

District I1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720**District II**811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720**District III**1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170**District IV**1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101
Revised July 18, 2013☐ AMENDED REPORT

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

¹ . Operator Name and Address PERMIAN OILFIELD PARTNERS, LLC PO BOX 3329 HOBBS, NM 88241		² . OGRID Number 328259
		³ . API Number 30-025-48518
⁴ . Property Code 330233	⁵ . Property Name Straight Shooter State SWD	⁶ . Well No. 1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
L	30	24S	33E	3	1745	S	319	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name SWD; Devonian-Silurian	Pool Code 97869
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SWD-2103**Additional Well Information**

¹¹ . Work Type N	¹² . Well Type SWD	¹³ . Cable/Rotary R	¹⁴ . Lease Type P	¹⁵ . Ground Level Elevation 3564'
¹⁶ . Multiple N	¹⁷ . Proposed Depth 18527'	¹⁸ . Formation Devonian-Silurian	¹⁹ . Contractor TBD	²⁰ . Spud Date 4/15/2020
Depth to Ground water 70'	Distance from nearest fresh water well 1.87 mi.		Distance to nearest surface water >1 mile	

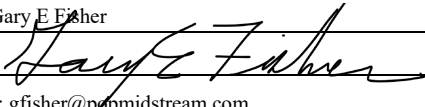
☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	26"	20"	94# & 106.5#	1066'	2060 sks	Surface
Intermediate	17.5"	13.375"	61#	5024'	3425 sks	Surface
Intermediate	12.25"	9.625"	40#	0'-5124'	Stage 2: 1692 sks	Surface
Intermediate	12.25"	9.625"	40#	5124'-12149'	Stage 1: 1317 sks	DV Tool @ 5124'
Liner	8.75"	7.625"	39#	11949'-16888'	359 sks	11949'
Open Hole	6.5"	N/A	N/A	16888'-18527'	N/A	N/A
Tubing		7"	26#	0'-11949'	N/A	N/A
Tubing		5.5"	17#	11949'-16853'	N/A	N/A

Casing/Cement Program: Additional CommentsSee attached schematic.
DV tool in 9.625" casing string @ 5124'.

22. **Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Triple Hydraulic/Blind, Pipe, Annular	10000 psi blinds/pipe, 5000 psi annular	10000 psi blinds/pipe, 5000 psi annular	TBD - Cameron

²³ . I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☒, if applicable. Signature:	OIL CONSERVATION DIVISION	
	Approved By: P Kautz	
Printed name: Gary E Fisher	Title:	
Title: President 	Approved Date: 02/23/2021	Expiration Date: 02/23/2023
E-mail Address: gfisher@popmidstream.com		
Date: 2/17/2021	Phone: 817-606-7630	Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-48518	² Pool Code 97869	³ Pool Name SWD; DEVONIAN-SILURIAN
⁴ Property Code 330233	⁵ Property Name STRAIGHT SHOOTER STATE SWD	⁶ Well Number 1
⁷ OGRID NO. 328259	⁸ Operator Name PERMIAN OILFIELD PARTNERS LLC	⁹ Elevation 3564'

