

**Well Name:** NORTHEAST BLANCO  
UNIT 606

**Well Location:** T31N / R7W / SEC 24 /  
SENE / 36.8856977 / -107.5171943

**County or Parish/State:** SAN  
JUAN / NM

**Well Number:** 007H

**Type of Well:** CONVENTIONAL GAS  
WELL

**Allottee or Tribe Name:**

**Lease Number:** NMSF079010

**Unit or CA Name:**

**Unit or CA Number:**  
NMNM078402X

**US Well Number:**

**Operator:** SIMCOE LLC

### Notice of Intent

**Sundry ID:** 2879399

**Type of Submission:** Notice of Intent

**Type of Action:** APD Change

**Date Sundry Submitted:** 10/20/2025

**Time Sundry Submitted:** 11:50

**Date proposed operation will begin:** 10/20/2025

**Procedure Description:** SIMCOE LLC is requesting to change the name of the well to comply with the State of New Mexico Oil Conservation Division's Well Naming Convention. New Well Name: Northeast Blanco Unit New Well Number: #616H

### NOI Attachments

**Procedure Description**

NEBU\_616H\_C\_102\_20251020114938.pdf

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**County or Parish/State:** SAN JUAN / NM

**Well Number:** 007H

**Type of Well:** CONVENTIONAL GAS WELL

**Allottee or Tribe Name:**

**Lease Number:** NMSF079010

**Unit or CA Name:**

**Unit or CA Number:** NMNM078402X

**US Well Number:**

**Operator:** SIMCOE LLC

**Operator**

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

**Operator Electronic Signature:** CALE REDPATH

**Signed on:** OCT 20, 2025 11:49 AM

**Name:** SIMCOE LLC

**Title:** NOT RECORDED

**Street Address:** 1199 MAIN AVE SUITE 101

**City:** DURANGO **State:** CO

**Phone:** (970) 759-8799

**Email address:** CALE.REDPATH@IKAVENERGY.COM

**Field**

**Representative Name:**

**Street Address:**

**City:** **State:** **Zip:**

**Phone:**

**Email address:**

**BLM Point of Contact**

**BLM POC Name:** MATTHEW H MARKLE

**BLM POC Title:** Land Law Examiner

**BLM POC Phone:** 5055647600

**BLM POC Email Address:** MMARKLE@BLM.GOV

**Disposition:** Approved

**Disposition Date:** 10/21/2025

**Signature:** Matthew Markle

Form 3160-3  
(October 2024)

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2027

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		5. Lease Serial No.  6. If Indian, Allottee or Tribe Name  7. If Unit or CA Agreement, Name and No.  8. Lease Name and Well No.
2. Name of Operator		9. API Well No. <span style="color: red;">30-045-38502</span>
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone		11. Sec., T. R. M. or Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		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. Spacing 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/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 of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |   |   |
|---|---|
| 1. Well plat certified by a registered surveyor.<br>2. A Drilling Plan.<br>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).<br>5. Operator certification.<br>6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

25. Signature	Name (Printed/Typed)	Date
Title		
Approved by (Signature)	Name (Printed/Typed)	Date
Title		Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
 Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



(Continued on page 2)

\*(Instructions on page 2)

## INSTRUCTIONS

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

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

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

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

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

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

The BLM connects this information to a new evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

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

## Additional Operator Remarks

### Location of Well

0. SHL: SENE / 2385 FNL / 1139 FEL / TWSP: 31N / RANGE: 7W / SECTION: 24 / LAT: 36.8856977 / LONG: -107.5171943 ( TVD: 0 feet, MD: 0 feet )  
PPP: SENE / 1702 FNL / 0 FEL / TWSP: 31N / RANGE: 7W / SECTION: 22 / LAT: 36.8875809 / LONG: -107.5493221 ( TVD: 7125 feet, MD: 16251 feet )  
PPP: SENE / 1725 FNL / 0 FEL / TWSP: 31N / RANGE: 7W / SECTION: 23 / LAT: 36.8875179 / LONG: -107.5312908 ( TVD: 7150 feet, MD: 11008 feet )  
PPP: SWNE / 1734 FNL / 1801 FEL / TWSP: 31N / RANGE: 7W / SECTION: 24 / LAT: 36.8874751 / LONG: -107.5194594 ( TVD: 7167 feet, MD: 7529 feet )  
BHL: SENW / 1691 FNL / 2248 FWL / TWSP: 31N / RANGE: 7W / SECTION: 22 / LAT: 36.8876157 / LONG: -107.5596498 ( TVD: 7110 feet, MD: 19283 feet )

### BLM Point of Contact

Name: CHRISTOPHER P WENMAN  
Title: Natural Resource Specialist  
Phone: (505) 564-7727  
Email: cwenman@blm.gov

CONFIDENTIAL

Santa Fe Main Office Phone: (505) 476-3441 General Information Phone: (505) 629-6116  Online Phone Directory Visit: <a href="https://www.emnrd.nm.gov/ocd/contact-us/">https://www.emnrd.nm.gov/ocd/contact-us/</a>	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	<b>C-102</b> Revised July 9, 2024 Submit Electronically via OCD Permitting
		<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report
	Submittal Type:	<input type="checkbox"/> As Drilled

## WELL LOCATION INFORMATION

API Number <b>30-045-38502</b>	Pool Code <b>97232</b>	Pool Name <b>BASIN MANCOS</b>
Property Code <b>327799</b>	Property Name <b>NORTHEAST BLANCO UNIT</b>	Well Number <b>616H</b>
OGRID No. <b>329736</b>	Operator Name <b>SIMCOE LLC.</b>	Ground Level Elevation <b>6410</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

## Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
H	24	31 N	7 W		2385 FNL	1139 FEL	36.8856977° N	107.5171943° W	SAN JUAN

## Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
F	22	31 N	7 W		1691 FNL	2248 FWL	36.8876157° N	107.5596498° W	SAN JUAN

Dedicated Acres	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

## Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
H	24	31 N	7 W		2385 FNL	1139 FEL	36.8856977° N	107.5171943° W	SAN JUAN


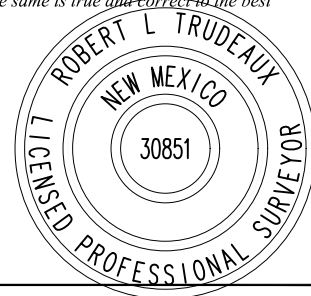
## First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
G	24	31 N	7 W		1734 FNL	1801 FEL	36.8874751° N	107.5194594° W	SAN JUAN

## Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
F	22	31 N	7 W		1691 FNL	2342 FWL	36.8876147° N	107.5593284° W	SAN JUAN

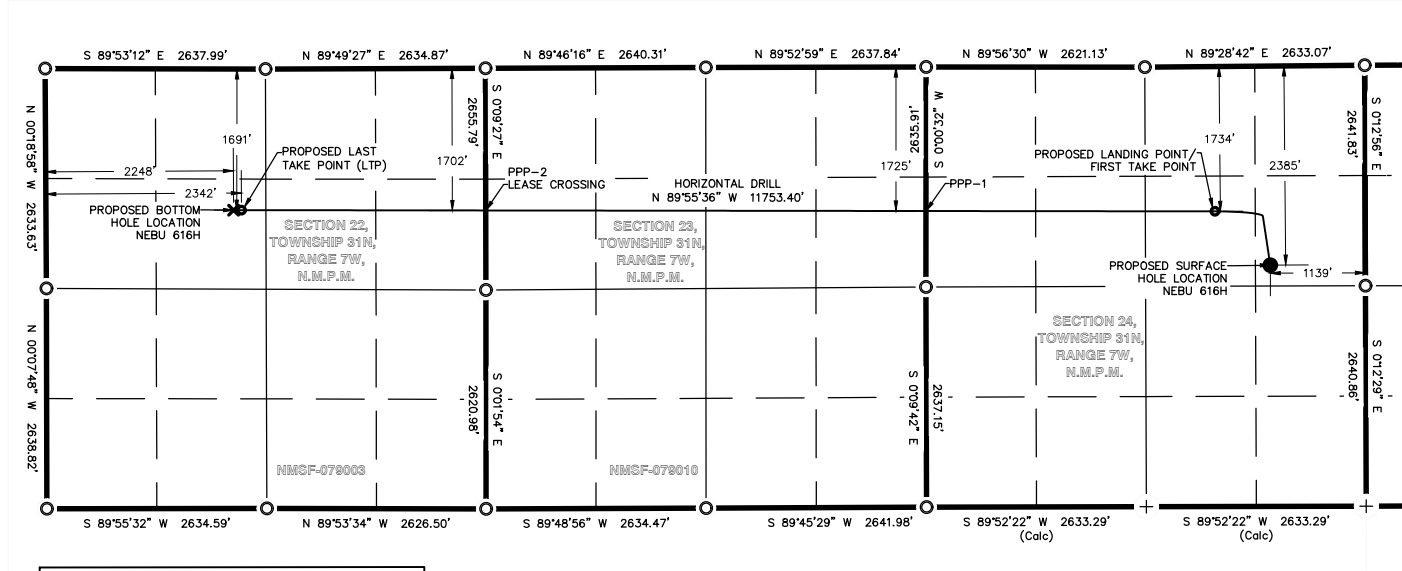
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<b>OPERATOR CERTIFICATIONS</b>  <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>  <b>Cale Redpath</b> 10/20/2025 Signature                                  Date  <b>Cale Redpath</b> Printed Name  <b>cale.redpath@machnr.com</b> Email Address	<b>SURVEYOR CERTIFICATIONS</b>  <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>   Signature and Seal of Professional Surveyor  <b>30851</b> <b>08/27/2025</b> Certificate Number                  Date of Survey  
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Note: 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.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



**LEGEND**

- FOUND MONUMENT
- PROPOSED SURFACE HOLE LOCATION
- PROPOSED TAKE POINT
- PROPOSED BOTTOM HOLE LOCATION
- CALCULATED POSITION FOR CORNER

**NOTE**  
 COORDINATES & TIES SHOWN ABOVE ARE BASED ON  
 WELLBORE REPORT DATED 08/31/2023 PROVIDED BY  
 IKAV ENERGY.

SITE: NEBU PAD WELL: NEBU 616H	NMWZ NAD 83 (USFT)	NAD 83	TIES (USFT)	ELEVATION (USFT)
PROPOSED SURFACE HOLE LOCATION (SHL)	N(Y) = 2141872.47 E(X) = 2815544.96	LAT. = N036.8856977 LON. = W107.5171943	FNL = 2385' FEL = 1139'	EXISTING GROUND 6410.5
PROPOSED LANDING POINT/FIRST TAKE POINT	N(Y) = 2142517.36 E(X) = 2814880.42	LAT. = N036.8874751 LON. = W107.5194594	FNL = 1734' FEL = 1801'	PROPOSED GRADE 6435.0
PPP-1	N(Y) = 2142521.78 E(X) = 2811420.42	LAT. = N036.8875179 LON. = W107.5312907	FNL = 1725' FEL = 0'	
PPP-2/LEASE CROSSING	N(Y) = 2142528.53 E(X) = 2806147.24	LAT. = N036.8875809 LON. = W107.5493222	FNL = 1702' FEL = 0'	
PROPOSED LAST TAKE POINT (LTP)	N(Y) = 2142532.27 E(X) = 2803221.03	LAT. = N036.8876147 LON. = W107.5593284	FNL = 1691' FWL = 2342'	
PROPOSED BOTTOM HOLE LOCATION (BHL)	N(Y) = 2142532.39 E(X) = 2803127.03	LAT. = N036.8876157 LON. = W107.5596498	FNL = 1691' FWL = 2248'	



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:** \_\_SIMCOE, LLC\_\_ **OGRID:** \_\_329739\_\_ **Date:** 10/24/2025

**II. Type:**  Original  Amendment due to  19.15.27.9.D(6)(a) NMAC  19.15.27.9.D(6)(b) NMAC  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
NEBU 615H	TBA	H-24-31N-7W	2360FNL-1140FEL	0	15,000	600
NEBU 616H	TBA	H-24-31N-7W	2385FNL-1039FEL	0	15,000	600
NEBU 617H	TBA	H-24-31N-7W	2410FNL-1138FEL	0	15,000	600
NEBU 618H	TBA	H-24-31N-7W	2435FNL-1036FEL	0	15,000	600
NEBU 619H	TBA	H-24-31N-7W	2460FNL-1035FEL	0	15,000	600

**IV. Central Delivery Point Name:** \_\_\_\_ Harvest Midstream \_\_\_\_\_ [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
NEBU 615H - 619H	TBA	TBD	TBD	TBD	TBD	TBD

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

**VII. Operational Practices:**  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:**  Attach a complete description of Operator’s best management practices to minimize venting during active and planned maintenance.



