District I 1625 N. French Dr., Hobbs, NM 88240

Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

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

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

Form C-101 August 1, 2011 Permit 344099

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | me and Address cosa Energy Part | | | | | | | | 2. OGRID N | Number 329748 | | |
|----------------|------------------------------------|---------------------|----------------|-------------------|----------------------|---|---------------|-------------|---------------|------------------|-----------|------|
| | W. Missouri Ave | ners, L.L.C | | | | | | | 3. API Num | | | |
| | land, TX 79701 | | | | | | | | | 30-015-5394 | 48 | |
| 4. Property Co | de | | 5. Property Na | me | | | | | 6. Well No. | | - | |
| | 296 | | | IEFTAIN 18 S | TATE COM | | | | | 303H | | |
| | | | | | 7 Surf | ce Location | | | | | | |
| UL - Lot | Section | Township | Rang | e | Lot Idn | Feet From | N/S Line | Feet From | E/ | W Line | County | |
| D | 18 | 21 | | 26E | 1 | 1249 | N | | 257 | W | obuility | Eddy |
| | ł | • | | | 0. Draw and D | | - | | | | | |
| UL - Lot | Section | Township | Rang | ۵ | Lot Idn | ottom Hole Locatio | n N/S Line | Feet From | F | /W Line | County | |
| H | 18 | 21 | | 26E | A | 1520 | N | | 100 | E | County | Eddy |
| | | | • | | 9 Bool | Information | | | | | | |
| AVALON; BO | NE SPRING | | | | 3. F00i | mormation | | | 96381 | | | |
| | | | | | | | | | | | | |
| 11. Work Type | | 12. Well Type | | 13. Cable/R | | Well Information | 14. Lease Ty | me | 15 Ground | Level Elevatio | 20 | |
| | w Well | OIL | | 15. Gable/IX | otary | | - | tate | | 276 | 211 | |
| 16. Multiple | | 17. Proposed D | epth | 18. Formati | on | | 19. Contract | or | 20. Spud Da | ate | | |
| N | | 1270 |)2 | rd Bone Spring Sa | | | | 1/1/2024 | | | | |
| Depth to Grour | nd water | | | Distance fro | m nearest fresh wate | r well | | | Distance to r | nearest surface | e water | |
| X We will be i | using a closed-lo | on system in lie | eu of lined ni | ts. | | | | | | | | |
| | | | | | | | | | | | | |
| Туре | Hole Size | Casing | n Size | | ng Weight/ft | ng and Cement Pro Setting De | | Sacks of | Cement | | Estimated | TOC |
| Surf | 17.5 | 13.3 | | Ousi | 40 | 420 | ,501 | 54 | | | 0 | 100 |
| Int1 | 12.25 | 9.6 | | | 36 | 2100 101 | | | | | | |
| Prod | 8.5 | 5. | 5 | | 17 | 12702 | | 218 | 2189 0 | | | |
| | | | | Cas | ina/Cement Proar | am: Additional Co | mments | | | | | |
| | | | | | | | | | | | | |
| | | | | 2' | Proposed Blow | out Prevention Pro | aram | | | | | |
| | Туре | | Work | ing Pressure | | | Test Pressure | | | Manuf | facturer | |
| | Annular | | | 5000 | | | 5000 | | | C | TI | |
| | Pipe | | | 5000 | | | 5000 | | | C | TI | |
| Blind 5000 | | | | | | | 5000 | | | C | TI | |
| | | | | | | | | | | | | |
| | certify that the info | rmation given a | bove is true a | ind complete | to the best of my | | C | DIL CONSERV | ATION DIVI | SION | | |
| knowledge a | | | | | | | | | | | | |
| , if applical | ify I have complie | a with 19.15.14 | 4.9 (A) NMAC | and/or 1 | 9.15.14.9 (B) NMA | .C | | | | | | |
| | 516. | | | | | | | | | | | |
| Signature: | | | | | | | | | | | | |
| Printed Name: | Electronica | ally filed by Kelly | / M Hardy | | | Approved By: | Ward Rikal | а | | | | |
| Title: | Land Mana | ager | | | | Title: | | | | | | |
| Email Address: | khardy@ta | ascosaep.com | | | | Approved Date: 7/6/2023 Expiration Date: 7/6/2025 | | | | | | |
| Date: | 6/30/2023 | | Phone | e: 432-695-6 | 970 | Conditions of Approval Attached | | | | | | |

Received by OCD: 6/30/2023 10:06:29 AM

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

Page 2 of 32

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

☐ AMENDED REPORT

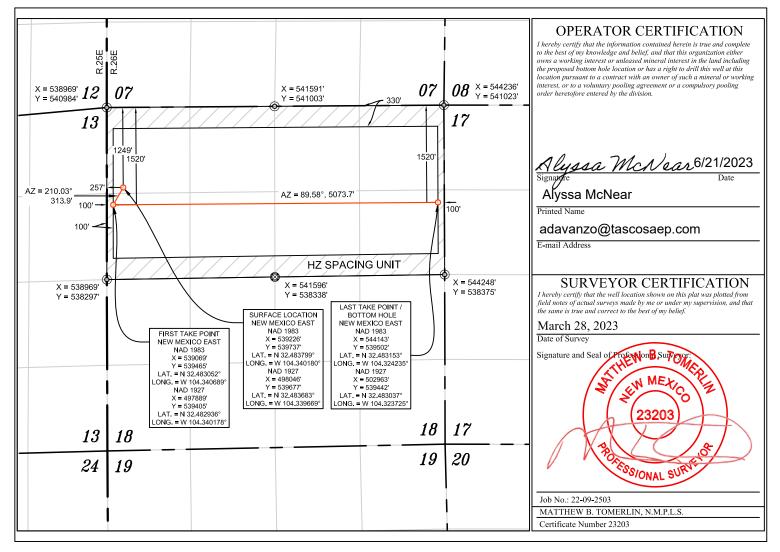
WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number 30-015- 53948 | Pool Code 96381 | Pool Name AVALON;BONE SPRI | NG | | | | | | | |
|-----------------------------|--------------------|--|----|--|--|--|--|--|--|--|
| Property Code 334296 | * | Property Name CHIEFTAIN 18 STATE COM | | | | | | | | |
| OGRID No. 329748 | | Operator Name TASCOSA ENERGY PARTNERS, LLC | | | | | | | | |
| | Surface Location | | | | | | | | | |

| ſ | UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | LOT 1 | 18 | 21 S | 26 E | | 1249 | NORTH | 257 | WEST | EDDY |
| Dettern Hale Leastion If Different From Surface | | | | | | | | | | |

| | Bottom Hole Location If Different From Surface | | | | | | | | | | | | |
|-----------------|--|----------|------------------|--------|--------------------------------|-------|---------------|----------------|--------|--|--|--|--|
| UL or lot no. | Section | Township | o Range Lot | | Feet from the North/South line | | Feet from the | East/West line | County | | | | |
| н | 18 | 21 S | 26 E | | 1520 | NORTH | 100 | EAST | EDDY | | | | |
| Dedicated Acres | Joint or | Infill | Consolidation Co | ide Oi | rder No. | | | • | | | | | |

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.