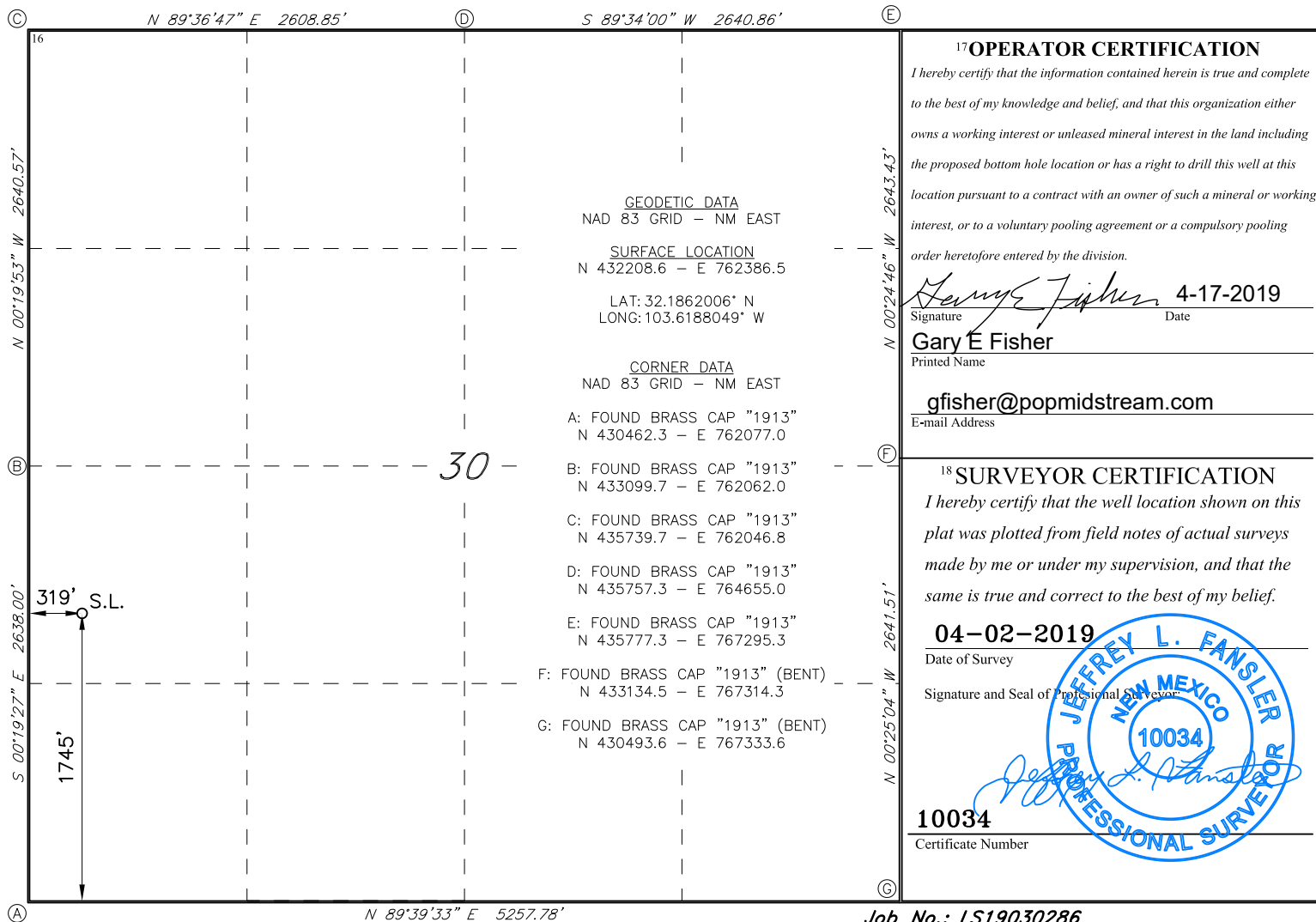
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
L	30	24S	33E	3	1745	SOUTH	319	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. SWD-2103						

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



WELLBORE SCHEMATIC

Permian Oilfield Partners, LLC.
 Straight Shooter State SWD #1
 1745' FSL, 319' FWL
 Sec. 30, T24S, R33E, Lea Co. NM
 Lat 32.1862006° N, Lon 103.6188049° W
 GL 3564', RKB 3594'

Surface - (Conventional)

Hole Size: 26"
 Casing: 20" - 94# J-55 & 106.5# J-55 BTC Casing
 Depth Top: Surface
 Depth Btm: 1066'
 Cement: 2060 sks - Class C + Additives (100% Excess)
 Cement Top: Surface - (Circulate)

Intermediate #1 - (Conventional)

Hole Size: 17.5"
 Casing: 13.375" - 61# J-55 BTC Casing
 Depth Top: Surface
 Depth Btm: 5024'
 Cement: 3425 sks - Class C + Additives (50% Excess)
 Cement Top: Surface - (Circulate)

Intermediate #2 - (Conventional)

Hole Size: 12.25"
 Casing: 9.625" - 40# HCL-80 BTC Casing
 Depth Top: Surface
 Depth Btm: 12149'
 Cement: Stg 1: 1692 sks, Stg 2: 1317 sks - All Class C + Additives (50% Excess)
 Cement Top: Stge 1: 5124 (ECP/DV Tool, Circulate), Stg 2: Surface - (Circulate)
 ECP/DV Tool: 5124'

Intermediate #3 - (Liner)