**Section 2 – Enhanced Plan**  
**EFFECTIVE APRIL 1, 2022**

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

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

**IX. Anticipated Natural Gas Production:**

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

**X. Natural Gas Gathering System (NGGS):**

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

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

**XII. Line Capacity.** The natural gas gathering system  will  will not 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  does  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:**  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:

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

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

**If Operator checks this box, Operator will select one of the following:**

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

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

- (a) power generation on lease;
- (b) power generation for grid;
- (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: <i>Jeremiah Rector</i>
Printed Name: Jeremiah Rector
Title: Field Operations Manager
E-mail Address: jay.rector@machnr.com
Date: 10/24/2025
Phone: 405-628-7800
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

## VI. Separation Equipment

- SIMCOE production locations include separation equipment designed to separate gas from liquid phases. Equipment sizing is based on estimated volumes and pressures, as well as historical basin knowledge. Flowback separation equipment and production separation equipment will be utilized. Both of which are built and maintained to industry standards. Following the completion, gas will be sent to sales, depending on the gas composition. Since SIMCOE is performing work at an existing location, the well will be tied into an existing gas line. Therefore, once the well is shown to meet pipeline specification, it will go to sales.

## VII. Operational Practices

### 1. Subsection (A) Venting and Flaring of Natural Gas

- SIMCOE understands the requirements of NMAC 19.15.27.8 which outlines that the venting or flaring of natural gas during drilling, completion, or production operations that constitutes waste as defined in 19.15.2 NMAC is prohibited. SIMCOE does not plan to flare.

### 2. Subsection (B) Venting and flaring during drilling operations

- If technically feasible SIMCOE will capture or combust natural gas using best industry practices and control technologies.
- A properly-sized flare stack shall be located at a minimum of 100 feet from the nearest surface hole location unless otherwise approved by the division.
- Should an emergency or malfunction occur, natural gas may be vented to avoid a risk of an immediate and substantial adverse impact on safety, public health, or the environment. The appropriate reporting will be made to the division pursuant to Paragraph (1) of Subsection G of 19.15.27.8 NMAC.

### 3. Subsection (C) Venting and flaring during completion or recompletion operations.

- During initial flowback, SIMCOE will route flowback fluids into a completion or storage tank and, if technically feasible under the applicable well conditions, flare rather than vent and commence operation of a separator as soon as it is technically feasible for a separator to function.
- During separation flowback, SIMCOE will capture and route natural gas from the separation equipment to a gas flowline or collection system or use on-site as a fuel source or other purpose that a purchased fuel or raw material would serve.
- Should natural gas not meet gathering pipeline quality specifications, rule 19.15.27.8.C.3 will be met.

### 4. Subsection (D) Venting and flaring during production operations.

- For liquids unloading by manual purging, an operator will remain present on-site or remain within 30 minutes' drive time of location. Will take reasonable action to not vent after the well achieves a stabilized rate and pressure.
- Plunger lift system will be optimized to minimize the venting of natural gas.
- During downhole well maintenance, venting of natural gas will be minimized.

### 5. Subsection (E) Performance Standards

- Completion and production separation equipment and storage tanks will be designed appropriately for anticipated throughput and pressure to minimize waste.
- No flare stacks will be installed or operating at a production location.
- AVO inspections will be conducted in accordance with 19.15.27.8.E.5

### 6. Subsection (F) Measurement or estimation of vented and flared natural gas

- The estimation of vented natural gas will be completed in accordance with 19.15.27.8.F.5-6

## VIII. Best Management Practices

1. During drilling operations, a Managed Pressure Drilling system will be utilized to control the surface pressure while drilling which minimizes the amount of vented natural gas.
2. For completion and recompletion activities, production facilities will be in place and the gathering system will be tied in so once the gas is sellable it will be sent down the line.
3. Non-emitting pneumatic devices will be installed at the production location.
4. The well will be shut in in the event of an emergency situation, or other operations where venting or flaring may occur due to equipment failures.

### SECTION 3: CASING

#### BIT & CASING PROGRAM (all new casing strings)

TYPE	HOLE SIZE (IN)	CASING (IN)	WEIGHT (LBS/FT)	GRADE	COUPLING	SETTING DEPTH (MD FT)	COMMENTS
Conductor	26	20	94.00	J55	BT&C	0-160	New casing. May be pre-set. Cement circulated to surface.
Surface	17-1/2	13-3/8	54.50	J55	BT&C	0-3652	New casing. May be pre-set. Cement circulated to surface.
Intermediate	12-1/4	9-5/8	40.00	P110HC	BT&C	0-6263	New casing. Two-stage cement job, circulated to surface.
Production	8-3/4	5-1/2	20.00	P110HC	TCBC-HT	0-19,283	New casing. Single-stage cement job to overlap previous casing shoe.

#### Design Factor Tables

##### Conductor Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)

Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
				Collapse (psi)	Burst (psi)	Tension (lbs)		
Conductor	20	94	J55	BTC	520	2,110	1,480,000	1,402,000
<b>80% of Burst = 1,688</b>								
Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor			
Collapse	160	0	8.33	0	69	7.50		
Burst	160	8.33	0	1500	0	1.34	1500 psi casing test	
Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	Safety Factor			
Tension (Pipe Body)	160	9.00	15,040	12,973	112,973	13.10		
Tension (Connection)	160	9.00	15,040	12,973	112,973	12.41		

NOTE:  $BF = 1 - ((MW)/65.5)$

**Surface Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)**

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
					1.125	1.100	1.400		
Surface	13.375	54.50	J55	BTC	1,130	2,730	850,000	909,000	
						<b>80% of Burst =</b>	<b>2,184</b>		

	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor	
Collapse	3637	9.00	9.00	851	1702	1.33	50% Casing volume with 9.0 ppg mud system
Burst	3637	9.00	9.00	3202	1702	1.82	1500 psi casing test
	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	Safety Factor	
Tension (Pipe Body)	3637	9.00	198,217	170,981	270,981	3.14	100K lbs overpull
Tension (Connection)	3637	9.00	198,217	170,981	270,981	3.35	

NOTE:  $BF = 1 - ((MW)/65.5)$

**Intermediate Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)**

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
					1.125	1.100	1.400		
Intermediate	9.625	40.00	P110HC	BTC	4,230	7,910	1,260,000	1,265,000	
						<b>80% of Burst =</b>	<b>6,328</b>		

	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor	
Collapse	6235	0	10.00	0	3242	1.30	Full evacuation with 10.0 ppg mud in annulus
Burst	6235	10.00	0	1500	0	1.67	1500 psi casing test
	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	Safety Factor	
Tension (Pipe Body)	6235	10.00	249,400	211,324	311,324	4.05	100K lbs overpull
Tension (Connection)	6235	10.00	249,400	211,324	311,324	4.06	

NOTE:  $BF = 1 - ((MW)/65.5)$

**Production Casing Design - Evacuation/Casing Test (collapse & burst), 100K overpull (tension)**

	Size (in.)	Weight (lb/ft)	Grade	Connection	Minimum Safety Factors			Yield - Body (lbs)	Yield - Connection (lbs)
					Collapse (psi)	Burst (psi)	Tension (lbs)		
					1.125	1.100	1.400		
<b>Production</b>	5.5	20.00	P110HC	TCBC-HT	12,150	12,640	641,000	641,000	

80% of Burst = **10,112**

	Casing Depth, TVD (ft)	Mud Wt In (ppg)	Mud Wt Out (ppg)	Pressure Inside (psi)	Pressure Outside (psi)	Safety Factor	
<b>Collapse</b>	7110	0	13.30	0	4917	2.47	Full evacuation with 13.3 ppg mud in annulus
<b>Burst</b>	7110	13.30	0	1500	0	1.97	1500 psi casing test

	Casing Depth, TVD (ft)	Mud Wt (ppg)	Air Wt (lbs)	Bouyant Wt (lbs)	Bouyant Wt + 100K (lbs)	
<b>Tension (Pipe Body)</b>	7110	13.30	142,200	113,326	213,326	3.00
<b>Tension (Connection)</b>	7110	13.30	142,200	113,326	213,326	3.00

100K lbs overpull

NOTE:  $BF = 1 - ((MW)/65.5)$

All casing strings (including conductor) will be tested to 0.22 psi/ft of string length or 1500 psi (whichever is greater), but not to exceed 70% of minimum internal yield.

Minimum casing design safety factors:

- Collapse – 1.125
- Burst – 1.100
- Tension – 1.400

Casing centralization:

Surface Casing – Centralizers to be placed on bottom 4 joints of casing (1 per joint) and 1 every 3<sup>rd</sup> joint thereafter to surface.

Intermediate Casing – Centralizers to be placed on bottom 3 joints of casing (1 per joint) and 1 every 3<sup>rd</sup> joint thereafter to surface. A DV tool and external casing packer (ECP) may be placed at roughly 4971' MD, if necessary. \*

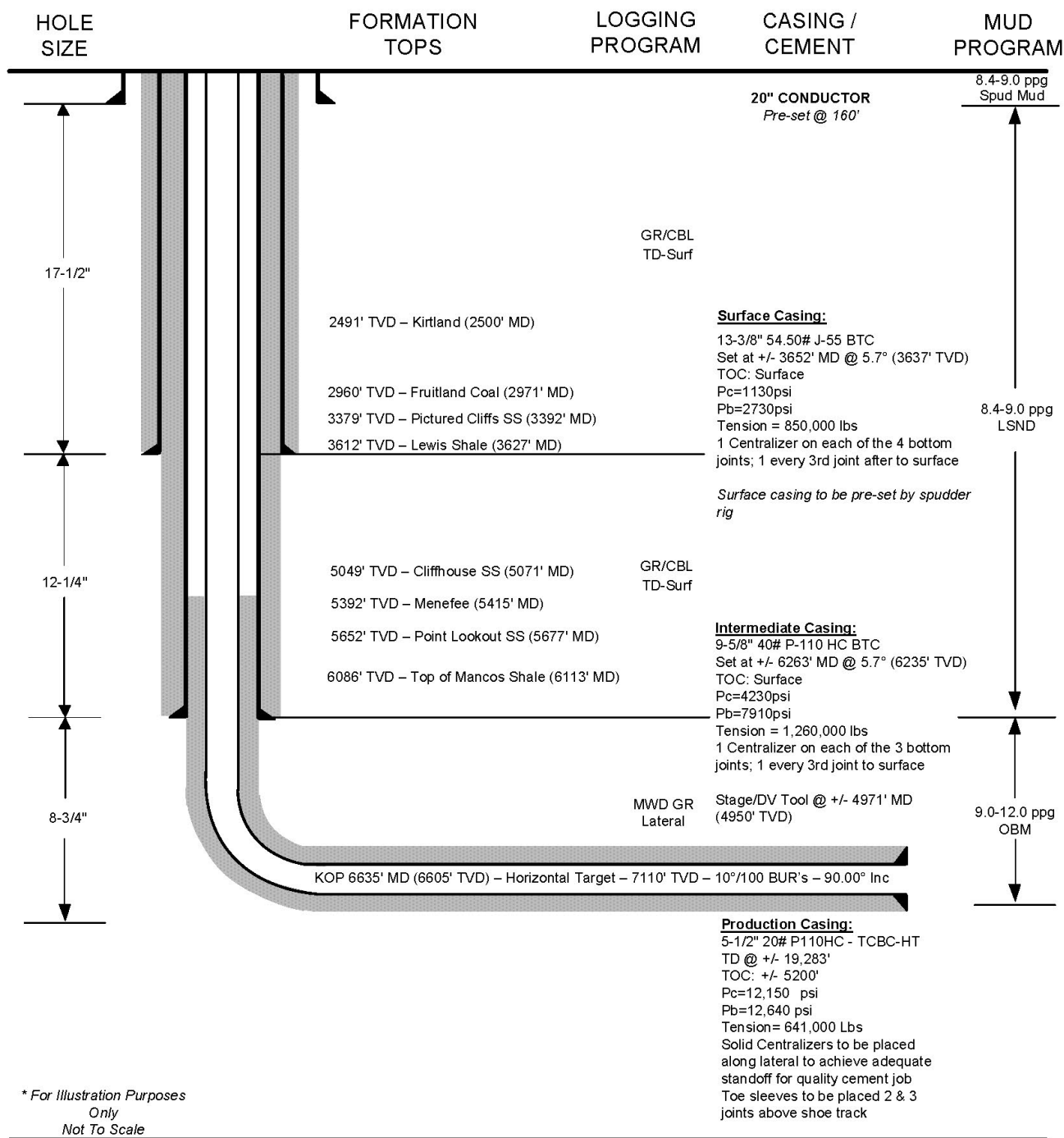
Production Casing – Centralizers to be placed along lateral to achieve adequate standoff for quality cement job. Toe sleeves (2) will be placed 2 and 3 joints above the shoe track.