Released to Imaging: 7/6/2023 9:49:28 AM

District I 1625 N. French Dr., Hobbs, NM 88240

Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

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

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

PERMIT CONDITIONS OF APPROVAL

| Operator Nan | ne and Address: | API Number: | | | | |
|--------------|---|--|--|--|--|--|
| Та | ascosa Energy Partners, L.L.C [329748] | 30-015-53948 | | | | |
| 90 | 01 W. Missouri Ave | Well: | | | | |
| M | idland, TX 79701 | CHIEFTAIN 18 STATE COM #303H | | | | |
| | | · | | | | |
| OCD | Condition | | | | | |
| Reviewer | | | | | | |
| ward.rikala | Notify OCD 24 hours prior to casing & cement | | | | | |
| ward.rikala | Will require a File As Drilled C-102 and a Directional Survey with the C-104 | | | | | |
| ward.rikala | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the su | rface, the operator shall drill without interruption through the | | | | |
| | fresh water zone or zones and shall immediately set in cement the water protection string | | | | | |
| ward.rikala | If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the w | <i>v</i> ell | | | | |
| ward.rikala | Cement is required to circulate on both surface and intermediate1 strings of casing | | | | | |
| ward.rikala | 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 | | | | | |
| ward.rikala | The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud | | | | | |

Permit 344099

Page 3 of 32

STATION B

DLS

3.00

3.00

1.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

1.00

3.00

3.00

0.00

0.00

12.00

12.00

12.00

12.00

12.00

12.00

12.00

9.54

0.00

0.00

0.00

0.00

DISTANCE TABLE

STATION A

COPYRIGHT 1990 MITCHELL ENGINEERING, PO BOX 1492. GOLDEN, CO, 80402, USA (303) 273 3744

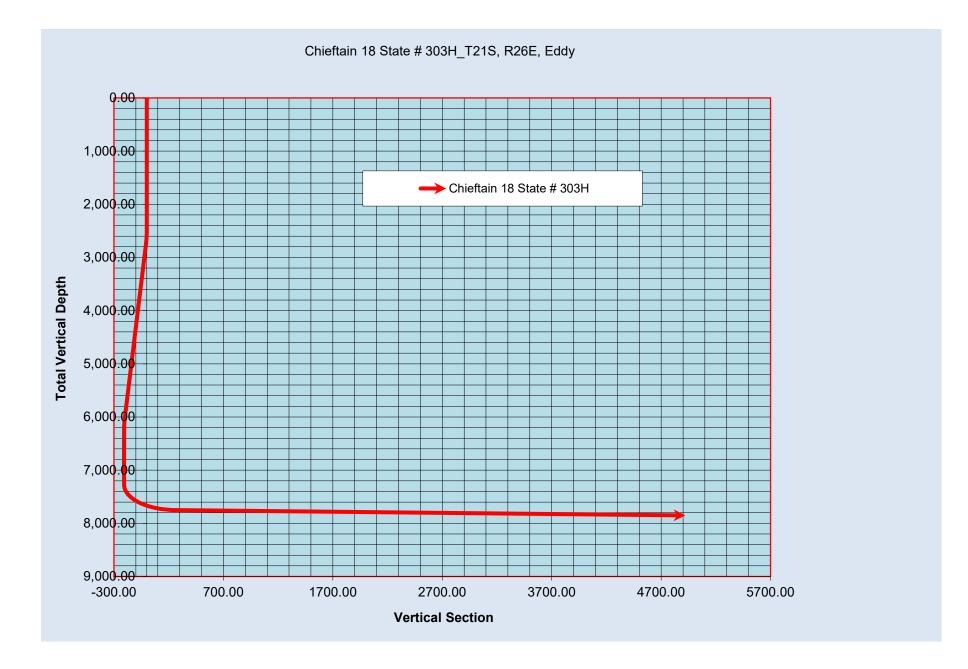
LONG'S METHOD OF SURVEY COMPUTATION

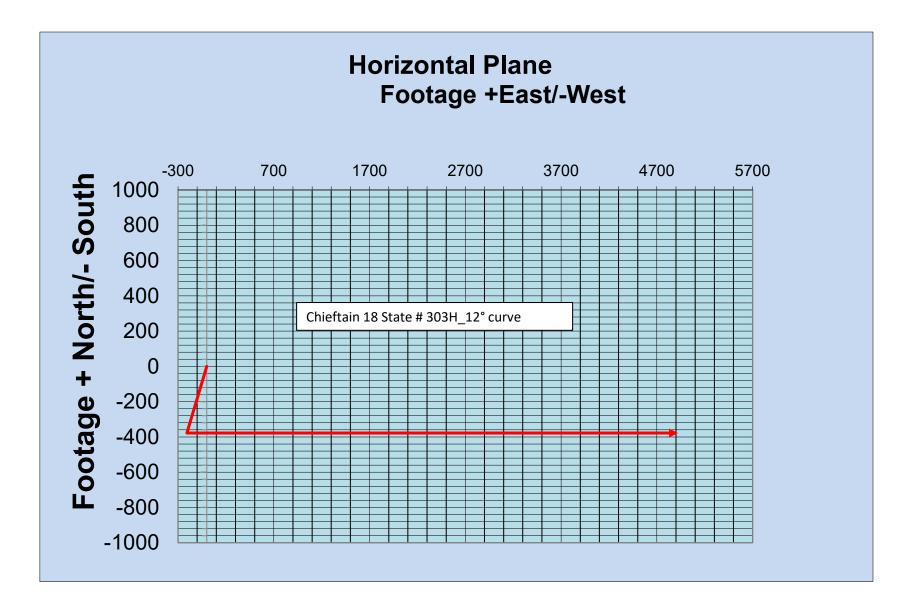
OBLIQUE CIRCULAR ARC INTERPOLATION

| | MD OF INTERPOLATION DEPTH,(feet) |
|------|----------------------------------|
| #N/A | TVD COORDINATE OF THE DEPTH (fee |
| #N/A | N/S COORDINATE OF DEPTH (feet) |
| #N/A | E/W COORDINATE OF DEPTH (feet) |

(feet)