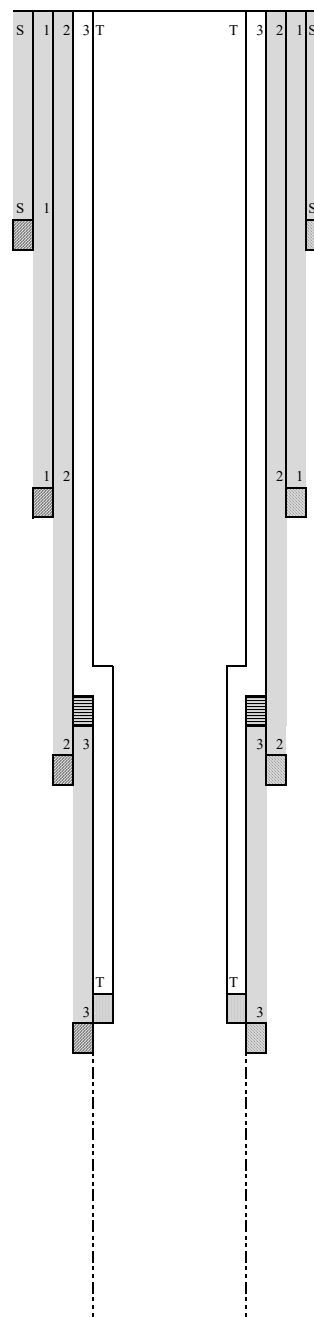
Hole Size: 8.5"
 Casing: 7.625" - 39# HCL-80 FJ Casing
 Depth Top: 11949'
 Depth Btm: 16888'
 Cement: 359 sks - Class H + Additives (50% Excess)
 Cement Top: 11949' - (Circulate & Bond Log)

Intermediate #4 - (Open Hole)

Hole Size: 6.5"
 Depth: 18527'
 Inj. Interval: 16888' - 18527' (Open-Hole Completion)

Tubing - (Tapered)

Tubing Depth: 16843'
 Tubing: 7" - 26# HCP-110 FJ Casing & 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
 X/O Depth: 11949'
 X/O: 7" 26# HCP-110 FJ Casing - X - 5.5" 17# HCL-80 FJ Casing (Fiberglass Lined)
 Packer Depth: 16853'
 Packer: 5.5" - Perma-Pak or Equivalent (Inconel)



Drilling Program
Permian Oilfield Partners LLC
Straight Shooter State SWD #1
SL: 1745' FSL & 319' FWL
Sec 30, T24S, R33E
Lea County, New Mexico

Surface Hole

Hole size: 26"

Depth: 1066'

Mud: Fresh water native spud mud. Need 28 to 36 visc. (mud weight not to exceed 8.8 ppg).

Drilling Parameters: Weld 30" drilling conductor with flow nipple onto the 30" conductor pipe at surface. **Notify NMOCD prior to spudding well and in sufficient time to witness cementing of surface casing.** Run 26" bit, BHA and 5" DP to casing point. Seepage should be controllable with LCM sweeps. After drilling to 1066', pump heavy LCM sweep and circulate hole clean. TOOH to run csg.

Casing: From 0' to 1066' – (20" 94# & 106.5# J55 BTC CSG)

Fill casing with drilling fluid as needed. Run 1 joint 20" 106.5# J55 casing with Texas pattern guide shoe, then remainder 20" 94# J55 casing. Weld guide shoe and thread-lock bottom 2 joints. Centralizers to go in the middle of the first joint, on the second coupling and the fourth coupling.

Cement: Lead: 1460 sks Class "C" + Additives
Yield – 1.97 cu ft/sk @ 12.9 ppg

Tail: 600 sks Class "C" + Additives
Yield – 1.34 cu ft/sk @ 14.8 ppg

Notify NMOCD in sufficient time to witness cementing of casing. After getting casing to TD, displace casing volume with the rig pump. RU cementers and cement as prescribed. If cement **does not** circulate, notify NMOCD. If cement **does** circulate, shut in head and WOC 8 hours before cutting off casing and **welding on a 20" diverter head.**

Wellhead: 20" casing w/diverter head

Permian Oilfield Partners LLC – Straight Shooter State SWD #1

First Intermediate Hole

Hole size: 17 ½"

Depth: 5024' *Adjust depth to "fit" hole for Cameron Speed Head*

Mud: Saturated Brine with 29 to 31 visc. (Mud weight not to exceed 10.3 ppg).

Drilling Parameters: **Ensure 20" diverter head is installed prior to TIH.** WOC 8 hours total or until all cement has reached 500 psi compressive strength as required by NMOCD before drilling cement or the plug. Run 17 ½" bit, BHA and 5" DP to casing point. Saturated brine water will be used to minimize washout in salt sections. Seepage should be controllable with LCM sweeps. After drilling to 5024', pump heavy LCM sweep and circulate hole clean. TOOH to run csg.