\*NOTE: Use of the DV tools and ECP's will be based on the magnitude of drilling fluid losses encountered while drilling the Intermediate section and concerns about cement possibly not being circulated to surface. Should heavy losses not be encountered, the DV tool and ECP will not be used.



# Wellbore Schematic

**WELL:** Northeast Blanco Unit 606 COM 7H  
**PROSPECT:** San Juan Basin – Mancos Shale (S1/Olive)  
**CATEGORY:** Horizontal Well  
**COUNTY:** San Juan County **STATE:** New Mexico  
**API #:** TBD



\* For Illustration Purposes Only  
Not To Scale

Released to Imaging: 11/13/2025 8:30:16 AM



Company: IKAV Energy  
 Project: San Juan County, NM NAD83  
 Site: NEBU 606 Pad  
 Well: NEBU 606 7H  
 Wellbore: OH  
 Design: Plan #1

**PROJECT DETAILS: San Juan County, NM NAD83**

**Geodetic System: US State Plane 1983**  
**Datum: North American Datum 1983**  
**Ellipsoid: GRS 1980**  
**Zone: New Mexico Western Zone**  
**System Datum: Mean Sea Level**  
**Local North: Grid**



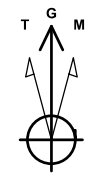
WELL DETAILS: NEBU 606 7H

GL 6410' & RKB 25' @ 6435.00ft

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	
0.00	0.00	2141872.47	2815544.96	36.8856977	-107.5171943	2B

Plan: Plan #1 (NEBU 606 7H/OH)

Created By: Janie Collins Date: 21:03, October 06 2023



Azimuths to Grid North  
 True North: -0.00°  
 Magnetic North: 8.13°  
 Magnetic Field  
 Strength: 49426.00  
 Dip Angle: 63.00°  
 Date: 8/7/2023  
 Model: HDGM2023

**DESIGN TARGET DETAILS**

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
NEBU 606 7H LP Rev1	7167.00	644.89	-664.55	2142517.36	2814880.42	36.8874751	-107.5194594
NEBU 606 7H BHL	7110.00	659.93	-12417.96	2142532.39	2803127.03	36.8876157	-107.5596498

**SECTION DETAILS**

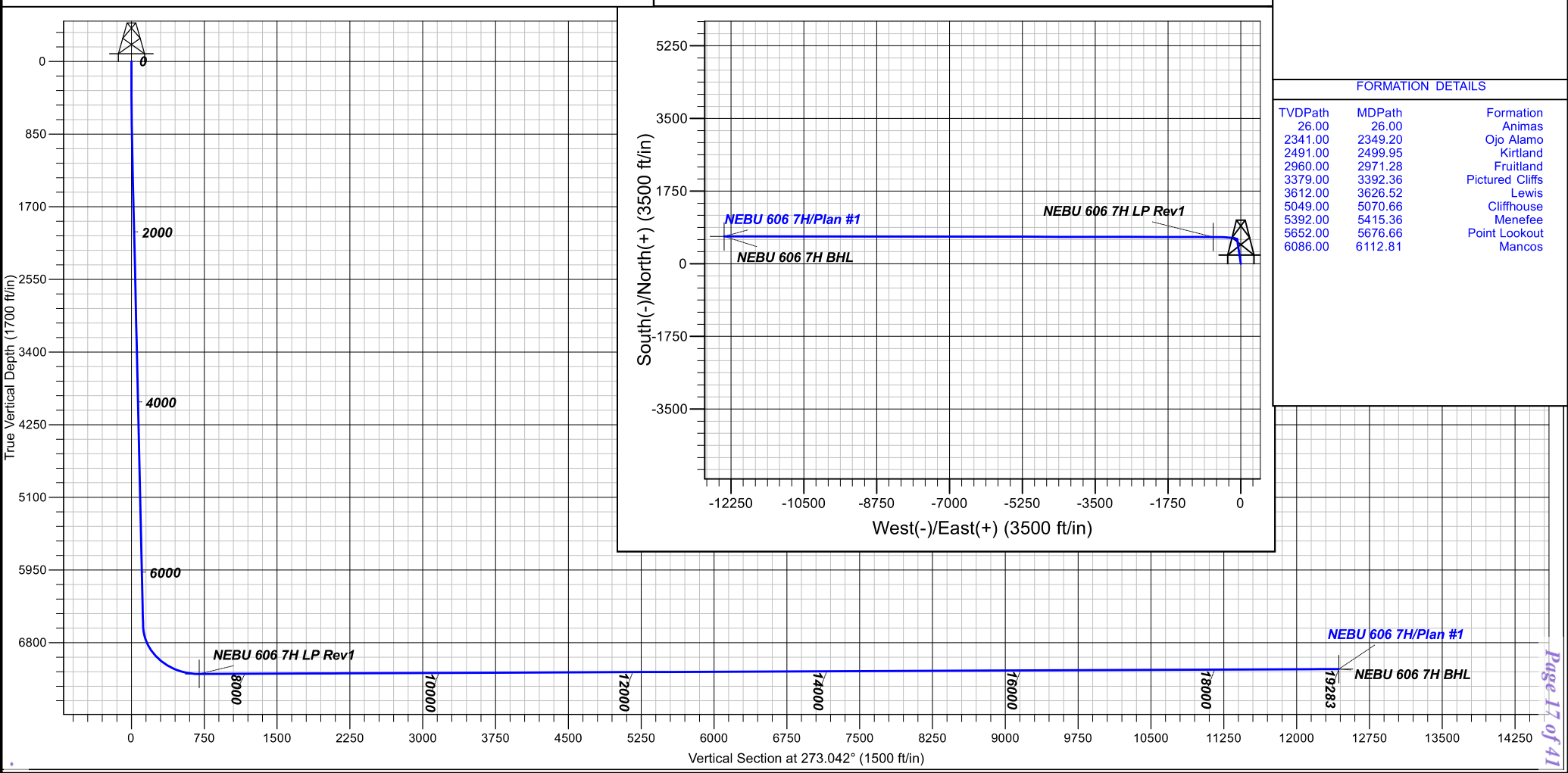
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSec
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.000	500.00	0.00	0.00	0.00	0.00	0.00
785.00	5.70	351.404	784.53	14.01	-2.12	2.00	351.40	2.86
6634.77	5.70	351.404	6605.38	588.47	-88.96	0.00	0.00	120.06
7528.96	90.28	270.073	7167.00	644.89	-664.55	10.00	-81.35	697.83
19282.52	90.28	270.073	7110.00	659.93	-12417.96	0.00	0.00	12435.48

**CASING DETAILS**

No casing data is available

**FORMATION DETAILS**

TVDPATH	MDPATH	FORMATION
26.00	26.00	Animas
2341.00	2349.20	Ojo Alamo
2491.00	2499.95	Kirtland
2960.00	2971.28	Fruitland
3379.00	3392.36	Pictured Cliffs
3612.00	3626.52	Lewis
5049.00	5070.66	Cliffhouse
5392.00	5415.36	Menefee
5652.00	5676.66	Point Lookout
6086.00	6112.81	Mancos



Received by OGD: 10/28/2023 4:27 PM

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## **IKAV Energy**

**San Juan County, NM NAD83  
NEBU 606 Pad  
NEBU 606 7H - Slot 2B**

**OH**

**Plan: Plan #1**

# **Standard Planning Report**

**06 October, 2023**



[www.scientificdrilling.com](http://www.scientificdrilling.com)





Scientific Drilling  
Planning Report



<b>Database:</b>	Grand Junction	<b>Local Co-ordinate Reference:</b>	Well NEBU 606 7H - Slot 2B
<b>Company:</b>	IKAV Energy	<b>TVD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Project:</b>	San Juan County, NM NAD83	<b>MD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Site:</b>	NEBU 606 Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	NEBU 606 7H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

<b>Project</b>	San Juan County, NM NAD83		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		
<b>Map Zone:</b>	New Mexico Western Zone		

<b>Site</b>	NEBU 606 Pad				
<b>Site Position:</b>		<b>Northing:</b>	2,141,902.39 usft	<b>Latitude:</b>	36.8857791
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,815,633.42 usft	<b>Longitude:</b>	-107.5168915
<b>Position Uncertainty:</b>	0.00 ft	<b>Slot Radius:</b>	13.20 in	<b>Grid Convergence:</b>	0.19 °

<b>Well</b>	NEBU 606 7H - Slot 2B					
<b>Well Position</b>	<b>+N/-S</b>	-29.92 ft	<b>Northing:</b>	2,141,872.47 usft	<b>Latitude:</b>	36.8856977
	<b>+E/-W</b>	-88.45 ft	<b>Easting:</b>	2,815,544.97 usft	<b>Longitude:</b>	-107.5171943
<b>Position Uncertainty</b>		0.00 ft	<b>Wellhead Elevation:</b>		<b>Ground Level:</b>	6,410.00 ft

<b>Wellbore</b>	OH				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	HDGM2023	8/7/2023	8.60	63.27	49,426.2000000

<b>Design</b>	Plan #1			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.00
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.00	0.00	0.00	273.042

<b>Plan Sections</b>										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.000	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
785.00	5.70	351.404	784.53	14.01	-2.12	2.00	2.00	0.00	351.40	
6,634.77	5.70	351.404	6,605.38	588.47	-88.96	0.00	0.00	0.00	0.00	
7,528.96	90.28	270.073	7,167.00	644.89	-664.55	10.00	9.46	-9.10	-81.35	NEBU 606 7H LP Rev
19,282.53	90.28	270.073	7,110.00	659.93	-12,417.96	0.00	0.00	0.00	0.00	NEBU 606 7H BHL



