

Lusitano 27-34 Fed Com 734H

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1. Geologic Formations

TVD of target	12092	Pilot hole depth	N/A
MD at TD:	22381	Deepest expected fresh water:	

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Rustler	912		
Base of Salt	4277		
Delaware	4297		
Bone Spring	8247		
Wolfcamp	11647		

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

2. Casing Program (Primary Design)

Hole Size	Casing Interval		Csg. Size	Wt (PPF)	Grade	Conn	Min SF Collapse	Min SF Burst	Min SF Tension
	From	To							
14.75"	0	937	10.75"	40.5	J-55	STC	1.125	1.25	1.6
9.875"	0	11533	7.625"	29.7	P110	BTC	1.125	1.25	1.6
8.75"	11533	12433				Flushmax III			
6.75"	0	TD	5.5"	20	P110	Vam SG	1.125	1.25	1.6
BLM Minimum Safety Factor							1.125	1.00	1.6 Dry 1.8 Wet

- All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h Must have table for contingency casing
- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- Int casing shoe will be selected based on drilling data / gamma, setting depth with be revised accordingly if needed.
- A variance is requested to wave the centralizer requirement for the Intermediate casing and production casing.

Casing Program (Alternate Design)

Hole Size	Casing Interval		Csg. Size	Wt. (PPF)	Grade	Conn	Min SF Collapse	Min SF Burst	Min SF Tension
	From	To							
17.5"	0	931	13.375"	48	H-40	STC	1.125	1.25	1.6
10.625"	0	5000	8.625"	32	P110EC	BTC	1.125	1.25	1.6
9.875"	5000	12433				VAM FJL			
7.875"	0	TD	5.5"	20	P110	BTC	1.125	1.25	1.6
BLM Minimum Safety Factor							1.125	1.00	1.6 Dry 1.8 Wet

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- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed.
- Int 1 casing shoe will be selected based on drilling data / gamma, setting depth with be revised accordingly if needed.
- A variance is requested to wave the centralizer requirement for the Intermediate casing and production casing.
- Variance is requested for collapse rating on intermediate casing. Operator will keep pipe full while running casing. No losses are expected in subsequent hole section.

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

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3. Cementing Program (Primary Design)

Casing	# Sks	TOC	Wt. (lb/gal)	Yld (ft ³ /sack)	Slurry Description
Surface	605	Surf	13.2	1.33	Lead: Class C Cement + additives
Int 1	1244	Surf	9	3.31	Lead: Class C Cement + additives
	747	4000' above shoe	13.2	1.33	Tail: Class H / C + additives
Int 1 Two Stage w DV @ ~4500	622	Surf	9	3.31	1 st stage Lead: Class C Cement + additives
	55	500' above shoe	13.2	1.33	1 st stage Tail: Class H / C + additives
	600	Surf	9	3.31	2 nd stage Lead: Class C Cement + additives
	55	500' above DV	13.2	1.33	2 nd stage Tail: Class H / C + additives
Int 1 Intermediate Squeeze	As Needed	Surf	13.2	1.33	Squeeze Lead: Class C Cement + additives
	1244	Surf	9	3.31	Lead: Class C Cement + additives
	747	4000' above shoe	13.2	1.33	Tail: Class H / C + additives
Production	661	500' tieback	13.2	1.33	Lead: Class H / C + additives

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

Casing String	% Excess
Surface	50%
Intermediate 1	30%
Intermediate 1 (Two Stage)	25%
Prod	10%

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Cementing Program (Alternate Design)