3 D DISTANCE BETWEEN STATION A AND STATION B 0.00 ft TABLE OF SURVEY STATIONS Calculator = STA ٨MD INCL **A7IM** MD TVD N+/S-E+/Wd<u>eg/100FT</u> ft dea deg ft ft 2500.00 2500.00 1 TIE POINT => 0 0 0.00 0.00 -1.26 100 3 208.77 2600.00 2599.95 -2.29 2 100 6 208.77 2700.00 2699.63 -9.17 -5.04 3 4 100 7 208.77 2800.00 2798.99 -19.09 -10.48 5 100 7 208.77 2900.00 2898.25 -29.78 -16.35 6 100 7 208.77 3000.00 2997.50 -40.46 -22.21 100 7 208.77 3096.75 -51.14 -28.08 7 3100.00 3200.00 100 7 8 208.77 3196.01 -61.82 -33.95 100 9 7 208.77 3300.00 3295.26 -72.51 -39.81 10 100 7 208.77 3400.00 3394.52 -83.19 -45.68 2080 7 208.77 5480.00 5459.01 -305.39 -167.68 11 7 12 100 208.77 5580.00 5558.27 -316.07 -173.54 7 13 100 208.77 5680.00 5657.52 -326.75 -179.41 100 7 5780.00 -337.43 -185.28 14 208.77 5756.78 15 100 7 208.77 5880.00 5856.03 -348.12 -191.14 16 100 7 208.77 5980.00 5955.29 -358.80 -197.01 17 100 6 208.77 6080.00 6054.64 -368.72 -202.46 -375.60 18 100 3 208.77 6180.00 6154.32 -206.23 0 19 100 0 6280.00 6254.28 -377.89 -207.49 20 100 0 0 6380.00 6354.28 -377.89 -207.49 21 919 7299.00 7273.28 -377.89 -207.49 0 0 22 100 12 90 7399.00 7372.55 -377.89 -197.06 23 24 90 100 7499.00 7467.48 -377.89 -166.21 24 -377.89 100 36 90 7599.00 7553.92 -116.30 25 100 48 90 7699.00 7628.10 -377.89 -49.51 26 100 60 90 7799.00 7686.77 -377.89 31.24 27 100 72 90 7899.00 7727.37 -377.89 122.43 90 28 100 84 7999.00 7748.13 -377.89 220.07 50 88.77 90 8049.00 29 7751.28 -377.89 269.95 100 90 30 88.77 8149.00 7753.43 -377.89 369.93 90 31 100 88.77 8249.00 7755.57 -377.89 469.91 32 4400 88.77 90 12649.00 7850.02 -377.89 4868.89 33 34 53 88.77 90 12702.00 7851.16 -377.89 4921.88 35 36 37 38 39





Well name:

Chieftain 18 State # 303H

Operator: Tascosa Energy Partners, LLC

String type: Surface Casing (420')

Location: Eddy County, New Mexico. 1,249 FNL & 257 FWL, Sec 18, T21S, R26E BHL Planned: 2,240 FNL & 100 FEL, Sec 18, T21S, R26E

| Design pa | rameters: | | | Minimum | design fact | ors: | Environme | ent: | | |
|-----------------|----------------|-----------------|---------------|-----------------|--------------|-----------|---------------|-------------|---------------|------------|
| <u>Collapse</u> | | | | | Collapse: | | H2S conside | ered? | No | |
| Mud weight: | | | 9.00 | ppg | DF | 1.125 | Surface tem | perature: | 75.00 |)°F |
| Design is ba | sed on evac | uated pipe. | | | | | BHTemp | | 79 | ∂°F |
| | | | | | | | Temp gradie | ent: | 0.80 |) °F/100ft |
| | | | | | | | Minimum se | c length: | 500 |) ft |
| | | | | | Burst: | | Minimum Dr | ift: | 12.25 | 5 in |
| | | | | | DF | 1.10 | Cement top: | | Surface | |
| Burst | | | | | | | | | | |
| Max anticipa | ated surface | | | | | | | | | |
| pressure | | = | 250.00 | psi | | | | | | |
| Internal grad | lient: | = | 0.12 | psi/ft | Tension: | | Non-directio | nal string. | | |
| Calculated E | внр | = | 310.00 | psi | 8 Rd STC: | 1.80 | (J) | - | | |
| | | | | • | 8 Rd LTC: | 1.80 | (J) | | | |
| No backup | mud specifi | ed | | | Buttress: | 1.60 | (J) | | | |
| No buokup | | cu. | | | Premium: | 1.50 | (J) | | | |
| | | | | | Body yield: | 1.50 | (8) (B) | Re subsea | uent strings: | |
| | | | | | Doug giola. | 1.00 | Next setting | • | 3,000.00 | ft |
| | | | | Tension is h | based on buo | ved wat | Next mud we | • | 10.00 | ppg |
| | | | | Neutral pt: | | ft | Next setting | 0 | 1,482.00 | psi |
| Maximum Lif | tusing 14.8 p | na cont to sur | face with 8 5 | ppg mud fille | | ii. | Fracture mu | | 1,402.00 | ppg |
| | | | | casing prior to | - | | Safety Facto | | 1.00 | |
| | . String wgt - | - 24,000 105. 1 | | | , chir job | | Fracture dep | | 500.00 | ppg ft |
| for Safety. | | | | | | | | | 312.00 | |
| | | | | | | | Injection pre | ssure | 312.00 | psi |
| | | | | | | | | | | |
| Run | Segment | | Nominal | | End | True Vert | Measured | Drift | Internal | Internal |
| Seq | Length | Size | Weight | Grade | Finish | Depth | Depth | Diameter | Capacity | Capacity |
| | (ft) | (in) | (lbs/ft) | | | (ft) | (ft) | (in) | (ft³) | (bbls) |
| 1 | 45 | 13.375 | 48.00 | H-40 | ST&C | 420 | 420 | 12.59 | 440.9 | 78.54 |
| Run | Collapse | Collapse | Collapse | Burst | Burst | Burst | Tension | Tension | Tension | |
| Seq | Load | Strength | Design | Load | Strength | Design | Load | Strength | Design | |
| • | (psi) | (psi) | Factor | (psi) | (psi) | Factor | (Kips) | (Kips) | Factor | |
| 1 | 234 | 740 | 3.16 | 312 | 1730 | 5.54 | 24 | 322 | 13.417 | |
| | | | | | | | | | | |

Remarks:

Collapse is based on a vertical depth of 500 ft, a mud weight of 9.0 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Phone: (432) 695 6970

FAX: (432) 695 6973

Date:

02/23/23

Midland, Texas

Burst strength is not adjusted for tension.

Prepared

by: Richard Wright

.