Scientific Drilling  
Planning Report



<b>Database:</b>	Grand Junction	<b>Local Co-ordinate Reference:</b>	Well NEBU 606 7H - Slot 2B
<b>Company:</b>	IKAV Energy	<b>TVD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Project:</b>	San Juan County, NM NAD83	<b>MD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Site:</b>	NEBU 606 Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	NEBU 606 7H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.000	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.000	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.000	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.000	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.000	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	2.00	351.404	599.98	1.73	-0.26	0.35	2.00	2.00	0.00
700.00	4.00	351.404	699.84	6.90	-1.04	1.41	2.00	2.00	0.00
785.00	5.70	351.404	784.53	14.01	-2.12	2.86	2.00	2.00	0.00
800.00	5.70	351.404	799.46	15.48	-2.34	3.16	0.00	0.00	0.00
900.00	5.70	351.404	898.96	25.30	-3.82	5.16	0.00	0.00	0.00
1,000.00	5.70	351.404	998.47	35.12	-5.31	7.17	0.00	0.00	0.00
1,100.00	5.70	351.404	1,097.97	44.94	-6.79	9.17	0.00	0.00	0.00
1,200.00	5.70	351.404	1,197.48	54.76	-8.28	11.17	0.00	0.00	0.00
1,300.00	5.70	351.404	1,296.98	64.58	-9.76	13.18	0.00	0.00	0.00
1,400.00	5.70	351.404	1,396.49	74.40	-11.25	15.18	0.00	0.00	0.00
1,500.00	5.70	351.404	1,496.00	84.22	-12.73	17.18	0.00	0.00	0.00
1,600.00	5.70	351.404	1,595.50	94.04	-14.22	19.19	0.00	0.00	0.00
1,700.00	5.70	351.404	1,695.01	103.86	-15.70	21.19	0.00	0.00	0.00
1,800.00	5.70	351.404	1,794.51	113.68	-17.18	23.19	0.00	0.00	0.00
1,900.00	5.70	351.404	1,894.02	123.50	-18.67	25.20	0.00	0.00	0.00
2,000.00	5.70	351.404	1,993.52	133.32	-20.15	27.20	0.00	0.00	0.00
2,100.00	5.70	351.404	2,093.03	143.14	-21.64	29.20	0.00	0.00	0.00
2,200.00	5.70	351.404	2,192.53	152.96	-23.12	31.21	0.00	0.00	0.00
2,300.00	5.70	351.404	2,292.04	162.78	-24.61	33.21	0.00	0.00	0.00
2,400.00	5.70	351.404	2,391.55	172.60	-26.09	35.21	0.00	0.00	0.00
2,500.00	5.70	351.404	2,491.05	182.42	-27.58	37.22	0.00	0.00	0.00
2,600.00	5.70	351.404	2,590.56	192.24	-29.06	39.22	0.00	0.00	0.00
2,700.00	5.70	351.404	2,690.06	202.06	-30.55	41.23	0.00	0.00	0.00
2,800.00	5.70	351.404	2,789.57	211.88	-32.03	43.23	0.00	0.00	0.00
2,900.00	5.70	351.404	2,889.07	221.70	-33.51	45.23	0.00	0.00	0.00
3,000.00	5.70	351.404	2,988.58	231.52	-35.00	47.24	0.00	0.00	0.00
3,100.00	5.70	351.404	3,088.08	241.34	-36.48	49.24	0.00	0.00	0.00
3,200.00	5.70	351.404	3,187.59	251.16	-37.97	51.24	0.00	0.00	0.00
3,300.00	5.70	351.404	3,287.10	260.98	-39.45	53.25	0.00	0.00	0.00
3,400.00	5.70	351.404	3,386.60	270.80	-40.94	55.25	0.00	0.00	0.00
3,500.00	5.70	351.404	3,486.11	280.63	-42.42	57.25	0.00	0.00	0.00
3,600.00	5.70	351.404	3,585.61	290.45	-43.91	59.26	0.00	0.00	0.00
3,700.00	5.70	351.404	3,685.12	300.27	-45.39	61.26	0.00	0.00	0.00
3,800.00	5.70	351.404	3,784.62	310.09	-46.88	63.26	0.00	0.00	0.00
3,900.00	5.70	351.404	3,884.13	319.91	-48.36	65.27	0.00	0.00	0.00
4,000.00	5.70	351.404	3,983.63	329.73	-49.84	67.27	0.00	0.00	0.00
4,100.00	5.70	351.404	4,083.14	339.55	-51.33	69.28	0.00	0.00	0.00
4,200.00	5.70	351.404	4,182.65	349.37	-52.81	71.28	0.00	0.00	0.00
4,300.00	5.70	351.404	4,282.15	359.19	-54.30	73.28	0.00	0.00	0.00
4,400.00	5.70	351.404	4,381.66	369.01	-55.78	75.29	0.00	0.00	0.00
4,500.00	5.70	351.404	4,481.16	378.83	-57.27	77.29	0.00	0.00	0.00
4,600.00	5.70	351.404	4,580.67	388.65	-58.75	79.29	0.00	0.00	0.00
4,700.00	5.70	351.404	4,680.17	398.47	-60.24	81.30	0.00	0.00	0.00
4,800.00	5.70	351.404	4,779.68	408.29	-61.72	83.30	0.00	0.00	0.00
4,900.00	5.70	351.404	4,879.18	418.11	-63.20	85.30	0.00	0.00	0.00
5,000.00	5.70	351.404	4,978.69	427.93	-64.69	87.31	0.00	0.00	0.00
5,100.00	5.70	351.404	5,078.20	437.75	-66.17	89.31	0.00	0.00	0.00
5,200.00	5.70	351.404	5,177.70	447.57	-67.66	91.31	0.00	0.00	0.00



**Scientific Drilling**  
Planning Report



<b>Database:</b>	Grand Junction	<b>Local Co-ordinate Reference:</b>	Well NEBU 606 7H - Slot 2B
<b>Company:</b>	IKAV Energy	<b>TVD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Project:</b>	San Juan County, NM NAD83	<b>MD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Site:</b>	NEBU 606 Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	NEBU 606 7H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.00	5.70	351.404	5,277.21	457.39	-69.14	93.32	0.00	0.00	0.00
5,400.00	5.70	351.404	5,376.71	467.21	-70.63	95.32	0.00	0.00	0.00
5,500.00	5.70	351.404	5,476.22	477.03	-72.11	97.33	0.00	0.00	0.00
5,600.00	5.70	351.404	5,575.72	486.85	-73.60	99.33	0.00	0.00	0.00
5,700.00	5.70	351.404	5,675.23	496.67	-75.08	101.33	0.00	0.00	0.00
5,800.00	5.70	351.404	5,774.73	506.49	-76.57	103.34	0.00	0.00	0.00
5,900.00	5.70	351.404	5,874.24	516.31	-78.05	105.34	0.00	0.00	0.00
6,000.00	5.70	351.404	5,973.75	526.13	-79.53	107.34	0.00	0.00	0.00
6,100.00	5.70	351.404	6,073.25	535.95	-81.02	109.35	0.00	0.00	0.00
6,200.00	5.70	351.404	6,172.76	545.77	-82.50	111.35	0.00	0.00	0.00
6,300.00	5.70	351.404	6,272.26	555.59	-83.99	113.35	0.00	0.00	0.00
6,400.00	5.70	351.404	6,371.77	565.41	-85.47	115.36	0.00	0.00	0.00
6,500.00	5.70	351.404	6,471.27	575.23	-86.96	117.36	0.00	0.00	0.00
6,600.00	5.70	351.404	6,570.78	585.05	-88.44	119.36	0.00	0.00	0.00
6,634.77	5.70	351.404	6,605.38	588.47	-88.96	120.06	0.00	0.00	0.00
6,700.00	9.28	307.253	6,670.09	594.86	-93.63	125.07	10.00	5.49	-67.69
6,800.00	18.25	287.514	6,767.17	604.48	-115.03	146.95	10.00	8.97	-19.74
6,900.00	27.91	280.834	6,859.07	613.61	-153.05	185.40	10.00	9.67	-6.68
7,000.00	37.74	277.423	6,943.00	621.99	-206.52	239.24	10.00	9.83	-3.41
7,100.00	47.64	275.263	7,016.42	629.35	-273.83	306.85	10.00	9.89	-2.16
7,200.00	57.56	273.696	7,077.08	635.47	-352.93	386.16	10.00	9.92	-1.57
7,300.00	67.50	272.443	7,123.16	640.17	-441.42	474.77	10.00	9.94	-1.25
7,400.00	77.45	271.360	7,153.24	643.31	-536.60	569.99	10.00	9.95	-1.08
7,500.00	87.40	270.358	7,166.41	644.78	-635.59	668.92	10.00	9.95	-1.00
7,528.96	90.28	270.073	7,167.00	644.89	-664.55	697.83	10.00	9.95	-0.98
7,600.00	90.28	270.073	7,166.66	644.98	-735.58	768.78	0.00	0.00	0.00
7,700.00	90.28	270.073	7,166.17	645.11	-835.58	868.64	0.00	0.00	0.00
7,800.00	90.28	270.073	7,165.69	645.24	-935.58	968.50	0.00	0.00	0.00
7,900.00	90.28	270.073	7,165.20	645.37	-1,035.58	1,068.37	0.00	0.00	0.00
8,000.00	90.28	270.073	7,164.72	645.49	-1,135.58	1,168.23	0.00	0.00	0.00
8,100.00	90.28	270.073	7,164.23	645.62	-1,235.58	1,268.10	0.00	0.00	0.00
8,200.00	90.28	270.073	7,163.75	645.75	-1,335.58	1,367.96	0.00	0.00	0.00
8,300.00	90.28	270.073	7,163.26	645.88	-1,435.58	1,467.83	0.00	0.00	0.00
8,400.00	90.28	270.073	7,162.78	646.01	-1,535.57	1,567.69	0.00	0.00	0.00
8,500.00	90.28	270.073	7,162.29	646.13	-1,635.57	1,667.56	0.00	0.00	0.00
8,600.00	90.28	270.073	7,161.81	646.26	-1,735.57	1,767.42	0.00	0.00	0.00
8,700.00	90.28	270.073	7,161.32	646.39	-1,835.57	1,867.29	0.00	0.00	0.00
8,800.00	90.28	270.073	7,160.84	646.52	-1,935.57	1,967.15	0.00	0.00	0.00
8,900.00	90.28	270.073	7,160.35	646.64	-2,035.57	2,067.02	0.00	0.00	0.00
9,000.00	90.28	270.073	7,159.87	646.77	-2,135.57	2,166.88	0.00	0.00	0.00
9,100.00	90.28	270.073	7,159.38	646.90	-2,235.56	2,266.74	0.00	0.00	0.00
9,200.00	90.28	270.073	7,158.90	647.03	-2,335.56	2,366.61	0.00	0.00	0.00
9,300.00	90.28	270.073	7,158.41	647.16	-2,435.56	2,466.47	0.00	0.00	0.00
9,400.00	90.28	270.073	7,157.93	647.28	-2,535.56	2,566.34	0.00	0.00	0.00
9,500.00	90.28	270.073	7,157.44	647.41	-2,635.56	2,666.20	0.00	0.00	0.00
9,600.00	90.28	270.073	7,156.96	647.54	-2,735.56	2,766.07	0.00	0.00	0.00
9,700.00	90.28	270.073	7,156.47	647.67	-2,835.56	2,865.93	0.00	0.00	0.00
9,800.00	90.28	270.073	7,155.99	647.80	-2,935.56	2,965.80	0.00	0.00	0.00
9,900.00	90.28	270.073	7,155.50	647.92	-3,035.55	3,065.66	0.00	0.00	0.00
10,000.00	90.28	270.073	7,155.02	648.05	-3,135.55	3,165.53	0.00	0.00	0.00
10,100.00	90.28	270.073	7,154.53	648.18	-3,235.55	3,265.39	0.00	0.00	0.00
10,200.00	90.28	270.073	7,154.05	648.31	-3,335.55	3,365.26	0.00	0.00	0.00
10,300.00	90.28	270.073	7,153.56	648.44	-3,435.55	3,465.12	0.00	0.00	0.00
10,400.00	90.28	270.073	7,153.08	648.56	-3,535.55	3,564.98	0.00	0.00	0.00



