Form 3160-3 (June 2015) UNITED STATES DEPARTMENT OF THE I BUREAU OF LAND MANA	FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018 5. Lease Serial No.						
APPLICATION FOR PERMIT TO D	6. If Indian, Allo	otee or Trib	be Name				
la. Type of work: DRILL DRILL	EENTER			7. If Unit or CA	Agreemen	t, Name and No.	
1b. Type of Well: Oil Well Gas Well O 1c. Type of Completion: Hydraulic Fracturing Si	8. Lease Name and Well No.						
2. Name of Operator				9. API Well No.	30-01	5-54737	
3a. Address	3b. Phone N	No. (include area cod	le)	10. Field and Po	ool, or Exp	loratory	
4. Location of Well <i>(Report location clearly and in accordance w</i> At surface At proposed prod. zone	 with any State	e requirements.*)		11. Sec., T. R. M	1. or Blk. a	nd Survey or Area	
14. Distance in miles and direction from nearest town or post off	ice*			12. County or P	arish	13. State	
 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 	cres in lease	17. Spaci	ng Unit dedicated	to this we	11		
 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Propose	bosed Depth 20. BLM/BIA Bond No. in file			file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approx	22. Approximate date work will start*			23. Estimated duration		
	24. Attac	chments					
The following, completed in accordance with the requirements of (as applicable)	f Onshore Oil	and Gas Order No.	l, and the H	Hydraulic Fracturi	ng rule per	43 CFR 3162.3-3	
 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 	,	 Bond to cover the Item 20 above). Operator certifice Such other site spinor 	cation.		-	ng bond on file (see e requested by the	
25. Signature	Name	BLM.	Date				
Title							
Approved by (Signature)	Name	e (Printed/Typed)		Date			
Title	Office	Office					
Application approval does not warrant or certify that the applicar applicant to conduct operations thereon. Conditions of approval, if any, are attached.	nt holds legal	or equitable title to the	nose rights	in the subject leas	e which w	ould 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					to any dep	partment or agency	



(Continued on page 2)

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

		I	VELL L	OCATIO	ON AND A	CREAGE DEDIC	CATION PLA	Т		
1	API Numbe	API Number 2 Pool Code 3 Pool Name								
30-0)15- <mark>547</mark>	4737 96836 RED LAKE; GLORIETA-YESO, NORTHE								ST
⁴ Property Co 33534			⁵ Property Name TAYLORCREST 25 FEDERAL							
⁷ OGRID 3289			⁸ Operator Name ⁹ Elevation SPUR ENERGY PARTNERS LLC. 3531'							
					¹⁰ Surfa	ce Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	e North/South line	Feet From the	East/W	est line	County
Α	25	17S	27E		688	NORTH	72	EAS	ST	EDDY
			11]	Bottom 1	Hole Locati	on If Different Fi	rom Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	e North/South line	Feet from the	East/West line		County
D	25	17S	27E		413 NORTH 50 W					EDDY
12 Dedicated Acre	s ¹³ Joint	or Infill 14	Consolidation	Code 15	⁵ Order No.	·				
320										

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

					E	
м М		D			688'-	¹⁷ OPERATOR CERTIFICATION
44	N 89*44'42" (GR) W 5.074.1	n' (HORIZ)		Ň	I hereby certify that the information contained herein is true and complete
<u> </u>	N 03 44 42 (0)	<u> ,074.1</u>			<u> </u>	to the best of my knowledge and belief, and that this organization either
\\ ^{⊥_} LTP					FTP – 🗸 🐰	owns a working interest or unleased mineral interest in the land including
\└_в.н.					S.L. /	the proposed bottom hole location or has a right to drill this well at this
_ ₅₀ ,	1			I	72' ^{_/}	location pursuant to a contract with an owner of such a mineral or working
50						interest, or to a voluntary pooling agreement or a compulsory pooling
<u> </u>		+				order heretofore entered by the division.
						Sarah Chapman 11/29/2022
		1				SARAH CHAPMAN
			I			Printed Name
		1				SCHAPMAN@SPURENERGY.COM
	<u>GEODETÍC DATA</u> NAD 83 GRID – NM EAST		CORNEÉ NAD 83 GRID	<u>r data</u> – NM EAST		E-mail Address
B		25			Ð	
	N: 658578.4 – E: 574958.9	ZJ	A: FOUND BRAS			¹⁸ SURVEYOR CERTIFICATION
	LAT: 32.8104134°N			SS CAP "1941"		I hereby certify that the well location shown on this
	LONG: 104.2238995" W		N: 656655.2 -			plat was plotted from field notes of actual surveys
	FIRST TAKE POINT (FTP)		C: FOUND BRAS	SS CAP "1941"		made by me or under my supervision, and that the
	<u>413' FNL 100' FEL</u> N: 658853.9 – E: 574929.2		N: 659289.8 -	- E: 569756.0		same is true and correct to the best of my belief.
	LAT: 32.8111707° N		D: FOUND BRAS	SS CAP "1941" - E: 572390.9		06/18/2022
	LON: 104.2239952° W					Date of Survey
<u> </u>	LAST TAKE POINT (LTP)		N: 659266.3 -	SS CAP "1941" - E: 575026.6		Signature and Seal of Protestonal Surveyor;
	<u>413' FNL 100' FWL</u> N: 658876.4 – E: 569856.5		F: FOUND BRAS	SS CAP "1941"		
	LAT: 32.8112461° N		N: 656625.0 -	- E: 575043.2		[] (19680)
	LON: 104.2405064° W		G: FOUND BRAS			The HULL TO S
	BOTTOM HOLE LOCATION N: 658876.7 – E: 569806.5		N: 653983.4 -	- E: 575058.5		19680
			H: FOUND BRAS N: 654002.1 -	SS CAP "1941" - F: 572411.1		Certificate Number
	LAT: 32.8112468°N LONG: 104.2406691°W	1				VONAL 3C
\bigcirc		\oplus			G	

Job No.:

LS22060676

Released to Imaging: 2/14/2024 9:38:45 AM

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description Effective May 25, 2021

I. Operator: SPUR ENERGY PARTNERS LLC OGRID:

328947

Date: 09 / 13 / 2022

II. Type: XOriginal \Box Amendment due to \Box 19.15.27.9.D(6)(a) NMAC \Box 19.15.27.9.D(6)(b) NMAC \Box Other.

If Other, please describe:

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
TAYLORCREST 25 FEDERAL 10H	30-015-	A-25-17S-27E	728' FNL 72' FEL	252 BBL/D	605 MCF/D	958 BBL/D
TAYLORCREST 25 FEDERAL 20H	30-015-	A-25-17S-27E	688' FNL 72' FEL	252 BBL/D	605 MCF/D	958 BBL/D
TAYLORCREST 25 FEDERAL 70H	30-015-	A-25-17S-27E	708' FNL 72' FEL	355 BBL/D	817 MCF/D	1101 BBL/D

IV. Central Delivery Point Name: TAYLORCREST 25 FEDERAL TANK BATTERY [See 19.15.27.9(D)(1) NMAC]

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

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
TAYLORCREST 25 FEDERAL 10H	30-015-	12/01/2025	12/09/2025	01/31/2026	02/13/2026	02/23/2026
TAYLORCREST 25 FEDERAL 20H	30-015-	12/09/2025	12/19/2025	01/31/2026	02/13/2026	02/23/2026
TAYLORCREST 25 FEDERAL 70H	30-015-	12/19/2025	12/29/2025	01/31/2026	02/13/2026	02/23/2026

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

VII. Operational Practices: X Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: X Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

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

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

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

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

Section 3 - Certifications Effective May 25, 2021

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

 \checkmark 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.

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

Signature: Sarah Chapman
Printed Name: SARAH CHAPMAN
Title: REGULATORY DIRECTOR
E-mail Address: SCHAPMAN@SPURENERGY.COM
Date: 09/13/2022
Phone: 832-930-8613
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

1. Geologic Formations

TVD of Target	3,410'
MD at TD	8,928'

Formation	Depth	Lithology	Expected Fluids
Quaternary	0'	Dolomite, other: Caliche	Useable Water
Tansill	96'	Sandstone, Dolomite	None
Yates	193'	Dolomite, Limestone, Shale, Siltstone	None
Seven Rivers	447'	Dolomite, Limestone	Natural Gas, Oil
Queen	980'	Anhydrite, Dolomite, Sandstone	Natural Gas, Oil
Grayburg	1421'	Anhydrite	Natural Gas, Oil
San Andres	1741'	Dolomite	Natural Gas, Oil
Glorieta	3132'	Dolomite, Siltstone	Natural Gas, Oil
Paddock	3224	Dolomite, Limestone	Natural Gas, Oil
Blinebry	3596'	Dolomite, Limestone	Natural Gas, Oil
Tubb	4587'	Dolomite, Limestone	Natural Gas, Oil

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

2. Casing Program

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

Casing Formation Set	Hala Star (in)	Casing Interval	val	Csg. Size Weight		Grade	Conn.	SF	- SF Burst	Body SF	Joint SF
Interval	Hole Size (in)	From (ft)	From (ft) To (ft) (ibs)	(lbs)	Collapse			Tension		Tensio n	
Yates	17.5	0	250	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
Seven Rivers	12.25	0	875	9.625	36	J-55	BTC	1.125	1.2	1.4	1.4
N/A	8.75	0	3750	7	32	L-80	BK-HT	1.125	1.2	1.4	1.4
Yeso	8.75	3750	8928	5.5	20	L-80	BK-HT	1.125	1.2	1.4	1.4
							SF	Values will me	et or Exceed		

.

Spur Energy Partners LLC – Taylorcrest 25 Federal 20H

	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.	Ν
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface Tail	0	250	165%
Intermediate (Lead)	0	250	100%
Intermediate (Tail)	250	875	100%
Production (Lead)	0	2750	100%
Production (Tail)	2750	8928	25%

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface Tail	232	13.2	1.87	9.92	6:59	Clas C Premium Plus Cement
Intermediate (Lead)	38	12	2.4	13.48	8:12	Clas C Premium Plus Cement
Intermediate (Tail)	220	13.2	1.87	9.92	6:59	Clas C Premium Plus Cement
Production (Lead)	451	11.4	2.42	15.29	N/A	Clas C Premium Plus Cement
Production (Tail)	1175	13.2	1.56	9.81	N/A	Clas C Premium Plus Cement

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4. Pressure Control Equipment

Spur Energy Partners LLC variance for flex hose

Spur requests a variance to use a flex line from the BOP to the choke manifold. Documentation will be attached in the APD and be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no bends).

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		4	Tested to:
		5M	Annula	ar	1	70% of working pressure
12.25" Hole	13-5/8"		Blind R	am	✓	·
12.25 Hole		5M	Pipe Ram		1	250 psi / 3000 psi
			Double Ram			
			Other*			
		5M	Annula	ar	*	70% of working pressure
8.75" Hole	13-5/8"		Blind Ram		✓	250
8.75 Hole		514	Pipe Ram		1	
		5M	Double F	Ram		250 psi / 3000 psi
			Other*			

Spur Energy Partners LLC will be utilizing a 5M BOP

Condition	Specify what type and where?				
BH Pressure at deepest TVD	1597 psi				
Abnormal Temperature	No				
BH Temperature at deepest TVD	108°F				

*Specify if additional ram is utilized.

