Form 3160-3 (June 2015)	c.	FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018		
UNITED STATE DEPARTMENT OF THE I BUREAU OF LAND MAN	NTERIOR	5. Lease Serial No.		
APPLICATION FOR PERMIT TO D	RILL OR REENTER	6. If Indian, Allotee or Tribe Name		
1a. Type of work: DRILL	EENTER	7. If Unit or CA Agreement, Name and No.		
	ther ingle Zone Multiple Zone	8. Lease Name and Well No.		
2. Name of Operator		9. API Well No. 30-015-54049		
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory		
 4. Location of Well (<i>Report location clearly and in accordance</i>) At surface At proposed prod. zone 	with any State requirements.*)	11. Sec., T. R. M. or Blk. and Survey or Ar		
14. Distance in miles and direction from nearest town or post off	ice*	12. County or Parish 13. State		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease 17. Space	ing Unit dedicated to this well		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 20. BLM	1/BIA Bond No. in file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration		
	24. Attachments			
The following, completed in accordance with the requirements o (as applicable)	f Onshore Oil and Gas Order No. 1, and the	Hydraulic Fracturing rule per 43 CFR 3162.3		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office 	Item 20 above). m Lands, the 5. Operator certification.	ons unless covered by an existing bond on file (so		
25. Signature	BLM. Name (Printed/Typed)	Date		
Title		I		
Approved by (Signature)	Name (Printed/Typed)	Date		
Title	Office	I		
Application approval does not warrant or certify that the applican applicant to conduct operations thereon. Conditions of approval, if any, are attached.	nt holds legal or equitable title to those rights	in the subject lease which would entitle the		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, n of the United States any false, fictitious or fraudulent statements				



(Continued on page 2)

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Phone: (575) 393-6161 District II 811 S. First St., Artesia Phone: (575) 748-1283 District III 1000 Rio Brazos Road Phone: (505) 334-6178 District IV 1220 S. St. Francis Dr.	Id25 N. French Dr., Hobbs, NM 88240State of New MexicoPhone: (575) 393-6161 Fax: (575) 393-0720Energy, Minerals & Natural Resources DepartmentDistrict II811 S. First St., Artesia, NM 88210OIL CONSERVATION DIVISIONPhone: (575) 748-1701220 South St. Francis Dr.1000 Rio Brazos Road, Aztec, NM 87410Santa Fe, NM 87505						Sul	omit one o	Form C-102 sed August 1, 2011 copy to appropriate District Office ENDED REPORT					
Phone: (505) 476-3460	Fax: (505) 470	0-3402	WF		САТ	ION		~RF	EAGE DEDIC	ATION PL 4	١Т			
1	API Numbe	r	•• L		² Pool					³ Pool Na				
30-015-54				9822			Pl	UR	PLE SAGE;			C		
⁴ Property 0	Code						⁵ Proper	rty Na	ame			⁶ Well Number		
33458	0			С	HUC	K SN	MITH MI	DP1	1 8_17 FED C	COM		2H		
⁷ OGRID	No.						⁸ Operat	tor Na	ame			⁹ Elevation		
1669	6						OXY US	SA	INC.				3471'	
							¹⁰ Surface	e L	ocation					
UL or lot no.	Section	Township)	Range	Lot	t Idn	Feet from t	the	North/South line	Feet from the	Eas	t/West line	County	
C	8	24S		31E			361		NORTH	2565	WE	ST	EDDY	
				¹¹ Bo	ttom	Hole	Location	n If I	Different Fron	1 Surface				
UL or lot no.	Section	Township	2	Range	Lot	t Idn	Feet from t	the	North/South line	Feet from the	Eas	t/West line	County	
Ν	17	24S		31E 20 SOUTH 2210 V						WE	ST	EDDY		
¹² Dedicated Acres	¹³ Joint o	r Infill	¹⁴ Cons	olidation	Code	¹⁵ Orde	er No.				1			
640.0														

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.

2210' 2565' FIRST	300. 901.00 901.00 900. 900. 900. 900. 90	CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 703690.34' / Y: 440553.0 B - X: 703666.72' / Y: 445836.5 C - X: 703642.47' / Y: 451120.0 D - X: 706280.65' / Y: 451132.7 E - X: 706309.79' / Y: 4451630.3 F - X: 706335.13' / Y: 440568.9 SECTION 4 SECTION 4	64' B - X: 662482.65' / Y: 445777.62' 0 - X: 662485.59' / Y: 451061.04' 9' D - X: 665096.75' / Y: 451073.75' 1 E - X: 665125.71' / Y: 445791.46'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
TAKE 2 RECEITON 8 RECEITON 8	B SECUTION	SECTION 9	SURFACE HOLE LOCATION 361' FNL 2565' FWL, SECTION 8 NAD 83, SPCS NM EAST X:706209.13' / Y:450771.75' LAT:32.23812237N / LON:103.80008949W NAD 27, SPCS NM EAST X:665025.22' / Y:450712.72' LAT:32.23799916N / LON:103.79960491W	Leslie T. Reeves 04/18/2023 Signature Date LESLIE REEVES Printed Name
	E SECTION 8 E SECTION 8 SECTION 17 SECTION 17	SECTION 9 SECTION 16	KICK OFF POINT 300' FSL 2210' FWL, SECTION 5 NAD 83, SPCS NM EAST X:705851.70' / Y:451430.72' LAT:32.23993862N / LON:103.80123491W NAD 27, SPCS NM EAST X:664667.82' / Y:451371.68' LAT:32.23981543N / LON:103.80075022W	LESLIE_REEVES@OXY.COM E-mail Address ¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this</i>
AL NOLTON 18 SECTION 18		SECTION 16	FIRST TAKE POINT 100' FNL 2210' FWL, SECTION 8 NAD 83, SPCS NM EAST X:705852.91' / Y:451030.72' LAT:32.23883910N / LON:103.80123742W NAD 27, SPCS NM EAST X:664669.01' / Y:450971.69' LAT:32.23871590N / LON:103.80075278W	plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. MARCH 3, 2023
2210' 2210' A	435' 435' BHL	SECTION 16	LAST TAKE POINT 100' FSL 2210' FWL, SECTION 17 NAD 83, SPCS NM EAST X:705899.86' / Y:440666.30' LAT:32.21034886N / LON:103.80125157W NAD 27, SPCS NM EAST X:664715.60' / Y:440607.50' LAT:32.21022539N / LON:103.80076826W	Date of Survey Signature and Seal of Professional Surveyor, METCO
61 NO H H H H H H H H H H H H H	100. 2001 SECTION 20	SECTION 21	BOTTOM HOLE LOCATION 20' FSL 2210' FWL, SECTION 17 NAD 83, SPCS NM EAST X:705900.22' / Y:440586.30' LAT:32.21012895N / LON:103.80125169W NAD 27, SPCS NM EAST X:664715.95' / Y:440527.50' LAT:32.21000548N / LON:103.80076839W	Certificate Number LLOYD P. SHORT 21653 ONAL SUR

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99977581 Convergence Angle: 00°16'19.04999"

Horizontal Spacing Unit

Page 5

	E	nergy, Minerals a Oil Ce 1220 S	te of New Mex and Natural Res onservation Di South St. Fran- nta Fe, NM 873	ources Departme vision cis Dr.	ent		Subr Via I	nit Electronically E-permitting	
This Natural Gas Manag		ATURAL G				PD) for a	new of	r recompleted well.	
			<u>1 – Plan D</u> ffective May 25,						
I. Operator: OXY US	A INC.		OGRID: 16	696		Date:	1 2/	1 4/ 2 2	
II. Type: ☑ Original □ If Other, please describe						IMAC 🗆 (Other.		
III. Well(s): Provide the pr					wells pr	oposed to	be dri	lled or proposed to	
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D		cipated MCF/D	-		
SEE ATTACHED									
IV. Central Delivery P V. Anticipated Schedul proposed to be recomple	le: Provide the	following informa	tion for each new		vell or s			7.9(D)(1) NMAC] osed to be drilled or	
Well Name	API	Spud Date	TD Reached Date	Completion Commencement		Initial F Back D		First Production Date	
SEE ATTACHED									
VI. Separation Equipn VII. Operational Prac Subsection A through F VIII. Best Managemer during active and planne	tices: 🗹 Attac of 19.15.27.8 nt Practices: [h a complete desc NMAC.	ription of the act	ions Operator wil	l take t	o comply	with t	he requirements of	

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

XII. Line Capacity. The natural gas gathering system \Box will \Box will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \Box does \Box does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

 \Box 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.

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

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. \Box 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.

Received by OCD: 8/4/2023 12:06:09 PM

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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: Leslie T. Reeves							
Printed Name: LESLIE REEVES							
Title: REGULATORY MANAGER							
E-mail Address: LESLIE_REEVES@OXY.COM							
Date: 12/14/2022							
^{Phone:} 713-497-2492							
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)							
(Only appreciate when submitted us a sumation form)							
Approved By:							
Approved By:							
Approved By: Title:							
Approved By: Title: Approval Date:							
Approved By: Title: Approval Date:							
Approved By: Title: Approval Date:							

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III. Well(s)

Well Name	API	WELL LOCATION (ULSTR)	Footages	ANTICIPATED OIL BBL/D	ANTICIPATED GAS MCF/D	ANTICIPATED PROD WATER BBL/D
CHUCK SMITH MDP1 8_17 FED COM 1H	PENDING	C-8-T24S-R31E	361' FNL 2535' FWL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 2H	PENDING	C-8-T24S-R31E	361' FNL 2565' FWL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 3H	PENDING	C-8-T24S-R31E	361' FNL 2595' FWL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 4H	PENDING	B-8-T24S-R31E	731' FNL 1335' FEL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 5H	PENDING	B-8-T24S-R31E	701' FNL 1335' FEL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 11H	PENDING	C-8-T24S-R31E	360' FNL 2445' FWL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 12H	PENDING	C-8-T24S-R31E	360' FNL 2475' FWL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 13H	PENDING	B-8-T24S-R31E	821' FNL 1335' FEL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 14H	PENDING	B-8-T24S-R31E	791' FNL 1335' FEL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 21H	PENDING	M-5-T24S-R31E	280' FSL 1305' FWL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 22H	PENDING	N-5-T24S-R31E	280' FSL 1335' FWL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 23H	PENDING	N-5-T24S-R31E	280' FSL 1365' FWL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 24H	PENDING	O-5-T24S-R31E	279' FSL 1550' FEL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 25H	PENDING	O-5-T24S-R31E	279' FSL 1520' FEL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 26H	PENDING	O-5-T24S-R31E	279'FSL 1490'FEL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 31H	PENDING	M-5-T24S-R31E	280' FSL 1215' FWL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 32H	PENDING	M-5-T24S-R31E	280' FSL 1245' FWL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 33H	PENDING	O-5-T24S-R31E	280' FSL 1760' FEL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 34H	PENDING	O-5-T24S-R31E	280' FSL 1730' FEL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 41H	PENDING	C-8-T24S-R31E	360' FNL 2325' FWL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 42H	PENDING	C-8-T24S-R31E	360' FNL 2355' FWL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 43H	PENDING	C-8-T24S-R31E	360' FNL 2385' FWL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 44H	PENDING	O-5-T24S-R31E	279' FSL 1670' FEL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 45H	PENDING	O-5-T24S-R31E	279' FSL 1640' FEL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 46H	PENDING	O-5-T24S-R31E	279' FSL 1610' FEL	800	7800	3900

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V. Anticipated Schedule

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
CHUCK SMITH MDP1 8_17 FED COM 1H	PENDING	7/15/2023	10/1/2023	10/27/2023	11/6/2023	11/7/2023
CHUCK SMITH MDP1 8_17 FED COM 2H	PENDING	7/16/2023	9/7/2023	10/27/2023	11/6/2023	11/7/2023
CHUCK SMITH MDP1 8_17 FED COM 3H	PENDING	7/17/2023	9/19/2023	10/27/2023	11/6/2023	11/7/2023
CHUCK SMITH MDP1 8_17 FED COM 4H	PENDING	7/18/2023	10/2/2023	10/25/2023	11/2/2023	11/3/2023
CHUCK SMITH MDP1 8_17 FED COM 5H	PENDING	7/19/2023	10/14/2023	10/25/2023	11/2/2023	11/3/2023
CHUCK SMITH MDP1 8_17 FED COM 11H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 12H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 13H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 14H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 21H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 22H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 23H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 24H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 25H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 26H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 31H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 32H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 33H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 34H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 41H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 42H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 43H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 44H	PENDING	10/1/2023	12/16/2023	1/31/2024	2/10/2024	2/11/2024
CHUCK SMITH MDP1 8_17 FED COM 45H	PENDING	10/2/2023	1/15/2024	1/31/2024	2/10/2024	2/11/2024
CHUCK SMITH MDP1 8_17 FED COM 46H	PENDING	10/3/2023	12/31/2023	1/31/2024	2/10/2024	2/11/2024

Part VI. Separation Equipment

Operator will size the flowback separator to handle 11,000 Bbls of fluid and 6-10MMscfd which is more than the expected peak rates for these wells. Each separator is rated to 1440psig, and pressure control valves and automated communication will cause the wells to shut in in the event of an upset at the facility, therefore no gas will be flared on pad during an upset. Current Oxy practices avoid use of flare or venting on pad, therefore if there is an upset or emergency condition at the facility, the wells will immediately shut down, and reassume production once the condition has cleared.