Casing: From 0' to 5024' – (13 3/8" 61# J55 BTC CSG)

Fill casing with drilling fluid every 20 jts or less as needed. Run float shoe, 1 jt 13 3/8" 61# J55 BTC casing, float collar, & remainder jts 13 3/8" 61# J55 BTC casing to surface. **Thread - lock guide shoe and first 2 joints.** Centralizers will go in the middle of the first joint, on the second coupling and the fourth coupling. Float equipment should be PDC drillable.

Cement: Lead: 3025 sks Class "C" + Additives
Yield – 1.75 cu ft/sk @ 13.5 ppg

Tail: 400 sks Class "C" + Additives
Yield – 1.35 cu ft/sk @ 14.8 ppg

Notify NMOCD in sufficient time to witness cementing of casing. After getting casing to TD, displace casing volume with the rig pump. RU cementers and cement as per cement recommendation. If cement **does not** circulate, notify NMOCD. If cement does circulate, shut in head and WOC 8 hours before cutting off casing and welding on a 16" diverter head. **Land 13 3/8" casing with Cameron Speed Head using landing joint.**

Wellhead: 13 ⅝" 10K rated Cameron Speed Head

BOPE: 13 ⅝" 10K rated triple ram BOP stack, 5K rated annular & rotating head.

BOPE Testing: WOC 8 hours or 500 psi compressive strength as required by NMOCD prior to testing BOPE. Test BOP Rams to 10000 psi & Annular to 5000 psi with third party.

Permian Oilfield Partners LLC – Straight Shooter State SWD #1

Second Intermediate Hole

Hole size: 12 ¼"

Depth: 12149' *Adjust depth to "fit" hole for Cameron Speed Head*

Mud: Cut Brine 9.0 to 9.4 ppg, 29 to 34 visc. Mud weight not to exceed 10 ppg.

Drilling Parameters: Ensure 13 ⅝" triple ram BOP stack, 5K rated annular & rotating head are NU & Tested to 10000 psi for rams & 5000 psi for annular. WOC 8 hours total or until all cement has reached 500 psi compressive strength as required by NMOCD before drilling cement or the plug. H₂S monitors and related safety equipment will be operational before drilling out 13 ⅝" casing shoe. Run 12 ¼" bit, & BHA, with 5" DP back to surface. **Prior to drilling any cement, test casing to 2150# for 30 mins with rig pump. Before drilling 20' into formation, perform a FIT to 10.0 ppg mud equivalent.** Drill out with viscous cut brine and circulate through steel pits. Utilize mud cleaning equipment to keep fluid as clean as possible. Seepage should be controllable with LCM sweeps. After drilling to 12149', pump heavy LCM sweep and circulate hole clean. TOOH to run csg.

Casing: From 0' to 12149' – (9 ⅝" 40# HCL80 BTC CSG)
(ECP/DV tool @ 5124' – Ensure 50' min below previous csg shoe)

Fill casing with drilling fluid every 20 jts or less as needed. Run float shoe, 1 jt 9 ⅝" 40# HCL80 BTC casing, float collar, 6979' - 9 ⅝" 40# HCL80 BTC casing, **ECP/DV TOOL** & remainder of 9 ⅝" 40# HCL80 BTC casing to surface. **Thread - lock guide shoe and first 2 joints.** Run centralizers in the middle of 1st joint, top of 2nd joint, then 4 centralizers alternating every other collar, then one centralizer on joint below DV tool and one centralizer on joint above DV tool, for a total of 8 centralizers. Float equipment should be PDC drillable. **Land 9 5/8" casing hanger in Cameron Speed Head using landing joint.**

Cement:

Stage 1: Lead: 1292 sks Class "C" + Additives
 Yield – 2.28 cu ft/sk @ 11.5 ppg

Tail: 400 sks Class "C" + Additives
 Yield – 1.35 cu ft/sk @ 14.8 ppg

ECP/DV TOOL @ 5124'

Stage 2: Lead: 1117 sks Class "C" + Additives
 Yield – 2.24 cu ft/sk @ 11.5 ppg

Tail: 200 sks Class "C" + Additives
Yield – 1.33 cu ft/sk @ 14.8 ppg

Notify NMOCD in sufficient time to witness cementing of casing. After getting casing to TD, displace casing volume with the rig pump. RU cementers and cement as per recommendation. If cement **does not** circulate, notify NMOCD. If cement **does** circulate, WOC 8 hours or 500 psi compressive strength as required by NMOCD before drilling cement & plug.