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. See attached schematics.

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.

Y	Are anchors required by manufacturer?
A con	ventional 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 in	nstallation on the surface casing which will cover testing requirements for a maximum
of 30 d	days.
See at	tached schematics.

5. BOP Break Testing Request

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as follows:

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill the production section, where the surface casing point is shallower than the 3 Bone Spring or 10,000 TVD.
- When skidding to drill a production section that does not penetrate the 3rd Bone Spring or deeper.

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

- 1) The void between the wellhead and the spool (this consists of two tests)
- 2) The spool between the kill lines and the choke manifold (this consists of two tests)

If the kill line is not broken prior to skid, two tests will be performed.

1) The void between the wellhead and the pipe rams

6. Mud Program

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. Spur will use a closed mud system.

Depth		Trme	Waight (ppg)	Viscosity	Water Loss	
From (ft)	To (ft)	Туре	Weight (ppg)	viscosity	water Loss	
0	250	Water-Based Mud	8.6-8.9	32-36	N/C	
250	875	Brine	10.0-10.5	32-36	N/C	
875	8928	Brine	10.0-10.5	38-50	N/C	

What will be used to monitor the loss or gain of fluid?	PVT/PASON/Visual Monitoring
---	-----------------------------

7. Logging and Testing Procedures

Logg	Logging, Coring and Testing.						
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs						
	run will be in the Comp	letion Report and submitted to the Bl	LM.				
No	Logs are planned based	on well control or offset log informa	tion.				
No	Drill stem test? If yes, e	explain					
No	Coring? If yes, explain						
Addi	tional logs planned	Interval					
No	Resistivity						
No	Density						
No	CBL						
Yes	Mud log	ICP - TD					
No	PEX						

8. Drilling Conditions

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 isolation.

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.

N H2S is present

Y H2S Plan attached

Total estimated cuttings volume: 926.4 bbls.

9. Other facets of operation

	Yes/No
Will more than one drilling rig be used for drilling operations? If yes, describe.	Yes
Spur Energy Partners LLC. 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	
Spur Energy Partners LLC. 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.	

Attachments

- _x__ Directional Plan
- _x__ H2S Contingency Plan
- _x__Akita 57 Attachments
- _x__ BOP Schematics
- _x__ Transcend Spudder Rig Attachments

10. Company Personnel

<u>Name</u>	<u>Title</u>	Office Phone	Mobile Phone
Christopher Hollis	Drilling Manager	832-930-8629	713-380-7754
Johnny Nabors	Senior Vice President Operations	832-930-8502	281-904-8811



Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME) TAYLORCREST 25 FEDERAL 20H

Wellbore #1

Plan: PERMIT

Standard Planning Report

22 August, 2022



PUR					Diamatan					WELLBENDERS DIRECTIONAL SERVICES 44
N E R G Y					Planning Re	εροπ				
Database: Company: Project: Site: Vell: Vellbore: Design:	Eddy Co	ergy Partners unty, NM (N/ CREST 25 F	AD 83 - NN	1E)	TVD Refe MD Refer North Re	ence:		Well 20H RKB = 20' @ 3: RKB = 20' @ 3: Grid Minimum Curva	551.00usft (Al	,
Project	Eddy Cou	nty, NM (NA	D 83 - NM	E)						
Map System: Geo Datum: Map Zone:		lane 1983 ican Datum o Eastern Zo			System Da	atum:	M	ean Sea Level		
Site	TAYLORC	REST 25 FE	EDERAL							
Site Position: From: Position Uncertai	Map nty:	0.00 u	North Easti sft Slot F	-		59.20 usft	Latitude: Longitude: Grid Conve	rgence:		32.8103035 -104.2238987 0.059 °
Well	20H									
Well Position Position Uncertai	+N/-S +E/-W nty	40.00 -0.30 0.00	usft Ea	orthing: asting: ellhead Ele [,]		658,578.40 เ 574,958.90 เ	usft Lo i	itude: ngitude: ound Level:		32.8104135 -104.2238996 3,531.00 usft
Wellbore	Wellbore	#1								
Magnetics	Model	Name GRF2020	Sampl	e Date 08/19/22	Declina (°)	tion 6.757	Dip A (°		Field Str (nT	
. .		511 2020		00/10/22		0.101		00.201	-17,040	00102004
Design Audit Notes:	PERMIT									
Version:			Phas	e:	PLAN	Tie	On Depth:	(0.00	
Vertical Section:		Dept	th From (T (usft) 0.00	VD)	+N/-S (usft) 0.00	+E/ (us 0.0	sft)	(ction °)).26	
Plan Survey Tool Depth From (usft)	Program Depth To (usft)	D	Wellbore)		Tool Name		Remarks			
1 0.00	8,927.9		(Wellbore #	¥1)	MWD+IFR1+ OWSG MWD					
Plan Sections										
Measured Depth Incl		imuth	ertical Depth	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO	Torgot
	(°)	(°)	(usft)	(usit)	(usit)	(/ 10010)	(((°)	Target
	(°) 0.00	(°) 0.00	(usit) 0.00	(USI () 0.00	0.00	0.00	0.00	0.00	0.000	larget
(usft)		0.00 0.00			· /					Taryet

20.00

60.00

60.00

90.45

90.45

90.45

69.91

270.26

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270.26

270.26

2,423.08

3,271.90

3,371.90

3,448.64

3,410.39

3,410.00

2,516.65

3,503.19

3,703.19

4,007.69

8,877.99

8,927.99

08/22/22 3:45:28PM

553.08

231.88

58.67

-232.30

-5,102.40

-5,152.40

0.00

8.00

0.00

10.00

0.00

0.00

0.00

4.05

0.00

10.00

0.00

0.00

0.00

0.00

0.00

0.00

0.00

-16.18

0.000

0.000

-162.129

202.28

273.87

274.65

275.97

298.07

298.30

0.000 4. TAYLORCREST

0.000 5. TAYLORCREST

0.000 6. TAYLORCREST



Planning Report



Database: Company:	WBDS_SQL_2 Spur Energy Partners, LLC	Local Co-ordinate Reference: TVD Reference:	Well 20H RKB = 20' @ 3551.00usft (AKITA 57)
Project:	Eddy County, NM (NAD 83 - NME)	MD Reference:	RKB = 20' @ 3551.00usft (AKITA 57)
Site:	TAYLORCREST 25 FEDERAL	North Reference:	Grid
Well:	20H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	PERMIT		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00 100.00 200.00 300.00 400.00	0.00 0.00 0.00 0.00 2.00	0.00 0.00 0.00 0.00 69.91	0.00 100.00 200.00 300.00 399.98	0.00 0.00 0.00 0.00 0.60	0.00 0.00 0.00 0.00 1.64	0.00 0.00 0.00 0.00 -1.64	0.00 0.00 0.00 0.00 2.00	0.00 0.00 0.00 0.00 2.00	0.00 0.00 0.00 0.00 0.00 0.00
500.00 600.00 700.00 800.00 900.00	4.00 6.00 8.00 10.00 12.00	69.91 69.91 69.91 69.91 69.91	499.84 599.45 698.70 797.47 895.62	2.40 5.39 9.58 14.95 21.50	6.55 14.74 26.18 40.87 58.79	-6.54 -14.71 -26.14 -40.81 -58.70	2.00 2.00 2.00 2.00 2.00	2.00 2.00 2.00 2.00 2.00	0.00 0.00 0.00 0.00 0.00 0.00
1,000.00 1,100.00 1,200.00 1,300.05 1,400.00	14.00 16.00 18.00 20.00 20.00	69.91 69.91 69.91 69.91 69.91	993.06 1,089.64 1,185.27 1,279.86 1,373.78	29.23 38.12 48.16 59.35 71.09	79.92 104.23 131.68 162.27 194.38	-79.79 -104.05 -131.46 -162.00 -194.05	2.00 2.00 2.00 2.00 0.00	2.00 2.00 2.00 2.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
1,500.00 1,600.00 1,700.00 1,800.00 1,900.00	20.00 20.00 20.00 20.00 20.00 20.00	69.91 69.91 69.91 69.91 69.91	1,467.75 1,561.72 1,655.69 1,749.66 1,843.63	82.84 94.59 106.34 118.09 129.84	226.50 258.62 290.75 322.87 354.99	-226.12 -258.19 -290.26 -322.33 -354.40	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
2,000.00 2,100.00 2,200.00 2,300.00 2,400.00	20.00 20.00 20.00 20.00 20.00 20.00	69.91 69.91 69.91 69.91 69.91	1,937.60 2,031.56 2,125.53 2,219.50 2,313.47	141.58 153.33 165.08 176.83 188.58	387.12 419.24 451.36 483.48 515.61	-386.47 -418.54 -450.61 -482.68 -514.74	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
2,500.00 2,516.65 2,550.00 2,600.00 2,650.00	20.00 20.00 17.48 13.80 10.36	69.91 69.91 67.18 61.32 51.49	2,407.44 2,423.08 2,454.66 2,502.81 2,551.70	200.33 202.28 206.18 211.96 217.62	547.73 553.08 563.05 575.21 583.96	-546.81 -552.15 -562.11 -574.24 -582.97	0.00 0.00 8.00 8.00 8.00	0.00 0.00 -7.56 -7.36 -6.89	0.00 0.00 -8.17 -11.73 -19.66
2,700.00 2,750.00 2,800.00 2,850.00 2,900.00	7.48 6.04 7.00 9.66 13.02	33.25 0.94 326.10 305.10 293.93	2,601.10 2,650.77 2,700.46 2,749.94 2,798.97	223.15 228.50 233.66 238.60 243.30	589.27 591.09 589.44 584.31 575.73	-588.25 -590.05 -588.37 -583.22 -574.62	8.00 8.00 8.00 8.00 8.00	-5.76 -2.88 1.91 5.32 6.72	-36.47 -64.62 -69.68 -42.00 -22.35
2,950.00 3,000.00 3,050.00 3,100.00 3,150.00	16.66 20.43 24.28 28.16 32.07	287.42 283.22 280.30 278.14 276.46	2,847.29 2,894.69 2,940.93 2,985.77 3,029.02	247.73 251.87 255.71 259.22 262.38	563.74 548.40 529.78 507.98 483.10	-562.61 -547.25 -528.61 -506.80 -481.90	8.00 8.00 8.00 8.00 8.00 8.00	7.28 7.55 7.69 7.77 7.82	-13.02 -8.39 -5.85 -4.32 -3.35
3,200.00 3,250.00 3,300.00 3,350.00 3,400.00	36.00 39.94 43.89 47.85 51.81	275.12 274.01 273.06 272.25 271.53	3,070.44 3,109.85 3,147.05 3,181.86 3,214.10	265.19 267.62 269.67 271.33 272.58	455.26 424.60 391.27 355.42 317.24	-454.05 -423.38 -390.04 -354.19 -316.00	8.00 8.00 8.00 8.00 8.00 8.00	7.86 7.88 7.90 7.91 7.92	-2.69 -2.22 -1.89 -1.63 -1.44
3,450.00 3,503.19 3,600.00 3,703.19 3,750.00	55.78 60.00 60.00 60.00 64.68	270.88 270.26 270.26 270.26 270.26 270.26	3,243.63 3,271.90 3,320.30 3,371.90 3,393.62	273.42 273.87 274.25 274.65 274.84	276.92 231.88 148.04 58.67 17.22	-275.67 -230.63 -146.79 -57.43 -15.98	8.00 8.00 0.00 0.00 10.00	7.93 7.94 0.00 0.00 10.00	-1.29 -1.17 0.00 0.00 0.00
3,800.00 3,850.00 3,900.00 3,950.00	69.68 74.68 79.68 84.68	270.26 270.26 270.26 270.26 270.26	3,413.01 3,428.30 3,439.39 3,446.19	275.05 275.27 275.49 275.71	-28.85 -76.43 -125.17 -174.69	30.09 77.68 126.42 175.94	10.00 10.00 10.00 10.00 10.00	10.00 10.00 10.00 10.00	0.00 0.00 0.00 0.00 0.00

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Page 3

COMPASS 5000.14 Build 85

.