Casing	# Skis	TOC	Wt. (lb/gal)	Yld (ft ³ /sack)	Slurry Description
Surface	775	Surf	13.2	1.33	Lead: Class C Cement + additives
Int 1	1340	Surf	9	3.31	Lead: Class C Cement + additives
	834	4000' above shoe	13.2	1.33	Tail: Class H / C + additives
Int 1 Two Stage w DV @ ~4500	670	Surf	9	3.31	1 st stage Lead: Class C Cement + additives
	55	500' above shoe	13.2	1.33	1 st stage Tail: Class H / C + additives
	625	Surf	9	3.31	2 nd stage Lead: Class C Cement + additives
	55	500' above DV	13.2	1.33	2 nd stage Tail: Class H / C + additives
Int 1 Intermediate Squeeze	As Needed	Surf	13.2	1.33	Squeeze Lead: Class C Cement + additives
	1340	Surf	9	3.31	Lead: Class C Cement + additives
	834	4000' above shoe	13.2	1.33	Tail: Class H / C + additives
Production	1237	500' tieback	13.2	1.33	Lead: Class H / C + additives

If a DV tool is ran the depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Slurry weights will be adjusted based on estimated fracture gradient of the formation. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. If cement is not returned to surface during the primary cement job on the surface casing string, a planned top job will be conducted immediately after completion of the primary job.

Casing String	% Excess
Surface	50%
Intermediate 1	30%
Intermediate 1 (Two Stage)	25%
Prod	10%

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4. Pressure Control Equipment (Three String Design)

BOP installed and tested before drilling which hole?		Size?	Min. Required WP	Type	✓	Tested to:
Int 1	13-5/8"	5M	Annular		X	50% of rated working pressure
			Blind Ram		X	5M
			Pipe Ram			
			Double Ram		X	
			Other*			
Production	13-5/8"	10M	Annular (5M)		X	100% of rated working pressure
			Blind Ram		X	10M
			Pipe Ram			
			Double Ram		X	
			Other *			
			Annular			
			Blind Ram			
			Pipe Ram			
			Double Ram			
			Other *			
N	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.					
Y	A variance is requested to run a 5M annular on a 10M system.					

5. Mud Program (3 String Design)

Depth		Type	Weight (ppg)	Vis	Water Loss
From	To				
0	937	FW Gel	8.5 - 9	28-34	N/C
937	12293	DBE / Cut Brine	9 - 10	28-34	N/C
12293	TD	OBM	10-10.5	28-34	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring
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6. Logging and Testing Procedures

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

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Additional logs planned		Interval
	Resistivity	Int. shoe to KOP
	Density	Int. shoe to KOP
X	CBL	Production casing
X	Mud log	Intermediate shoe to TD
	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	6602 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers.

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

N	H ₂ S is present
Y	H ₂ S Plan attached

8. Other facets of operation

Is this a walking operation? Potentially

1. If operator elects, drilling rig will batch drill the surface holes and run/cement surface casing; walking the rig to next wells on the pad.
2. The drilling rig will then batch drill the intermediate sections and run/cement intermediate casing; the wellbore will be isolated with a blind flange and pressure gauge installed for monitoring the well before walking to the next well.
3. The drilling rig will then batch drill the production hole sections on the wells with OBM, run/cement production casing, and install TA caps or tubing heads for completions.

NOTE: During batch operations the drilling rig will be moved from well to well however, it will not be removed from the pad until all wells have production casing run/cemented.

Will be pre-setting casing? Potentially

1. Spudder rig will move in and drill surface hole.
 - a. Rig will utilize fresh water based mud to drill surface hole to TD. Solids control will be handled entirely on a closed loop basis.
2. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
3. The wellhead will be installed and tested once the surface casing is cut off and the WOC time has been reached.
4. A blind flange with the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with a pressure gauge installed on the wellhead.
5. Spudder rig operations is expected to take 4-5 days per well on a multi well pad.

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6. The NMOCD will be contacted and notified 24 hours prior to commencing spudder rig operations.
7. Drilling operations will be performed with the drilling rig. At that time an approved BOP stack will be nipped up and tested on the wellhead before drilling operations commences on each well.
 - a. The NMOCD will be contacted / notified 24 hours before the drilling rig moves back on to the pad with the pre-set surface casing.

Attachments

- ☒ Directional Plan
☐ Other, describe