Well name:

Chieftain 18 State # 303H

Operator: Tascosa Energy Partners, LLC

String type: Intermediate Casing (2,100)

Location: Eddy County, New Mexico. 1,249 FNL & 257 FWL, Sec 18, T21S, R26E BHL Planned: 1,626 FNL & 100 FEL, Sec 18, T21S, R26E

| Design par <u>Collapse</u> | | | | | design fact <u>Collapse:</u> | | Environme H2S conside | | No | |
|-------------------------------|---------------|----------------|----------|-------------|---------------------------------|------------|--------------------------|--------------|--------------|----------|
| Mud weight: | sed on evacu | lated pipe | 9.50 | ppg | DF | 1.125 | Surface tem BH Temp | perature: | 75.00 99 | °F °F |
| Design is ba | | lateu pipe. | | | | | Temp Gradi | ent | 99 0.80 | °F/100ft |
| | | | | | | | Minimum Se | | 1500 | ft |
| | | | | | Burst: | | Minimum Dr | | 8.75 | in |
| | | | | | DF | 1.15 | Cement top | : | Surface | |
| <u>Burst</u> | | | | | | | | | | |
| Max anticipa | ated surface | | | | | | | | | |
| pressure: | | | 823.00 | psi | | | | | | |
| Internal grad | lient: | | 0.12 | psi/ft | Tension: | | Non-directio | nal string. | | |
| Calculated E | BHP | | 1,087.00 | psi | 8 Rd STC: | 1.80 | (J) | | | |
| | | | | | 8 Rd LTC: | 1.80 | (J) | | | |
| No backup n | nud specified | | | | Buttress: | 1.60 | (J) | | | |
| | | | | | Premium: | 1.50 | (J) | | | |
| | | | | | Body yield: | 1.50 | (B) | Re subsequ | uent strings | : |
| | | | | | | | Next setting | depth: | 12,818 | ft MD |
| | | | | | based on buoy | /ed wgt. | Next setting | • | , | ft TVD |
| | | | | Neutral pt: | ± 1643 | ft | Next mud w | - | 9.5 | ppg |
| | | | | | | | Next setting | BHP: | 3,893 | • |
| | | | | | | | Fracture mu | ıd wt: | 13.5 | |
| | | | | | | | Safety Facto | | | ppg |
| | | | | | | | Fracture de | | 3000 | |
| | | | | | | | Injection pre | essure | 2,262 | psi |
| Run | Segment | | Nominal | | End | True Vert | Measured | Drift | ID | Internal |
| Seq | Length | Size | Weight | Grade | Finish | Depth | Depth | Diameter | Diameter | Capacity |
| | (ft) | (in) | (lbs/ft) | | | (ft) | (ft) | (in) | (in) | (bbls) |
| 1 | 2100 | 9.625 | 36 | J-55 | LT&C | 2199 | 2100 | 8.796 | 8.921 | 165 |
| Run | Collapse | Collapse | Collapse | Burst | Burst | Burst | Tension | Tension | Tension | |
| Seq | Load | Strength | Design | Load | Strength | Design | Load | Strength | Design | |
| | (psi) | (psi) | Factor | (psi) | (psi) | Factor | (Kips) | (Kips) | Factor | |
| 1 | 1086 | 2020 | 1.86 | 823 | 3520 | 4.27 | 79.2 | 453 | 5.7 J | |
| | Prepared | | | | Phone: (432 |) 695 6970 | Date: | 02/23/23 | | |
| | by: | Richard Wright | ght | | FAX: (432) 6 | 95 6973 | | Midland, Tex | xas | |
| Remarks: | | | | | | | | | | |

Remarks:

Collapse is based on a vertical depth of 2,200 ft, a mud weight of 9.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

Chieftain 18 State # 303H

Operator: Tascosa Energy Partners, LLC

String type: Production Casing (± 12,702 ft MD) "FRAC"

Location: Eddy County, New Mexico. 1,249 FNL & 257 FWL, Sec 18, T21S, R26E BHL Planned 1,626 FNL & 100 FEL, Sec 18, T21S, R26E

| Design parameters: | | Minimum d | esign fac | ctors: | Environment: | |
|---------------------------------|---------------------|---------------|-----------------|-------------|------------------------------|---------------|
| <u>Collapse</u> | | | <u>Collapse</u> | <u>):</u> | H2S considered? | No |
| Mud weight: | | 8.70 ppg | D | F 1.125 | Surface temperature: | 75.00 °F |
| Design is based on evacuated pi | pe. | | | | Bottom hole temp: | 139 °F |
| | | | | | Temperature gradient: | 0.80 °F/100ft |
| | | | | | Minimum section lgth: | 1,500 ft |
| | | | Burs | <u>t:</u> | Minimum Drift: | 4.75 in |
| | | | D | F 1.12 | Cement top: | Surface ft |
| <u>Burst</u> | | | | | | |
| Max anticipated surface | | | | | | |
| pressure FRAC @ RATE: | 9,000.00 psi | | | | | |
| Internal gradient: | 0.434 psi/ft | Tension: | | | Directional Info - Build & I | Hold |
| Calculated BHP | 12,407.00 psi | 8 Rd STC: | 1.80 | (J) | KOP #1 ± | 2,500 ft |
| backup mud specified. | 0.452 psi/ft | 8 Rd LTC: | 1.80 | (J) | KOP #2 ± | 7,299 ft |
| Net Injection Pressure Surface | 9,000.00 psi | Buttress: | 1.60 | (J) | Departure at shoe: | 4,935 ft |
| Net Injection Pressure TVD | 5,103.00 psi | Premium: | 1.50 | (J) | Maximum dogleg: | 12 °/100ft |
| Annular surface PSI | 0 psi | Body yield: | 1.50 | (B) | Inclination at shoe: | 88.77° |
| Frac Gradient | 12.50 ppg | | | | | |
| Frac Gradient | 0.65 psi/ft | Tension is ba | ased on bu | loyed weigh | nt. (.867 factor) | |
| | | Neutral pt: : | ± 6,637 ft | assumes n | o friction | |

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (Ibs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | ID Diameter (in) | Internal Capacity (bbls) |
|------------|---------------------------|-------------------------------|-------------------------------|------------------------|----------------------------|----------------------------|---------------------------|-------------------------------|-----------------------------|--------------------------------|
| 1 | 12,702 | 5.5 | 17 | CYP-110 | BTC | 7,851 | 12,702 | 4.767 | 4.892 | 282.0 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor | |
| 1 | 4,287 | 7480 | 1.74 | 9000 | 10640 | 1.18 | 315.8 215.815 | 568 | 1.80 | |
| | Prepare b | ed y: Richard Wri | ght | | Phone: (432 FAX: (432) | , | Date: | 06/30/23 Midland, Te | xas | |

Remarks:

Collapse is based on a vertical depth of 7,851 ft, a mud weight of 10.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a tensile load which is added to the axial load

Tension/Joint Strength is Calculated by using string weight in air plus 100K overpull.

| | 1 | TE | P_Chiefta | n 18 Sta | ate # 303H_ | Cemen | t Summa | ry | |
|--------------|-------------|-----------|-----------|----------|-------------|-------|---------|-------------|--|
| Csg Section | Type Cmt | Top MD | Sacks | Yield | Cu.Ft | Wgt | Excess | cmt type | Additives |
| Surface | Lead | 0 | 172 | 1.68 | 289 | 12.8 | 150% | С | 2% CaCl2 + LCM |
| Sullace | slurry | 200 | 368 | 1.35 | 497 | 14.8 | 150% | С | 2% CaCl2 + LCM |
| Intermediate | LEAD | 0 | 829 | 1.68 | 1,239 | 12.8 | 200% | С | 2% CaCl2 + LCM |
| intermediate | TAIL | 1,800 | 189 | 1.35 | 254 | 14.8 | 200% | с | 2% CaCl2 + LCM |
| | LEAD | 0 | 376 | 4.43 | 1,664 | 10.5 | 50% | с | Poz + Bentonite+Sodium Metasilicate + LCM + Silica Fume |
| Production | TAIL | 5,000 | 1,813 | 1.52 | 2,755 | 13.2 | 50% | H | Poz + Bentonite + Sodium Metasilicate + LCM + NaCl + FL/Gas Migration additive |

Receive

•

| by O | CD: 6/30 , | /2023 10:06 | 5:29 AM | | | | | | | | | | | Pag |
|----------|-------------------|-------------------|--------------|----------------------|-----------|----------|----------|----------|------------|----------|-------|----------|--------------|---------------|
| Intent | t | As Dril | led | | | | | | | | | | | |
| API # | : | |] | | | | | | | | | | | |
| Ope | erator Nar | me: | | | I | Pro | operty N | ame | : | | | | | Well Number |
| <u></u> | 24 Daint | | | | ! | <u> </u> | | <u> </u> | | | | | | |
| | Off Point (| (KOP) Township | Range | Lot | Feet | | From N | u/ς | Feet | <u> </u> | Fror | n E/W | County | |
| | | TOwnship | Nange | | | | | | | | | 1 L/ VV | - | |
| Latitu | | | | | Longitu | de | | | | | | | NAD | |
| | Take Poin | · · · | . | | | | | | . <u> </u> | | | | . | |
| UL | Section | Township | Range | Lot | Feet | | From N | i/S | Feet | | From | n E/W | County | |
| Latitu | Jde | <u> </u> | | _ | Longitu | ıde | | | | | | | NAD | |
| Last 7 | Take Poin | it (LTP) | | | | | | | | | | | <u> </u> | |
| UL | Section | Township | Range | Lot | Feet | Frc | om N/S | Feet | : | From E, | /W | Count | ty | |
| Latitu | ude | <u> </u> | <u> </u> | ı | Longitu | ude | | L | | | | NAD | | |
| | | | | | | | | | | | | <u> </u> | | |
| ls this | s well the | e defining w | vell for th | ne Hori [,] | zontal Sr | pacin | ıg Unit? | [| |] | | | | |
| ls thi: | s well an | infill well? | | | | | | | | | | | | |
| lf infi | ll is yes p | lease prov | ide API if | availal | ble, Ope | rator | Name | and v | well nı | umber | for I | Definiı | ng well fc | or Horizontal |
| | ing Unit. | | ٦ | | | | | | | | | | - | |
| | erator Nar | | | | | Drc | operty N | lame | | | | | | Well Number |
| υμε | dlUI ivai | ne. | | | | Fiu | ρειτγιγ | dine | | | | | | Well Number |
| Estim | nated For | mation Top | ps | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| Form | nation: | | | | Top: | | For | rmatio | n: | | | | | Тор: |
| | | | | | <u> </u> | | | | | | | | | |
| | | | | | _ | | _ | | | | | | | - |
| <u> </u> | | | | · | <u> </u> | | <u> </u> | | | · | | | | <u> </u> |
| | | | | | | | | | | | | | | |
| í | | | | | | | | | | | | | | |

Chieftain 18 State Com wells and their anticipated facility are <u>not</u> expected to have Hydrogen Sulfide releases. However, there may be Hydrogen Sulfide production in the nearby area. There are no occupied dwellings within a mile of the area but a contingency plan has been orchestrated. Tascosa Energy Partners, LLC will have a Company Representative living on location throughout the drilling and completion of this well. If Hydrogen Sulfide is detected or suspected, monitoring equipment will be available for monitoring and/or testing. An un-manned H2S safety trailer and monitoring equipment will also be station on location during the drilling operation below the Surface Casing depth of \pm 500 ft. to total drilling depth of \pm 13,000 ft.

EMERGENCY CALL LIST: (Start and continue until ONE of these people have been contacted)

| contacteu) | OFFICE | MOBILE | НОМЕ |
|--|---------------------------|--------------|------------------------------|
| Tascosa Energy ,LLC. | 432 695-6970 | | |
| Alyssa McNear | | 720 244 4417 | |
| Jeff Birkelbach | 432 695-6970 | 432 553 0391 | |
| Brian Kirkland | | 432 770-2325 | |
| Kevin Herrmann | 432 695-6970 | 432 254-9106 | |
| EMERGENCY RESPONSE | UMBERS: | | |
| State Police: | Eddy County | | 575 748 9718 |
| State Police: | Lea County | | 575 392 5588 |
| Sheriff Sheriff | Eddy County Lea County | | 575 746 2701 |
| Emergency Medical Ser | Eddy County | | 911 or 575 746 2701 |
| (Ambulance) | Lea County | Eunice | 911 or 575 394 3258 |
| Emergency Response | Eddy County SERC | | 575 476 9620 |
| Artesia Police Dept | | | 575 746 5001 |
| Artesia Fire Dept | | | 575 746 5001 |
| Oordahad Dallas Daut | | | F7F 00F 0444 |
| Carlsbad Police Dept Carlsbad Fire Dept | | | 575 885 2111 575 885 3125 |
| | | | |
| Loco Hills Police Dept | | | 575 677 2349 |
| Jal Police Dept | | | 575 395 2501 |
| Jal Fire Dept | | | 575 395 2221 |
| Jal ambulance | | | 575 395 2221 |
| Eunice Police Dept | | | 575 394 0112 |
| Eunice Fire Dept | | | 575 394 3258 |
| | | | |

| Eunice Ambulance | | 575 394 3258 |
|---------------------------|---|--|
| Hobbs Police Dept | | |
| NMOCD | District 1 (Lea, Roosevelt, Curry) District 2 (Eddy Chavez) | 575 393 6161 575 748 1283 |
| BLM Carlsbad BLM Hobbs | | 575 234 5972 575 393 3612 |
| Lea County Information | | 575 393 8203 |
| Midland Safety | Lea/Eddy County | 432 520 3838 888 262 4964 |
| American Safety | Lea/Eddy County | 575 746 1096 575 393 3093 |
| Halliburton | Artesia Hobbs Midland | 800 844 8451 800 844 8451 800 844 8451 |
| Wild Well Control | Midland | 281 784 4700 281 443 4873 |

