Land Management (BLM) will be notified in advance to witness:
 - a. Well spudding (minimum 24 hours notice)
 - b. Setting and cementing of all casing strings (minimum 4 hours notice)
 - c. BOPE tests (minimum 4 hours notice)

Eddy County

620 East Greene Street, Carlsbad, NM 88220 (575) 361-2822

Lea County

414 West Taylor, Hobbs, NM 88240 (575) 689-5981

- 3. The initial wellhead installed on the well will remain on the well with spools used as needed.
- 4. 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:

- i. 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 a Spudder Rig:
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. 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.
 - iii. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 5. 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 always be operational 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 doghouse or stairway area.
- 6. 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.

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. 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.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. 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.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. 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.

- d. 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.
- e. 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.
- f. 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).
- g. 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.
- h. 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).
- 4. If the operator has proposed using a 5,000 (5M) Annular on a 10M BOP:
 - a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 10,000 (10M) psi.
- 5. 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.
- 6. If a variance is approved for break testing the BOPE, the following requirements apply:
 - a. BOPE break testing is only approved for a BOP rated at 5M or less.
 - b. A full BOP test shall be performed every 21 days (at a minimum).
 - c. A full BOP test is required prior to drilling the first intermediate hole section (if applicable). If any subsequent intermediate hole interval is deeper than the first, a full BOP test shall be required.
 - d. A full BOP test is required prior to drilling the first production hole section. If any subsequent production hole interval is deeper than the first, a full BOP test shall be required.
 - e. While in transfer, the BOP shall be secured by the hydraulic carrier or cradle.
 - f. Pressure tests shall be performed on any BOPE components that have been disconnected. A low pressure (250-300 psi) and a high pressure (BOP max pressure rating) test are required.
 - g. If a testing plug is used, pressure shall be maintained for at least 10 minutes. If there is any bleed off in pressure, the test shall be considered to have failed.
 - h. If no testing plug is used, pressure shall be maintained for at least 30 minutes. If there is a decline in pressure of more than 10 percent, the test shall be considered to have failed.
 - i. The appropriate Bureau of Land Management (BLM) office shall be notified a minimum of 4 hours before testing occurs.
- 7. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply:
 - a. The flex line must meet the requirements of API 16C.
 - b. Check condition of flexible line from BOP to choke manifold (replace if exterior is damaged or if line fails test).
 - c. Line is to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements.
 - d. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating.
 - e. 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.

Casing and Cement

- 1. 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.).
- 2. On any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. The 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.
- 3. 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.
- 4. The surface casing shall be set at a minimum of 25 feet into the Rustler Anhydrite and 80 feet above the salt and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of 8 hours (or 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.
- 5. Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.
- 6. Intermediate casing must be cemented to surface. For medium/high cave/karst, potash, and Capitan Reef, wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- 7. The production cement should tie-back at least 200 feet (500 feet in Secretary Potash, surface in R-111-P potash) into previous casing string. Operator shall provide method of verification.

- 8. Production liner cement should tie-back at least 100 feet into previous casing string. Operator shall provide verification of cement top.
- 9. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 10. No pea gravel permitted for remedial cement or fall back remedial cement without prior authorization from a BLM petroleum engineer.
- 11. 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.

12. DV tools:

- a. First stage to DV tool (The DV tool may be cancelled if cement circulates to surface on the first stage):
 - i. 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:
 - i. For intermediate casing, cement to surface.
 - ii. For production casing, cement should tie-back at least 200 feet (500 feet in Secretary Potash, surface in R-111-P potash) into previous casing string. Operator shall provide method of verification.
 - iii. If cement does not circulate, contact the appropriate BLM office.

13. Wait on cement (WOC) for Potash Areas:

- a. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- b. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met:
 - i. Cement reaches a minimum compressive strength of 500 psi for all cement blends
 - ii. Until cement has been in place at least 24 hours.
- c. WOC time will be recorded in the driller's log.
- d. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

14. Wait on cement (WOC) for Water Basin:

a. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met:

- i. Cement reaches a minimum compressive strength of 500 psi at the shoe
- ii. Until cement has been in place at least 8 hours.
- b. WOC time will be recorded in the driller's log.
- 15. Wait on cement (WOC) for Medium and High Cave/Karst Areas:
 - a. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- 16. If cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

Drilling Mud

1. 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.