Scientific Drilling  
Planning Report



<b>Database:</b>	Grand Junction	<b>Local Co-ordinate Reference:</b>	Well NEBU 606 7H - Slot 2B
<b>Company:</b>	IKAV Energy	<b>TVD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Project:</b>	San Juan County, NM NAD83	<b>MD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Site:</b>	NEBU 606 Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	NEBU 606 7H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,500.00	90.28	270.073	7,152.59	648.69	-3,635.55	3,664.85	0.00	0.00	0.00
10,600.00	90.28	270.073	7,152.11	648.82	-3,735.55	3,764.71	0.00	0.00	0.00
10,700.00	90.28	270.073	7,151.62	648.95	-3,835.54	3,864.58	0.00	0.00	0.00
10,800.00	90.28	270.073	7,151.14	649.08	-3,935.54	3,964.44	0.00	0.00	0.00
10,900.00	90.28	270.073	7,150.65	649.20	-4,035.54	4,064.31	0.00	0.00	0.00
11,000.00	90.28	270.073	7,150.17	649.33	-4,135.54	4,164.17	0.00	0.00	0.00
11,100.00	90.28	270.073	7,149.68	649.46	-4,235.54	4,264.04	0.00	0.00	0.00
11,200.00	90.28	270.073	7,149.20	649.59	-4,335.54	4,363.90	0.00	0.00	0.00
11,300.00	90.28	270.073	7,148.71	649.71	-4,435.54	4,463.77	0.00	0.00	0.00
11,400.00	90.28	270.073	7,148.23	649.84	-4,535.54	4,563.63	0.00	0.00	0.00
11,500.00	90.28	270.073	7,147.74	649.97	-4,635.53	4,663.50	0.00	0.00	0.00
11,600.00	90.28	270.073	7,147.26	650.10	-4,735.53	4,763.36	0.00	0.00	0.00
11,700.00	90.28	270.073	7,146.77	650.23	-4,835.53	4,863.22	0.00	0.00	0.00
11,800.00	90.28	270.073	7,146.29	650.35	-4,935.53	4,963.09	0.00	0.00	0.00
11,900.00	90.28	270.073	7,145.80	650.48	-5,035.53	5,062.95	0.00	0.00	0.00
12,000.00	90.28	270.073	7,145.32	650.61	-5,135.53	5,162.82	0.00	0.00	0.00
12,100.00	90.28	270.073	7,144.83	650.74	-5,235.53	5,262.68	0.00	0.00	0.00
12,200.00	90.28	270.073	7,144.35	650.87	-5,335.53	5,362.55	0.00	0.00	0.00
12,300.00	90.28	270.073	7,143.86	650.99	-5,435.52	5,462.41	0.00	0.00	0.00
12,400.00	90.28	270.073	7,143.38	651.12	-5,535.52	5,562.28	0.00	0.00	0.00
12,500.00	90.28	270.073	7,142.89	651.25	-5,635.52	5,662.14	0.00	0.00	0.00
12,600.00	90.28	270.073	7,142.41	651.38	-5,735.52	5,762.01	0.00	0.00	0.00
12,700.00	90.28	270.073	7,141.92	651.51	-5,835.52	5,861.87	0.00	0.00	0.00
12,800.00	90.28	270.073	7,141.44	651.63	-5,935.52	5,961.74	0.00	0.00	0.00
12,900.00	90.28	270.073	7,140.95	651.76	-6,035.52	6,061.60	0.00	0.00	0.00
13,000.00	90.28	270.073	7,140.47	651.89	-6,135.52	6,161.46	0.00	0.00	0.00
13,100.00	90.28	270.073	7,139.98	652.02	-6,235.51	6,261.33	0.00	0.00	0.00
13,200.00	90.28	270.073	7,139.50	652.15	-6,335.51	6,361.19	0.00	0.00	0.00
13,300.00	90.28	270.073	7,139.01	652.27	-6,435.51	6,461.06	0.00	0.00	0.00
13,400.00	90.28	270.073	7,138.53	652.40	-6,535.51	6,560.92	0.00	0.00	0.00
13,500.00	90.28	270.073	7,138.04	652.53	-6,635.51	6,660.79	0.00	0.00	0.00
13,600.00	90.28	270.073	7,137.56	652.66	-6,735.51	6,760.65	0.00	0.00	0.00
13,700.00	90.28	270.073	7,137.07	652.78	-6,835.51	6,860.52	0.00	0.00	0.00
13,800.00	90.28	270.073	7,136.59	652.91	-6,935.51	6,960.38	0.00	0.00	0.00
13,900.00	90.28	270.073	7,136.10	653.04	-7,035.50	7,060.25	0.00	0.00	0.00
14,000.00	90.28	270.073	7,135.62	653.17	-7,135.50	7,160.11	0.00	0.00	0.00
14,100.00	90.28	270.073	7,135.13	653.30	-7,235.50	7,259.98	0.00	0.00	0.00
14,200.00	90.28	270.073	7,134.65	653.42	-7,335.50	7,359.84	0.00	0.00	0.00
14,300.00	90.28	270.073	7,134.16	653.55	-7,435.50	7,459.71	0.00	0.00	0.00
14,400.00	90.28	270.073	7,133.68	653.68	-7,535.50	7,559.57	0.00	0.00	0.00
14,500.00	90.28	270.073	7,133.19	653.81	-7,635.50	7,659.43	0.00	0.00	0.00
14,600.00	90.28	270.073	7,132.71	653.94	-7,735.50	7,759.30	0.00	0.00	0.00
14,700.00	90.28	270.073	7,132.22	654.06	-7,835.49	7,859.16	0.00	0.00	0.00
14,800.00	90.28	270.073	7,131.74	654.19	-7,935.49	7,959.03	0.00	0.00	0.00
14,900.00	90.28	270.073	7,131.25	654.32	-8,035.49	8,058.89	0.00	0.00	0.00
15,000.00	90.28	270.073	7,130.77	654.45	-8,135.49	8,158.76	0.00	0.00	0.00
15,100.00	90.28	270.073	7,130.28	654.58	-8,235.49	8,258.62	0.00	0.00	0.00
15,200.00	90.28	270.073	7,129.80	654.70	-8,335.49	8,358.49	0.00	0.00	0.00
15,300.00	90.28	270.073	7,129.31	654.83	-8,435.49	8,458.35	0.00	0.00	0.00
15,400.00	90.28	270.073	7,128.83	654.96	-8,535.49	8,558.22	0.00	0.00	0.00
15,500.00	90.28	270.073	7,128.34	655.09	-8,635.48	8,658.08	0.00	0.00	0.00
15,600.00	90.28	270.073	7,127.86	655.22	-8,735.48	8,757.95	0.00	0.00	0.00
15,700.00	90.28	270.073	7,127.37	655.34	-8,835.48	8,857.81	0.00	0.00	0.00
15,800.00	90.28	270.073	7,126.89	655.47	-8,935.48	8,957.67	0.00	0.00	0.00





Scientific Drilling  
Planning Report



<b>Database:</b>	Grand Junction	<b>Local Co-ordinate Reference:</b>	Well NEBU 606 7H - Slot 2B
<b>Company:</b>	IKAV Energy	<b>TVD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Project:</b>	San Juan County, NM NAD83	<b>MD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Site:</b>	NEBU 606 Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	NEBU 606 7H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
15,900.00	90.28	270.073	7,126.40	655.60	-9,035.48	9,057.54	0.00	0.00	0.00	
16,000.00	90.28	270.073	7,125.92	655.73	-9,135.48	9,157.40	0.00	0.00	0.00	
16,100.00	90.28	270.073	7,125.43	655.85	-9,235.48	9,257.27	0.00	0.00	0.00	
16,200.00	90.28	270.073	7,124.95	655.98	-9,335.48	9,357.13	0.00	0.00	0.00	
16,300.00	90.28	270.073	7,124.46	656.11	-9,435.47	9,457.00	0.00	0.00	0.00	
16,400.00	90.28	270.073	7,123.98	656.24	-9,535.47	9,556.86	0.00	0.00	0.00	
16,500.00	90.28	270.073	7,123.49	656.37	-9,635.47	9,656.73	0.00	0.00	0.00	
16,600.00	90.28	270.073	7,123.01	656.49	-9,735.47	9,756.59	0.00	0.00	0.00	
16,700.00	90.28	270.073	7,122.52	656.62	-9,835.47	9,856.46	0.00	0.00	0.00	
16,800.00	90.28	270.073	7,122.04	656.75	-9,935.47	9,956.32	0.00	0.00	0.00	
16,900.00	90.28	270.073	7,121.55	656.88	-10,035.47	10,056.19	0.00	0.00	0.00	
17,000.00	90.28	270.073	7,121.07	657.01	-10,135.47	10,156.05	0.00	0.00	0.00	
17,100.00	90.28	270.073	7,120.58	657.13	-10,235.46	10,255.91	0.00	0.00	0.00	
17,200.00	90.28	270.073	7,120.10	657.26	-10,335.46	10,355.78	0.00	0.00	0.00	
17,300.00	90.28	270.073	7,119.61	657.39	-10,435.46	10,455.64	0.00	0.00	0.00	
17,400.00	90.28	270.073	7,119.13	657.52	-10,535.46	10,555.51	0.00	0.00	0.00	
17,500.00	90.28	270.073	7,118.64	657.65	-10,635.46	10,655.37	0.00	0.00	0.00	
17,600.00	90.28	270.073	7,118.16	657.77	-10,735.46	10,755.24	0.00	0.00	0.00	
17,700.00	90.28	270.073	7,117.67	657.90	-10,835.46	10,855.10	0.00	0.00	0.00	
17,800.00	90.28	270.073	7,117.19	658.03	-10,935.46	10,954.97	0.00	0.00	0.00	
17,900.00	90.28	270.073	7,116.70	658.16	-11,035.45	11,054.83	0.00	0.00	0.00	
18,000.00	90.28	270.073	7,116.22	658.29	-11,135.45	11,154.70	0.00	0.00	0.00	
18,100.00	90.28	270.073	7,115.73	658.41	-11,235.45	11,254.56	0.00	0.00	0.00	
18,200.00	90.28	270.073	7,115.25	658.54	-11,335.45	11,354.43	0.00	0.00	0.00	
18,300.00	90.28	270.073	7,114.77	658.67	-11,435.45	11,454.29	0.00	0.00	0.00	
18,400.00	90.28	270.073	7,114.28	658.80	-11,535.45	11,554.15	0.00	0.00	0.00	
18,500.00	90.28	270.073	7,113.80	658.93	-11,635.45	11,654.02	0.00	0.00	0.00	
18,600.00	90.28	270.073	7,113.31	659.05	-11,735.45	11,753.88	0.00	0.00	0.00	
18,700.00	90.28	270.073	7,112.83	659.18	-11,835.44	11,853.75	0.00	0.00	0.00	
18,800.00	90.28	270.073	7,112.34	659.31	-11,935.44	11,953.61	0.00	0.00	0.00	
18,900.00	90.28	270.073	7,111.86	659.44	-12,035.44	12,053.48	0.00	0.00	0.00	
19,000.00	90.28	270.073	7,111.37	659.56	-12,135.44	12,153.34	0.00	0.00	0.00	
19,100.00	90.28	270.073	7,110.89	659.69	-12,235.44	12,253.21	0.00	0.00	0.00	
19,200.00	90.28	270.073	7,110.40	659.82	-12,335.44	12,353.07	0.00	0.00	0.00	
19,282.53	90.28	270.073	7,110.00	659.93	-12,417.96	12,435.48	0.00	0.00	0.00	

Design Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
NEBU 606 7H BHL - hit/miss target - Shape	0.00	0.000	7,110.00	659.93	-12,417.96	2,142,532.39	2,803,127.03	36.8876157	-107.5596499	
NEBU 606 7H LP Rev1 - plan hits target center - Point	0.00	0.000	7,167.00	644.89	-664.55	2,142,517.36	2,814,880.42	36.8874750	-107.5194594	



<b>Database:</b>	Grand Junction	<b>Local Co-ordinate Reference:</b>	Well NEBU 606 7H - Slot 2B
<b>Company:</b>	IKAV Energy	<b>TVD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Project:</b>	San Juan County, NM NAD83	<b>MD Reference:</b>	GL 6410' & RKB 25' @ 6435.00ft
<b>Site:</b>	NEBU 606 Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	NEBU 606 7H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
26.00	26.00	Animas		0.00	0.000	
2,349.20	2,341.00	Ojo Alamo		0.00	0.000	
2,499.95	2,491.00	Kirtland		0.00	0.000	
2,971.28	2,960.00	Fruitland		0.00	0.000	
3,392.36	3,379.00	Pictured Cliffs		0.00	0.000	
3,626.52	3,612.00	Lewis		0.00	0.000	
5,070.66	5,049.00	Cliffhouse		0.00	0.000	
5,415.36	5,392.00	Menefee		0.00	0.000	
5,676.66	5,652.00	Point Lookout		0.00	0.000	
6,112.81	6,086.00	Mancos		0.00	0.000	

## Conditions of Approval

Operator: Simcoe, LLC  
Well Names: Northeast Blanco Unit 606 1H, 2H, 3H, 4H, 5H, 6H, 7H, 8H, 9H, 10H  
Legal Location: T31N R7W Section 24  
NEPA Log Number: DOI-BLM-NM-F010-2025-0037-EA  
Inspection Date: December 7, 2023 & August 12, 2024  
Lease Number: NMSF079010

The following conditions of approval will apply to Northeast Blanco Unit 606 1H, 2H, 3H, 4H, 5H, 6H, 7H, 8H, 9H, 10H, and other associated facilities, unless a particular Surface Managing Agency or private surface owner has supplied to Bureau of Land Management and the operator a contradictory environmental stipulation. The failure of the operator to comply with these requirements may result in an assessment or civil penalties pursuant to 43 CFR 3163.1 or 3163.2.