Planning Report



Database:	WBDS_SQL_2	Local Co-ordinate Reference:	Well 20H
Company:	Spur Energy Partners, LLC	TVD Reference:	RKB = 20' @ 3551.00usft (AKITA 57)
Project:	Eddy County, NM (NAD 83 - NME)	MD Reference:	RKB = 20' @ 3551.00usft (AKITA 57)
Site:	TAYLORCREST 25 FEDERAL	North Reference:	Grid
Well: Wellbore:	20H Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	PERMIT		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,000.00	89.68	270.26	3,448.65	275.94	-224.61	225.86	10.00	10.00	0.00
4,007.69	90.45	270.26	3,448.64	275.97	-232.30	233.55	10.00	10.00	0.00
4,100.00	90.45	270.26	3,447.92	276.39	-324.61	325.86	0.00	0.00	0.00
4,200.00	90.45	270.26	3,447.13	276.85	-424.60	425.86	0.00	0.00	0.00
4,300.00	90.45	270.26	3,446.35	277.30	-524.60	525.85	0.00	0.00	0.00
4,400.00	90.45	270.26	3,445.56	277.75	-624.60	625.85	0.00	0.00	0.00
4,500.00	90.45	270.26	3,444.78	278.21	-724.59	725.85	0.00	0.00	0.00
4,600.00	90.45	270.26	3,443.99	278.66	-824.59	825.84	0.00	0.00	0.00
4,700.00	90.45	270.26	3,443.21	279.11	-924.58	925.84	0.00	0.00	0.00
4,800.00	90.45	270.26	3,442.42	279.57	-1,024.58	1,025.84	0.00	0.00	0.00
4,900.00	90.45	270.26	3,441.64	280.02	-1,124.58	1,125.84	0.00	0.00	0.00
5,000.00	90.45	270.26	3,440.85	280.48	-1,224.57	1,225.83	0.00	0.00	0.00
5,100.00	90.45	270.26	3,440.06	280.93	-1,324.57	1,325.83	0.00	0.00	0.00
5,200.00	90.45	270.26	3,439.28	281.38	-1,424.56	1,425.83	0.00	0.00	0.00
5,300.00	90.45	270.26	3,438.49	281.84	-1,524.56	1,525.82	0.00	0.00	0.00
5,400.00	90.45	270.26	3,437.71	282.29	-1,624.56	1,625.82	0.00	0.00	0.00
5,500.00	90.45	270.26	3,436.92	282.74	-1,724.55	1,725.82	0.00	0.00	0.00
5,600.00	90.45	270.26	3,436.14	283.20	-1,824.55	1,825.81	0.00	0.00	0.00
5,700.00	90.45	270.26	3,435.35	283.65	-1,924.54	1,925.81	0.00	0.00	0.00
5,800.00	90.45	270.26	3,434.57	284.11	-2,024.54	2,025.81	0.00	0.00	0.00
5,900.00	90.45	270.26	3,433.78	284.56	-2,124.53	2,125.80	0.00	0.00	0.00
6,000.00	90.45	270.26	3,433.00	285.01	-2,224.53	2,225.80	0.00	0.00	0.00
6,100.00	90.45	270.26	3,432.21	285.47	-2,324.53	2,325.80	0.00	0.00	0.00
6,200.00	90.45	270.26	3,431.43	285.92	-2,424.52	2,425.80	0.00	0.00	0.00
6,300.00	90.45	270.26	3,430.64	286.37	-2,524.52	2,525.79	0.00	0.00	0.00
6,400.00	90.45	270.26	3,429.85	286.83	-2,624.51	2,625.79	0.00	0.00	0.00
6,500.00	90.45	270.26	3,429.07	287.28	-2,724.51	2,725.79	0.00	0.00	0.00
6,600.00	90.45	270.26	3,428.28	287.74	-2,824.51	2,825.78	0.00	0.00	0.00
6,700.00	90.45	270.26	3,427.50	288.19	-2,924.50	2,925.78	0.00	0.00	0.00
6,800.00	90.45	270.26	3,426.71	288.64	-3,024.50	3,025.78	0.00	0.00	0.00
6,900.00	90.45	270.26	3,425.93	289.10	-3,124.49	3,125.77	0.00	0.00	0.00
7,000.00	90.45	270.26	3,425.14	289.55	-3,224.49	3,225.77	0.00	0.00	0.00
7,100.00	90.45	270.26	3,424.36	290.01	-3,324.49	3,325.77	0.00	0.00	0.00
7,200.00	90.45	270.26	3,423.57	290.46	-3,424.48	3,425.76	0.00	0.00	0.00
7,300.00	90.45	270.26	3,422.79	290.91	-3,524.48	3,525.76	0.00	0.00	0.00
7,400.00	90.45	270.26	3,422.00	291.37	-3,624.47	3,625.76	0.00	0.00	0.00
7,500.00	90.45	270.26	3,421.22	291.82	-3,724.47	3,725.75	0.00	0.00	0.00
7,600.00	90.45	270.26	3,420.43	292.27	-3,824.46	3,825.75	0.00	0.00	0.00
7,700.00	90.45	270.26	3,419.64	292.73	-3,924.46	3,925.75	0.00	0.00	0.00
7,800.00	90.45	270.26	3,418.86	293.18	-4,024.46	4,025.75	0.00	0.00	0.00
7,900.00	90.45	270.26	3,418.07	293.64	-4,124.45	4,125.74	0.00	0.00	0.00
8,000.00	90.45	270.26	3,417.29	294.09	-4,224.45	4,225.74	0.00	0.00	0.00
8,100.00	90.45	270.26	3,416.50	294.54	-4,324.44	4,325.74	0.00	0.00	0.00
8,200.00	90.45	270.26	3,415.72	295.00	-4,424.44	4,425.73	0.00	0.00	0.00
8,300.00	90.45	270.26	3,414.93	295.45	-4,524.44	4,525.73	0.00	0.00	0.00
8,400.00	90.45	270.26	3,414.15	295.90	-4,624.43	4,625.73	0.00	0.00	0.00
8,500.00	90.45	270.26	3,413.36	296.36	-4,724.43	4,725.72	0.00	0.00	0.00
8,600.00	90.45	270.26	3,412.58	296.81	-4,824.42	4,825.72	0.00	0.00	0.00
8,700.00	90.45	270.26	3,411.79	297.27	-4,924.42	4,925.72	0.00	0.00	0.00
8,800.00	90.45	270.26	3,411.01	297.72	-5,024.42	5,025.71	0.00	0.00	0.00
8,877.99	90.45	270.26	3,410.39	298.07	-5,102.40	5,103.70	0.00	0.00	0.00
8,900.00	90.45	270.26	3,410.22	298.17	-5,124.41	5,125.71	0.00	0.00	0.00
8,927.99	90.45	270.26	3,410.00	298.30	-5,152.40	5,153.70	0.00	0.00	0.00

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Planning Report



Databa	se:	WBDS_SQL_2	Local Co-ordinate Reference:	Well 20H
Compa	iny:	Spur Energy Partners, LLC	TVD Reference:	RKB = 20' @ 3551.00usft (AKITA 57)
Project	t:	Eddy County, NM (NAD 83 - NME)	MD Reference:	RKB = 20' @ 3551.00usft (AKITA 57)
Site:		TAYLORCREST 25 FEDERAL	North Reference:	Grid
Well:		20H	Survey Calculation Method:	Minimum Curvature
Wellbo	re:	Wellbore #1		
Design	:	PERMIT		

Design Targets									
Target Name - hit/miss target D - Shape	ip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
1. TAYLORCREST 20 - plan hits target cen - Point	0.00 iter	0.00	0.00	0.00	0.00	658,578.40	574,958.90	32.8104135	-104.2238996
2. TAYLORCREST 20 - plan hits target cen - Point	0.00 iter	0.00	2,423.08	202.28	553.08	658,780.69	575,511.98	32.8109679	-104.2220987
6. TAYLORCREST 20 - plan hits target cen - Point	0.00 iter	0.00	3,410.00	298.30	-5,152.40	658,876.70	569,806.50	32.8112469	-104.2406692
5. TAYLORCREST 20 - plan misses target - Point	0.00 center by		3,410.39 8877.99usf	298.00 t MD (3410.3	-5,102.40 39 TVD, 298.	658,876.40 07 N, -5102.40 E	569,856.50)	32.8112460	-104.2405064
4. TAYLORCREST 20 - plan hits target cen - Point	0.00 iter	0.00	3,448.64	275.97	-232.30	658,854.38	574,726.60	32.8111727	-104.2246548
3. TAYLORCREST 20 - plan misses target - Point	0.00 center by		3,450.00 t 3812.14us	275.50 sft MD (3417	-29.70 7.10 TVD, 275	658,853.90 5.10 N, -40.27 E)	574,929.20	32.8111708	-104.2239953