Waste Material and Fluids

- 1. 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.
- 2. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Special Requirements

- 1. Communitization Agreement
 - a. 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.
 - b. 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.
 - i. 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.
 - c. In addition, the well sign shall include the surface and bottom hole lease numbers.
 - i. When the Communitization Agreement number is known, it shall also be on the sign.

2. Unit Wells

- a. The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers.
 - i. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

b. Commercial Well Determination

i. A commercial well determination shall be submitted after production has been established for at least six months (this is not necessary for secondary recovery unit wells).

3. Hydrogen Sulfide (H2S)

- a. If H2S is encountered, provide measured values and formations to the BLM.
- b. An H2S area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.
- c. An H2S Drilling Plan shall be activated 500 feet prior to drilling into the any formation designated as having H2S.
- d. Hydrogen Sulfide monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.

4. Capitan Reef

- a. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following (Use this for 3 string wells in the Capitan Reef, if 4 string well ensure fresh water based mud used across the Capitan interval):
 - i. Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - ii. Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports.
 - iii. The daily drilling report should show mud volume per shift/tour.
 - iv. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval.
 - v. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

- 5. Salt Water Disposal Wells
 - a. The operator shall supply the BLM with a copy of a mudlog over the permitted disposal interval and estimated in situ water salinity based on open-hole logs.
 - b. If hydrocarbons are encountered while drilling, the operator shall notify the BLM.
 - c. The operator shall provide to the BLM a summary of formation depth picks based on mudlog and geophysical logs along with a copy of the mudlog and open-hole logs from total depth to top of Devonian.
 - d. An NOI sundry with the completion procedure for this well shall be submitted and approved prior to commencing completion work. The procedure will be reviewed to verify that the completion proposal will allow the operator to:
 - Properly evaluate the injection zone utilizing open-hole logs, swab testing and/or any other method to confirm that hydrocarbons cannot be produced in paying quantities. This evaluation shall be reviewed by the BLM prior to injection commencing.
 - ii. Restrict the injection fluid to the approved formation.
 - iii. If a step rate test will be run, an NOI sundry shall be submitted to the BLM for approval.
 - e. If off-lease water will be disposed in this well, the operator shall provide proof of right-of-way approval.



Permian Drilling Hydrogen Sulfide Drilling Operations Plan Well Name and Number

Open drill site. No homes or buildings are near the proposed location.

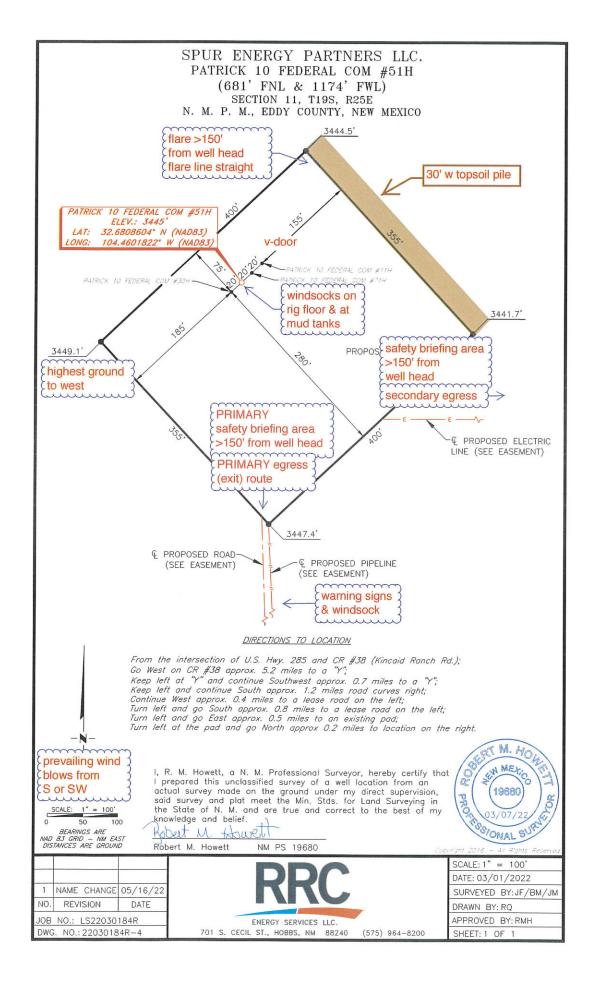
1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.