VII. Operational Practices

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Enterprise Field Services, LLC ("Enterprise") and is connected to Enterprise low/high pressure gathering system located in Eddy County, New Mexico. OXY USA INC. ("OXY") provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise's Processing Plant located in Sec. 36, Twn. 24S, Rng. 30E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enterprise system at that time. Based on current information, it is OXY's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and nonpipeline quality gas be vented and/or flared rather than sold on a temporary basis.

VIII. Best Management Practices

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

• Power Generation – On lease

Only a portion of gas is consumed operating the generator, remainder of gas will be flared

•Compressed Natural Gas – On lease

Gas flared would be minimal, but might be uneconomical to operate when gas volume declines

•NGL Removal – On lease

Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Oxy USA Inc. - Chuck Smith MDP1 8_17 Fed Com 2H Drill Plan

1. Geologic Formations

TVD of Target (ft):	12547	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	23000	Deepest Expected Fresh Water (ft):	603

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	603	603	
Salado	961	961	Salt
Castile	2745	2745	Salt
Delaware	4225	4225	Oil/Gas/Brine
Bell Canyon	4248	4248	Oil/Gas/Brine
Cherry Canyon	5205	5205	Oil/Gas/Brine
Brushy Canyon	6417	6417	Losses
Bone Spring	8130	8125	Oil/Gas
Bone Spring 1st	9173	9158	Oil/Gas
Bone Spring 2nd	9805	9784	Oil/Gas
Bone Spring 3rd	11063	11030	Oil/Gas
Wolfcamp	11520	11482	Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

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

2. Casing Program

		M	ID	T\	/D				
	Hole	From	То	From	То	Csg.	Csg Wt.		
Section	Size (in)	(ft)	(ft)	(ft)	(ft)	OD (in)	(ppf)	Grade	Conn.
Surface	17.5	0	901	0	901	13.375	54.5	J-55	BTC
Intermediate	12.25	0	11785	0	11743	9.625	40	L-80 HC	BTC
Production	8.75	0	12335	0	12195	7	32	P-110	DQX
Production	8.5	12335	23000	12195	12547	5.5	20	P-110	Wedge 461

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

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

All Casing SF Values will meet or exceed						
	those below					
SF SF Body SF			Joint SF			
-						
Collapse	Burst	-	Tension			

Annular Clearance Variance Request

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

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

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards?	Y
If not provide justification (loading assumptions, casing design criteria).	I
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching	Y
the collapse pressure rating of the casing?	I
Is well located within Capitan Reef?	Ν
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	Y
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back	Y
500' into previous casing?	1
Is well located in R-111-P and SOPA?	Ν
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Ν
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	Ν
If yes, are there three strings cemented to surface?	

3. Cementing Program

Section	Stage	Slurry:	Sacks	Yield (ft^3/ft)	Density (Ib/gal)	Excess:	тос	Placement	Description
Surface	1	Surface - Tail	941	1.33	14.8	100%	-	Circulate	Class C+Accel.
Int.	1	Intermediate 1S - Tail	1020	1.65	13.2	5%	6,667	Circulate	Class H+Accel., Disper., Salt
Int.	2	Intermediate 2S - Tail BH	1511	1.71	13.3	25%	-	Bradenhead	Class C+Accel.
Prod.	1	Production - Tail	2573	1.38	13.2	25%	11,285	Circulate	Class H+Ret., Disper., Salt

Offline Cementing

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

The summarized operational sequence will be as follows:

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

Land casing.

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

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

The summarized operational sequence will be as follows:

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

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

Three string wells:

- CBL will be required on one well per pad
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP		Туре	~	Tested to:	Deepest TVD Depth (ft) per Section:	
		5M		Annular	√	70% of working pressure		
				Blind Ram	√		11743	
12.25" Hole	13-5/8"	5M		Pipe Ram		250 poi / 5000 poi		
				Double Ram	√	250 psi / 5000 psi		
			Other*					
		5M		Annular	√	100% of working pressure		
	13-5/8"	" 10M		Blind Ram	√			
8.75" Hole				Pipe Ram		250 pai / 10000 pai	12547	
			Double Ram ✓ 250 psi / 100		250 psi / 10000 psi			
			Other*					

*Specify if additional ram is utilized

Per BLM's Memorandum No. NM-2017-008: *Decision and Rationale for a Variance Allowing the Use of a 5M Annular Preventer with a 10M BOP Stack,* Oxy requests to employ a 5M annular with a 10M BOPE stack in the pilot and lateral sections of the well and will ensure that two barriers to flow are maintained at all times. Please see attached Well Control Plan.

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

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

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

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

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

Are anchors required by manufacturer?

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

See attached schematics.

BOP Break Testing Request

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

BOP break test under the following conditions:

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

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

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

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

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

Oxy will use Cameron ADAPT wellhead system that uses an OEC top flange connection. This connection has been fully vetted and verified by API to Spec 6A and carries an API monogram.

5. Mud Program

Section	Depth - MD		Depth - TVD		Trme	Weight	Viscosity	Water
Section	From (ft)	To (ft)	From (ft)	To (ft)	Туре	(ppg)	viscosity	Loss
Surface	0	901	0	901	Water-Based Mud	8.6 - 8.8	40-60	N/C
Intermediate	901	11785	901	11743	Saturated Brine-Based or Oil-Based Mud	8.0 - 10.0	35-45	N/C
Production	11785	23000	11743	12547	Water-Based or Oil- Based Mud	9.5 - 13.5	38-50	N/C

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

What will be used to monitor the	PVT/MD Totco/Visual Monitorin	
loss or gain of fluid?		

6. Logging and Testing Procedures

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

Addit	ional logs planned	Interval
No	Resistivity	
No	Density	
Yes	CBL	Production string
Yes	Mud log	Bone Spring – TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	8808 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	181°F

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

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

	H2S is present
Y	H2S Plan attached

8. Other facets of operation

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

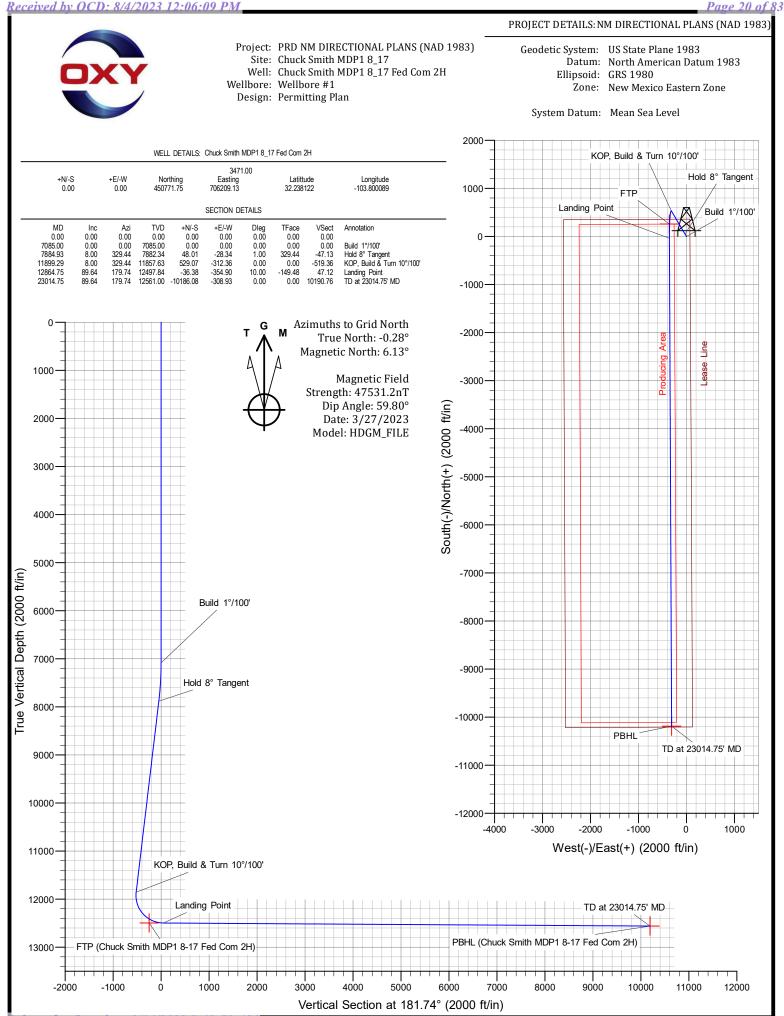
Total Estimated Cuttings Volume: 1796 bbls

Attachments

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

9. Company Personnel

Name	<u>Title</u>	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
Derek Adam	Drilling Engineer Supervisor	713-366-5170	916-802-8873
Casey Martin	Drilling Superintendent	713-497-2530	337-764-4278
Kevin Threadgill	Drilling Manager	713-366-5958	361-815-0788



Released to Imaging: 8/14/2023 9:48:59 AM

OXY

PRD NM DIRECTIONAL PLANS (NAD 1983) Chuck Smith MDP1 8_17 Chuck Smith MDP1 8_17 Fed Com 2H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

27 March, 2023

OXY Planning Report

Database: Company: Project: Site: Well: Wellbore: Design:	PRD Chucl Chucl Wellb	SPP NEERING DES NM DIRECTIC < Smith MDP1 < Smith MDP1 ore #1 itting Plan	NAL PLANS 8_17	· · · ·	Local Co-ordinate Reference:Well Chuck Smith MDP1 8_17 Fed Com 2TVD Reference:RKB=25' @ 3496.00ftMD Reference:RKB=25' @ 3496.00ftNorth Reference:GridSurvey Calculation Method:Minimum Curvature					Fed Com 2H	
Project	PRD N	IM DIRECTION	NAL PLANS (NAD 1983)							
Map System: Geo Datum: Map Zone:	North Ar	e Plane 1983 merican Datum xico Eastern Z			System Da	tum:		ean Sea Level sing geodetic sc	ale factor		
Site	Chuck	Smith MDP1 8	3_17								
Site Position: From: Position Unce	Ma rtainty:	p 1.00 f	North Easti ft Slot F	-	705,7	65.22 usft 84.47 usft 3.200 in	Latitude: Longitude:			32.237835 -103.801465	
Well	Chuck	Smith MDP1 8	_17 Fed Com	12H							
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Wellbore	Wellbo	ore #1									
Magnetics	Мо	del Name	Sampl	e Date	Declina (°)	tion	Dip A (°		Field Str (nT	•	
		HDGM_FILE		3/27/2023	6.42			59.80	47,531	.20000000	
Design	Permit	ting Plan									
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Vertical Section	on:	D	epth From (T (ft)	VD)	+N/-S (ft)	(1	/-W ft)		ection (°)		
			0.00		0.00	0.	00	18	1.74		
Plan Survey T Depth Fr (ft)	om Dept (fi	h To	3/27/2023 • (Wellbore) ing Plan (Wel	lbore #1)	Tool Name B001Mb_MW	D+HRGM	Remarks				
	20,0		g (1101		OWSG MWD						
Plan Sections											
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target	
0.00 7,085.00 7,884.94 11,899.29	0.00 0.00 8.00 8.00	0.00 0.00 329.44 329.44	0.00 7,085.00 7,882.34 11,857.64	0.00 0.00 48.01 529.07	0.00 0.00 -28.34 -312.36	0.00 0.00 1.00 0.00	0.00 0.00 1.00 0.00		0.00 0.00 329.44 0.00		
12,864.75	89.64	179.74	12,497.84	-36.38	-354.90	10.00	8.46	-15.51	-149.48		
23,014.75	89.64	179.74	12,561.00	-10,186.08	-308.93	0.00	0.00	0.00		3HL (Chuck Smith	