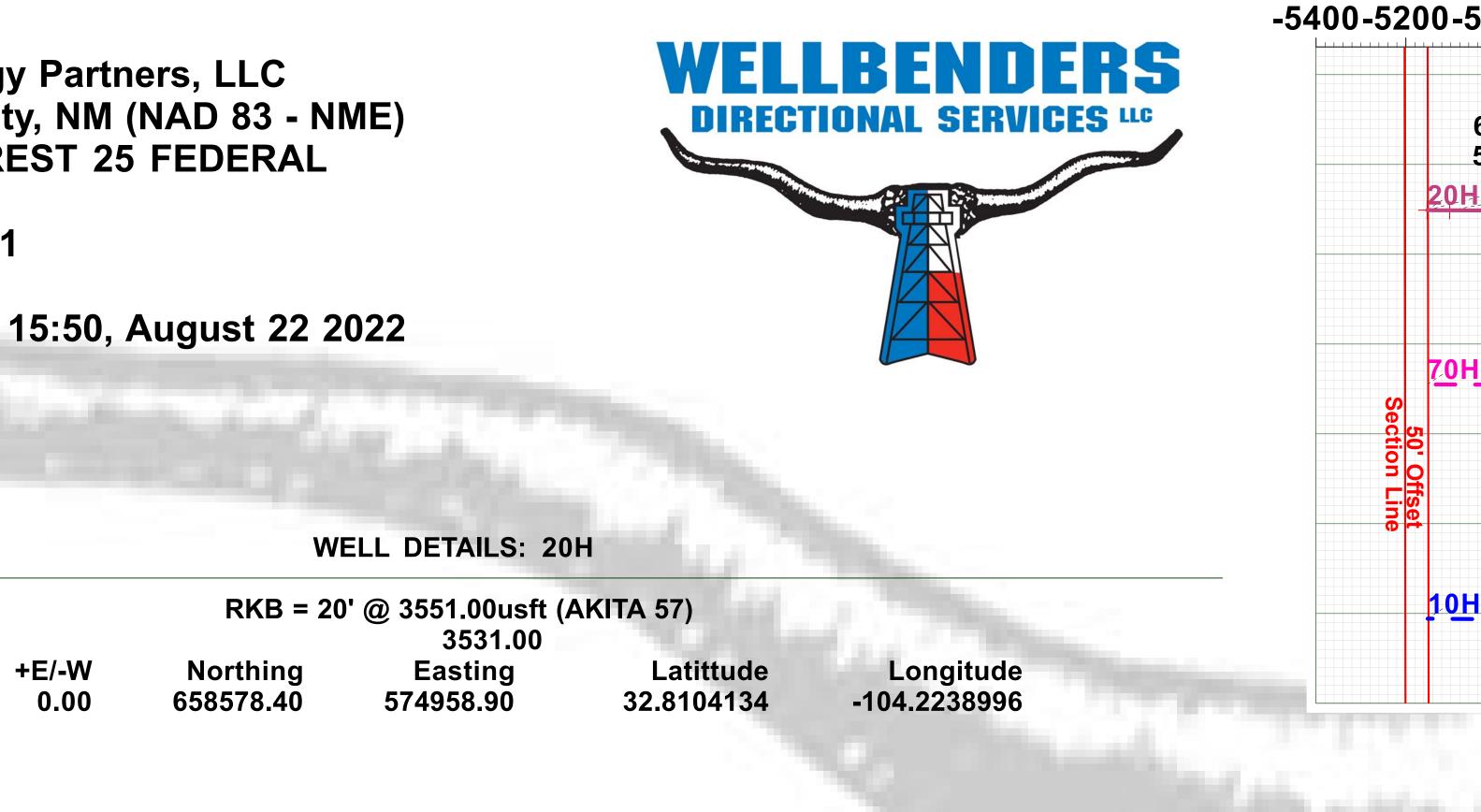
COMPASS 5000.14 Build 85



Company:	Spur Energy I
Project:	Eddy County,
Site:	TAYLORCRES
Well:	20H
Wellbore:	Wellbore #1
Rig:	AKITA 57
Design: PE	
-	

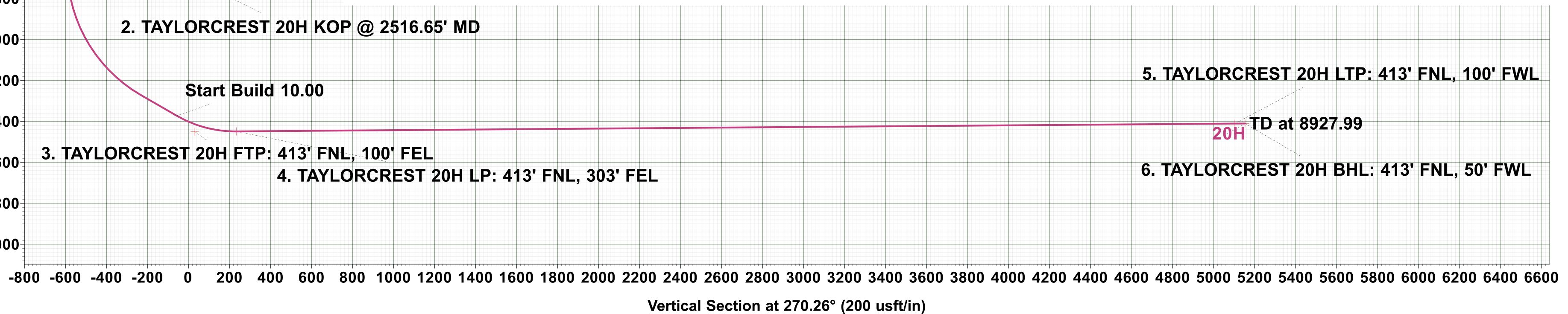
+N/-S 0.00

0 200 400	Start Build 2.00	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	1279.8659.352423.08202.283271.90273.873371.90274.653448.64275.973410.39298.07	162.27 2.00 553.08 0.00 231.88 8.00 58.67 0.00 -232.30 10.00 -5102.40 0.00 -5152.40 0.00	-162.00 -552.15 -230.63 -57.43 233.55 5103.70 5153.70		
600							
800							
1000		Name 1. TAYLORCREST 20H SHL: 688' FNL, 72' FEL 2. TAYLORCREST 20H KOP @ 2516.65' MD	TVD +N/ 0.00 0.0 2423.08 202.2	00.00	Northing 658578.40 658780.68	Easting 574958.90 575511.98	Latitude 32.8104134 32.8109679
1200		3. TAYLORCREST 20H FTP: 413' FNL, 100' FEL 4. TAYLORCREST 20H LP: 413' FNL, 303' FEL	3450.00 275. 3448.64 275.	50 -29.70	658853.90 658854.37	574929.20 574726.60	32.8111708 32.8111727
1400		5. TAYLORCREST 20H LTP: 413' FNL, 100' FWL 6. TAYLORCREST 20H BHL: 413' FNL, 50' FWL	3410.39298.3410.00298.		658876.40 658876.70	569856.50 569806.50	32.8112460 32.8112469
(ii/j							
ម្មី 1800		CORRECTION REFER	ENCE DATA:			т м	Azimuths to G
2000		To convert a Magnetic Direction to a To convert a True Direction to a Grid	Direction, Subtract 0.059			Λ	True Nortl Magnetic Nor
e ptp		Magnetic Declination: 6.75 Grid Convergence: 0.05 Magnetic Din Angle: 60.2	9° West				Magne Strength: 476
0022 <u>e</u>		Magnetic Dip Angle: 60.2 Magnetic Field Strength: 4764				\bigcirc	Dip Angle Date: 08/
eric (eric	Start DLS 8.00					·	Model: IG
ອ <u>ຼ</u> 2600							
⊢ 2800							
3000	2. TAYLORCREST 20H KOP	@ 2516.65' MD					
3000							- T AV/I A
3200	Start Build 10.00						5. TAYLO
3400							2
3600	3. TAYLORCREST 20H FTP: 413' FNL						C TAVI A
		RCREST 20H LP: 413' FNL, 303' FEL					6. TAYLO
3800							
4000							
⊣ ∩&_			0 2600 2800 3000 3'	200 3400 3600	·····		



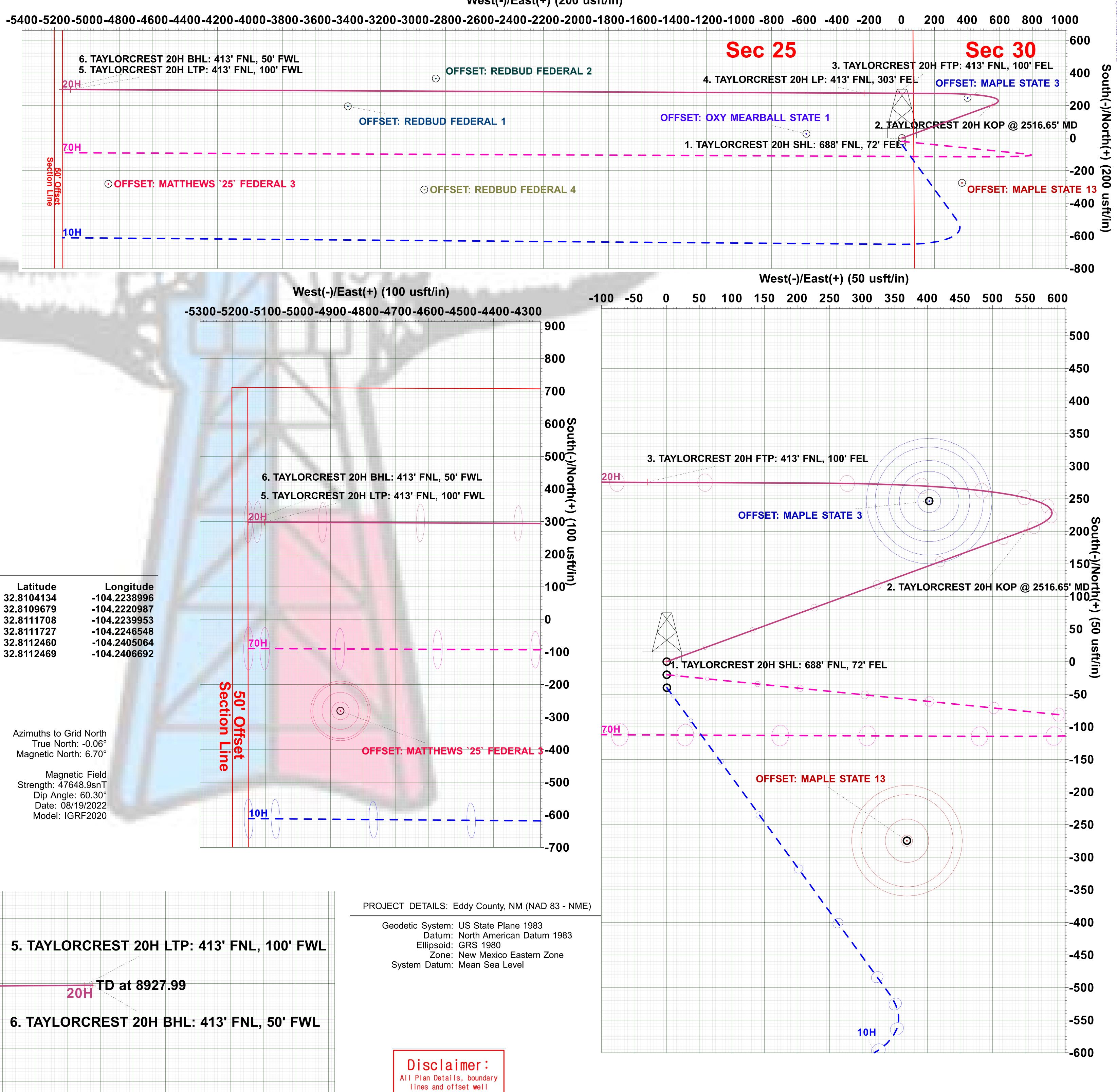
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	VSect
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00
3	1300.05	20.00	69.91	1279.86	59.35	162.27	2.00	-162.00
4	2516.65	20.00	69.91	2423.08	202.28	553.08	0.00	-552.15
5	3503.19	60.00	270.26	3271.90	273.87	231.88	8.00	-230.63
6	3703.19	60.00	270.26	3371.90	274.65	58.67	0.00	-57.43
7	4007.69	90.45	270.26	3448.64	275.97	-232.30	10.00	233.55
8	8877.99	90.45	270.26	3410.39	298.07	-5102.40	0.00	5103.70
9	8927.99	90.45	270.26	3410.00	298.30	-5152.40	0.00	5153.70

SECTION DETAILS



West(-)/East(+) (200 usft/in)

6. TAYLORCREST 20H BHL: 413' FNL, 50' FWL 5. TAYLORCREST 20H LTP: 413' FNL, 100' FWL	OFFSET: REDBUD FEDERAL 2
	OFFSET: REDBUD FEDERAL 1
OFFSET: MATTHEWS '25' FEDERAL 3	OFFSET: REDBUD FEDERAL 4



	Geodetic System:	US State Plane 1983
	Datum:	North American Datum
WL	Ellipsoid:	GRS 1980
	Zone:	New Mexico Eastern Zo
	System Datum:	Mean Sea Level

location/ survey data is provided by customer and

subject to customer

approval.