Barana		Off. 51	[O.11.6]
Person Prilling and Completions Department	Location	Office Phone	Cell Phone
Drilling and Completions Department Drilling Manager - Chris Hollis	Houston	832-930-8629	742 200 7754
Completions Manager - Theresa Voss	Houston	832-930-8614	713-380-7754 832-849-8635
VP of Operations - Seth Ireland	Houston	832-930-8527	940-704-6375
Senior VP of Operations - John Nabors	Houston	832-930-8526	281-904-8811
Executive VP of Operations - Todd Mucha	Houston	832-930-8515	281-795-2286
HES/Environmental and Regulatory Department			1-000
EHS Manager - Braidy Moulder	Artestia	575-616-5400	713-264-2517
Superintendent - Jerry Mathews	Artestia	575-616-5400	575-748-5234
Asst. Superintendent - Kenny Kidd	Artestia	575-616-5400	575-703-5851
Regulatory Director - Sarah Chapman	Houston	832-930-8613	281-642-5503
Regulatory Agencies			
Burea of Land Management	Carlsbad	575-886-6544	
Burea of Land Management	Hobbs	575-393-3612	
Burea of Land Management	Roswell	575-622-5335	
Burea of Land Management	Santa Fe	505-954-2000	
DOT Judicial Pipelnes - Incident Reporting NM Public Regulation Commission	Santa Fe	505-827-3549 505-490-2375	
EPA Hotline	Dallas	214-665-6444	
Federal OSHA, Area Office	Lubbock	806-472-7681	
National Response Center	Washington, D.C.	800-424-8803	
National Infrastructure Coordinator Center	Washington, D.C.	202-282-2901	
New Mexico Air Qulaity Bureau	Santa Fe	505-827-1494	
New Mexico Oil Conservation Division	Artestia	575-748-1283	After Hours 575-370-7545
New Mexico Oil Conservation Division	Hobbs	575-393-6161	
New Mexico Oil Conservation Division	Santa Fe	505-476-3770	
New Mexico OCD Environmental Bureau	Santa Fe	505-827-7152 505-476-3470	
New Mexico Environmental Department	Hobbs	575-827-9329	15
NM State Emergency Response Center	Santa Fe	505-476-9600	
Medical Facilities			
Artesia General Hospital	Artesia	575-748-3333	
Covenant Medical Center	Lubbock	806-725-1011	
Covenant Medical Center Lakeside	Lubbock	806-725-6000	
Guadalupe County Hospital	Carlsbad	575-887-6633	7
	Hobbs	575-492-5000	
Medical Center Hospital	Odessa	432-640-4000	
	Midland	432-685-1111	
Nor-Lea General Hospital	Lovington	575-396-6611	
Odessa Regional Hospital	Odessa	432-334-8200	
Jnion County General Hospital	Clayton	575-374-2585	
Jniversity Medical Center	Lubbock	806-725-8200	
_aw Enforcement - Sheriff			,
ector County Sheriff's Department	Odessa	432-335-3050	
Ector County Sheriff's Department	Artesia	575-746-2704	