Wellhead: 13 $\frac{3}{8}$ " 10K rated Cameron Speed Head

BOPE: 13 $\frac{5}{8}$ " 10K psi rated triple ram BOP stack, 5K psi rated annular & rotating head.

BOPE Testing: No BOPE Testing required due to using Cameron Speed Head

Permian Oilfield Partners LLC – Straight Shooter State SWD #1

Third Intermediate Hole

Hole size: 8 $\frac{3}{4}$ "

Depth: 16888'

Mud: Mud up to 11.8 to 12 ppg OBM as per mud recommendation. Mud properties may have to be adjusted as needed for hole conditions.

Drilling Parameters: **Ensure 13 $\frac{5}{8}$ " 10K rated triple ram BOP stack, 5K rated annular & rotating head are NU & Tested. Ensure super choke installed on choke manifold. WOC 8 hours total** or until all cement has reached 500 psi compressive strength as required by NMOCD before drilling cement or the plug. Ensure H₂S monitors and related safety equipment are operational before drilling out shoe. PU 8 $\frac{3}{4}$ " bit and BHA, with 5" drill pipe back to surface. **NOTE: (ECP/DV Tool @ 5124').** Use caution when drilling DV tool & float equipment to avoid damaging bit. **Test casing to 4100# for 30 mins with rig pump.** Drill out with WBM and circulate through steel pits. **Before drilling 20' into formation, perform a FIT to 12.0 ppg mud equivalent.** Utilize mud cleaning equipment to keep fluid as clean as possible. When nearing the top of the Devonian formation, circulate samples up every 5'. After drilling to 16888', pump heavy LCM sweep and circulate hole clean. TOOH to run csg.

Casing: 7 $\frac{5}{8}$ " 39# HCL80 FJ CSG
TOL @ 11949'
Halliburton Versaflex Liner Hanger

Fill casing with drilling fluid every 20 jts or less as needed. Run float shoe, 10' jt 7 $\frac{5}{8}$ " 39# HCL80 FJ, Float Collar, 10' jt 7 $\frac{5}{8}$ " 39# HCL80 LFJM, Halliburton Landing Collar & 4913' 7 $\frac{5}{8}$ " 39# HCL80 FJ, 7 $\frac{5}{8}$ " x 9 $\frac{5}{8}$ " liner hanger & DP to surface. **Set liner hanger to tie back minimum 100' inside 9 $\frac{5}{8}$ " casing.** Float equipment should be PDC drillable.

Cement: Lead: 359 sks Class "H" + Additives
Yield – 1.62 cu ft/sk @ 14.3 ppg

Notify NMOCD in sufficient time to witness cementing of casing. After getting casing to TD, displace casing volume with the rig pump. RU cementers and cement as per recommendation. If cement **does not** circulate, notify NMOCD. If cement **does** circulate, TOH w/liner hanger setting tool.

Wellhead: **No Change in wellhead required**

BOPE: 13 $\frac{5}{8}$ " 10K psi rated triple ram BOP stack, 5K psi rated annular & rotating head.

BOPE Testing: No BOPE testing required as the stack was not broken

Permian Oilfield Partners LLC – Straight Shooter State SWD #1**Production Hole****Hole size:** 6 ½"**Depth:** 18527'**Mud:** Cut Brine 8.4 to 8.6 ppg, 29 to 32 visc. Mud weight not to exceed 9.0 ppg. Mud properties may have to be adjusted as needed for hole conditions.

Drilling Parameters: Ensure 13 ⅝" 10K rated triple ram BOP stack, 5K rated annular & rotating head are NU & Tested. WOC 8 hours total or until all cement has reached 500 psi compressive strength as required by NMOCD before drilling cement or the plug. Ensure H₂S monitors and related safety equipment are operational before drilling out 7 ⅝" liner shoe. PU 6 ½" bit and BHA, with DP back to surface. **Prior to drilling any cement, test casing to 4100# for 30 mins with rig pump.** Use caution when drilling DV tool & float equipment to avoid damaging bit. **Before drilling 20' into formation, perform a FIT to 9.0 ppg mud equivalent.** Utilize mud cleaning equipment to keep fluid as clean as possible. After drilling to 18527' +/-, pump heavy LCM sweep and circulate hole clean. **DO NOT DRILL INTO MONTOYA FORMATION (CHERT RETURNS).** TOO H to 7 ⅝" casing shoe & LDDP.