Plan: PERMIT (20H/Well	lbore #1) AKITA 57
Created By: Derek Stephens	Date: 15:50, August 22 2022

Pecos District

Application for Permit to Drill

Conditions of Approval

Geology Concerns

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

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

Additional Engineering Requirements

Surface casing must be set at: 350 feet

Intermediate casing must be set at: 875 feet

General Requirements

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

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

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

- 3. The initial wellhead installed on the well will remain on the well with spools used as needed.
- 4. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig:

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- i. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
- b. When the operator proposes to set surface casing with a Spudder Rig:
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - iii. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 5. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller, and will always be operational during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the doghouse or stairway area.
- 6. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

Pressure Control

- All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. 5M or higher system requires an HCR valve, remote kill line, and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE, and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

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- d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- e. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.
- f. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- g. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, no tests shall commence until the cement has had a minimum of 24 hours setup time.
- h. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- 4. If the operator has proposed using a 5,000 (5M) Annular on a 10M BOP:
 - a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 10,000 (10M) psi.
- 5. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.

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- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
- e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 6. If a variance is approved for break testing the BOPE, the following requirements apply:
 - a. BOPE break testing is only approved for a BOP rated at 5M or less.
 - b. A full BOP test shall be performed every 21 days (at a minimum).
 - c. A full BOP test is required prior to drilling the first intermediate hole section (if applicable). If any subsequent intermediate hole interval is deeper than the first, a full BOP test shall be required.
 - d. A full BOP test is required prior to drilling the first production hole section. If any subsequent production hole interval is deeper than the first, a full BOP test shall be required.
 - e. While in transfer, the BOP shall be secured by the hydraulic carrier or cradle.
 - f. Pressure tests shall be performed on any BOPE components that have been disconnected. A low pressure (250-300 psi) and a high pressure (BOP max pressure rating) test are required.
 - g. If a testing plug is used, pressure shall be maintained for at least 10 minutes. If there is any bleed off in pressure, the test shall be considered to have failed.
 - h. If no testing plug is used, pressure shall be maintained for at least 30 minutes. If there is a decline in pressure of more than 10 percent, the test shall be considered to have failed.
 - i. The appropriate Bureau of Land Management (BLM) office shall be notified a minimum of 4 hours before testing occurs.
- 7. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply:
 - a. The flex line must meet the requirements of API 16C.
 - b. Check condition of flexible line from BOP to choke manifold (replace if exterior is damaged or if line fails test).
 - c. Line is to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements.
 - d. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating.
 - e. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

Casing and Cement

- 1. Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).
- 2. On any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. The formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 3. Provide compressive strengths (including hours to reach required 500 pounds compressive strength) prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 4. The surface casing shall be set at a minimum of 25 feet into the Rustler Anhydrite and 80 feet above the salt and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of 8 hours (or 24 hours in the Potash Area) or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 5. Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.
- 6. Intermediate casing must be cemented to surface. For medium/high cave/karst, potash, and Capitan Reef, wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- 7. The production cement should tie-back at least 200 feet (500 feet in Secretary Potash, surface in R-111-P potash) into previous casing string. Operator shall provide method of verification.

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- 8. Production liner cement should tie-back at least 100 feet into previous casing string. Operator shall provide verification of cement top.
- 9. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 10. No pea gravel permitted for remedial cement or fall back remedial cement without prior authorization from a BLM petroleum engineer.
- 11. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 12. DV tools:
 - a. First stage to DV tool (The DV tool may be cancelled if cement circulates to surface on the first stage):
 - i. Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
 - b. Second stage above DV tool:
 - i. For intermediate casing, cement to surface.
 - For production casing, cement should tie-back at least 200 feet (500 feet in Secretary Potash, surface in R-111-P potash) into previous casing string. Operator shall provide method of verification.
 - iii. If cement does not circulate, contact the appropriate BLM office.
- 13. Wait on cement (WOC) for Potash Areas:
 - a. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - b. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met:
 - i. Cement reaches a minimum compressive strength of 500 psi for all cement blends
 - ii. Until cement has been in place at least 24 hours.
 - c. WOC time will be recorded in the driller's log.
 - d. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- 14. Wait on cement (WOC) for Water Basin:
 - a. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met:

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

Drilling Mud

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

Waste Material and Fluids

- 1. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.
- 2. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Special Requirements

- 1. Communitization Agreement
 - a. The operator will submit a Communitization Agreement to the Carlsbad Field Office (620 E Greene St. Carlsbad, New Mexico 88220), at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division.
 - b. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
 - i. If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
 - c. In addition, the well sign shall include the surface and bottom hole lease numbers.
 - i. When the Communitization Agreement number is known, it shall also be on the sign.

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- 2. Unit Wells
 - a. The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers.
 - i. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.
 - b. Commercial Well Determination
 - i. A commercial well determination shall be submitted after production has been established for at least six months (this is not necessary for secondary recovery unit wells).
- 3. Hydrogen Sulfide (H2S)
 - a. If H2S is encountered, provide measured values and formations to the BLM.
 - b. An H2S area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.
 - c. An H2S Drilling Plan shall be activated 500 feet prior to drilling into the any formation designated as having H2S.
 - d. Hydrogen Sulfide monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.
- 4. Capitan Reef
 - a. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following (Use this for 3 string wells in the Capitan Reef, if 4 string well ensure fresh water based mud used across the Capitan interval):
 - i. Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports.
 - iii. The daily drilling report should show mud volume per shift/tour.
 - iv. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval.
 - v. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

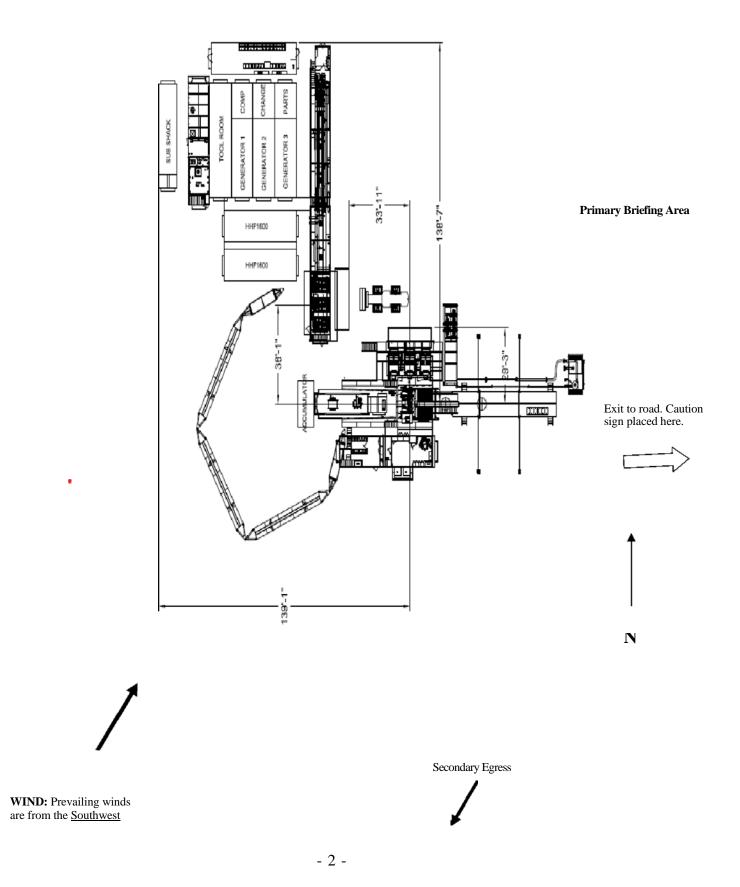
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- 5. Salt Water Disposal Wells
 - a. The operator shall supply the BLM with a copy of a mudlog over the permitted disposal interval and estimated in situ water salinity based on open-hole logs.
 - b. If hydrocarbons are encountered while drilling,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



Hydrogen Sulfide (H2S) Operations Plan For Spur Energy Partners New Mexico Operations

Secondary Briefing Area



Spur Energy Partners New Mexico Operations

Hydrogen Sulfide Operation Plan

A. Introduction:

The Safety of all personnel at Spur Energy Partners Facilities is of utmost importance to the company, and therefor management and employees must take responsibility for their safety and for the safety of all employees and others at a facility. If you have any concerns about the safe operations of the facility, contract personnel, or vendors, please contact the Company's Safety Contact, Superintendent, or Production Foreman immediately.

The objective of this contingency plan is to provide an organized plan of action for alerting, responding to and protecting employees, other workers and the public from H2S exposure in the event of a release of a potentially hazardous volume of H2S to the atmosphere. This plan should be activated immediately if any such release occurs. The Superintendent is responsible for initiating and carrying out the plan.

B. Scope:

Prevent the uncontrolled release of H₂S into the atmosphere. Provide proper procedures and equipment to alert and respond to emergencies.

Provide immediate and adequate medical attention should an injury occur.

To provide Company employees working at actual or potential Hydrogen Sulfide (H2S) facilities with a safe procedure to comply with applicable Federal, State and Company requirements.

This document is intended to provide general policy, procedures and expectations surrounding elevated levels of H2S. The intent is to promote sound and safe operations, while seeking effective communication surrounding operational considerations working around H2S.

This procedure applies to all Company employees and contractors working at facilities that have the potential to release 100 ppm or higher concentrations of H2S.

The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H₂S).

C. Hydrogen Sulfide Gas (H2S) Characteristics:

- 1. H2S is a toxic, poisonous gas that could cause death or injury. And it is also flammable.
- 2. H2S is an irritant and extremely toxic gas that is several times deadlier than carbon monoxide (CO).
- 3. H2S is heavier than air with a specific gravity of 1.1895 @ 600 F. so it will tend to lie in lower areas. Wind movement or air currents can readily disperse H2S since wind currents can easily overcome the heavier weight. On calm days, with no wind, the H2S will tend to accumulate in dangerous concentrations; however, if the H2S is warmer than the surrounding air it may rise.
- 4. H2S is colorless.
- 5. In small concentrations, H2S has the characteristic odor of rotten eggs. It may be detected by smell at a concentration in air of about 2 ppm but may NOT be detected

at high concentrations. DO NOT DEPEND ON THE SENSE OF SMELL TO DETECT H2S! H2S will paralyze the olfactory nerve causing a loss of the sense of smell within 2 – 15 minutes of an exposure in concentrations as low as 100-150 ppm.