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Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3496.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3496.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
				0.00				0.00	
800.00	0.00	0.00	800.00		0.00	0.00	0.00		0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
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2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
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3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3496.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3496.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
	5.500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
				,						
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Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3496.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3496.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,800.00	8.00	329.44	10,769.04	397.34	-234.59	-390.04	0.00	0.00	0.00
10,900.00	8.00	329.44	10,868.07	409.32	-241.66	-401.80	0.00	0.00	0.00
11,000.00	8.00	329.44	10,967.09	421.30	-248.74	-413.57	0.00	0.00	0.00
11,100.00	8.00	329.44	11,066.12	433.29	-255.81	-425.33	0.00	0.00	0.00
11,200.00	8.00	329.44	11,165.15	445.27	-262.89	-437.10	0.00	0.00	0.00
11,300.00	8.00	329.44	11,264.17	457.25	-269.96	-448.86	0.00	0.00	0.00
11,400.00	8.00	329.44	11,363.20	469.24	-277.04	-460.62	0.00	0.00	0.00
11,500.00	8.00	329.44	11,462.23	481.22	-284.11	-472.39	0.00	0.00	0.00
11,600.00	8.00	329.44	11,561.26	493.20	-291.19	-484.15	0.00	0.00	0.00
11,700.00	8.00	329.44	11,660.28	505.19	-298.26	-495.91	0.00	0.00	0.00
11,800.00	8.00	329.44	11,759.31	517.17	-305.34	-507.68	0.00	0.00	0.00
11,899.29	8.00	329.44	11,857.64	529.07	-312.36	-519.36	0.00	0.00	0.00
11,950.00 12,000.00	4.45 5.14	294.07 231.65	11,908.05 11,957.91	532.91 532.31	-315.95 -319.48	-523.09 -522.38	10.00 10.00	-7.01 1.39	-69.76 -124.84
12,000.00	9.14	205.93	12,007.52	527.36	-319.40	-522.30	10.00	7.94	-51.44
12,100.00 12,150.00	13.77 18.60	196.52 191.87	12,056.52 12,104.53	518.09 504.57	-326.40 -329.73	-507.95 -494.34	10.00 10.00	9.31 9.67	-18.81 -9.31
12,150.00	23.50	189.09	12,104.55	486.91	-329.75	-494.34 -476.60	10.00	9.87 9.80	-5.55
12,250.00	28.43	187.23	12,196.12	465.25	-336.02	-454.85	10.00	9.87	-3.72
12,300.00	33.39	185.89	12,239.00	439.74	-338.93	-429.26	10.00	9.90	-2.69
12,350.00	38.35	184.85	12,279.51	410.58	-341.66	-400.03	10.00	9.93	-2.07
12,400.00	43.32	184.02	12,317.33	377.99	-344.18	-367.38	10.00	9.94	-1.66
12,450.00	48.30	183.33	12,352.17	342.23	-346.47	-331.57	10.00	9.95	-1.38
12,500.00	53.28	182.74	12,383.77	303.55	-348.51	-292.85	10.00	9.96	-1.18
12,550.00	58.26	182.23	12,411.89	262.27	-350.30	-251.53	10.00	9.96	-1.04
12,600.00	63.24	181.76	12,436.32	218.68	-351.81	-207.92	10.00	9.97	-0.93
12,650.00	68.23	181.34	12,456.86	173.13	-353.04	-162.35	10.00	9.97	-0.85
12,700.00	73.21 78.20	180.94	12,473.36 12,485.71	125.96 77.53	-353.98 -354.61	-115.17 -66.74	10.00 10.00	9.97 9.97	-0.79 -0.75
12,750.00 12,800.00	83.19	180.56 180.20	12,405.71	28.20	-354.01	-00.74 -17.43	10.00	9.97 9.97	-0.73
12,850.00	88.17	179.84	12,497.56	-21.64	-354.96	32.39	10.00	9.97	-0.71
12,864.75	89.64	179.74	12,497.84	-36.38	-354.90	47.12	10.00	9.97	-0.71
12,900.00	89.64	179.74	12,498.06	-71.63	-354.74	82.35	0.00	0.00	0.00
13,000.00	89.64	179.74	12,498.68	-171.63	-354.29	182.29	0.00	0.00	0.00
13,100.00	89.64	179.74	12,499.30	-271.63	-353.84	282.23	0.00	0.00	0.00
13,200.00	89.64	179.74	12,499.92	-371.62	-353.39	382.17	0.00	0.00	0.00
13,300.00	89.64	179.74	12,500.55	-471.62	-352.93	482.10	0.00	0.00	0.00
13,400.00	89.64	179.74	12,501.17	-571.62	-352.48	582.04	0.00	0.00	0.00
13,500.00	89.64	179.74	12,501.79	-671.62	-352.03	681.98	0.00	0.00	0.00
13,600.00	89.64	179.74	12,502.41	-771.61	-351.57	781.92	0.00	0.00	0.00
13,700.00	89.64	179.74	12,503.04	-871.61	-351.12	881.85	0.00	0.00	0.00
13,800.00	89.64	179.74	12,503.66	-971.61	-350.67	981.79	0.00	0.00	0.00
13,900.00	89.64	179.74	12,504.28	-1,071.60	-350.21	1,081.73	0.00	0.00	0.00
14,000.00 14,100.00	89.64 89.64	179.74 179.74	12,504.90 12,505.53	-1,171.60 -1,271.60	-349.76 -349.31	1,181.66 1,281.60	0.00 0.00	0.00 0.00	0.00 0.00
14,200.00	89.64	179.74	12,506.15	-1,371.59	-348.86	1,381.54	0.00	0.00	0.00
14,200.00	89.64	179.74	12,506.15	-1,471.59	-348.40	1,381.54	0.00	0.00	0.00
14,300.00	89.64	179.74	12,507.39	-1,571.59	-347.95	1,581.41	0.00	0.00	0.00
14,500.00	89.64	179.74	12,508.01	-1,671.59	-347.50	1,681.35	0.00	0.00	0.00
14,600.00	89.64	179.74	12,508.64	-1,771.58	-347.04	1,781.29	0.00	0.00	0.00
14,700.00	89.64	179.74	12,509.26	-1,871.58	-346.59	1,881.23	0.00	0.00	0.00
14,800.00	89.64	179.74	12,509.88	-1,971.58	-346.14	1,981.16	0.00	0.00	0.00
14,900.00	89.64	179.74	12,510.50	-2,071.57	-345.69	2,081.10	0.00	0.00	0.00
15,000.00	89.64	179.74	12,511.13	-2,171.57	-345.23	2,181.04	0.00	0.00	0.00
15,100.00	89.64	179.74	12,511.75	-2,271.57	-344.78	2,280.98	0.00	0.00	0.00

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3496.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3496.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

15,200.00 88.64 179.74 12,512.39 -2,371.66 -344.33 2,280.91 0.00 0.00 0.00 15,400.00 88.64 179.74 12,512.89 -2,771.65 -343.42 2,580.79 0.00 0.00 0.00 0.00 15,500.00 88.64 179.74 12,514.24 -2,771.55 -342.21 2,780.66 0.00 0.00 0.00 0.00 15,500.00 88.64 179.74 12,516.48 -2,771.55 -342.61 2,880.60 0.00 0.00 0.00 1.00 15,500.00 88.64 179.74 12,516.37 -3,771.54 -340.70 3,180.41 0.00 0.00 0.00 1.00 16,000.00 88.64 179.74 12,517.37 -3,271.54 -340.70 3,180.41 0.00 0.00 0.00 1.00 1.00 0.00 0.00 0.00 1.00 1.00 1.00 1.00 0.00 0.00 0.00 1.00 1.00 1.00 1.00 1.00	Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
15,300.00 88.64 179.74 12,513.61 -2,571.56 -343.87 2,480.85 0.00 0.00 0.00 15,500.00 88.64 179.74 12,513.61 -2,571.56 -342.27 2,880.73 0.00 0.00 0.00 15,500.00 88.64 179.74 12,514.86 -2,871.55 -342.06 2,880.60 0.00 0.00 0.00 15,500.00 88.64 179.74 12,516.10 -2,971.55 -342.06 2,880.60 0.00 0.00 0.00 0.00 15,500.00 88.64 179.74 12,517.37 -3,711.54 -340.75 3,380.35 0.00 0.00 0.00 0.00 16,000.00 88.64 179.74 12,517.35 -3,317.14 -340.25 3,280.35 0.00	15.200.00	89.64	179.74	12,512.37	-2,371.56	-344.33	2,380.91	0.00	0.00	0.00
15,400.00 88.64 179.74 12,513.01 -2,671.56 -343.42 2,880.79 0.00 0.00 0.00 15,500.00 88.64 179.74 12,514.24 -2,671.55 -342.21 2,780.66 0.00 0.00 0.00 15,000.00 88.64 179.74 12,516.48 -2,771.55 -342.21 2,780.66 0.00 0.00 0.00 15,000.00 88.64 179.74 12,516.73 -3,711.54 -340.70 3,180.41 0.00 0.00 0.00 16,000.00 88.64 179.74 12,517.87 -3,271.54 -340.70 3,180.41 0.00 0.00 0.00 16,000.00 88.64 179.74 12,519.24 -3,571.53 -338.43 3,880.10 0.00										
15.500.00 88.64 179.74 12.514.24 -2.671.55 -342.97 2.680.73 0.00 0.00 0.00 15.700.00 88.64 179.74 12.514.86 -2.871.55 -342.06 2.808.60 0.00 0.00 0.00 15.900.00 88.64 179.74 12.516.10 -2.971.55 -341.01 2.980.60 0.00 0.00 0.00 16.000.00 88.64 179.74 12.517.35 -3.711.54 -340.70 3.184.41 0.00 0.00 0.00 0.00 16.000.00 88.64 179.74 12.518.59 -3.715.4 -330.83 3.480.22 0.00 0.00 0.00 0.00 16.300.00 88.64 179.74 12.518.49 -3.715.3 -338.48 3.860.10 0.00 0.00 0.00 1.00 16.300.00 88.64 179.74 12.521.08 -3.715.3 -338.48 3.860.10 0.00 0.00 0.00 1.00 1.00 1.00 1.00 1.00 0.00 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>										
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19,400.00 89.64 179.74 12,538.51 -6,571.44 -325.30 6,578.28 0.00 0.00 0.00 19,500.00 89.64 179.74 12,539.13 -6,671.44 -324.85 6,678.22 0.00 0.00 0.00 19,600.00 89.64 179.74 12,539.75 -6,771.43 -324.40 6,778.16 0.00 0.00 0.00 19,700.00 89.64 179.74 12,540.37 -6,671.43 -323.94 6,878.09 0.00 0.00 0.00 19,800.00 89.64 179.74 12,541.00 -6,971.43 -323.49 6,978.03 0.00 0.00 0.00 19,900.00 89.64 179.74 12,541.62 -7,071.43 -323.04 7,077.97 0.00 0.00 0.00 20,000.00 89.64 179.74 12,542.24 -7,171.42 -322.58 7,177.91 0.00 0.00 0.00 20,000.00 89.64 179.74 12,542.86 -7,271.42 -322.13 7,277.84 0.00 0.00 0.00 20,200.00 89.64 179.74				,						
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20,000.00 89.04 179.74 12,040.97 -7,7711.41 -519.87 7,777.53 0.00 0.00 0.00	20,600.00	89.64	179.74	12,545.97	-7,771.41	-319.87	7,777.53	0.00	0.00	0.00