1. **Disclaimers:** BLM's approval of the APD does not relieve the lessee and operator from obtaining any other authorizations that may be required by the BIA, Navajo Tribe, State, or other jurisdictional entities.
2. **Copy of Plans:** A complete copy of the APD package, including Surface Use Plan of Operations, Bare Soil Reclamation Plan, Plan of Development (if required), Conditions of Approval, Cultural Resource Record of Review, Cultural Resources Compliance Form (if required), and Project Stipulations (if required) shall be at the project area at all times and available to all persons.
3. **Review of NEPA documents:** It is the responsibility of the operator to follow all the design features, best management practices, and mitigation measures as contained in the Environmental Assessment DOI-BLM-NM-F010-2025-0037-EA, which contains additional design features and best management practices that must be followed. Copies of the EA, Decision Record, and Finding of No Significant Impact may be obtained from the BLM FFO public room, or online at: <https://eplanning.blm.gov/>.
4. **Best Management Practices (BMPs):** Farmington Field Office established environmental Best Management Practices (BMP's) will be followed during construction and reclamation of well site pads, access roads, pipeline ties, facility placement or any other surface disturbing activity associated with this project. Bureau wide standard BMPs are found in the Gold Book, Fourth Edition-Revised 2007. Farmington Field Office BMPs are integrated into the Environmental Assessment, Surface Use Plan of Operations, Bare Soil Reclamation Plan, and COAs.

### **Construction, Production, Facilities, Reclamation & Maintenance**

5. **Construction & Reclamation Notification:** The operator or their contractor will contact the Bureau of Land Management, Farmington Field Office Environmental Protection Staff (505) 564-7600 or by email, at least 48 hours prior to any construction or reclamation on this project.

6. **Grazing Permittee Notification and Concerns:** The operator will notify the grazing lease operator(s) at least ten business days prior to beginning any construction activity to ensure there will be no conflicts between construction activities and livestock grazing operations. The operator is not obligated to cease or delay construction unless directed by the Authorized Officer (AO). Any range improvement (fences, pipelines, ponds, etc.) disturbed by construction activities will be repaired immediately following construction and will be repaired to the condition the improvement was in prior to disturbance. Cattle guards will be installed to replace any livestock fencing or gates removed for road construction.
7. **Cutting of Fences:** All cut fences are to be tied to H-braces prior to cutting. The opening will be protected as necessary during construction to prevent escape of livestock. A temporary closure will be installed on all cut fences the day the fence is cut. A sixteen-foot gate will be installed adjacent to the cattleguard. The holder shall minimize disturbance to existing fences and other improvements on public land. Holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them.
8. **Production Facilities:** Design and layout of facilities will be deferred until an onsite with BLM-FFO surface protection staff is conducted to determine the best location. Enduring Resources or their contractor will contact the Bureau of Land Management, Farmington Field Office, Surface, and Environmental Protection Staff (505) 564-7600 to schedule a facility layout onsite.
9. **Open Trenches:** No more than ½ mile of trench or the amount of trench that can be worked in one day will be open at any given time.
10. **Staking:** The holder shall place slope stakes, culvert location and grade stakes, and other construction control stakes as deemed necessary by the authorized officer to ensure construction in accordance with the plan of development. If stakes are disturbed, they shall be replaced before proceeding with construction.
11. **Weather:** No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil shall be deemed too wet.
12. **Stockpile of Soil:** The top 6 inches of soil material will be stripped and stockpiled in the construction zones around the pad [construction zones may be restricted or deleted to provide resource avoidance]. The stockpiled soil will be free of brush and tree limbs, trunks, and roots. The stockpiled soil material will be spread on the reclaimed portions of the pad [including the reserve pit, cut and fill slopes] prior to re-seeding. Spreading shall not be done when the ground or topsoil is frozen or wet.
13. **Painting of Equipment:** Within 90 days of installation, all above ground structures not subject to safety requirements shall be painted by the Holder to blend with the natural color of the landscape. A reflective material may be used to reduce hazards that may

occur when such structures are near roads. Otherwise, the paint use shall be a non-glare, non-reflective, non-chalking color of: Federal 595a-34127 (Juniper Green). The leg-off will not be painted the above color but instead shall be left unpainted such that the rusty finish on the pipe would blend in with the surroundings.

14. **Storage Tanks:** All open top permanent production or storage tanks regardless of diameter made of fiberglass, steel, or other material used for the containment of oil, condensate, produced water and or other production waste shall be screened, netted, or otherwise covered to protect migratory birds and other wildlife from access.
15. **Compressors:** Compressor units on this well location not equipped with a drip pan for containment of fluids shall be lined with an impervious material at least 8 mils thick and a 12-inch berm. The compressor will be painted to match the well facilities. Any variance to this will be approved by the Authorized Officer (AO). Noise mitigation may be required at the time of compressor installation.
16. **Acquisition of Water:** Water acquired to construct, produce, and maintain actions authorized by this permit to drill must be acquired from permitted water sources, or water authorized for use by the New Mexico Oil Conservation Division (OCD). Upon request the AO shall be provided with documentation of water sources.
17. **New & Existing Access:** All sections of the proposed access road associated with this permit shall be sited, designed, constructed, upgraded and maintained utilizing standards, requirements, guidelines and instructions specified in BLM Manual 9113 "Roads", BLM Manual 9113-1 "Roads Design Handbook", BLM Manual 9113-2 "Roads National Inventory and Condition Assessment Guidance & Instructions Handbook" and Surface Operations and Guidelines for Oil and Gas Exploration and Development "The Gold Book".
18. **Culverts:** Culvert(s) of sufficient size (minimum 18 inches) will be placed where needed along the access road, at the well pad entrance and access take off. Silt Traps will be built upstream of all culvert locations.
19. **Driving Surface Area:** All activities associated within the construction, operation, maintenance, and abandonment of the well location is limited to areas approved in the APD or ROW permit. During the production of the well, vehicular traffic is limited to the daily driving surface area established during interim reclamation construction operations. This area typically forms a keyhole or teardrop driving surface from which all production facilities may be serviced or inspected. A v-type ditch will be constructed on the outside of the driving surface to further define the driving surface and to deter vehicular traffic from entering onto the interim reclamation areas.
20. **Berms:** Berms or firewalls will be constructed around all storage facilities sufficient in size to contain the storage capacity of 110% of the largest tank, or 110% of the combined capacity of tanks if a rupture could drain more than one tank. Berm walls will be compacted with appropriate equipment to assure proper construction. Metal containment barriers, used for secondary containment, will be properly installed, per the manufacturer directions.

21. **Temporary Use Area Reclamation:** All temporary use areas indicated on the plats will be reclaimed at the interim reclamation stage to BLM Standards.
22. **Contouring of Cut and Fill Slopes:** The interim cut and fill slope grade shall be as close to the original contour as possible. To obtain this ratio, pits and slopes shall be back sloped into the pad during interim reclamation. Only subsurface soil and material shall be utilized in the contouring of the cut and fill slopes. Under no circumstances shall topsoil be utilized as substrate material for contouring of cut and fill slopes.
23. **Maintenance:** In order to perform subsequent well operations, right-of-way (ROW) operations, or install new/additional equipment, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is promptly repaired and reclaimed following use. Where vehicular travel has occurred as a “convenience” and interim reclamation/vegetation has been compromised, immediate remediation of the affected areas is required. Additionally, where erosion has occurred and compromised the reclamation of the well location, the affected area must be promptly remediated so that future erosion is prevented, and the landform is stabilized.
24. **Non-Permitted Disturbance:** Construction maintenance or any other activity outside the areas permitted by the APO will require additional approval and may require a new cultural survey and clearance.
25. **Layflat Lines:** Layflat lines used for development of the wells may be on the ground for a maximum of 6 months and shall be retrieved immediately following completion operations. If the layflat lines are needed for longer than 6 months a Sundry NOI shall be submitted to the BLM FFO for review and decision that includes a rationale for the time extension.
26. **“Hotwork” and Construction Affecting Fire Safety:** The holder or its contractors will notify the BLM of any fires and comply with all rules and regulations administered by the BLM concerning the use, prevention and suppression of fires on federal lands, including any fire prevention orders that may be in effect at the time of the permitted activity. The holder or its contractors may be held liable for the cost of fire suppression, stabilization and rehabilitation. In the event of a fire, personal safety will be the first priority of the holder or its contractors.  
The holder or its contractors shall:
  - a. Operate all internal and external combustion engines (including off-highway vehicles, chainsaws, generators, heavy equipment, etc.) with a qualified spark arrester. Qualified spark arresters are maintained and not modified, and meet the Society of Automotive Engineers (SAE) Recommended Practices J335 or J350. Refer to 43 CFR §8343.1.
    - i. *Refueling of any combustible engine equipment must be minimum of 3 meters away from any ignition source (open flame, smoking, etc.).*
  - b. Maintain and clean all equipment regularly to remove flammable debris buildup and prevent fluid leaks that can lead to ignitions.

- c. Carry at least one shovel or wildland fire hand tool (combi, Pulaski, McLeod) per person working, minimum 5 gallons of water, and a fire extinguisher rated at a minimum as ABC - 10 pound on each piece of equipment and each vehicle.
- d. When conducting "hotwork" such as, but not limited to welding, grinding, cutting, spark-producing work with metal, work that creates hot material or slag; choose an area large enough to contain all hot material that is naturally free of all flammable vegetation or remove the flammable vegetation in a manner compliant with the permitted activity. If adequate clearance cannot be made, wet an area large enough to contain all hot material prior to the activity and periodically throughout the activity to reduce the risk of wildfire ignition. Regardless of clearance, maintain readiness to respond to an ignition at all times. In addition, keep one hand tool per person and at least one fire extinguisher ready, minimum, as specified earlier (#3) during this activity.
- e. Keep apprised of current and forecasted weather at <https://www.weather.gov/abq/forecasts-fireweather-links> and fire conditions at [www.wfas.net](http://www.wfas.net) and take additional fire precautions when fire danger is rated High or greater. Red Flag Warnings are issued by the National Weather Service when fire conditions are most dangerous, and ignitions escape control quickly. Extra precautions are required during these warnings such as additional water, designate a fire watch/patrol and tools. If work is being conducted in an area that is not clear of vegetation within 50 feet of work area; then, when fire danger is rated High or greater and 1. There is a predicted Red Flag warning for your area or 2. If winds are predicted to be greater than 10 mph, stop all hotwork activities for the day at 10 am.
- f. In the event of an ignition, initiate fire suppression actions in the work area to prevent fire spread to or on federally administered lands. If a fire spreads beyond the capability of workers with the stipulated tools, all will cease fire suppression action and leave the area immediately via pre-identified escape routes.
- g. Call **911** or the **Taos Interagency Fire Dispatch Center (575-758-6208)** immediately of the location and status of any fire.

## AND

Notify the respective BLM field office for which the permit or contract was issued immediately of the incident.

**Farmington Field Office at 505-564-7600**

**Taos Field Office at 575-758-8851**

## Noxious Weeds

27. Inventory the proposed site for the presence of noxious and invasive weeds. Noxious weeds are those listed on the New Mexico Noxious Weed List and USDA's Federal Noxious Weed List. The New Mexico Noxious Weed List or USDA's Noxious Weed List can be updated at any time and should be regularly check for any changes. Invasive species may or may not be listed as a noxious weed but have been identified to likely cause economic or environmental harm or harm to human health. The following noxious weeds have been identified as occurring on lands within the boundaries of the



Farmington Field Office (FFO). There are numerous invasive species on the FFO such as Russian thistle (*Salsola spp.*) and field bindweed (*Convolvulus arvensis*).