HYDROGEN SULFIDE TRAINING

H2S SAFETY EQUIPMENT AND SYSTEMS

| GENERAL EMERGENCY PLAN | page 7 |
|--|------------|
| EMERGENCY PROCEDURE FOR UNCONTROLLED RELEASES OF H2S | page 7 |
| CALCULATIONS OF THE GENERAL RADIUS OF EXPOSURE (ROE) | page 8 |
| PUBLIC EVACUATION PLAN | page 8 |
| PROCEDURE FOR IGNITING AN UNCONTROLLABLE CONDITION: | |
| PROCEDURE FOR IGNITION | page 9 |
| REQUIRED EMERGENCY EQUIPMENT | page 8 |
| USING SELF CONTAINED BREATHING AIR EQUIPMENT (SCBA) | page 9 |
| RESCUE & FIRST AID FOR VICTIMS OF HYDROGEN SULFIDE (H2S) POISONING | page 10 |
| H2S TOXIC EFFECTS | page 11 |
| H2S PHYSICAL EFFECTS | page 11 |
| LOCATION MAP | page 12-13 |

SEC 18, T21S, R26E, Eddy County, New Mexico

1. Hydrogen Sulfide Training

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

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

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

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

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

2. H2S Safety Equipment and Systems

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

- 1. Well Control Equipment:
 - a. Flare Line
 - b. Choke manifold with remotely operated choke
 - c. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

SEC 18, T21S, R26E, Eddy County, New Mexico

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

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

General H2S Emergency Actions:

- 1. All personnel will immediately evacuate to an up-wind and if possible up-hill "safe area"
- 2. If for any reason a person must enter the hazardous area, they must wear a SCBA (Self Contained Breathing Apparatus)
- 3. Always use the "buddy system"
- 4. Isolate the well/problem if possible
- 5. Account for all personnel
- 6. Display the proper colors warning all unsuspecting personnel of the danger at hand.
- 7. Contact the Company personnel as soon as possible if not at the location. (use the enclosed call list as instructed

At this point the company representative will evaluate the situation and coordinate the necessary duties to bring the situation under control, and if necessary, the notification of the emergency response agencies and nearby residents.

EMERGENCY PROCEDURES FOR AN UNCONTROLLABLE RELEASE OF H2S

- 1. All personnel will wear the self-contained breathing apparatus.
- 2. Remove all personnel to the "safe area". (always use the buddy system).
- 3. Contact company personnel if not on location.
- 4. Set in motion the steps to protect and or remove the general public to an upwind "safe area". Maintain strict security & safety procedures while dealing with the source.
- 5. No entry to any unauthorized personnel.
- Notify the appropriate agencies: City Police-City Street (s) State Police- State Rd County Sheriff – County Rd.
- 7. Call the BLM &/or NMOCD

PROTECTION OF THE GENERAL PUBLIC (Radius of Exposure):

- 100 ppm at any public area (any place not associated with this site)
- 500 ppm at any public road (any road which the general public may travel)
- 100 ppm radius of ¼ mile in New Mexico will be assumed if there is insufficient data to do the calculations, and there is a reasonable expectation that H2S could be present in concentrations greater than 100 ppm in the gas mixture

CALCULATIONS FOR THE 100 PPM (ROE) "Pasquill-Gifford equation"

X = [(1.589) (mole fraction) (Q- volume in std cu ft)] to the power of (0.6258)

CALCULATION FOR THE 500 PPM ROE:

X = [(.4546) (mole fraction) (Q-volume in std cu ft)] to the power of (0.6258)

Example:

If a well/facility has been determined to have 150 / 500 ppm H2S in the gas mixture and the well/facility is producing at a gas rate of 100 MCFPD then:

150 ppm X= [(1.589) (.00015) (100,000 cfd)] to the power of (.6258) X= 7 ft

500 ppm X= [(.4546) (.0005) (100,000 cfd)] to the power of (.6258) X = 3.3 ft.

(These calculations will be forwarded to the appropriate District NMOCD office when Applicable)

PUBLIC EVACUATION PLAN:

- 1. Notification of the emergency response agencies of the hazardous condition and implement evacuation procedures.
- A trained person in H2S safety, shall monitor with detection equipment the H2S concentration, wind and area exposure (ROE). This person will determine the outer perimeter of the hazardous area. The extent of the evacuation area will be determined from the data being collected. Monitoring shall continue until the situation has been resolved. (All monitoring equipment shall be UL approved, for use in class 1 groups A,B,C & D, Division 1, hazardous locations. All monitor will have a minimum capability of measuring H2S, oxygen, and flammable values).
- Law enforcement shall be notified to set up necessary barriers and maintain such for the duration of the situation as well as aid in the evacuation procedure.
- The company supervising personnel shall stay in communication with all agencies throughout the duration of the situation and inform such agencies when the situation has been contained and the affected area(s) is safe to enter.

PROCEDURE FOR IGNITING AN UNCONTROLABLE CONDITION:

- 1. Human life and/or property are in danger
- 2. There is no hope of bringing the situation under control with the prevailing conditions at the site.

INSTRUCTION FOR IGNITION:

• 1. Two people are required. They must be equipped with positive pressure, "self - contained breathing apparatus" and a "D" ring style full body, OSHA approved safety harness. Nonflammable rope will be attached.

SEC 18, T21S, R26E, Eddy County, New Mexico

- 2. One of the people will be qualified safety person who will test the atmosphere for H2S, Oxygen & LFL. The other person will be the company supervisor; he is responsible for igniting the well.
- 3. Ignite up wind from a distance no closer than necessary. Make sure that where you ignite from has the maximum escape avenue available. A 25 mm flare gun shall be used, with a ± 500 ft. range to ignite the gas.
- 4. Prior to ignition, make a final check for combustible gases.
- 5. Following ignition, continue with the emergency actions & procedures as before.

A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.

- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:
 - Well control equipment
 - a. Flare line 100' from wellhead to be ignited by flare gun or automatic striker.
 - b. Choke manifold with a remotely operated choke.
 - c. Mud/gas separator
 - Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escape packs —4 packs shall be stored on the rig floor th sufficient air hose not to restrict work activity.
- c. Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher
- H2S detection and monitoring equipment:

SEC 18, T21S, R26E, Eddy County, New Mexico

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged. (Gas sample tubes will be stored in the safety trailer)

■ Visual warning systems.

- a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
- b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
- c. Two wind socks will be placed in strategic locations, visible from all angles.

■ Mud program: Only utilized if H2S has been detected

The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

■ Metallurgy: Only utilized if H2S has been detected

- a. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- b. All elastomers used for packing and seals shall be H2S trim.

Communication: Only utilized if H2S has been detected Communication will be via two way radio in emergency and company vehicles. Cell phones and land lines where available.

USING SELF CONTAINED BREATHING AIR EQUIPMENT (SCBA):

- (SCBA) SHOULD BE WORN WHEN ANY OF THE FOLLOWING ARE PERFORMED: Only utilized if H2S has been detected
 - > Working near the top or on top of a tank
 - Disconnecting any line where H2S can reasonably be expected
 - > Sampling air in the area to determine if toxic concentrations of H2S exist.
 - ➢ Working in areas where over 10 ppm on H2S has been detected.
 - > At any time there is a doubt as the level of H2S in the area.
- All personnel shall be trained in the use of SCBA prior to working in a potentially hazardous location.
- Facial hair and standard eyeglasses are not allowed with SCBA.
- Contact lenses are never allowed with SCBA.

SEC 18, T21S, R26E, Eddy County, New Mexico

- Air quality shall be continuously be checked during the entire operation.
- After each use, the SCBA unit shall be cleaned, disinfected, serviced and inspected
- All SCBA shall be inspected monthly.

RESCUE AND FIRST AID FOR VICTIMS OF HYDROGEN SULFIDE (H2S) POISONING:

- Do not panic
- Remain Calm & think
- Get on the breathing apparatus
- Remove the victim to the safe breathing area as quickly as possible. Up wind an uphill from source or cross wind to achieve upwind.
- Notify emergency response personnel.
- Provide artificial respiration and or CPR, as necessary
- Remove all contaminated clothing to avoid further exposure.
- A minimum of two personnel on location shall be trained in CPR and First Aid.

SEC 18, T21S, R26E, Eddy County, New Mexico

Hydrogen Sulfide (H2S) Toxic Effects

H2S is extremely toxic. The acceptable ceiling for eight hours of exposure is 10 ppm, which is .001% by volume. H2S is approximately 20% heavier than air (Sp. Gr=1.19)(Air = 1) and H2S is colorless. It forms an explosive mixture with air between 4.3% and 46%. By volume hydrogen sulfide is almost as toxic as hydrogen cyanide and 5-6 times more toxic than carbon monoxide.

| | | Various Gas | es | | |
|-------------|----------|-------------|-----------|-----------|----------------|
| | | | | | |
| | | | | | |
| | CHEMICAL | SPECIFIC | THRESHOLD | HAZARDOUS | LETHAL |
| COMMON NAME | ABBREV. | GRVTY. | LIMITS | LIMITS | CONCENTRATIONS |

| Hydrogen Sulfide | H2S | 1.19 | 10ppm 15 ppm | 100 ppm/hr | 600 ppm |
|------------------|-----|------|-----------------|--------------------|----------|
| Hydrogen Cyanide | HCN | 0.94 | 10 ppm | 150 ppm/hr | 300 ppm |
| Sulfur Dioxide | SO2 | 2.21 | 2 ppm | N/A | 1000 ppm |
| Chlorine | CL2 | 2.45 | 1 ppm | 4 ppm/hr | 1000 ppm |
| Carbon Monoxide | СО | 0.97 | 50 ppm | 400 ppm/hr | 1000 ppm |
| Carbon Dioxide | CO2 | 1.52 | 5000 ppm | 5% | 10% |
| Methane | CH4 | 0.55 | 90,000 | Combustible@ 5% | N/A |

Threshold Limit: Concentrations at which it is believed that all workers may be repeatedly exposed, day after day without adverse effects.

Hazardous Limit: Concentrations that may cause death.

Lethal Concentrations: Concentrations that will cause death with short term exposure.

Threshold Limit- 10 ppm: NIOSH guide to chemical hazards.

PHYSICAL EFFECTS OF HYDROGEN SULFIDE:

| CONCEN | ITRATION | PHYSICAL EFFECTS |
|--------|----------|--|
| | | |
| .001% | 10 PPM | Obvious and unpleasant odor. Safe for 8 hour exposure |
| .005% | 50 ppm | Can cause some flu like symptoms and can cause pneumonia |
| .01% | 100 ppm | Kills the sense of smell in 3-15 minutes. May irritate the eyes and throat. |
| 00% | 200 | |
| .02% | 200 ppm | Kills the sense of smell rapidly. Severly irritates the eyes and throat. Severe flu like symptoms after 4 or more hours. May cause lung damage and or death. |
| | | |
| .06% | 600 ppm | Loss of consciousness quickly, death will result if not rescued promptly. |



Chieftain 18 State Com – Natural Gas Management Plan

VI. Separation Equipment:

Tascosa has sized a FWKO and a high pressure, 3-phase separator to allow for complete separation at our anticipated rates, with adequate retention times. Tank vapors will also be captured through two vapor recovery units and sent to the Enterprise sales line through a compressor at the Bonneville Facility.