Ector County Sheriff's Department	Carlsbad	575-887-7551
Lea County Sherrif's Department	Eunice	575-384-2020
Lea County Sherrif's Department	Hobbs	575-393-2515
Lea County Sherrif's Department	Lovington	575-396-3611
Lubbock County Sheriff's Department	Abernathy	806-296-2724
Midland County Sheriff's Department	Midland	432-688-1277
Union County Sheriff's Department	Clayton	575-374-2583
Law Enforcement - Police		
Abernathy Police Department	Abernathy	806-298-2545
Artesia City Police	Artesia	575-746-2704
Carslbad City Police	Carlsbad	575-885-2111
Clayton City Police	Clayton	575-374-2504
Eunice City Police	Eunice	575-394-2112
Hobbs City Police	Hobbs	575-397-9265 575-393-2677
Jal City Police	Jal	575-395-2501
Lovington City Police	Lovington	575-396-2811
Midland City Police	Midland	432-685-7113
Odessa City Police	Odessa	432-335-3378
Law Enforcement - FBI		
FBI	Albuquerque	505-224-2000
FBI	Midland	432-570-0255
Law Enforcement - DPS (911)		
NM State Police	Artesia	575-746-2704
NM State Police	Carlsbad	575-885-3137
NM State Police	Eunice	575-392-5588
NM State Police	Hobbs	575-392-5588
NM State Police	Clayton	575-374-2473
Firefighting and Rescue (911)		
Abernathy	Abernathy	806-298-2022
Amistad/Rosebud	Amistad/Rosebud	575-633-9113
Artesia	Artesia	575-746-5751
Carslbad	Carlsbad	575-885-3125
Clayton	Clayton	575-374-2435
Eunice	Eunice	575-394-2111
Hobbs	Hobbs	575-397-9308
Jal	Jal	575-395-2221
Lovington	Lovington	575-396-2359
Maljamar	Maljamar	575-676-4100
Midland	Midland	432-685-7346
Nara Visa	Nara Visa	575-461-3300
Odessa	Odessa	432-335-4659
Tucumcari	Tucumcari	911
West Odessa	Odessa	432-381-3033

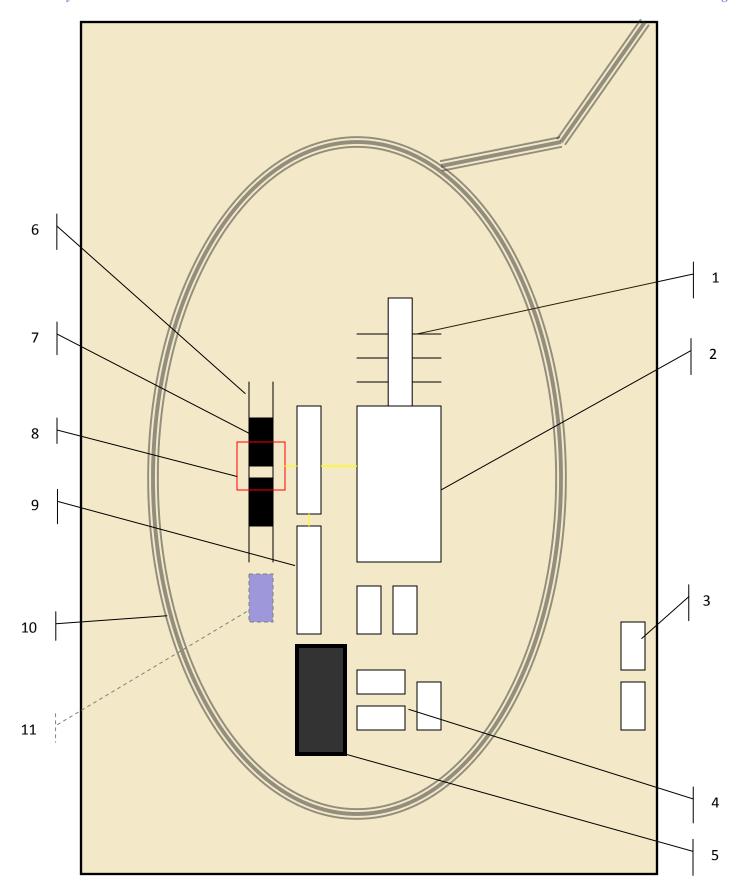
Ambulance (911)			
Abernathy Ambulance	Abernathy	806-298-2241	
Amistad/Rosebud	Amistad/Rosebud	575-633-9113	
Artesia Ambulance	Artesia	575-746-2701	
Carsibad Ambulance	Carlsbad	575-885-2111	
Clayton Ambulance	Clayton	575-374-2501	
Eunice Ambulance	Eunice	575-394-3258	
Hobbs Ambulance	Hobbs	575-397-9308	
Jal Ambulance	Jal	575-395-3501	
Lovington Ambulance	Lovington	575-396-2811	
Midland Ambulance	Midland	432-685-7499	
Nara Visa Ambulance	Nara Visa	575-461-3300	
Odessa Ambulance	Odessa	432-335-3378	
Tucumcari Ambulance	Tucumcari	911	
Medical Air Ambulance Service			
AEROCARE - Methodist Hospital	Lubbock	800-627-2376	
Southwest MediVac	Hobbs	800-242-6199	
Odessa Care Star	Odessa	888-624-3571	