Russian Knapweed ( <i>Centaurea repens</i> )	Musk Thistle ( <i>Carduus nutans</i> )
Bull Thistle ( <i>Cirsium vulgare</i> )	Canada Thistle ( <i>Cirsium arvense</i> )
Scotch Thistle ( <i>Onopordum acanthium</i> )	Hoary Cress ( <i>Cardaria draba</i> )
Perennial Pepperweed ( <i>Lepidium latifolium</i> )	Halogeton ( <i>Halogeton glomeratus</i> )
Spotted Knapweed ( <i>Centaurea maculosa</i> )	Dalmation Toadflax ( <i>Linaria genistifolia</i> )
Yellow Toadflax ( <i>Linaria vulgaris</i> )	Camelthorn ( <i>Alhagi pseudalhagi</i> )
African Rue ( <i>Peganum harmala</i> )	Salt Cedar ( <i>Tamarix spp.</i> )
Diffuse Knapweed ( <i>Centaurea diffusa</i> )	Leafy Spurge ( <i>Euphorbia esula</i> )

- a. Identified weeds will be treated prior to new surface disturbance if determined by the FFO Noxious Weed Coordinator. A Pesticide Use Proposal (PUP) must be submitted to and approved by the FFO Noxious Weed Coordinator prior to application of pesticide. The FFO Noxious Weeds Coordinator (505-564-7600) can provide assistance in the development of the PUP.
  - b. Vehicles and equipment should be inspected and cleaned prior to coming onto the work site. This is especially important on vehicles from out of state or if coming from a weed-infested site.
  - c. Construction equipment should be inspected and cleaned prior to coming onto the work site. This is especially important on vehicles from out of state or if coming from a weed-infested site.
  - d. Fill dirt or gravel may be needed for excavation, road construction/repair, or for spill remediation. If fill dirt or gravel will be required, the source shall be noxious weed free and approved by the FFO Noxious Weed Coordinator.
  - e. The site shall be monitored for the life of the project for the presence of noxious weeds (includes maintenance and construction activities). If weeds are found the FFO Coordinator shall be notified at (505) 564-7600 and provided with a Weed Management Plan and if necessary, a Pesticide Use Proposal (PUP) . The FFO Coordinator can provide assistance developing the Weed Management Plan and/or the Pesticide Use Proposal.
  - f. Only pesticides authorized for use on BLM lands would be used and applied by a licensed pesticide applicator. The use of pesticides would comply with federal and state laws and used only in accordance with their registered use and limitations. (Company Name)'s weed-control contractor would contact the BLM-FFO prior to using these chemicals.
  - g. Noxious/invasive weed treatments must be reported to the FFO Noxious Weed Coordinator. A Pesticide Application Record (PAR) is required to report any mechanical, chemical, biological or cultural treatments used to eradicate, and/or control noxious or invasive species. Reporting will be required quarterly and annually or per request from the FFO Noxious Weed Coordinator.
28. **Bare ground vegetation trim-out:** If bare ground vegetation treatment (trim-out) is desired around facility structures, the operator will submit a bare ground/trim-out design included in their Surface Use Plan of Operations (SUPO). The design will address vegetation safety concerns of the operator and BLM while minimizing impacts to interim reclamation efforts. The design must include what structures to be treated and buffer

distances of trim-out. Pesticide use for vegetation control around anchor structures is not approved. If pesticides are used for bare ground trim-out, the trim-out will not exceed three feet from the edge of any eligible permanent structure (i.e., well heads, fences, tanks). Additional distance/areas may be requested and must be approved by the FFO authorized officer. The additional information below must also be provided to the FFO:

- a. Pesticide use for trim out will require a Pesticide Use Proposal (PUP). A PUP is required *prior* to any treatment and must be approved by the FFO Noxious Weed Coordinator. Only pesticides authorized for use on BLM lands would be used and applied by a licensed pesticide applicator. The use of pesticides would comply with federal and state laws and used only in accordance with their registered use and limitations. Enduring Resources' weed-control contractor would contact the BLM-FFO prior to using these chemicals and provide Pesticide Use Reports (PURs) post treatment.
  - b. A Pesticide Use Report (PUR) or a Biological Use Report (BUR) is required to report any chemical, or biological treatments used to eradicate, or control vegetation on site. Reporting will be required quarterly and annually or per request from the FFO Noxious Weed Coordinator.
29. **Paleontology:** The proponent shall immediately notify the BLM Authorized Officer of any paleontological resources discovered as a result of operations under this authorization. The proponent shall suspend all activities in the vicinity of such discovery until notified to proceed by the Authorized Officer and shall protect the discovery from damage or looting. The proponent may not be required to suspend all operations if activities can be adjusted to avoid further impacts to a discovered locality or be continued elsewhere. The Authorized Officer will evaluate, or will have evaluated, such discoveries as soon as possible, but not later than ten (10) working days after being notified. Appropriate measures to mitigate adverse effects to scientifically important paleontological resources will be determined by the Authorized Officer after consulting with the proponent. Within ten (10) days, the proponent will be allowed to continue construction through the site or will be given the choice of either (1) following the Authorized Officer's instructions for stabilizing the paleontological resource in place and avoiding further disturbance to the fossil(s), or (2) following the Authorized Officer's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area. This would likely involve using a BLM permitted paleontologist to remove the paleontological resource from the project area. The proponent will be responsible for the cost of evaluation and any mitigation measures required to protect the paleontological resource.

### **Wildlife Resources**

30. **Wildlife:** Project is located within the Middle Mesa Big Game SDA. No construction, drilling, or completion activity is allowed December 1 - March 31 each year to protect wintering wildlife
31. **Hazards:** Wildlife hazards associated with the proposed project would be fenced, covered, and/or contained in storage tanks, as necessary. The operator would equip all open-top pits, tanks, ponds, and pipes containing hydrocarbons with nets, screens, or other avian exclusion devices to prevent injury or death to migratory birds (NTL-FFO/AUFO-2004-

01, IM No. WO-2013-033, Onshore Order #7 III E-3). Exemptions to this stipulation would be made by the BLM/FFO Authorized Officer.

32. **Migratory Bird:** The BLM/FFO migratory bird policy requires a bird nest survey between May 15 - July 31 for any projects that would remove 4.0 or more acres of vegetation. The proposed project is estimated to disturb more than four acres of vegetation, a survey will be required if construction occurs within the specified timeframe.
33. **Threatened, Endangered or Sensitive Species:** If, in operations the operator/holder discovers any Threatened, Endangered, or Sensitive species, work in the vicinity of the discovery will be suspended and the discovery promptly reported to the BLM-FFO T&E specialist at (505) 564-7600. The BLM-FFO will then specify what action is to be taken. Failure to notify the BLM-FFO about a discovery may result in civil or criminal penalties in accordance with The Endangered Species Act (as amended).

### Soil, Air, Water

34. **Emission Control Standard:** Compressor engines 300 horsepower or less used during well production must be rated by the manufacturer as emitting NOx at 2 grams per horsepower hour or less to comply with the New Mexico Environmental Department, Air Quality Bureau's guidance.
35. **Waste Disposal:** All fluids (i.e., scrubber cleaners) used during washing of production equipment, including compressors, will be properly disposed of to avoid ground contamination, or hazard to livestock or wildlife. Waste materials produced during all phases of operation will be disposed of promptly in an approved manner so it will not impact the air, soil, water, vegetation or animals. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and equipment. All liquid waste, completion fluids and drilling products associated with oil and gas operations will be removed and deposited in an approved disposal site. Portable toilets will remain on site throughout well pad construction, drilling and reclamation. All fluids (i.e. scrubber cleaners) used during washing of production equipment, including compressors, will be properly disposed of to avoid ground contamination or hazard to livestock or wildlife. Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and equipment.

### Cultural Resources

36. **Discovery of Cultural Resources in the Absence of Monitoring:** If, in its operations, operator/holder discovers any previously unidentified historic or prehistoric cultural resources, then work in the vicinity of the discovery will be suspended and the discovery promptly reported to BLM Field Manager. BLM will then specify what action is to be taken. If there is an approved "discovery plan" in place for the project, then the plan will be executed. In the absence of an approved plan, the BLM will evaluate the significance of the discovery in accordance with 36 CFR Section 800.13, in consultation with the

appropriate State or Tribal Historic Preservation Officer(s) and Indian tribe(s) that might attach religious and cultural significance to the affected property, or in accordance with an approved program alternative. Minor recordation, stabilization, or data recovery may be performed by BLM or a third party acting on its behalf, such as a permitted cultural resources consultant. If warranted, more extensive archaeological or alternative mitigation, likely implemented by a permitted cultural resources consultant, may be required of the operator/holder prior to allowing the project to proceed. Further damage to significant cultural resources will not be allowed until any mitigations determined appropriate through the agency's Section 106 consultation are completed. Failure to notify the BLM about a discovery may result in civil or criminal penalties in accordance with the Archeological Resources Protection Act (ARPA) of 1979, as amended, the Native American Graves Protection and Repatriation Act (NAGPRA) of 1990, as amended, and other applicable laws.

37. **Discovery of Cultural Resources during Monitoring:** If monitoring confirms the presence of previously unidentified historic or prehistoric cultural resources, then work in the vicinity of the discovery will be suspended and the monitor will promptly report the discovery to the BLM Field Manager. BLM will then specify what action is to be taken. If there is an approved "discovery plan" in place for the project, then the plan will be executed. In the absence of an approved plan, the BLM will evaluate the significance of the discovery in accordance with 36 CFR Section 800.13, in consultation with the appropriate State or Tribal Historic Preservation Officer(s) and Indian tribe(s) that might attach religious and cultural significance to the affected property, or in accordance with an approved program alternative. Minor recordation, stabilization, or data recovery may be performed by BLM or a third party acting on its behalf, such as a permitted cultural resources consultant. If warranted, more extensive archaeological or alternative mitigation, likely implemented by a permitted cultural resources consultant, may be required of the operator/holder prior to allowing the project to proceed. Further damage to significant cultural resources will not be allowed until any mitigations determined appropriate through the agency's Section 106 consultation are completed.
38. **Damage to Sites:** If, in its operations, operator/holder damages, or is found to have damaged any previously documented or undocumented historic or prehistoric cultural resources, excluding "discoveries" as noted above, the operator/holder agrees at his/her expense to have a permitted cultural resources consultant prepare a BLM approved damage assessment and/or data recovery plan. The operator/holder agrees at his/her expense to implement a mitigation that the agency finds appropriate given the significance of the site, which the agency determines in consultation with the appropriate State or Tribal Historic Preservation Officer(s) and Indian tribe(s) that might attach religious and cultural significance to the affected property. This mitigation may entail execution of the data recovery plan by a permitted cultural resources consultant and/or alternative mitigations. Damage to cultural resources may result in civil or criminal penalties in accordance with the Archeological Resources Protection Act (ARPA) of 1979, as amended, the Native American Graves Protection and Repatriation Act (NAGPRA) of 1990, as amended, and other applicable laws.

39. **Employee Education:** All employees of the project, including the Project Sponsor and its contractors and sub-contractors will be informed and educated that cultural sites are to be avoided by all personnel, personal vehicles and company equipment. This includes personnel associated with construction, use, maintenance and abandonment of the well pad, well facilities, access and pipeline. They will also be notified that it is illegal to collect, damage, or disturb historic or prehistoric cultural resources, and that such activities are punishable by criminal and or administrative penalties under the provisions of the ARPA (16 U.S.C. 470aa-mm), NAGPRA (25 U.S.C. 3001-3013), and other laws, as applicable (for example, NM Stat. § 18-6-9 through § 18-6-11.2, as amended, and NM Stat. § 30-12-12, as amended)

See attached Cultural Resource Record of Review for additional specific cultural stipulations.