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3496.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3496.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Measure Depth (ft)		Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
20,700	.00 89.64	179.74	12,546.60	-7,871.40	-319.41	7,877.47	0.00	0.00	0.00
20,800	.00 89.64	179.74	12,547.22	-7,971.40	-318.96	7,977.40	0.00	0.00	0.00
20,900	.00 89.64	179.74	12,547.84	-8,071.40	-318.51	8,077.34	0.00	0.00	0.00
21,000	.00 89.64	179.74	12,548.46	-8,171.39	-318.05	8,177.28	0.00	0.00	0.00
21,100	.00 89.64	179.74	12,549.09	-8,271.39	-317.60	8,277.22	0.00	0.00	0.00
21,200	.00 89.64	179.74	12,549.71	-8,371.39	-317.15	8,377.15	0.00	0.00	0.00
21,300	.00 89.64	179.74	12,550.33	-8,471.38	-316.70	8,477.09	0.00	0.00	0.00
21,400	.00 89.64	179.74	12,550.95	-8,571.38	-316.24	8,577.03	0.00	0.00	0.00
21,500	.00 89.64	179.74	12,551.57	-8,671.38	-315.79	8,676.97	0.00	0.00	0.00
21,600	.00 89.64	179.74	12,552.20	-8,771.38	-315.34	8,776.90	0.00	0.00	0.00
21,700	.00 89.64	179.74	12,552.82	-8,871.37	-314.88	8,876.84	0.00	0.00	0.00
21,800	.00 89.64	179.74	12,553.44	-8,971.37	-314.43	8,976.78	0.00	0.00	0.00
21,900	.00 89.64	179.74	12,554.06	-9,071.37	-313.98	9,076.72	0.00	0.00	0.00
22,000	.00 89.64	179.74	12,554.69	-9,171.36	-313.53	9,176.65	0.00	0.00	0.00
22,100	.00 89.64	179.74	12,555.31	-9,271.36	-313.07	9,276.59	0.00	0.00	0.00
22,200	.00 89.64	179.74	12,555.93	-9,371.36	-312.62	9,376.53	0.00	0.00	0.00
22,300	.00 89.64	179.74	12,556.55	-9,471.35	-312.17	9,476.47	0.00	0.00	0.00
22,400	.00 89.64	179.74	12,557.17	-9,571.35	-311.71	9,576.40	0.00	0.00	0.00
22,500	.00 89.64	179.74	12,557.80	-9,671.35	-311.26	9,676.34	0.00	0.00	0.00
22,600	.00 89.64	179.74	12,558.42	-9,771.35	-310.81	9,776.28	0.00	0.00	0.00
22,700	.00 89.64	179.74	12,559.04	-9,871.34	-310.35	9,876.21	0.00	0.00	0.00
22,800	.00 89.64	179.74	12,559.66	-9,971.34	-309.90	9,976.15	0.00	0.00	0.00
22,900	.00 89.64	179.74	12,560.29	-10,071.34	-309.45	10,076.09	0.00	0.00	0.00
23,000	.00 89.64	179.74	12,560.91	-10,171.33	-309.00	10,176.03	0.00	0.00	0.00
23,014	.75 89.64	179.74	12,561.00	-10,186.08	-308.93	10,190.76	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Chuck Smith - plan misses target - Point	0.00 center by 71		12,496.00 94.16ft MD	258.99 (12433.66 TV	-356.24 ⁄D, 223.89 N,	451,030.72 -351.65 E)	705,852.91	32.238839	-103.801238
PBHL (Chuck Smith - plan hits target cer - Point	0.00 nter	0.00	12,561.00	-10,186.08	-308.93	440,586.30	705,900.22	32.210129	-103.801252

OXY Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8 17 Fed Com 2H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3496.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3496.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Formations

D	asured)epth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
	617.00	617.00	RUSTLER			
	975.00	975.00	SALADO			
2	2,759.00	2,759.00	CASTILE			
4	4,239.00	4,239.00	DELAWARE			
4	4,262.00	4,262.00	BELL CANYON			
:	5,219.00	5,219.00	CHERRY CANYON			
(6,417.00	6,417.00	BRUSHY CANYON			
8	8,129.98	8,125.00	BONE SPRING			
9	9,173.13	9,158.00	BONE SPRING 1ST			
9	9,819.42	9,798.00	BONE SPRING 2ND			
1	1,077.66	11,044.00	BONE SPRING 3RD			
1	1,534.10	11,496.00	WOLFCAMP			
1	1,712.84	11,673.00	WOLFCAMP A			

Plan Annotations					
Measured Depth	Vertical Depth	Local Coor			
(ft)	(ft)	+N/-S (ft)	+E/-W (ft)	Comment	
7,085.00	7,085.00	0.00	0.00	Build 1°/100'	
7,884.93	7,882.33	48.01	-28.34	Hold 8° Tangent	
11,899.29	11,857.63	529.07	-312.36	KOP, Build & Turn 10°/100'	
12,864.75	12,497.84	-36.38	-354.90	Landing Point	
23,014.75	12,561.00	-10,186.08	-308.93	TD at 23014.75' MD	

OXY USA Inc APD ATTACHMENT: SPUDDER RIG DATA

OPERATOR NAME / NUMBER: OXY USA Inc

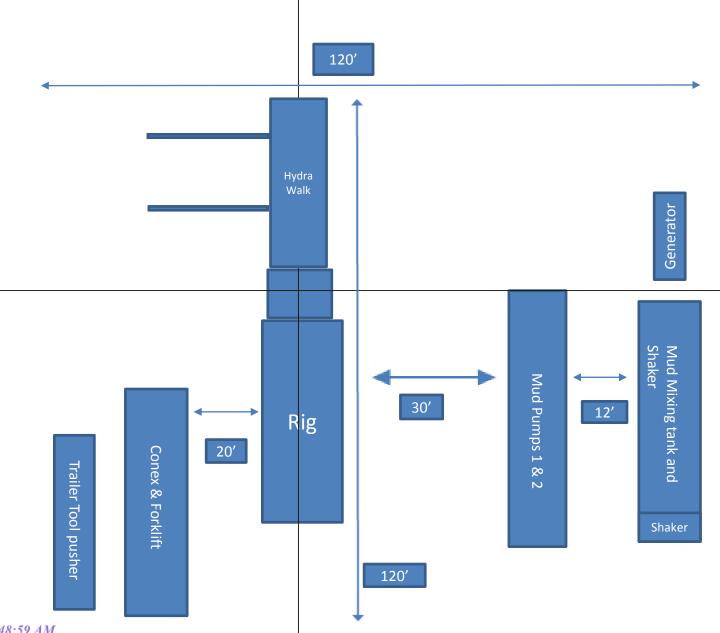
1. SUMMARY OF REQUEST:

Oxy USA respectfully requests approval for the following operations for the surface hole in the drill plan:

1. Utilize a spudder rig to pre-set surface casing for time and cost savings.

2. Description of Operations

- 1. Spudder rig will move in to drill the surface hole and pre-set surface casing on the well.
 - **a.** After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
 - **b.** The spudder rig will utilize fresh water-based mud to drill the surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
- 2. The wellhead will be installed and tested as soon as the surface casing is cut off and the WOC time has been reached.
- **3.** A blind flange at the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
 - **a.** A means for intervention will be maintained while the drilling rig is not over the well.
- 4. Spudder rig operations are expected to take 2-3 days per well on the pad.
- 5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 6. Drilling operations will begin with a larger rig and a BOP stack equal to or greater than the pressure rating that was permitted will be nippled up and tested on the wellhead before drilling operations resume on each well.
 - **a.** The larger rig will move back onto the location within 90 days from the point at which the wells are secured and the spudder rig is moved off location.
 - **b.** The BLM will be contacted / notified 24 hours before the larger rig moves back on the pre-set locations.
- 7. Oxy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
- **8.** Once the rig is removed, Oxy will secure the wellhead area by placing a guard rail around the cellar area.



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PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INC
WELL NAME & NO.:	CHUCK SMITH MDP1 8-17 FED COM 2H
SURFACE HOLE FOOTAGE:	361'/N & 2565'/W
BOTTOM HOLE FOOTAGE	20'/S & 2210'/W Sec 17 T24S R31E
LOCATION:	Section 8, T.24 S., R.31 E., NMP
COUNTY:	Eddy County, New Mexico

COA

H2S	• Yes	C No	
Potash	C None	Secretary	© R-111-P
Cave/Karst Potential	💽 Low	C Medium	C High
Cave/Karst Potential	Critical		
Variance	C None	• Flex Hose	C Other
Wellhead	C Conventional	Multibowl	C Both
Wellhead Variance	C Diverter		
Other	4 String	Capitan Reef	□ WIPP
Other	Fluid Filled	Pilot Hole	Open Annulus
Cementing	Contingency	EchoMeter	Primary Cement
	Cement Squeeze		Squeeze
Special Requirements	Water Disposal	COM	🗖 Unit
Special Requirements	Batch Sundry		
Special Requirements	Break Testing	✓ Offline	Casing
Variance		Cementing	Clearance

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated AT SPUD. As a result, the Hydrogen Sulfide area must meet 43 CFR 3170 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

Primary Casing Design

1. The **13-3/8** inch surface casing shall be set at approximately **901 feet** (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface. The surface hole shall be **17 1/2** inch in diameter.

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- 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 <u>24 hours in the Potash Area</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- Cement excess is less than 25%, more cement is required if washout occurs. Adjust cement volume and excess based on a fluid caliper or similar method that reflects the as-drilled size of the wellbore. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
 - Operator will perform bradenhead squeeze and top-out cement to surface. If cement does not reach surface, the appropriate BLM office shall be notified. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

Casing test must be conducted in accordance with 43 CFR 3170. Surface pressure applied will vary based on fluid in the casing and burst conditions.

In <u>Secretary Potash Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

Operator has proposed to pump down 13-3/8" X 9-5/8" annulus. <u>Operator must top</u> <u>out cement after the bradenhead squeeze and verify cement to surface. Operator</u> <u>can also check TOC with Echo-meter. CBL must be run from TD of the 9-5/8"</u> <u>casing to surface if confidence is lacking on the quality of the bradenhead squeeze</u> <u>cement job. Submit results to BLM.</u> Submit results to the BLM. No displacement fluid/wash out shall be utilized at the top of the cement slurry between second stage BH and top out. Operator must run one CBL per Well Pad.

If cement does not reach surface, the next casing string must come to surface.

Operator must use a limited flush fluid volume of 1 bbl following backside cementing procedures.

- 3. The minimum required fill of cement behind the 7×5.5 inch production casing is:
 - Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the 13-3/8 inch surface casing. 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. Variance is approved to use a 5000 (5M) Annular which shall be tested to 3500 (70% Working Pressure) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

• The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New

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Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3170.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

(Note: For a minimum 5M BOPE or less (Utilizing a 10M BOPE system) BOPE Break Testing Variance

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. (Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP)
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer (**575-706-2779**) prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).
- The BLM is to be contacted (575-361-2822 Eddy County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

Offline Cementing

Contact the BLM prior to the commencement of any offline cementing procedure.

Casing Clearance:

Operator casing variance is approved for the utilization of:

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

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Operator shall clean up cycles until wellbore is clear of cuttings and any large debris, ensure cutting sizes are adequate "coffee ground or less" before cementing.

GENERAL REQUIREMENTS

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

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

EMAIL or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,

BLM_NM_CFO_DrillingNotifications@BLM.GOV (575) 361-2822

- Lea CountyCall the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per **43 CFR part 3170 Subpart 3172** as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

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

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least <u>24 hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. <u>Wait on cement (WOC) for Water Basin:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR part 3170 Subpart 3172 and API STD 53 Sec. 5.3.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to 43 CFR part 3170 Subpart 3172 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - e. The results of the test shall be reported to the appropriate BLM office.
 - f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to

the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per 43 CFR part 3170 Subpart 3172.

C. DRILLING MUD

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

D. WASTE MATERIAL AND FLUIDS

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

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

LVO 7/25/2023

Approval Date: 08/03/2023

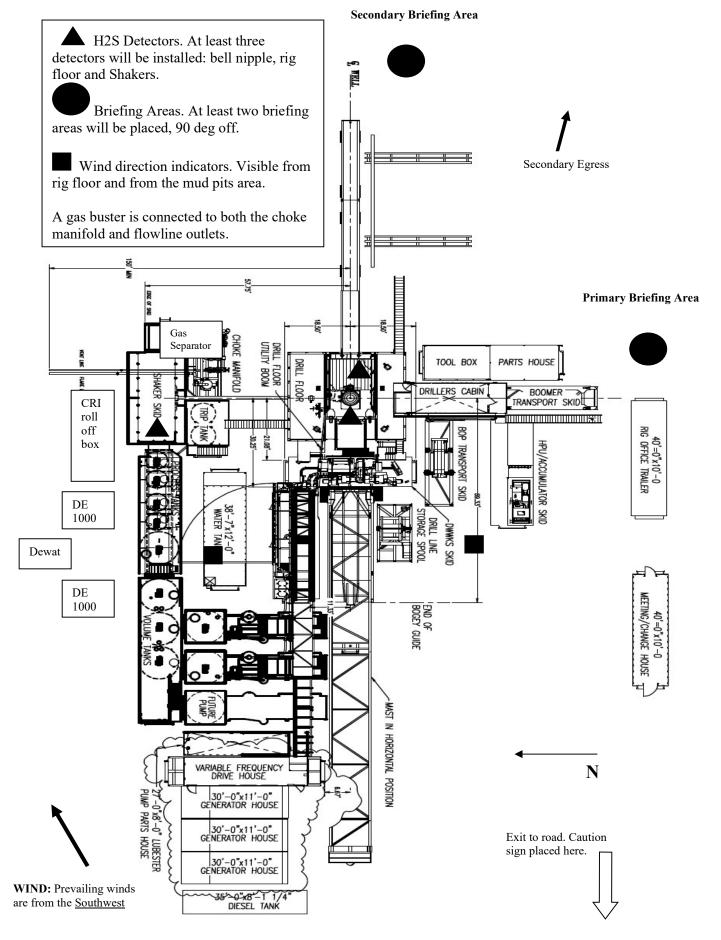


Permian Drilling Hydrogen Sulfide Drilling Operations Plan

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.