- H2S burns with a blue flame and has an auto ignition temperature of 5000 F. H2S forms an explosive mixture in the range of 4.3% to 45% by volume with air. H2S, when ignited, produces Sulfur Dioxide (SO2). SO2 is another toxic gas but less toxic than H2S.
- 7. Physiological Effects
 - 1,000-2,000+ ppm: Loss of consciousness and possible death.
 - 100-1,000 ppm: Serious respiratory, central nervous, and cardiovascular system effects.
 - 150-200 ppm: Olfactory fatigue (sense of smell is significantly impaired).
 - 100 ppm: Immediately Dangerous to Life and Health (IDLH concentration).
 - 5-30 ppm: Moderate irritation of the eyes.
 - 5-10 ppm: Relatively minor metabolic changes in exercising individuals during short-term exposures.
 - Less than 5 ppm: Metabolic changes observed in exercising individuals, but not clinically significant.
 - 5 ppm: Increase in anxiety symptoms (single exposure).
 - 5 ppm: Start of the dose-response curve (short-term exposure).
 - 0.032-0.02 ppm: Olfactory threshold (begin to smell).

D. H₂STraining

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 work at an effected facility:

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

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

- 1. Corrective action and shutdown procedures when a release or leak occurs.
- 2. Notification process

Annual drills will be conducted to utilize the procedures and make improvements as needed. It will also serve as refresher training on the process. Note: All H₂S safety equipment and systems will be installed, tested, and operational when operation commences.

E. Protective equipment controls:

Any facility that has the potential to emit H2S at 100 ppm or higher will be required to install and utilize the below controls:

- 1. Where applicable, area air monitors will be installed and function tested and calibrated no less than monthly and set on a quarterly basis PM schedule.
- 2. Facility operators will use self contained breathing apparatuses (SCBA's) to perform routine operations in areas where H2S may be present.
- 3. Trigger of 100 PPM or more must be communicated and work proceeding the trigger must use the buddy system.
- 4. Visible windsocks must be installed at key locations surrounding the facility.
- 5. H2S warning signs must be placed at the entrance to the facility as well as other key locations.
- 6. Personal H2S Monitor are required to be worn by all personnel on locations.
- 7. Stairs and ladders leading to the top of a tank or vessel containing 300 ppm or greater shall be chained or marked to restrict entry.

F. Emergency Procedures

1. Spill or Release of H₂S gas

If a spill or leak releases H₂S the following action must be initiated and completed:

- a. Internally Employee contacts supervisor and HSE Department and performs "d" below.
- b. Externally Someone identifies a possible H₂S emergency and reports it to Company Management, via the listed phone number on posted facility signs.
- c. The Company dispatches an employee to investigate possible H₂S emergency and will secure situation or initiate emergency call for backup.
- d. If the Radius of Exposure has been breached begin the following:
 - Establish safe command center.
 - Call for additional personnel and delegate the following:
 - i. Notifying public safety agencies (Sheriff, Fire Department, Department of Public Safety, Hwy. Department).
 - ii. Safeguarding the facility and effected area.
 - iii. Blocking roads as needed.
 - iv. Notifying/evacuating public.
 - v. Notifying regulatory agencies.
 - vi. Gathering additional information about release ie., location, flowrate, quantity, etc.
 - vii. Stopping release if safe to do so (use 2 trained persons)
 - viii. Notifying company management.
 - ix. Cleanup/repair facilities.

- e. Facility Standard Operating Procedure
 - Evacuate the area, travel crosswind then proceed upwind.
 - Gather at muster point. Ensure Primary Muster point is upwind
 - Notify managers & appropriate EMS if required.
 - Safely shut down (ESD) facility if the facility hasn't already shut in.
 - Pick up SCBA (should be a 30 minute 1 hour pack, located at Muster point.)
 - Use buddy system for man down scenario with rescuers assigned.
 - 1 person to mask up to operate facility controls as needed.
 - 1 person for rescue if needed.
 - 1 person for calling EMS and company management
 - Investigate area and isolate release of gas if safe to do and ensure closure using 4 gas monitor.
 - If venting gas can't be isolated, return to muster point, and re-evaluate path forward.
 - Give detailed description where/how gas is being released.
 - After isolation verify that area monitors return to 0 and are not in alarm.
 - Resume normal operations, once managers agree the ROOT CAUSE has been addressed and corrected.

G. Contacting Authorities

Company personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NM Emergency Response Commission must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Spur Energy Partners response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

H. Call List

Spur Energy Partners Emergency Contact List								
Person	Loc	ation	Office Phon	e Cell Phone				
Drilling and Cor	npletio	ns Depa	artment					
Drilling Manager - Chris Hollis	on	832-930-8629	713-380-7754					
Completions Manager - Theresa Voss	Houst	on	832-930-8614	832-849-8635				
VP of Operations - Seth Ireland	Houst	on	832-930-8527	940-704-6375				
Senior VP of Operations - John Nabors	Houst	on	832-930-8526	281-904-8811				
Executive VP of Operations - Todd Mucha	Houst	on	832-930-8515	281-795-2286				
HES/Environmental a	nd Re	gulatory	Department					
EHS Manager - Braidy Moulder	Artesia	a	575-616-5400	713-264-2517				
Superintendent - Jerry Mathews	Artesia	a	575-616-5400	575-748-5234				
Asst. Superintendent - Kenny Kidd	Artesia	a	575-616-5400	575-703-5851				
Regulatory Director - Sarah Chapman	Houst	on	832-930-8613	281-642-5503				
Regulat	ory Ag	encies						
Bureau of Land Management		Carlsbad 5		575-886-6544				
Bureau of Land Management		Hobbs 5		575-393-3612				
Bureau of Land Management		Roswell 57		575-622-5335				
Bureau of Land Management		Santa Fe 50		505-954-2000				
DOT Judicial Pipelines - Incident Reporting Public Regulation Commission	NM	Santa F	e	505-827-3549 505-490-2375				
EPA Hotline		Dallas 21		214-665-6444				
Federal OSHA, Area Office		Lubbock 80		806-472-7681				
National Response Center		Washington, D.C. 80		800-424-8803				
National Infrastructure Coordinator Center		Washington, D.C. 20		202-282-2901				
New Mexico Air Quality Bureau		Santa Fe 50		505-827-1494				
New Mexico Oil Conservation Division		Artesia		575-748-1283 575-370-7545After				
New Mexico Oil Conservation Division	Hobbs		575-393-6161					
New Mexico Oil Conservation Division		Santa F	е	505-476-3770				
New Mexico OCD Environmental Bureau			e	505-827-7152 505-476-3470				
New Mexico Environmental Department		Hobbs		575-827-9329				
NM State Emergency Response Center		Santa F	е	505-476-9600				

Medical Facilities							
Artesia General Hospital	Artesia	575-748-3333					
Covenant Medical Center	Lubbock	806-725-1011					
Covenant Medical Center Lakeside	Lubbock	806-725-6000					
Guadalupe County Hospital	Carlsbad	575-887-6633					
Lea Regional Hospital	Hobbs	575-492-5000					
Medical Center Hospital	Odessa	432-640-4000					
Midland Memorial Hospital	Midland	432-685-1111					
Nor-Lea General Hospital	Lovington	575-396-6611					
Odessa Regional Hospital	Odessa	432-334-8200					
Union County General Hospital	Clayton	575-374-2585					
University Medical Center	Lubbock	806-725-8200					
Law Enforcement - Sheriff							
Ector County Sheriff's Department	Odessa	432-335-3050					
Ector County Sheriff's Department	Artesia	575-746-2704					

Carlsbad	575-887-7551
Eunice	575-384-2020
Hobbs	575-393-2515
Lovington	575-396-3611
Abernathy	806-296-2724
Midland	432-688-1277
Clayton	575-374-2583
nt - Police	
Abernathy	806-298-2545
Artesia	575-746-2704
Carlsbad	575-885-2111
Clayton	575-374-2504
Eunice	575-394-2112
Hobbs	575-397-9265 575-393-2677
Jal	575-395-2501
Lovington	575-396-2811
	Eunice Hobbs Lovington Abernathy Midland Clayton t - Police Abernathy Artesia Carlsbad Clayton Eunice Hobbs Jal

Midland City Police	Midland	432-685-7113							
Odessa City Police	Odessa	432-335-3378							
Law E	nforcement - FBI	•							
FBI	Albuquerque	505-224-2000							
FBI	Midland	432-570-0255							
Law Enforcement - DPS (911)									
NM State Police	Artesia	575-746-2704							
NM State Police	Carlsbad	575-885-3137							
NM State Police	Eunice	575-392-5588							
NM State Police	Hobbs	575-392-5588							
NM State Police	Clayton	575-374-2473							
Firefighti	ng and Rescue (911)								
Abernathy	Abernathy	806-298-2022							
Amistad/Rosebud	Amistad/Rosebud	575-633-9113							
Artesia	Artesia	575-746-5751							
Carlsbad	Carlsbad	575-885-3125							
Clayton	Clayton	575-374-2435							
Eunice	Eunice	575-394-2111							
Hobbs	Hobbs	575-397-9308							
Jal	Jal	575-395-2221							
Lovington	Lovington	575-396-2359							
Maljamar	Maljamar	575-676-4100							
Midland	Midland	432-685-7346							
Nara Visa	Nara Visa	575-461-3300							
Odessa	Odessa	432-335-4659							
Tucumcari	Tucumcari	911							
West Odessa	Odessa	432-381-3033							

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

I. List of Facilities with the potential for 500ppm or higher H2S exposure.

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

ALASKA 29 FEE TANK BATTERY **ARABIAN 6 FEE TANK BATTERY** ARCO 26 A STATE OIL BATTERY ARCO B FEDERAL COM NO. 001 **ARKANSAS STATE 23 TANK BATTERY AVALON FEDERAL #001 B&B/ROSS RANCH OIL TANK BATTERY** BC FEDERAL 10 (9-13) TNK BTY BC FEDERAL 1-8 &14 TNK BTY **BC FEDERAL 42 TNK BTY BEE FED OIL BATTERY BEECH 25 FEDERAL #9H BATTERY** BEECH FEDERAL 1 **BEECH FEDERAL 2 BATTERY BERRY A FEDERAL #005 SWB BERRY A FEDERAL PADD BATTERY BIG BOY STATE TB BLUETAIL 8 FEDERAL 2 TANK BATTERY** BONE YARD 11 FEE TANK BATTERY BOOT HILL 25 1H SWB BOSE IKARD 4 ST COM 18H BATTERY **BRANTLEY FEDERAL #001 BR-549 STATE BATTERY BRADLEY 8 FEE #3H-BATTERY BRADLEY 8 FEE BATTERY** BRAGG 10 FEE 1 BATTERY **BRIGHAM H 2 BRIGHAM H FED (NORTH) BATTERY BURCH KEELY 13C TK BTY BURCH KEELY 18A TK BATT BURCH KEELY 19A OIL BATT BURCH KEELY 23A TK BATT BURCH KEELY EAST 18B TANK BAT BURCH KEELY SEC 13A NORTH BTTY BURCH KEELY SEC 13B SOUTH BTTY** BURCH KEELY UNIT CTB BTTY **BURCH KEELY UNIT E BATTERY BURKETT 16 STATE** CADDO FEDERAL BATTERY CADILLAC ST 4 BATTERY CALIFORNIA 29 FEE 1 **CARMEN 3 FEDERAL BATTERY** CARRINGTON 12 ST 3,4,7 BATTERY