1.7.5.7 Guide to The Identification of Work Zones *(note: safe distances are variable and can change based on conditions)*

	<b>BLUE ZONE (Safe Area)</b>	<b>GREEN ZONE (Cold)</b>	<b>YELLOW ZONE (Warm)</b>	<b>RED ZONE (Hot)</b>
<b>Physical Parameters</b>	<ul style="list-style-type: none"> <li>• 375 ft minimum from wellhead.</li> <li>• 0 PPM H2S</li> <li>• 0% LEL</li> <li>• Noise level 65 dB or less</li> <li>• Location of Forward Command Center</li> </ul>	<ul style="list-style-type: none"> <li>• 225 ft minimum from well head</li> <li>• 150 feet minimum in width</li> <li>• 0 PPM H2S</li> <li>• 0% LEL</li> <li>• 65-80 dB noise level</li> </ul>	<ul style="list-style-type: none"> <li>• 75 feet minimum from wellhead</li> <li>• 150 feet minimum in width</li> <li>• 0-10 PPM H2S</li> <li>• 0-25% LEL</li> <li>• 80-90 dB noise level (or less)</li> </ul>	<ul style="list-style-type: none"> <li>• 75 feet radius around wellhead</li> <li>• 10 PPM or greater H2S</li> <li>• 25% or greater LEL</li> <li>• 90 dB or greater noise level</li> </ul>
<b>Normal Duties</b>	<ul style="list-style-type: none"> <li>• Signing in of all well site personnel</li> <li>• Staging area for support equipment and services</li> </ul>	Staging area for: <ul style="list-style-type: none"> <li>• water storage tanks</li> <li>• firefighting pumps</li> <li>• well-control equipment not in use</li> <li>• emergency personnel &amp; equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Water monitor sheds</li> <li>• Final staging area for well-control equipment</li> <li>• Firefighting monitors</li> <li>• Athey wagons, cranes, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Clearing debris from wellhead area</li> <li>• Capping operations</li> </ul>
<b>Equipment Permitted</b>	<ul style="list-style-type: none"> <li>• Well Control Support equipment</li> <li>• Emergency vehicles</li> </ul>	<ul style="list-style-type: none"> <li>• Cranes, bulldozers, etc. when not in use.</li> <li>• Athey wagons and accessories, abrasive jet cutter, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Water monitor sheds</li> <li>• Final staging area for well-control equipment</li> <li>• Firefighting monitors</li> <li>• Athey wagons, cranes, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Specialized well-control equipment</li> <li>• Athey wagon and accessories</li> <li>• Cranes and operators</li> <li>• Bulldozers and operators</li> </ul>
<b>Personnel Restrictions</b>	<ul style="list-style-type: none"> <li>• Personnel restricted to those directly involved with well control efforts</li> <li>• Admittance requires approval of Well Control Manager or Well Control Service Provider Team Leader</li> <li>• All approved personnel must be signed in at the Forward Command Center immediately upon entering the Blue Zone</li> <li>• All personnel coming on location must sign in at the Forward Command Center each day</li> </ul>	<ul style="list-style-type: none"> <li>• Admittance requires approval of Well Control Service Provider Team Leader</li> <li>• Usually limited to well control personnel and emergency/safety personnel</li> </ul>	<ul style="list-style-type: none"> <li>• Admittance requires approval of Well Control Service Provider Team Leader</li> <li>• Usually limited to well-control support personnel, emergency/safety personnel, and Well Control Service Provider Specialists</li> </ul>	<ul style="list-style-type: none"> <li>• Highly restricted area; admittance requires approval of Well Control Service Provider Team Leader</li> <li>• Usually limited to Well Control Service Provider Senior Well Control Specialists, Team Leader and Well Control Project Manager or designate</li> </ul>
<b>Personal Protective Equipment Requirements</b>	Head- Hardhats Foot- Steel-toed safety boots Eye- Safety glasses Hearing- > 29 dB plugs/muffs Hand- Gloves Clothing- FRC Breathing Area- 4-gas monitor	Head- Hardhats Foot- Steel-toed safety boots Eye- Safety glasses Hearing- > 29 dB plugs/muffs Hand- Gloves Clothing- FRC Breathing Area- 4-gas monitor	Head- Hardhats Foot- Steel-toed safety boots Eye- Safety glasses Hearing- > 29 dB plugs/muffs Hand- Gloves Clothing- FRC Breathing Area- 4-gas monitor Additional- SCBA or equivalent, etc. (when conditions exist)	Head- Hardhats Foot- Steel-toed safety boots Eye- Safety glasses Hearing- > 29 dB plugs/muffs Hand- Gloves Clothing- FRC Breathing Area- 4-gas monitor Additional- SCBA or equivalent, etc. (when conditions exist)



## SECTION 5: CIRCULATING MEDIUM (MUD PROGRAM)

### CLOSED-LOOP SYSTEM DESIGN PLAN

The closed-loop system will consist of a series of temporary, above-ground storage tanks and/or haul-off bins suitable for holding the cuttings and fluid from drilling operations. The closed-loop system will not utilize temporary earthen pits, below-grade storage tanks, below-grade sumps, or drying pads.

Design considerations include:

- The closed-loop system will be signed in accordance with 19.15.17.11 NMAC.
- The storage tanks of the closed-loop system will be of adequate volume to ensure confinement of all fluids and provide sufficient freeboard to prevent uncontrolled releases.
- Topsoil will be salvaged and stored for use in reclamation activities.

### CLOSED-LOOP SYSTEM OPERATING & MAINTENANCE PLAN

The closed-loop system will be operated and maintained to contain liquids and solids, minimize the amount of drilling fluids and cuttings requiring disposal, maximize the amount of drilling fluid recycled and reused in the drilling process, isolate drilling wastes from the environment, prevent contamination of fresh water, and protect public health and the environment.

Operation and maintenance considerations include:

- Fluid levels will be maintained to provide sufficient freeboard to prevent over-topping.
- Visual inspections will be conducted daily to identify any potential leaks and to ensure that the closed-loop system storage tanks have sufficient freeboard to prevent over-topping.
- Only drilling fluids or cuttings intrinsic to, used by, or generated from, drilling operations will be stored in the closed-loop system storage tanks. Hazardous waste, miscellaneous solid waste, and/or debris will not be stored in the storage tanks.
- The OCD District Office will be notified within 48 hours of discovery of a leak in the closed-loop drilling system. If a leak is discovered, all liquid will be removed within 48 hours and the damage repaired.

### CLOSED-LOOP SYSTEM CLOSURE PLAN

The closed-loop system will be closed in accordance with 19.15.17.13 NMAC.

Closure considerations include:

- Drilling fluids will be recycled and transferred to other permitted closed-loop systems or returned to the vendor for reuse, as practical.
- Residual fluids will be pulled from the storage tanks, mixed with saw dust or similar absorbent material, and disposed of at Industrial Envirotech, Inc. waste disposal facilities.
- Remaining cuttings or sludges will be vacuumed from the storage tanks and disposed of at an EPA-approved waste disposal facility.
- Storage tanks will be removed from the well location during the rig move.
- The well pad will be reclaimed and seeded in accordance with subsections G, Hand I of 19.15.17.13 NMAC.



**MUD PROGRAM**

Interval (MD-ft)	Hole Section	Hole Size	Type	Mud Wt (ppg)	FL	PV	YP	Ph	Remarks
0-160	Conductor	26"	FW/Gel	8.4-9.0	NC	8	12	9.0	Spud Mud
0-3652	Surface	17-1/2"	LSND	8.4-9.0	<8	4-6	12-15	10.0	Fresh Water
0-6263	Intermediate	12-1/4"	LSND	8.6-9.0	<8	4-6	12-15	10.0	Fresh Water
0-19,283	Production	8-3/4"	OBM	9.0-12.0	<8	14-20	8-14	11.0	OBM

NOTES: Sufficient weighting material will be on hand to weight mud up to 1 ppg over design, if required.  
A Pason Pit Volume Totalizer (PVT) or equivalent equipment will be installed on each pit to monitor pit levels.  
A trip tank equipped with a Pason PVT will be used to monitor trip volumes.

## SECTION 1: GEOLOGIC FORMATIONS AND CONTENTS

MARKER	TVD	MD	COMMENTS	BHP (PSI/FT)
Animas	26	26	Wet/aquifer	0.43
Ojo Alamo SS	2341	2349	Wet/aquifer	0.43
Kirtland (Top/Cretaceous)	2491	2500	Gas & water-bearing	0.43
Fruitland Coal	2960	2971	Gas & water-bearing	0.07
Pictured Cliffs SS	3379	3392	Wet	0.12
Lewis Shale	3612	3627	Gas & water-bearing	0.35
Cliffhouse SS	5049	5071	Gas & water-bearing	0.35
Menefee	5392	5415	Gas & water-bearing	0.30
Point Lookout SS	5652	5677	Gas & water-bearing	0.30
Mancos Shale	6086	6113	Gas-bearing	0.43
LP (Mancos Lateral)	7167	7529	Gas-bearing	0.43
TD (Mancos Lateral)	7110	19,283	Gas-bearing	0.43

**DIRECTIONAL PLAN 1**

**Possible Aquifers:** San Jose and Ojo Alamo

**Oil Shale:** None Expected

**Oil & Gas:** Primary objective is the Mancos formation from 7167' TVD (landing point) to 7110' TVD (toe).

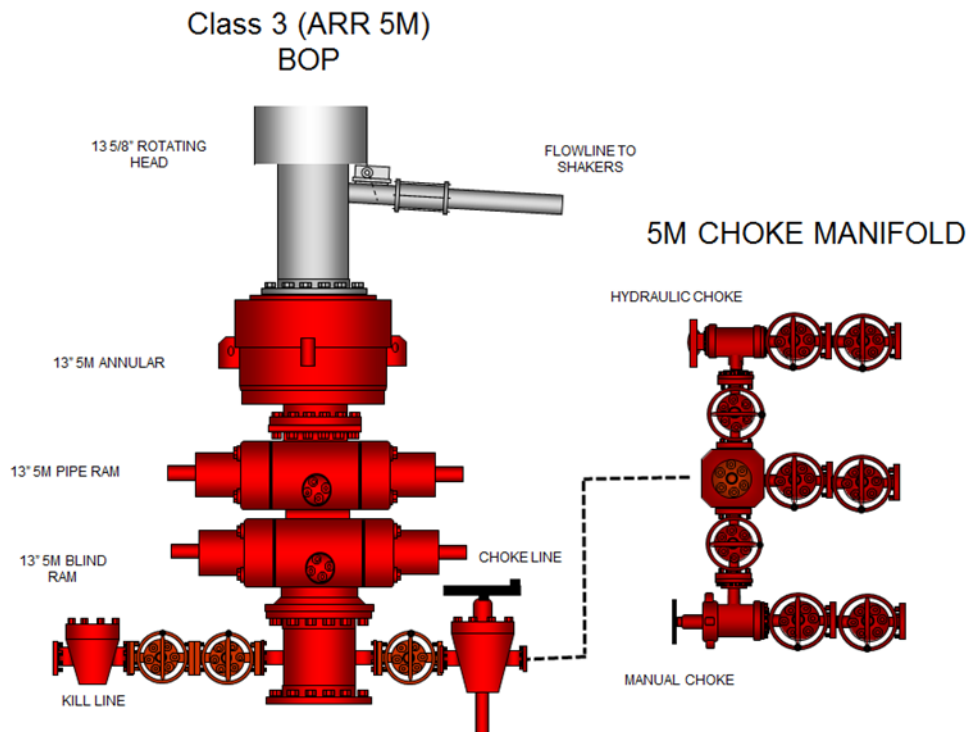
**Protection of oil, gas, water, or other mineral-bearing formations:** Protection shall be accomplished by setting surface casing below base of possible aquifer(s) and cementing casing to surface.

## SECTION 2: BOPE

BOP equipment and accessories will meet or exceed BLM requirements outlined in 43 CFR Part 3160.

A 13-5/8" 5M BOPE will be utilized to drill this well. Maximum anticipated surface pressure for 13-5/8" 5M BOPE is 1,500 psi. The 13-5/8" BOPE will be tested 250 psi (Low) for 5 minutes and 5000 psi (High) for 10 minutes if isolated by test plug or 70 percent of internal yield pressure of casing if BOP stack is not isolated from casing. Pressure test conductor, surface, and intermediate casing(s) to 1500 psi for 30 minutes. All preventers and surface casing will be tested before drilling out of surface casing. BOP equipment will be tested every 30 days, after any repairs are made to the BOP equipment, and after the BOP equipment is subjected to pressure. Annular preventers will be functionally operated at least once per week. Pipe rams will be activated daily and blind rams shall be activated each trip or at least weekly. The New Mexico Oil & Gas Conservation Commission and the BLM will be notified 24 hours in advance of testing of BOPE.

		BHP	MASP
13-5/8" 5M BOPE	7110' TVD	3079	1358



Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

ACKNOWLEDGMENTS

Action 520800

**ACKNOWLEDGMENTS**

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 520800
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

**ACKNOWLEDGMENTS**

<input checked="" type="checkbox"/>	I hereby certify that no additives containing PFAS chemicals will be added to the completion or recompletion of this well.
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**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 520800

**CONDITIONS**

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 520800
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

**CONDITIONS**

Created By	Condition	Condition Date
cale redpath	Cement is required to circulate on both surface and intermediate1 strings of casing.	10/28/2025
cale redpath	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.	10/28/2025
ward.rikala	Notify the OCD 24 hours prior to casing & cement.	11/13/2025
ward.rikala	File As Drilled C-102 and a directional Survey with C-104 completion packet.	11/13/2025
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.	11/13/2025
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.	11/13/2025