Permian Drilling Hydrogen Sulfide Drilling Operations Plan New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H2S) gas.

While drilling this well, it is possible to encounter H2S bearing formations. At all times, the first barrier to control H2S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

- 1. Provide an immediate and predetermined response plan to any condition when H2S is detected. All H2S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.
- 2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.
- 3. Provide proper evacuation procedures to cope with emergencies.
- 4. Provide immediate and adequate medical attention should an injury occur.

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Discussion

Implementation:	This plan with all details is to be fully implemented before drilling to <u>commence</u> .
Emergency response Procedure:	This section outlines the conditions and denotes steps to be taken in the event of an emergency.
Emergency equipment Procedure:	This section outlines the safety and emergency equipment that will be required for the drilling of this well.
Training provisions:	This section outlines the training provisions that must be adhered to prior to drilling.
Drilling emergency call lists:	Included are the telephone numbers of all persons to be contacted should an emergency exist.
Briefing:	This section deals with the briefing of all people involved in the drilling operation.
Public safety:	Public safety personnel will be made aware of any potential evacuation and any additional support needed.
Check lists:	Status check lists and procedural check lists have been included to insure adherence to the plan.
General information:	A general information section has been included to supply support information.

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 the well:

- 1. The hazards and characteristics of H2S.
- 2. Proper use and maintenance of personal protective equipment and life support systems.
- 3. H2S detection.
- 4. Proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
- 5. Proper techniques for first aid and rescue procedures.
- 6. Physical effects of hydrogen sulfide on the human body.
- 7. Toxicity of hydrogen sulfide and sulfur dioxide.
- 8. Use of SCBA and supplied air equipment.
- 9. First aid and artificial respiration.
- 10. Emergency rescue.

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

- 1. The effects of H2S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
- 3. The contents and requirements of the H2S Drilling Operations Plan.

H2S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H2S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H2S training has been taken.

Service company and visiting personnel

- A. Each service company that will be on this well will be notified if the zone contains H2S.
- B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.
- C. Each service company will be expected to attend a well site briefing

Emergency Equipment Requirements

1. <u>Well control equipment</u>

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

- A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.
- B. Rotating head
- C. Gas buster equipment shall be installed before drilling out of surface pipe.

2. <u>Protective equipment for personnel</u>

- A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.
- B. Adequate fire extinguishers shall be located at strategic locations.
- C. Radio / cell telephone communication will be available at the rig.
 - Rig floor and trailers.
 - Vehicle.

3. <u>Hydrogen sulfide sensors and alarms</u>

- A. H2S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
- B. Hand operated detectors with tubes.
- C. H2S monitor tester (to be provided by contract Safety Company.)
- D. There shall be one combustible gas detector on location at all times.

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

A. One sign located at each location entrance with the following language:

Caution – potential poison gas Hydrogen sulfide No admittance without authorization

Wind sock – wind streamers:

- A. One 36" (in length) wind sock located at protection center, at height visible from rig floor.
- B. One 36" (in length) wind sock located at height visible from pit areas.

Condition flags

A. One each condition flag to be displayed to denote conditions.

green – normal conditions yellow – potential danger red – danger, H2S present

B. Condition flag shall be posted at each location sign entrance.

5. <u>Mud Program</u>

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

6. <u>Metallurgy</u>

- A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
- B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

7. <u>Well Testing</u>

No drill stem test will be performed on this well.

8. <u>Evacuation plan</u>

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

- 9. <u>Designated area</u>
 - A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.
 - B. There will be a designated smoking area.
 - C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

- A. In the event of any evidence of H2S level above 10 ppm, take the following steps:
 - 1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.
 - 2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.
 - 3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.
 - 4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.
 - 5. Entrance to the location will be secured to a higher level than our usual "Meet and Greet" requirement, and the proper condition flag will be displayed at the entrance to the location.
 - 6. Take steps to determine if the H2S level can be corrected or suppressed and, if so, proceed as required.
- B. If uncontrollable conditions occur:
 - 1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

- 2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.
- 3. Notify public safety personnel of safe briefing / muster area.
- 4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.
- 5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.
- C. Responsibility:
 - 1. Designated personnel.
 - a. Shall be responsible for the total implementation of this plan.
 - b. Shall be in complete command during any emergency.
 - c. Shall designate a back-up.

All personnel:	1.	On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw
	2.	Check status of personnel (buddy system).
	3.	Secure breathing equipment.
	4.	Await orders from supervisor.
Drill site manager:	1.	Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area.
	2.	Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system).
	3.	Determine H2S concentrations.
	4.	Assess situation and take control measures.
Tool pusher:	1.	Don escape unit Report to up nearest upwind designated safe briefing / muster area.
	2.	Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system).
	3.	Determine H2S concentration.
	4.	Assess situation and take control measures.
Driller:	1.	Don escape unit, shut down pumps, continue

	2. 3. 4. 5.	rotating DP. Check monitor for point of release. Report to nearest upwind designated safe briefing / muster area. Check status of personnel (in an attempt to rescue, use the buddy system). Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case
	6.	of their absence. Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.
Derrick man Floor man #1 Floor man #2	1.	Will remain in briefing / muster area until instructed by supervisor.
Mud engineer:	1. 2.	Report to nearest upwind designated safe briefing / muster area. When instructed, begin check of mud for ph and H2S level. (Garett gas train.)
Safety personnel:	1.	Mask up and check status of all personnel and secure operations as instructed by drill site manager.

<u>Taking a kick</u>

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same "tripping" procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

- 1. Human life and property are endangered.
- 2. There is no hope controlling the blowout under the prevailing conditions at the well.

Instructions for igniting the well

- 1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with the gas monitor. The other man is responsible for igniting the well.
- 2. Primary method to ignite: 25 mm flare gun with range of approximately 500 feet.
- 3. Ignite upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best for protection, and which offers an easy escape route.
- 5. Before firing, check for presence of combustible gas.
- 6. After lighting, continue emergency action and procedure as before.
- 7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

<u>Remember</u>: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. **<u>Do not assume the area is safe after the well is ignited.</u>**

Status check list

Note: All items on this list must be completed before drilling to production casing point.

- 1. H2S sign at location entrance.
- 2. Two (2) wind socks located as required.
- 3. Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.
- 4. Air packs inspected and ready for use.
- 5. Cascade system and hose line hook-up as needed.
- 6. Cascade system for refilling air bottles as needed.
- 7. Condition flag on location and ready for use.
- 8. H2S detection system hooked up and tested.
- 9. H2S alarm system hooked up and tested.
- 10. Hand operated H2S detector with tubes on location.
- 11. 1 100' length of nylon rope on location.
- 12. All rig crew and supervisors trained as required.
- 13. All outside service contractors advised of potential H2S hazard on well.
- 14. No smoking sign posted and a designated smoking area identified.
- 15. Calibration of all H2S equipment shall be noted on the IADC report.

Checked by:	Date:
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Procedural check list during H2S events

Perform each tour:

- 1. Check fire extinguishers to see that they have the proper charge.
- 2. Check breathing equipment to ensure that it in proper working order.
- 3. Make sure all the H2S detection system is operative.

Perform each week:

- 1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.
- 2. BOP skills (well control drills).
- 3. Check supply pressure on BOP accumulator stand by source.
- 4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.
- 5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade "D" before bringing to location)
- 6. Confirm pressure on all supply air bottles.
- 7. Perform breathing equipment drills with on-site personnel.
- 8. Check the following supplies for availability.
 - A. Emergency telephone list.
 - B. Hand operated H2S detectors and tubes.

General evacuation plan

- 1. When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.
- 2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.
- 3. Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.
- 4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.
- 5. After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

<u>Important:</u> Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

- 1. Evacuate all personnel to "Safe Briefing / Muster Areas" or off location if needed.
- 2. If sour gas evacuate rig personnel.
- 3. If sour gas evacuate public within 3000 ft radius of exposure.
- 4. Don SCBA and shut well in if possible using the buddy system.
- 5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
- 6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.
- 6. Give first aid as needed.

Person down location/facility

- 1. If immediately possible, contact 911. Give location and wait for confirmation.
- 2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity -1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Common name	Chemical formula	Specific gravity	Threshold limit	Hazardous limit	Lethal concentration (3)
		(sc=1)	(1)	(2)	
Hydrogen Cyanide	Hcn	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	C12	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Co	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustibl	e above 5% in air

Table i <u>Toxicity of various gases</u>

1) threshold limit – concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.

- 2) hazardous limit concentration that will cause death with short-term exposure.
- 3) lethal concentration concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii Physical effects of hydrogen sulfide

		Concentration	Physical effects
Percent (%)	<u>Ppm</u>	Grains	
		100 std. Ft3*	
0.001	<10	00.65	Obvious and unpleasant odor.

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0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in 3 – 15 minutes. May sting eyes and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

*at 15.00 psia and 60'f.

Use of self-contained breathing equipment (SCBA)

- 1. Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.
- 2 SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.
- 3. Anyone who may use the SCBA's shall be trained in how to insure proper facepiece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.
- 4. Maintenance and care of SCBA's:
 - a. A program for maintenance and care of SCBA's shall include the following:
 - 1. Inspection for defects, including leak checks.
 - 2. Cleaning and disinfecting.
 - 3. Repair.
 - 4. Storage.
 - b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
 - 1. Fully charged cylinders.
 - 2. Regulator and warning device operation.
 - 3. Condition of face piece and connections.
 - 4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.
 - c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.
- 5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.
- 6. SCBA's should be worn when:
 - A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H2S.

- B. When breaking out any line where H2S can reasonably be expected.
- C. When sampling air in areas to determine if toxic concentrations of H2S exists.
- D. When working in areas where over 10 ppm H2S has been detected.
- E. At any time there is a doubt as to the H2S level in the area to be entered.

<u>Rescue</u> First aid for H2S poisoning

Do not panic!