VII. Operational Practices:

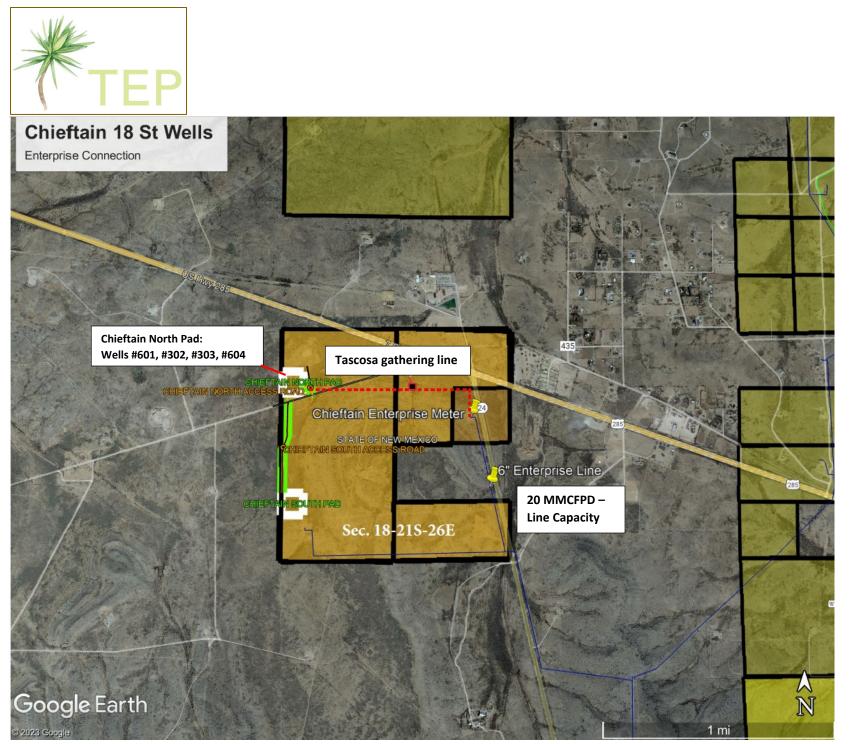
- a. Drilling Operations Tascosa will ensure that a flare stack is set at least 100' from the wellbore during drilling operations. This flare stack will be properly sized to handle the maximum expected release, ensuring that all natural gas produced during drilling operations can be flared (unless there is an equipment malfunction or if venting is necessary for safety reasons).
- b. Completion Operations Prior to flowback, Tascosa will ensure that the well is connected to a gathering system that can handle the expected gas volumes. During flowback, natural gas will be separated and flared until it is within the specs of the contracted gathering system (Enterprise).
- c. Production Operations Tascosa will conduct weekly AVO inspections and tackle equipment failures with haste. The emergency flare on location will be equipped with an auto-ignition, capable of handling the maximum expected release. Sight glasses and automation will be installed on all tanks to eliminate gas releases due to gauging through thief hatches. A VRU and VRT will also be installed to capture tank vapors and reduce waste.
- d. Performance Standards
 - a. Tascosa will design completion and production equipment for maximum expected output and pressure to eliminate venting.
 - b. A properly sized flare stack will be placed at the facility with an automatic ignitor.
 - c. AVO inspections will be conducted at least once a week to prevent releases due to equipment failure. These inspections will be recorded for future review.
 - d. Tascosa is obligated to eliminate waste and will repair equipment failures as soon as possible.
- e. Measurement and Estimation A meter will be placed on the combustor and the flare stack to ensure combusted gas readings are accurate during a release event. If for any reason a meter reading is unavailable, released volumes will be estimated and reported.



VIII. Best Management Practices:

Tascosa will aim to conduct surface maintenance without venting or flaring as much as possible. If planned maintenance is prolonged due to wait times for labor and equipment, Tascosa will shut in the producing well to prevent excess emissions. Tascosa will also minimized venting during downhole operations.

XI. Map:



Released to Imaging: 7/6/2023 9:49:28 AM



XIII. Line Pressure:

Tascosa does not have any existing wells connected to the Enterprise pipeline shown in the map above. However, Tascosa is planning for increases in line pressure as the compressor Station experiences higher volumes from other operators. Tascosa has rented a 2 stage, WAW-7044 compressor to prevent downtime or flaring when line pressure does increase. This compressor is rated for discharge pressure of up to 1000 psi, which is the maximum operating line pressure of the Enterprise gas gathering line.

Received by OCD: 6/30/2023 10:06:29 AM



| Re | ceived | bv | OCD: | 6/30/2023 | 10:06:29 | AM |
|----|--------|----|------|-----------|----------|----|
| | | | | | | |

| | E | nergy, Minerals a | e of New Me nd Natural Re nservation D | sources Departme | ent | Su Vi | bmit Electronically a E-permitting |
|---|----------------------|---------------------|--|----------------------------|----------|---------------------------|--|
| | | 1220 S | outh St. Fran ta Fe, NM 87 | cis Dr. | | | |
| | Ν | ATURAL GA | AS MANA | GEMENT PI | LAN | | |
| This Natural Gas Manage | ement Plan m | ust be submitted wi | th each Applica | tion for Permit to I | Drill (A | PD) for a new | or recompleted well. |
| | | | 1 – Plan D fective May 25 | escription , 2021 | | | |
| I. Operator: | a Energy Part | ners, LLC. | _OGRID: _ | 329784 | | Date: 06 | 5/25/2023 |
| II. Type: 🛛 Original 🗆 | Amendment | due to □ 19.15.27.9 | 9.D(6)(a) NMA | C □ 19.15.27.9.D(| 6)(b) N | IMAC □ Othe | r. |
| If Other, please describe: | | | | | | | |
| III. Well(s): Provide the be recompleted from a sin | | | | | vells pr | roposed to be o | Irilled or proposed to |
| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | | cipated MCF/D | Anticipated Produced Water BBL/D |
| Chieftain 18 St Com #303H | | Lot 1 18-21S-26 | | 900 | 3: | 500 | 1100 |
| IV. Central Delivery Po | int Name: | Tascosa 18 | | | | [See 19.15 | .27.9(D)(1) NMAC] |
| V. Anticipated Scheduld proposed to be recomplet | | | | | ell or s | et of wells pro | posed to be drilled or |
| Well Name | API | Spud Date | TD Reached Date | Completion Commencement | | Initial Flow Back Date | First Production Date |
| Chieftain 18 St Com #303H | | 1/1/2024 | 1/21/2024 | 2/15/2024 | | 3/1/2024 | 3/15/2024 |
| VI. Separation Equipmo VII. Operational Practi Subsection A through F o | i ces: Attac | h a complete descr | - | - | | | |
| VIII. Best Management during active and planned | t Practices: D | Attach a complet | e description o | f Operator's best n | nanager | nent practices | to minimize venting |

.

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 |
|------------------------------|-----|---|---|
| Chieftain 18 State Com #303H | | 3500 | 838,500 |
| | | | |

X. Natural Gas Gathering System (NGGS):

| Operator | System | ULSTR of Tie-in | Anticipated Gathering | Available Maximum Daily Capacity |
|------------|------------|-----------------|-----------------------|----------------------------------|
| | | | Start Date | of System Segment Tie-in |
| Enterprise | South Eddy | 18-21S-26E | 12/31/2023 | 20 MMCFPD |
| | | | | |

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 X will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \boxtimes 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 well(s).

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

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

<u>Section 3 - Certifications</u> <u>Effective May 25, 2021</u>

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

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

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

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

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

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

Section 4 - Notices

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

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

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

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

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

| Signature: Alyssa McNear |
|--|
| Printed Name: Alyssa McNear |
| Title: Engineering Manager |
| E-mail Address: adavanzo@tascosaep.com |
| Date: 6/24/2023 |
| Phone: 720-244-4417 |
| OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form) |
| |
| Approved By: |
| Approved By: Title: |
| |
| Title: |
| Title: Approval Date: |
| Title: Approval Date: |
| Title: Approval Date: |