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TRANSCEND RIG 4	Contractor Specification	
Make	Schram	
Model	TXD 130	
Year of Manufacture	2006	
Truck Mounted	YES	
Rated Drilling Depth	130,000# hook load	
Rated Depth with Tubing	150,000m Hook load	
Derrick Height	69' 9''	
Derrick Type	Telescoping Hydraulic	
Derrick Capacity	130,000#	
Elevators	N/A	
Drawworks	760 HP Detroit	
Wire Diameter	Hydraulic Hydraulic	
Workfloor Max Height	8'	
Tongs	Hydraulic Iron Roughneck	
Slips	Manual Slips	
Included Tubing Handling	• 13 3/8" handling tools	
Tools	13 3/6 Handing tools	
Included Rod Handling	85jts of 4.5" drill pipe	
Tools	segue or me dam pape	
BOP Class Compatibility		
Weight Indicator	Hydraulic	
Rig Safety Equipment	Eye wash station, fire extengushers,	
	wind sock	
Pad Size	60' x 60'	
Requirements/Limitations		
Guy Line Spacing	N/A	
Other Supplied Rig Equipment	Standard Rig Hand Tools:	
	• (2) 36" pipe wrenches	
1- F800 pump	• (2) 24" pipe wrenches	
1- Pill pit 80bbl	• (2) 18" pipe wrenches	
1- 400 bbl mud mix	• (1) 24" crescent wrench	
1- Shaker 150mesh	• (2) 12" crescent wrenches	
1- 500 bbl fresh water frac	• (1) 4 lb shop hammer	
tank	• (1) 12 lb sledge hammer	
	• (1) 4 foot pry bar	
	Vehicles for Contractor personnel	
	Air Impact Wrench with Sockets	
	 Mud Scales (as needed) 	



Schematic Closed Loop Drilling Rig*

- 1. Pipe Rack
- 2. Drill Rig
- 3. House Trailers/ Offices
- 4. Generator/Fuel/Storage
- 5. Overflow-Frac Tank
- 6. Skids
- 7. Roll Offs
- 8. Hopper or Centrifuge
- 9. Mud Tanks
- 10. Loop Drive
- 11. Generator (only for use with centrifuge)

*Not drawn to scale: Closed loop system requires at least 30 feet beyond mud tanks. Ideally 60 feet would be available





37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

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Closed Loop Drilling System: Mud tanks to right (1)

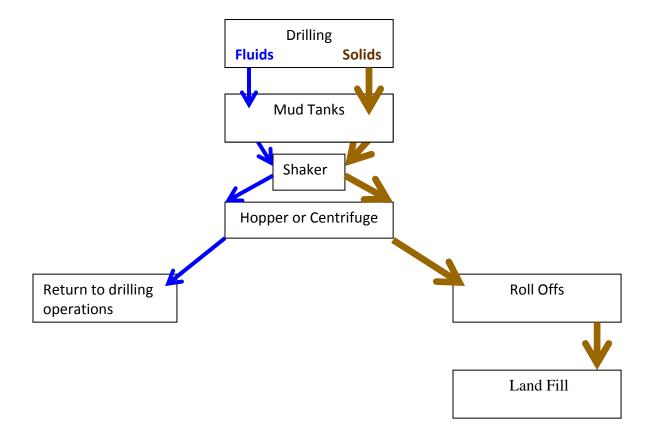
Hopper in air to settle out solids (2)

Water return pipe (3)

Shaker between hopper and mud tanks (4)

Roll offs on skids (5)

Flow Chart for Drilling Fluids and Solids



Photos Courtesy of Gandy Corporation Oil Field Service



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**

COMMENTS

Action 190100

COMMENTS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	190100
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

COMMENTS

Created B	/ Comment	Comment Date
kpickfor	Defining well 30-015-53462 PATRICK 10 FEDERAL COM #071H	3/2/2023

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Action 190100

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Houston, TX 77024	190100	
	Action Type:	
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)	

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify OCD 24 hours prior to casing & cement	3/2/2023
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104	3/2/2023
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	3/2/2023
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing	3/2/2023
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	3/2/2023