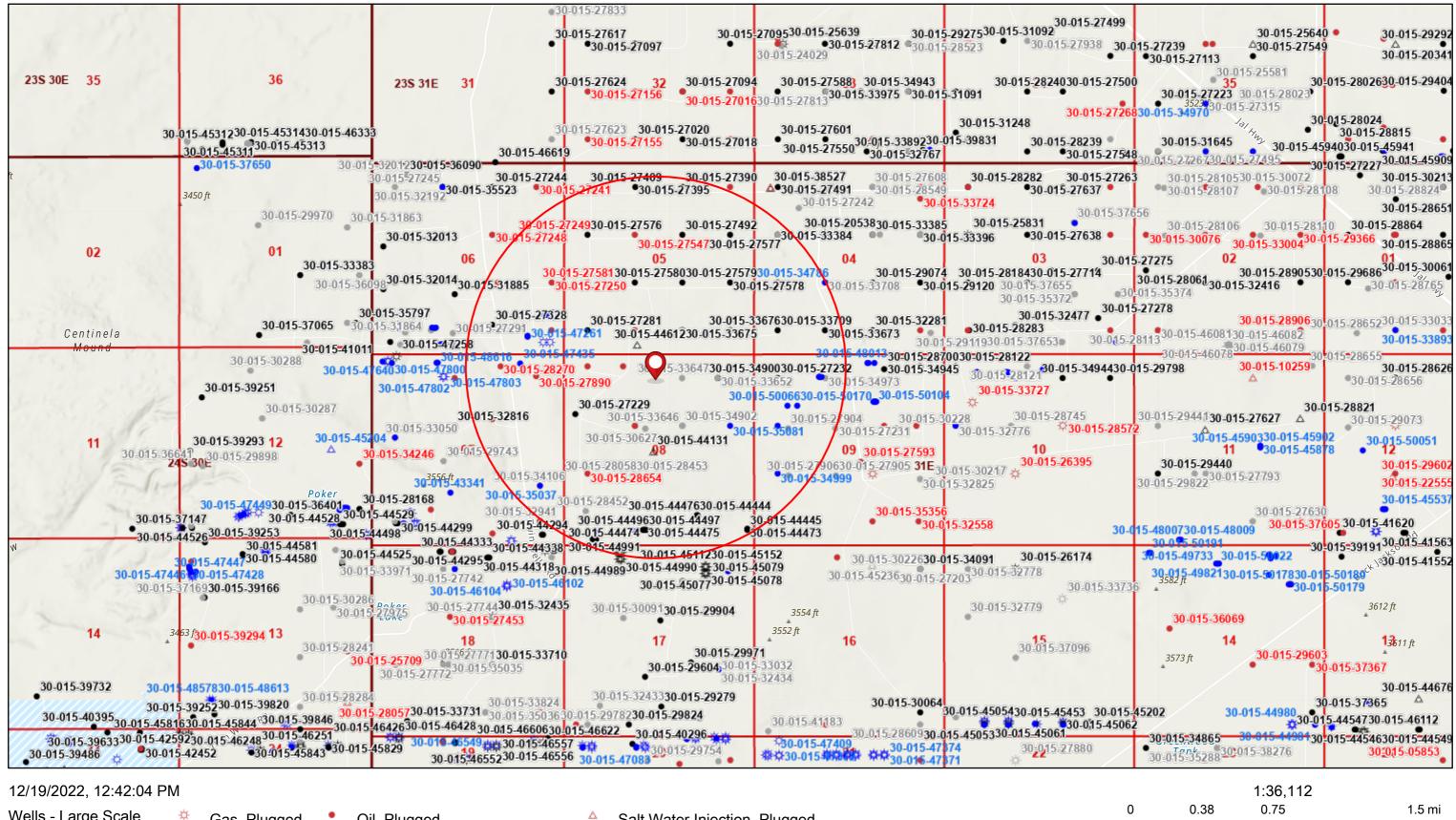
Remain calm – think!

- 1. Don SCBA breathing equipment.
- 2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)
- 3. Briefly apply chest pressure arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
- 4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
- 5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H2S gas poisoning no matter how remote the possibility is.
- 6. Notify emergency room personnel that the victim(s) has been exposed to H2S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

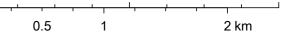
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Chuck Smith MDP1 8-17 Fed Com 2H - 1-Mile Existing Well Map

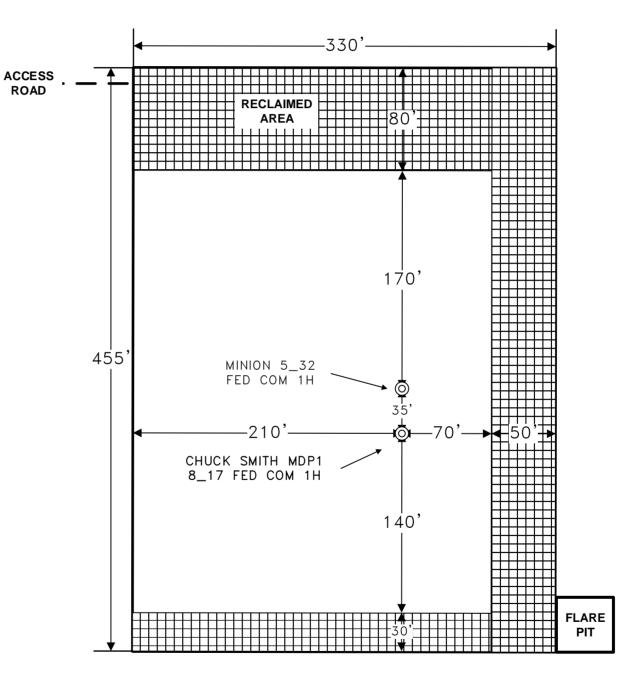


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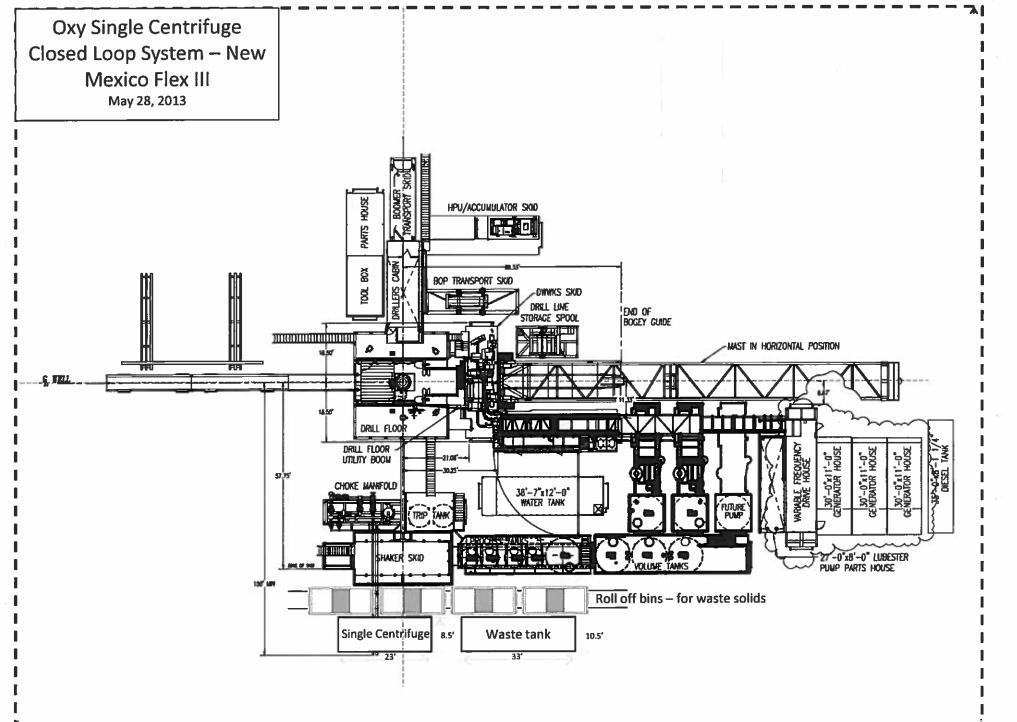
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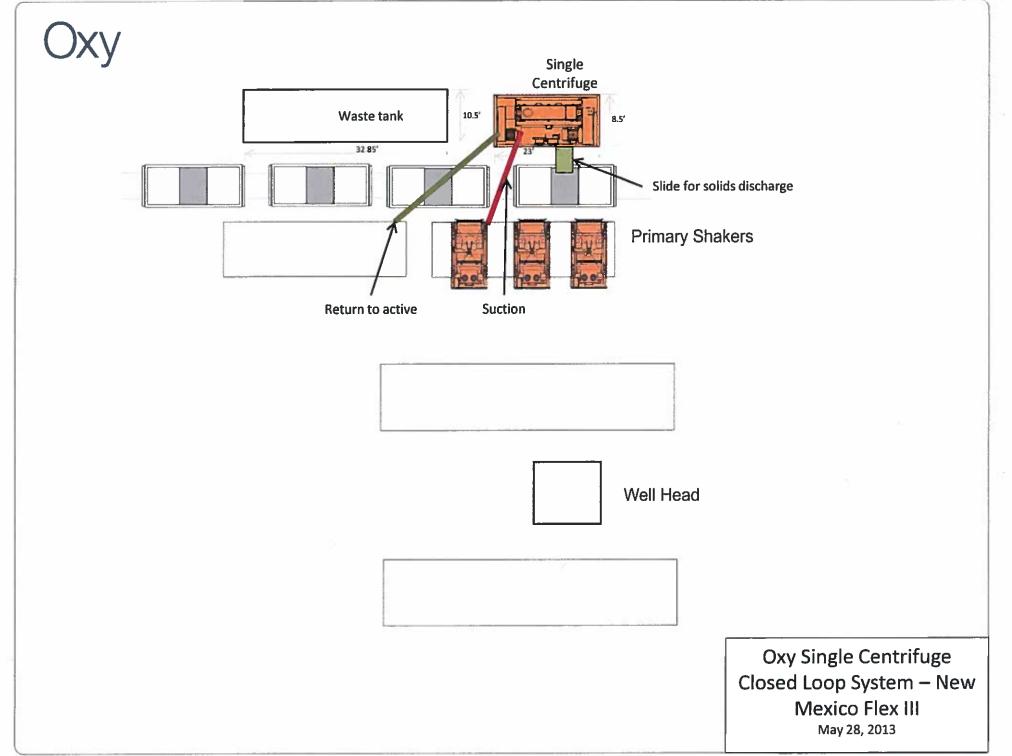
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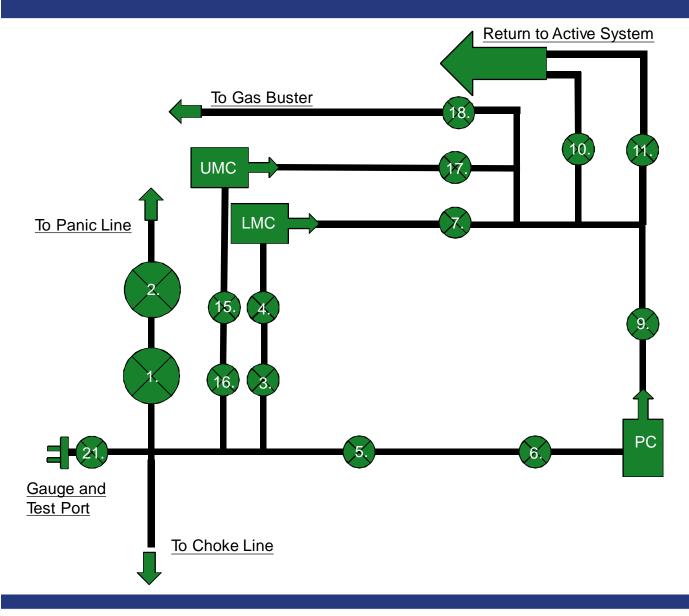
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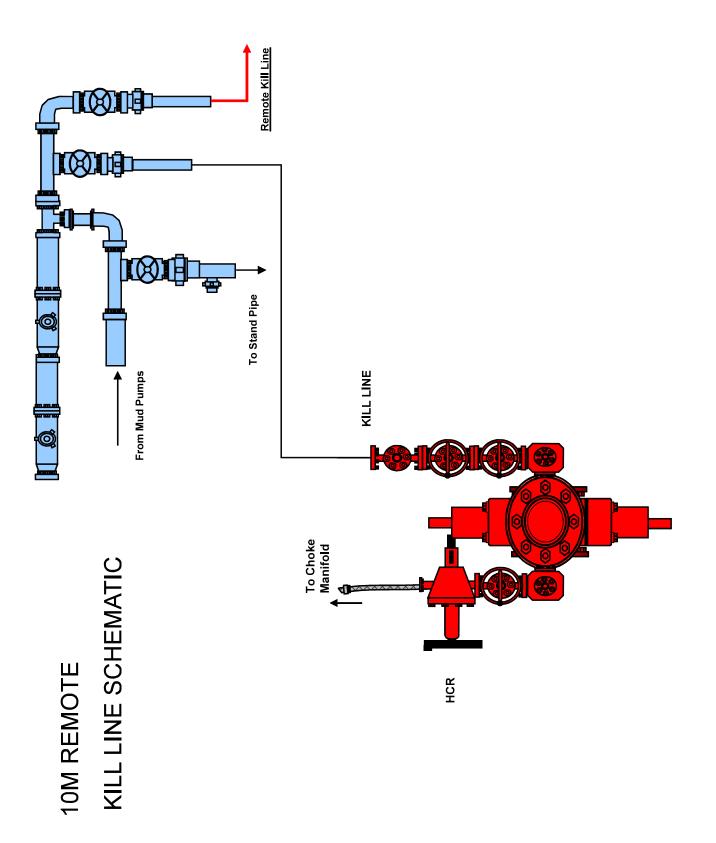