CHASER 8 STATE 2 TANK BATTERY CHEYENNE FEDERAL TNK BTY CLYDESDALE 1 FEE #1H BAT **CLYDESDALE 1 FEE 6H - BATTERY** COAL TRAIN FEDERAL COM #1 COFFIN STATE #1 COLLIER 22 STATE COM #43H COLLIER STATE OIL BATTERY CONOCO 8 STATE 4 TB CONTINENTAL A STATE TNK BTY CONTINENTAL B YESO TANK BTY CONTINENTAL STATE 15A TNK BTY CRYPT 30 STATE #1H DAGGER DRAW FED/FOSTER FED TANK BATTERY **DARNER 9 STATE 1 TANK BATTERY** DARNER 9 STATE 2 **DARTER 9 STATE 8 TANK BATTERY DARNER 9 STATE CTB** DEXTER FEDERAL PAD TNK BTY **DODD 10A OIL BATTERY** DODD 10B TK BTTY DODD FED #14C TK BATT **DODD FED 11A BATTERY** DODD FED UNIT 980H BATTERY **DODD FEDERAL 14A-TB** DODD FEDERAL UNIT 15A BTTY DODD FEDERAL UNIT NORTH BTTY DODD FEDERAL UNIT SOUTH BTTY DOGWOOD FEDERAL TNK BTY DORAMI 33 FEDERAL COM 2H.4H.9H TANK BATTERY **EBONY STATE TB** EDWARD STATE TNK BTY ELECTRA FEDERAL 33 (NORTH) BATTERY ELECTRA FEDERAL 5 (SWEET) TNK BTY ELECTRA FEDERAL SOUR TNK BTY **EMPIRE SOUTH DEEP UNIT 21** FALABELLA 31 FEE #1H TK BATT FALABELLA 31 FEE 8H TK BTY FAT TIRE 12 COM FEDERAL CTB FEDERAL BA COM NO. 001 FEDERAL BB NO. 001 FLAT HEAD FED COM 6H TANK BATTERY FLAT HEAD FED COM 27H TANK BATTERY

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

FIR FEDERAL TNK BTY FIRECRACKER STATE TB FLEMMING STATE OIL BATTERY FOLK FEDERAL B TNK BTY FOLK FEDERAL TNK BTY FOLK STATE TANK BATTERY FORAN STATE OIL BATTERY GC FEDERAL 11 TNK BTY GC FEDERAL 27 TNK BTY GC FEDERAL TNK BTY GILLESPIE STATE OIL BATTERY **GISSLER FEDERAL 13H TANK BATT** GJ WEST COOP SOUTH TB GJ WEST COOP UNIT 092 BTY GJ WEST COOP UNIT 191 BTY GJ WEST COOP UNIT 210 BTY GJ WEST COOP UNIT CENTRAL GJ WEST COOP UNIT N TNK BTY GOLD STAR TNK BTY **GOODMAN 22 TANK BATTERY** GRAVE DIGGER FEDERAL COM TANK BATTERY **GRAVE DIGGER ST COM #3H TANK BATTERY GRAVE DIGGER STATE COM #8H SWB** HALBERD 27 ST 3H BATTERY HANOVER STATE #3 (YESO) HARPER STATE TNK BTY HARVARD FEDERAL TNK BTY HATFIELD B TB HEARSE 36 ST COM TANK BATTERY HOBGOBLIN 7 FED COM 4H TK BAT HOLDER CB 11 TNK BTY HOLDER CB FEDERAL 6&7 TNK BTY HOLIDAY HOUMA STATE TNK BTY HT 18 FED 01.05.04 TANK BATTERY HT 18 FEDERAL 8 HUBER 10.11.12 FEDERAL OIL TANK BATTERY HUBER 3 FEDERAL OIL TANK BATTERY HUBER 5 FEDERAL OIL TANK BATTERY HYDRUS 10 FED 03.07.08.11 TANK BATTERY HYDRUS 10 FED 04.05 TANK BATTERY HYDRUS 10 FED 06.09.10.12 TANK BATTERY IMPERIAL STATE TNK BTY

IVAR THE BONELESS FED 11H - BATTERY JC FEDERAL 13 TNK BTY JC FEDERAL 2 (SOUR) TNK BTY JC FEDERAL 27 TNK BTY JENKINS B FEDERAL TNK BTY **JG STATE 16 1 TANK BATTERY** JG STATE 16 7 TANK BATTERY JON BOB 1 JUNIPER STATE TNK BTY **KIOWA OIL BATTERY KOOL AID STATE** LAKEWOOD NORTH TANK BATTERY LAKEWOOD SOUTH TANK BATTERY LARA MICHELLE STATE OIL BTTY LEAKER CC STATE TB LEE 3 FEE 6H - TK BATT LIVE OAK TANK BATTERY MALCO 23 FEDERAL COM #13H MAPLE STATE MARACAS 22 STATE TANK BATTERY MARY FEDERAL OIL BATTERY MAYARO 22 STATE TANK BATTERY MC FEDERAL 14 TANK BATTERY MC FEDERAL 6 DEVONIAN MC FEDERAL PADDOCK TNK BTY MC SOUTHEAST BATTERY MC STATE OIL BATTERY MCCOY STATE TB MCINTYRE A EAST TANK BATTERY MCINTYRE B 10 MCINTYRE B 4 MCINTYRE B TNK BTY MCINTYRE DK 15 TNK BTY MCINTYRE DK FEDERAL 28H SWB **MEADOWHAWK 5 FEDERAL 3** MELROSE FEDERAL TNK BTY **MERAK 7 FEDERAL 8 TANK BATTERY** MESILLA STATE 3 & 5 TNK BTY MESILLA STATE TNK BTY MESQUITE STATE TANK BATTERY MIMOSA STATE TNK BTY MIRANDA FEDERAL B TNK BTY MIRANDA FEDERAL TB

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

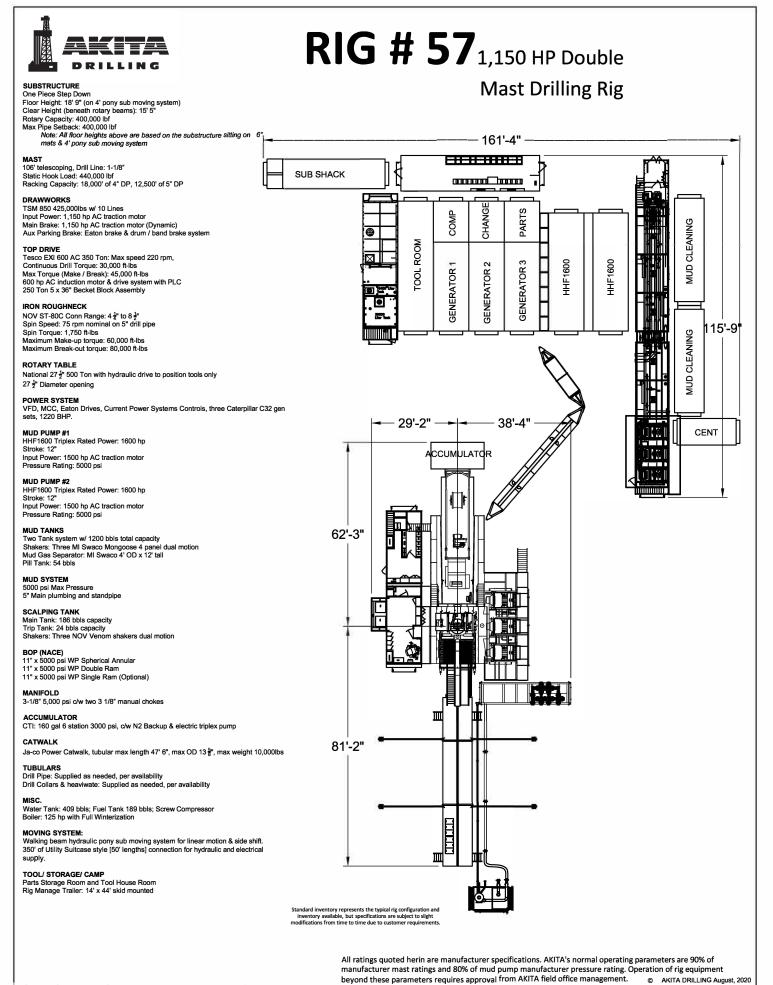
MOE FEDERAL OIL BATTERY MOHAWK FEDERAL TNK BTY **MONCRIEF 3 OIL BATTERY** MOORE STATE OIL BATTERY MORRIS BOYD 26 FEE COM 1H MORRIS BOYD TANK BATTERY **MORRIS E & F TANK BATTERY** MUSKEGON SOUTH STATE OIL BATTERY NAVAHO FEDERAL TNK BTY NELSON 13.23. TNK BATT **NEWCASTLE 6 FED COM - TANK BATTERY** NIRVANA TANK BATTERY NOOSE FED 10 TANK BATTERY NOOSE FED 5 TANK BATTERY **OKLAHOMA 32 TANK BATTERY** OSAGE BOYD 15 FED 09.12.13.14 TANK BATTERY OSAGE BOYD YESO TANK BATTERY PAINT 32 FEE OIL BATTERY PAN CANADIAN A2-B3 TANK BATTERY PASSION 1 FED PDK 5H TK BATT PATTON 5 FEE 2H OIL BATTERY PATTON 5 FEE 8H OIL BATTERY PAWNEE STATE TNK BTY PEACEMAKER 25 FEDERAL TANK BATTERY PERE MARQUETTE 18 FEDERAL 1 TANK BATTERY PILUM 15 FEE 2H BATTERY PINTO 36 STATE COM 1H TNK BTY PINTO 36 STATE COM 4H TNK BTY PINTO 36 STATE TB POLARIS B 5-10 TANK BTTY **POSEIDON 3 FEDERAL 4 TANK BATTERY** POSEIDON 3 FEDERAL 05.07.17.18 TANK BATTERY PUCKETT 13 FEDERAL COM 35H PUCKETT 13 FEDERAL TB **RAGNAR FED COM 25H - BATTERY RANDALL FED 3 BATTERY RED LAKE 32 TANK BATTERY** REDBUD FEDERAL TNK BTY **RINCON STATE TANK BATTERY RJ UNIT NORTH TANK BATTERY RJ UNIT SOUTH TANK BATTERY RONCO FEDERAL #1** ROSE 02.03.04.05.06 TANK BATTERY