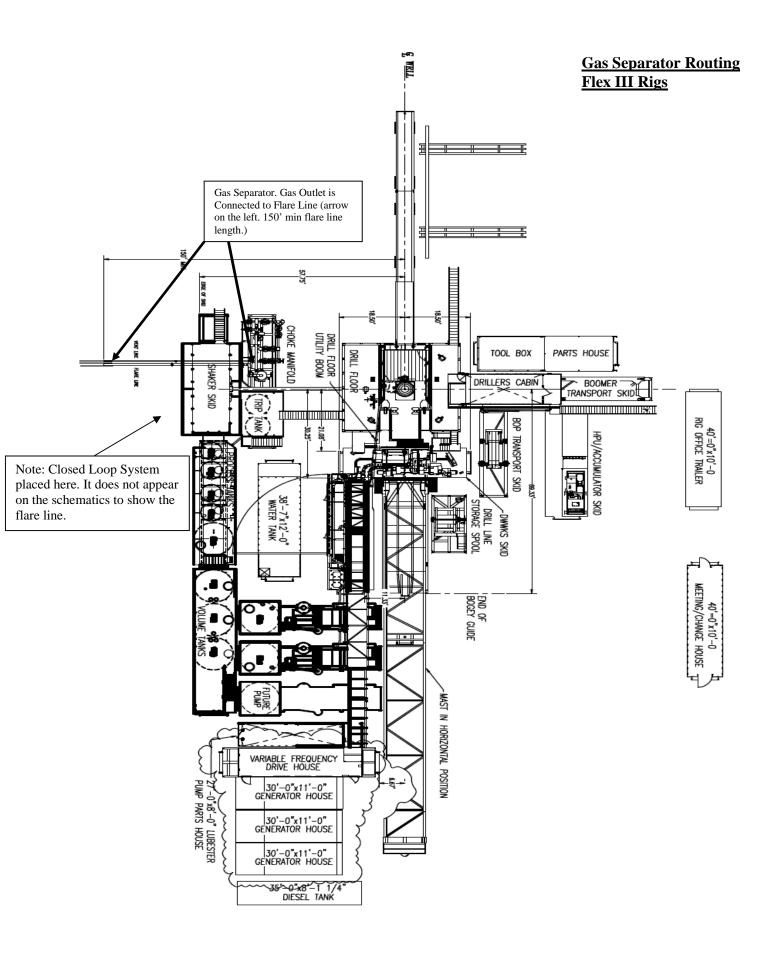
10M Choke Panel

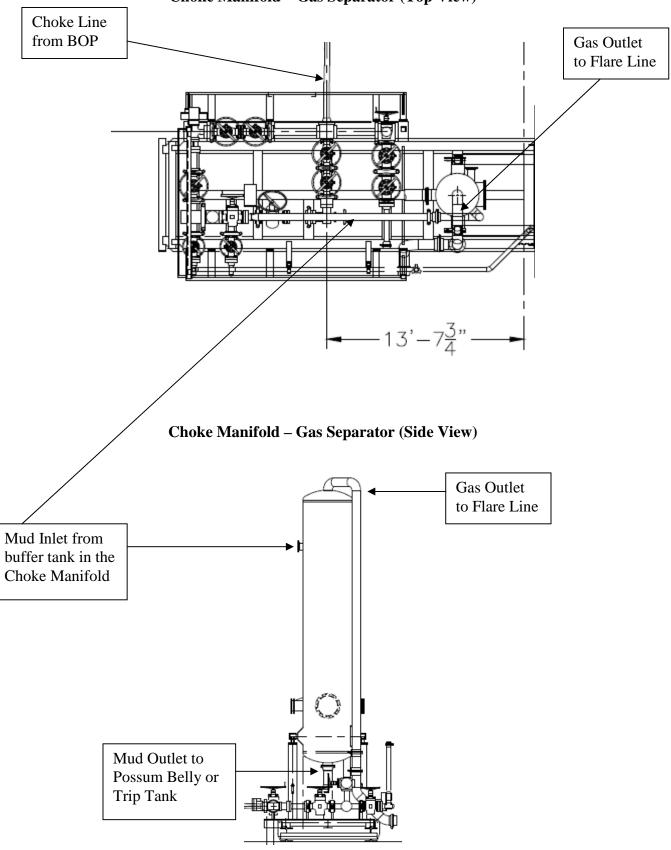


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- 7. Choke Manifold Valve
- 8. PC Power Choke
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- 11. Choke Manifold Valve
- 12. LMC Lower Manual Choke
- 13. UMC Upper manual choke
- 15. Choke Manifold Valve
- 16. Choke Manifold Valve
- 17. Choke Manifold Valve
- 18. Choke Manifold Valve
- 21. Vertical Choke Manifold Valve
- *All Valves 3" minimum

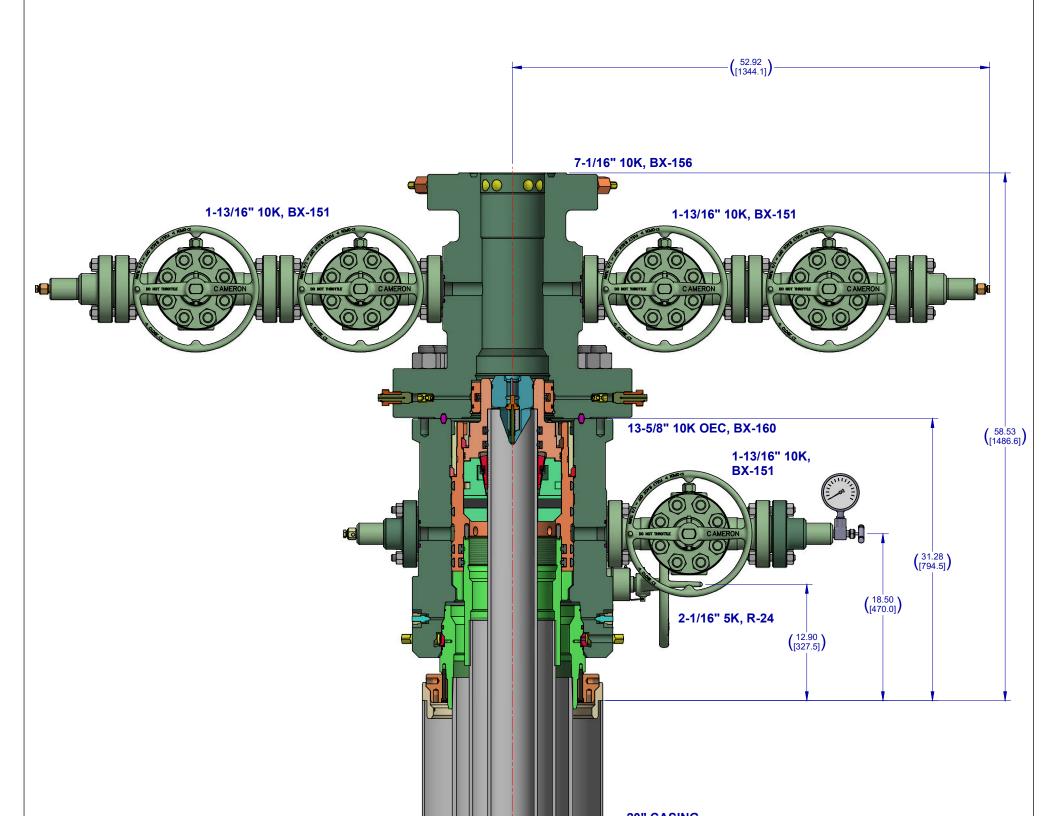








Choke Manifold – Gas Separator (Top View)





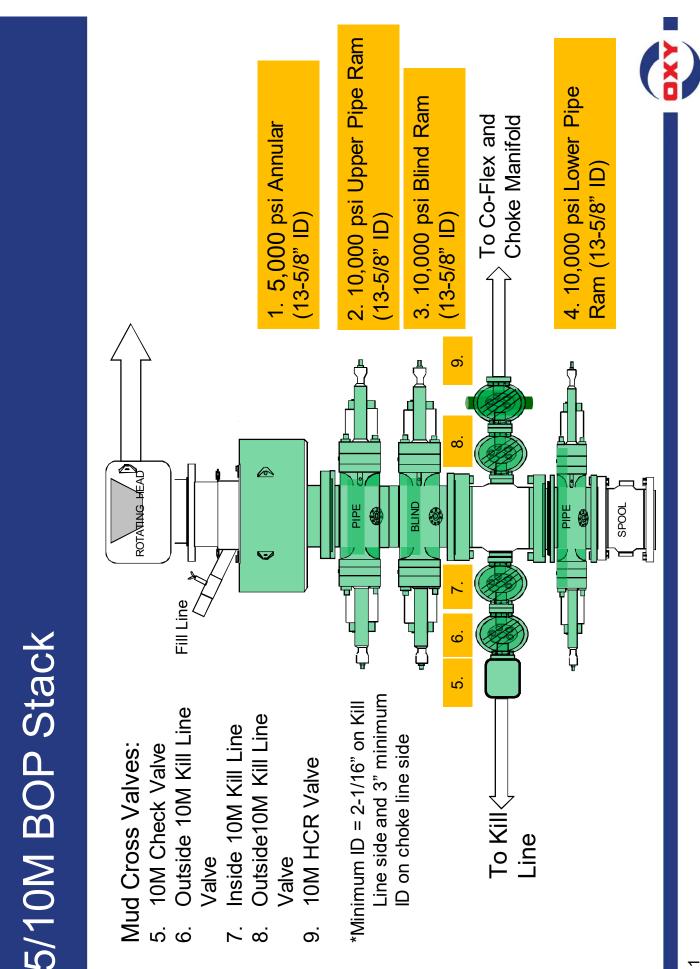
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2. DIGITALLY ENABLED SOLUTIONS, CHOKES AND ESD'S AVAILABLE ON REQUEST

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Fluid Technology

Quality Document

CERTIFICATE OF CONFORMITY

Supplier: CONTITECH RUBBER INDUSTRIAL KFT.Equipment: 6 pcs. Choke and Kill Hose with installed couplingsType:3" x 10,67 m WP: 10000 psiSupplier File Number: 412638Date of Shipment: April. 2008Customer: Phoenix Beattie Co.Customer P.o.: 002491Referenced Standards/ Codes / Specifications : API Spec 16 CSerial No.: 52754,52755,52776,52777,52778,52782

STATEMENT OF CONFORMITY

We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.

COUNTRY OF ORIGIN HUNGARY/EU

Signed

Position: Q.C. Manager

_ontiTech Rubber Industrial Kft. Quality Control Dept. (1)

Date: 04. April. 2008

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<u>Coflex Hose Certification</u>

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Materia	HELMERICH & PAYNE INT'L DRILLING COBIN Rof	Material Spec																			
ttie	-MERICH & PAY	Material Desc			CARBON STEEL	CARBON STEEL															
	Client	_	3" 10K 16C C&K HOSE x 35ft CAL	LIFTING & SAFETY EQUIPMENT TO		SAFETY CLAMP 132MM 7.25T															
)Hd ↔	PA No 006330	H	5-4F1			SC725-132CS															

We hereby certify that these goods have been inspected by our Quality Management System, and to the best of our knowledge are found to conform to relevant industry standards within the requirements of the purchase order as issued to Phoenix Beattle Corporation.

05/23/08.

Received by OCD: 8/4/2023 12:06:09 PM

Coflex Hose Certification

.

<u>Coflex Hose Certification</u>

Form No 100/12

Phoenix Beattie Corp 11535 Brittmoore Park Drive Houston, TX 77041 Tel: (032) 327-0141 Fax: (032) 327-0148 E-wail mail@phoenixbeattie.com www.phoenixbeattie.com

Delivery Note

- PHOENIX Beattie

Customer Order Number	370-369-001	Delivery Note Number	003078	Page	1
Customer / Invoice Addres HELMERICH & PAYNE INT'L D 1437 SOUTH BOULDER TULSA, OK 74119	-	Delivery / Address Helmerich & Payne IDC Attn: Joe Stephenson - R 13609 Industrial Road Houston, Tx 77015	IG 370		-

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
H01	JJL	006330	05/23/2008

ltern No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Foliow
1	HP10CK3A-35-4F1 3" 10K 16C C&K HOSE x 35ft OAL CW 4.1/16" API SPEC FLANGE E/ End 1: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange End 2: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange c/w BX155 Standard ring groove at each end Suitable for H2S Service Working pressure: 10,000psi Test pressure: 15,000psi Standard: API 16C Full specification Armor Guarding: Included Fire Rating: Not Included Temperature rating: -20 Deg C to +100 Deg C	1	1	0
	SECK3-HPF3 LIFTING & SAFETY EQUIPMENT TO SUIT HP10CK3-35-F1 2 x 160mm ID Safety Clamps 2 x 244mm ID Lifting Collars & element C's 2 x 7ft Stainless Steel wire rope 3/4" OD 4 x 7.75t Shackles	1	1	0
-	SC725-200CS SAFETY CLAMP 200MM 7.25T C/S GALVANISED	1	1	0

Continued...

All goods remain the property of Phoenix Beattie until paid for in full. Any damage or shortage on this delivery must be advised within 5 days. Returns may be subject to a handling charge.

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Fluid Technology

Quality Document

QUALI	TY CONT		ATE	CERT. N	lo:	746	
PURCHASER:	Phoenix Bea	ttie Co.		P.O. Nº:	(002491	
CONTITECH ORDER Nº:	412638	HOSE TYPE:	3" ID	Cho	oke and K	(ill Hose	
HOSE SERIAL Nº:	52777	NOMINAL / ACT	UAL LENGTH:	F-446-644444444444444444444444444444444	10,67 m)	
W.P. 68,96 MPa 1	0000 psi	т.р. 103,4	MPa 1500	0 psi	Duration:	60 ~	min.
Pressure test with water at ambient temperature See attachment. (1 page) ↑ 10 mm = 10 Min.							
→ 10 mm = 25 MP	a		INCO				
Туре		COUPL Serial Nº		Quality		Heat N°	
3" coupling with						i den terrer den station an anna anna i search ann i search	
4 1/16" Flange end	917	913		61 4130		T7998A	
			AIS	1 4130		26984	
INFOCHIP INSTALLED API Spec 16 C Temperature rate:"B" All metal parts are flawless WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.							
			Our like Operation	.t			
Date: 04. April. 2008	Inspector		Quality Contro	Conti	Tech Rubbe strial Kft. Control De (1)		(

Coflex Hose Certification

Form No 100/12

PHOENIX Beattie

Form No 100/

Phoenix Beattie Corp 11535 Brittmoore Park Drive Houston, TX 77041 Tel: (832) 327-0141 Fax: (832) 327-0148 E-mail mail@phoenixbeattie.com www.phoenixbeattie.com

Delivery Note

Customer Order Number	370-369-001	Delivery Note Number	003078	Page	2
Customer / Invoice Addres HELMERICH & PAYNE INT'L I 1437 SOUTH BOULDER TULSA, OK 74119		Delivery / Address HELMERICH & PAYNE IDC ATTN: JOE STEPHENSON - RI 13609 INDUSTRIAL ROAD HOUSTON. TX 77015	G 370		

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattie Reference	Date
HO1	JJL	006330	05/23/2008

ltem No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
4	SC725-132CS SAFETY CLAMP 132MM 7.25T C/S GALVANIZED C/W BOLTS	1	1	0
5	OOCERT-HYDRO HYDROSTATIC PRESSURE TEST CERTIFICATE	1	1	0
6	00CERT-LOAD LOAD TEST CERTIFICATES	1	1	0
7	OOFREIGHT INBOUND / OUTBOUND FREIGHT PRE-PAY & ADD TO FINAL INVOICE NOTE: MATERIAL MUST BE ACCOMPANIED BY PAPERWORK INCLUDING THE PURCHASE ORDER, RIG NUMBER TO ENSURE PROPER PAYMENT	1		0
	T	Pal		
	Phoenix Beattie Inspection Signature :	PANAM	While	
	Received In Good Condition : Signature		$\overline{}$	
	Print Name		<u>\</u>	
	Date			

All goods remain the property of Phoenix Beattie until paid for in full. Any damage or shortage on this delivery must be advised within 5 days. Returns may be subject to a handling charge.

Received by OCD: 8/4/2023 12:06:09 PM

Tenaris

TenarisHydril Wedge 461[®]



Pipe Body
Grade: P110-CY
1st Band: White
2nd Band: Grey
3rd Band: -
4th Band: -
5th Band: -
6th Band: -

Outside Diameter	7.000 in.	Wall Thickness	0.453 in.	Grade	P110-CY
Min. Wall Thickness	87.50 %	Pipe Body Drift	API Standard	Туре	Casing
Connection OD Option	REGULAR				

Pipe Body Data

Geometry	
Nominal OD	7.000 in.
Nominal Weight	32 lb/ft
Drift	5.969 in.
Nominal ID	6.094 in.

Wall Thickness	0.453 in
Plain End Weight	31.70 lb/f
OD Tolerance	AP

Deufeuneenee

Performance

Maximum

Coupling

Grade: P110-CY Body: White 1st Band: Grey 2nd Band: -3rd Band: -

Body Yield Strength	1025 x1000 lb
Min. Internal Yield Pressure	12,460 psi
SMYS	110,000 psi
Collapse Pressure	10,780 psi

Connection Data

Geometry	
Connection OD	7.750 in.
Coupling Length	8.914 in.
Connection ID	6.094 in.
Make-up Loss	4.375 in.
Threads per inch	3.40
Connection OD Option	Regular

Performance	
Tension Efficiency	100 %
Joint Yield Strength	1025 x1000 lb
Internal Pressure Capacity	12,460 psi
Compression Efficiency	100 %
Compression Strength	1025 x1000 lb
Max. Allowable Bending	72 °/100 ft
External Pressure Capacity	10,780 psi
Coupling Face Load	269,000 lb

20,000 ft-lb
21,000 ft-lb
25,200 ft-lb
61,000 ft-lb
72,000 ft-Ib
25,200 ft-lb

26,700 ft-lb

Notes

This connection is fully interchangeable with: Wedge 461®-7 in. - 0.317 / 0.362 / 0.408 in. Connections with Dopeless® Technology are fully compatible with the same connection in its Standard version In October 2019, TenarisHydril Wedge XP® 2.0 was renamed TenarisHydril Wedge 461™. Product dimensions and properties remain identical and both connections are fully interchangeable. interchangeable

For the lastest performance data, always visit our website: www.tenaris.com

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OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

- **1)** Casing Design Assumptions
 - a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- o External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- o Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
- **b)** Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- o Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 $_{\odot}\,$ Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

• Axial: Buoyant weight of the string plus cement plug bump pressure load.

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Tenaris

Tenaris 425[®]



		Couplin	ng	Pipe Body		
Hydril Wedg	e	Body: N	nd: Grey Ind: -	Grade: P110-CY 1st Band: White 2nd Band: Grey 3rd Band: - 4th Band: - 5th Band: - 6th Band: -		
5.500 in.	Wall Thickness	0.361 in.	Grade		P110-CY	
87.50 %	Pipe Body Drift	API Standard	Туре		Casing	

Connection OD Option

Pipe Body Data

Outside Diameter

Min. Wall Thickness

Geometry			
Nominal OD	5.500 in.	Wall Thickness	0.361 in.
Nominal Weight	20 lb/ft	Plain End Weight	19.83 lb/ft
Drift	4.653 in.	OD Tolerance	API
Nominal ID	4.778 in.		

Destau

REGULAR

Performance

Body Yield Strength	641 x1000 lb
Min. Internal Yield Pressure	12,640 psi
SMYS	110,000 psi
Collapse Pressure	11,100 psi

Connection Data

Geometry	
Connection OD	5.777 in.
Connection ID	4.734 in.
Make-up Loss	5.823 in.
Threads per inch	3.77
Connection OD Option	Regular

Performance	
Tension Efficiency	90 %
Joint Yield Strength	577 x1000 lb
Internal Pressure Capacity	12,640 psi
Compression Efficiency	90 %
Compression Strength	577 x1000 lb
Max. Allowable Bending	82 °/100 ft
External Pressure Capacity	11,100 psi

Make-Up Torques	
Minimum	15,700 ft-lb
Optimum	19,600 ft-lb
Maximum	21,600 ft-lb
Operation Limit Torques	
Operating Torque	29,000 ft-Ib
Yield Torque	36,000 ft-Ib

Notes

This connection is fully interchangeable with: TORQ® SFW $^{-}$ 5.5 in. - 0.361 in. Connections with Dopeless® Technology are fully compatible with the same connection in its Standard version

For the lastest performance data, always visit our website: www.tenaris.com

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Tenaris

TenarisHydril Wedge 441[®]



Coupling	Pipe Body	
Grade: P110-CY	Grade: P110-CY	
Body: White	1st Band: White	
1st Band: Grey	2nd Band: Grey	
2nd Band: -	3rd Band: -	
3rd Band: -	4th Band: -	
	5th Band: -	
	6th Band: -	
0.361 in. Grade		P110-CY
	Grade: P110-CY Body: White 1st Band: Grey 2nd Band: - 3rd Band: -	Grade: P110-CY Body: White 1st Band: Grey 2nd Band: - 3rd Band: - 3rd Band: - 5th Band: - 6th Band: -

Outside Diameter	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min. Wall Thickness	87.50 %	Drift	API Standard	Туре	Casing
Connection OD Option	REGULAR				

Pipe Body Data

Geometry			
Nominal OD	5.500 in.	Wall Thickness	0.361 in.
Nominal Weight	20 lb/ft	Plain End Weight	19.83 lb/ft
Drift	4.653 in.	OD Tolerance	API
Nominal ID	4.778 in.		

Destau

Performance

Body Yield Strength	641 x1000 lb
Min. Internal Yield Pressure	12,640 psi
SMYS	110,000 psi
Collapse Pressure	11,100 psi

Connection Data

Geometry	
Connection OD	5.852 in.
Coupling Length	8.714 in.
Connection ID	4.778 in.
Make-up Loss	3.780 in.
Threads per inch	3.40
Connection OD Option	Regular

Performance	
Tension Efficiency	81.50 %
Joint Yield Strength	522 x1000 lb
Internal Pressure Capacity	12,640 psi
Compression Efficiency	81.50 %
Compression Strength	522 x1000 lb
Max. Allowable Bending	71 °/100 ft
External Pressure Capacity	11,100 psi

Make-Up Torques	
Minimum	15,000 ft-Ib
Optimum	16,000 ft-Ib
Maximum	19,200 ft-Ib
Operation Limit Torques	
Operating Torque	32,000 ft-Ib
Yield Torque	38,000 ft-Ib
Buck-On	
Minimum	19,200 ft-Ib
Maximum	20,700 ft-Ib

Notes

This connection is fully interchangeable with: Wedge 441 \odot - 5.5 in. - 0.304 in. Connections with Dopeless \odot Technology are fully compatible with the same connection in its Standard version

For the lastest performance data, always visit our website: www.tenaris.com

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TenarisHydril

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

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Minimum

Maximum

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

21600 ft-lbs

23100 ft-lbs

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Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min Wall Thickness	87.5%	Туре	CASING	Connection OD Option	MATCHED STRENGTH
Pipe Body Data					
Geometry				Performance	
Nominal OD	5.500 in.	Nominal ID	4.778 in.	Body Yield Strength	641 x 1000 lbs
Nominal Weight	20.00 lbs/ft	Wall Thickness	0.361 in.	Internal Yield	12640 psi
Standard Drift Diameter	4.653 in.	Plain End Weight	19.83 lbs/ft	SMYS	110000 psi
Special Drift Diameter	N/A	OD Tolerance	API	Collapse Pressure	11110 psi
Connection Data					
Geometry		Performance		Make-up Torques	
Matched Strength OD	6.050 in.	Tension Efficiency	100%	Minimum	17000 ft-lbs
Make-up Loss	3.775 in.	Joint Yield Strength	641 x 1000 lbs	Optimum	18000 ft-lbs
Threads per in.	3.40	Internal Yield	12640 psi	Maximum	21600 ft-lbs
Connection OD Option	MATCHED STRENGTH	Compression Efficiency	100%	Operational Limit Torques	5
Coupling Length	7.714 in.	Compression Strength	641 x 1000 lbs	Operating Torque	32000 ft-lbs
		Bending	92 °/100 ft	Yield Torque	38000 ft-lbs
		Collapse	11110 psi	Buck-On Torques	

Notes

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

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

- **1)** Casing Design Assumptions
 - a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- o External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- o Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
- **b)** Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- o Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 $_{\odot}\,$ Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

• Axial: Buoyant weight of the string plus cement plug bump pressure load.

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

Page 83 of 83

CONDITIONS

Action 248355

CONDITIONS

Operator:	OGRID:	
OXY USA INC	16696	
P.O. Box 4294	Action Number:	
Houston, TX 772104294	248355	
	Action Type:	
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)	

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	Notify OCD 24 hours prior to casing & cement	8/14/2023
ward.rikala	Will require a File As Drilled C-102 and a Directional Survey with the C-104	8/14/2023
ward.rikala	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	8/14/2023
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing	8/14/2023
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	8/14/2023
ward.rikala	If cement is not circulated to surface on the first two strings of casing and a bradenhead cement job is performed, NMOCD will require a CBL to confirm where the cement is located.	8/14/2023