ROSE SOUTH TANK BATTERY ROSS RANCH 09.13.14 BATTERY SAM ADAMS 12 FED 4H UBB TK BATT SANDY CROSSING 32 STATE COM 1 SCHLEY FEDERAL TNK BTY SHAWNEE FEDERAL TNK BTY SHELBY 23 BATTERY SHERMAN 4 FEE 4H BATTERY SHERMAN 4 FEE 6H BATTERY SHORTY 2 STATE COM TANK BATTERY SINCLAIR PARKE (PADDOCK) TNK BTY **SKELLY 605 BATTERY SKELLY 942 BATTERY** SKELLY 968 BATTERY **SKELLY 973 BATTERY SKELLY 989 BATTERY SKELLY UNIT 907 CTB BATTERY SKELLY UNIT 940 BATTERY** SOUTH BOYD FED COM OIL TANK BATTERY SOUTH EMPIRE STATE COM 1 SPIKETAIL 5 STATE 2 TANK BATTERY SPRUCE FEDERAL TNK BTY STATE B GAS COM NO. 001 STATE S-19 YESO (SOUR) TNK BTY STONEWALL 9 FEE #1H TBAT **STONEWALL 9 FEE 8H BATTERY** SUBMARINE 10 FED COM 2H OIL BAT TAYLOR D TANK BATTEY TENNECO STATE TNK BTY TEX MACK FED TEXACO BE TNK BTY **TEXAS 32 FEE TANK BATTERY** TEXMACK 36 STATE COM #1 TH STATE #1 THO STATE OIL BATTRY **THORNTAIL 31 FEDERAL 1** THUNDER ROAD FEDERAL OIL BTTY **TUMAK FED 3 BAT VEGA 9 FED TANK BATTERY** VT 36 STATE #1H W D MCINTYRE C 10 WAUKEE 36 STATE COME CTB WD MCINTYRE C 8-9 TNK BTY

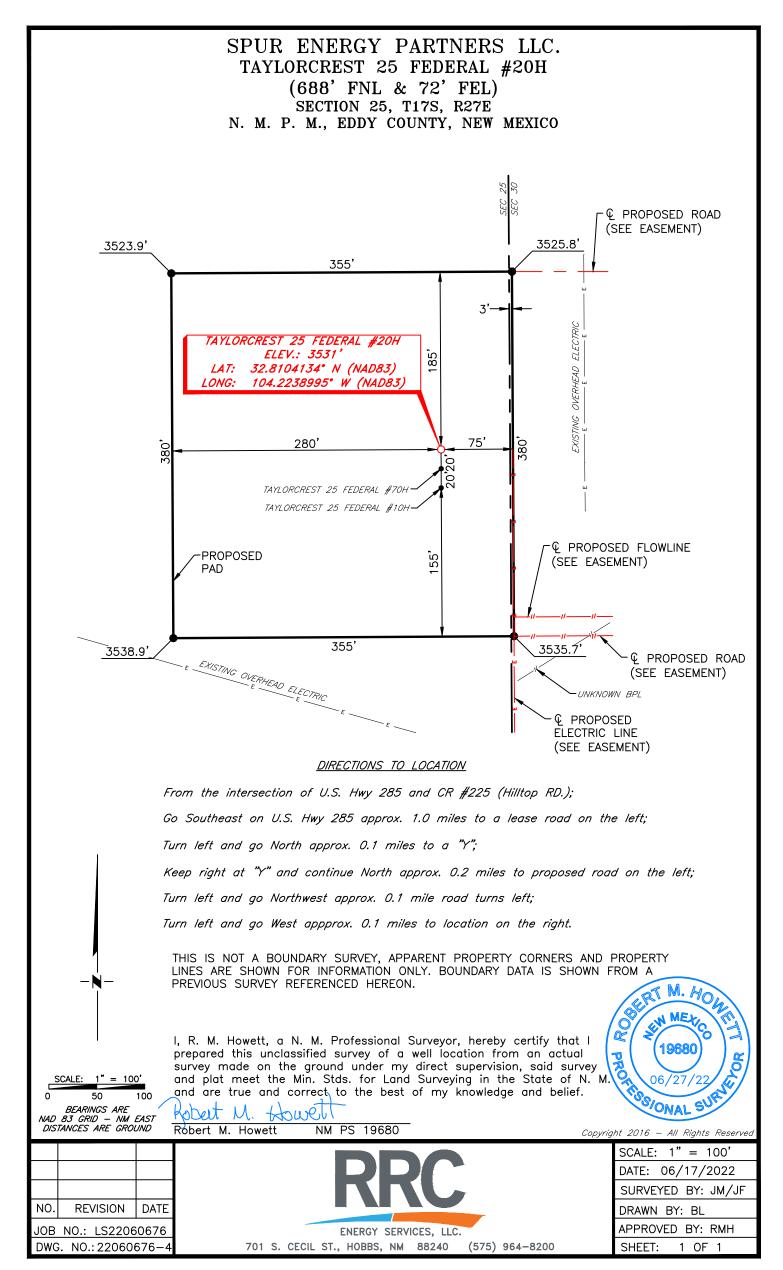
WD MCINTYRE E TNK BTY WELCH A 28 10.20.50 CTB WESTERN FEDERAL TNK BTY WHITE OAK STATE B TB WHITE OAK STATE TNK BTY WHITE STAR FEDERAL TNK BTY WICHITA STATE TNK BTY WILLOW STATE TNK BTY YALE B OIL BATTERY YALE STATE TANK BTY YUCCA STATE TNK BTY

.

TRANSCEND RIG 4	Contractor Specification
Make	Schram
Model	TXD 130
Year of Manufacture	2006
Truck Mounted	YES
Rated Drilling Depth	130,000# hook load
Rated Depth with Tubing	
Derrick Height	69' 9''
Derrick Type	Telescoping Hydraulic
Derrick Capacity	130,000#
Elevators	N/A
Drawworks	760 HP Detroit
Wire Diameter	Hydraulic
Workfloor Max Height	8'
Tongs	Hydraulic Iron Roughneck
Slips	Manual Slips
Included Tubing Handling	• 13 3/8" handling tools
Tools	_
Included Rod Handling	85jts of 4.5" drill pipe
Tools	
BOP Class Compatibility	
Weight Indicator	Hydraulic
Rig Safety Equipment	Eye wash station, fire extengushers,
	wind sock
Pad Size	60' x 60'
Requirements/Limitations	
Guy Line Spacing	N/A
Other Supplied Rig Equipment	Standard Rig Hand Tools:
1 5000	• (2) 36" pipe wrenches
1- F800 pump	• (2) 24" pipe wrenches
1- Pill pit 80bbl	• (2) 18" pipe wrenches
1- 400 bbl mud mix	• (1) 24" crescent wrench
1- Shaker 150mesh	• (2) 12" crescent wrenches
 500 bbl fresh water frac tank 	• (1) 4 lb shop hammer
Lalik	• (1) 12 lb sledge hammer
	• (1) 4 foot pry bar
	 Vehicles for Contractor personnel
	• Air Impact Wrench with Sockets
	• Mud Scales (as needed)



Released to Imaging: 2/14/2024 9:38:45 AM



Intent As Drilled		
API #		
Operator Name:	Property Name:	Well Number

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitu	de				Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitu	de				Longitude				NAD

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitu	de				Longituc	le		NAD	

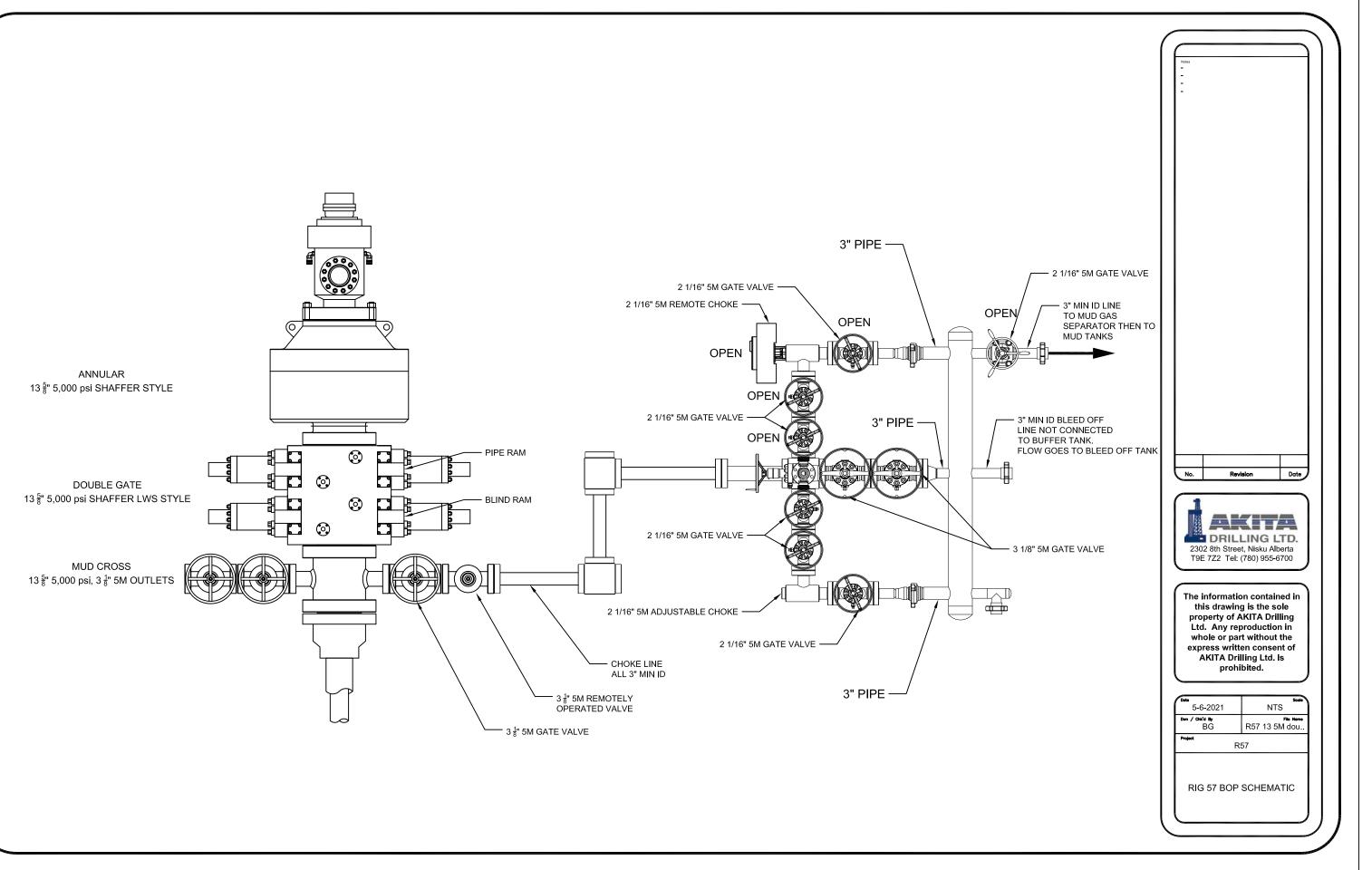
Is this well the defining well for the Horizontal Spacing Unit?	

Is this well an infill well?

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

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018



District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

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

District III

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

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

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

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CONDITIONS

Action 309964

CONDITIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	309964
	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	2/14/2024
ward.rikala	Will require a File As Drilled C-102 and a Directional Survey with the C-104	2/14/2024
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	2/14/2024
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing	2/14/2024
ward.rikala	If cement does not circulate on any string, a CBL is required for that string of casing	2/14/2024
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	2/14/2024