Permian Oilfield Partners LLC – Straight Shooter State SWD #1**Completion**

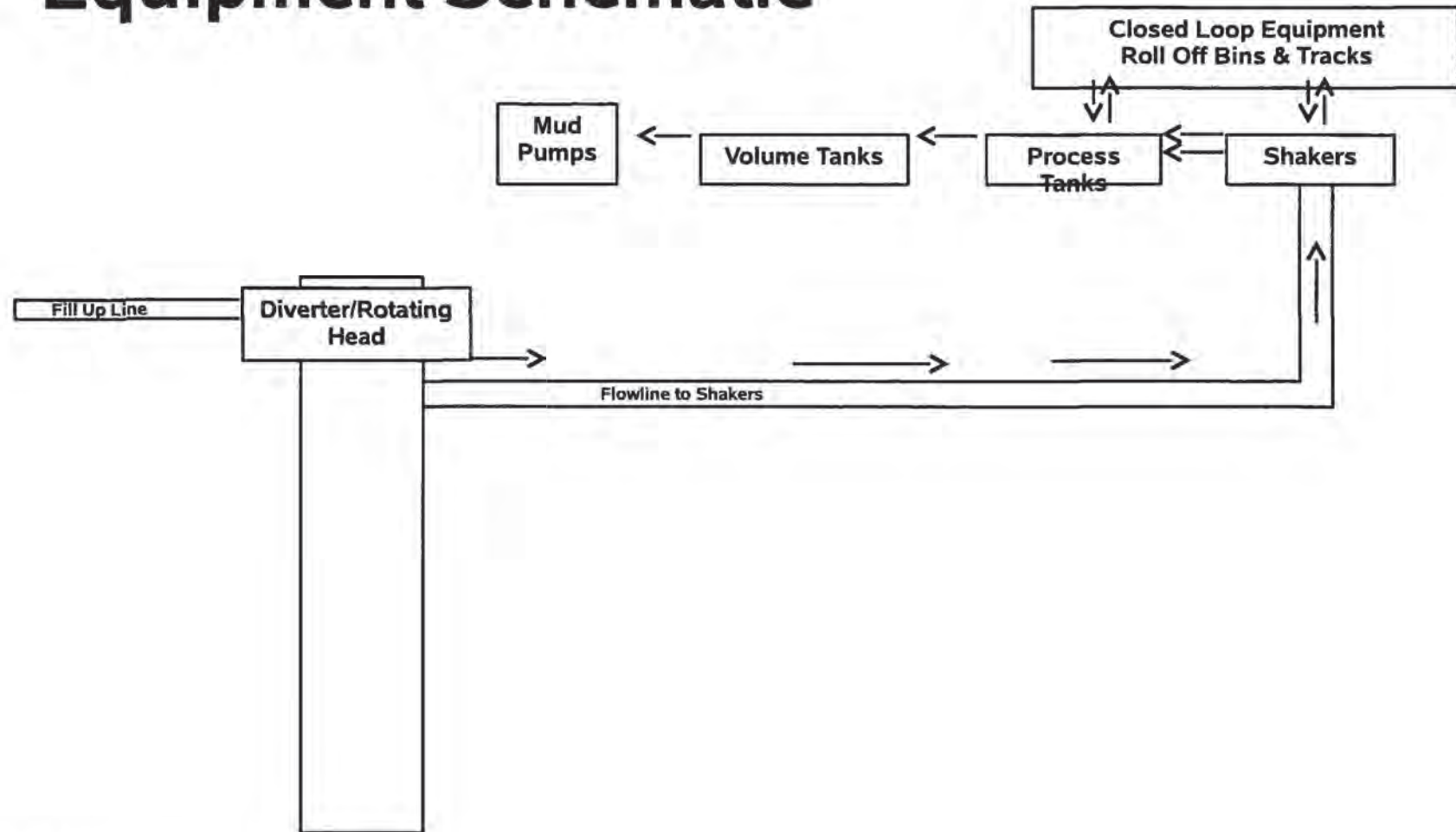
Logging: MIRU wireline truck & RIH w/open hole CNL/GR/PRESS/TEMP and cased hole CBL w/CCL. Verify formation markers with drilled depth.

Packer Setting: PU Setting Tool, CCL & 5" x 7 5/8" Perma-Pak Packer with short jt 4 1/2" 13.5# casing tail pipe & pump out plug. RIH on wireline to packer setting depth (**< 100' to 7 5/8" csg shoe req'd**) & set packer. POH & RDMO wireline truck.

Tubing: 7" x 5 1/2" Fiberglass lined tubing string

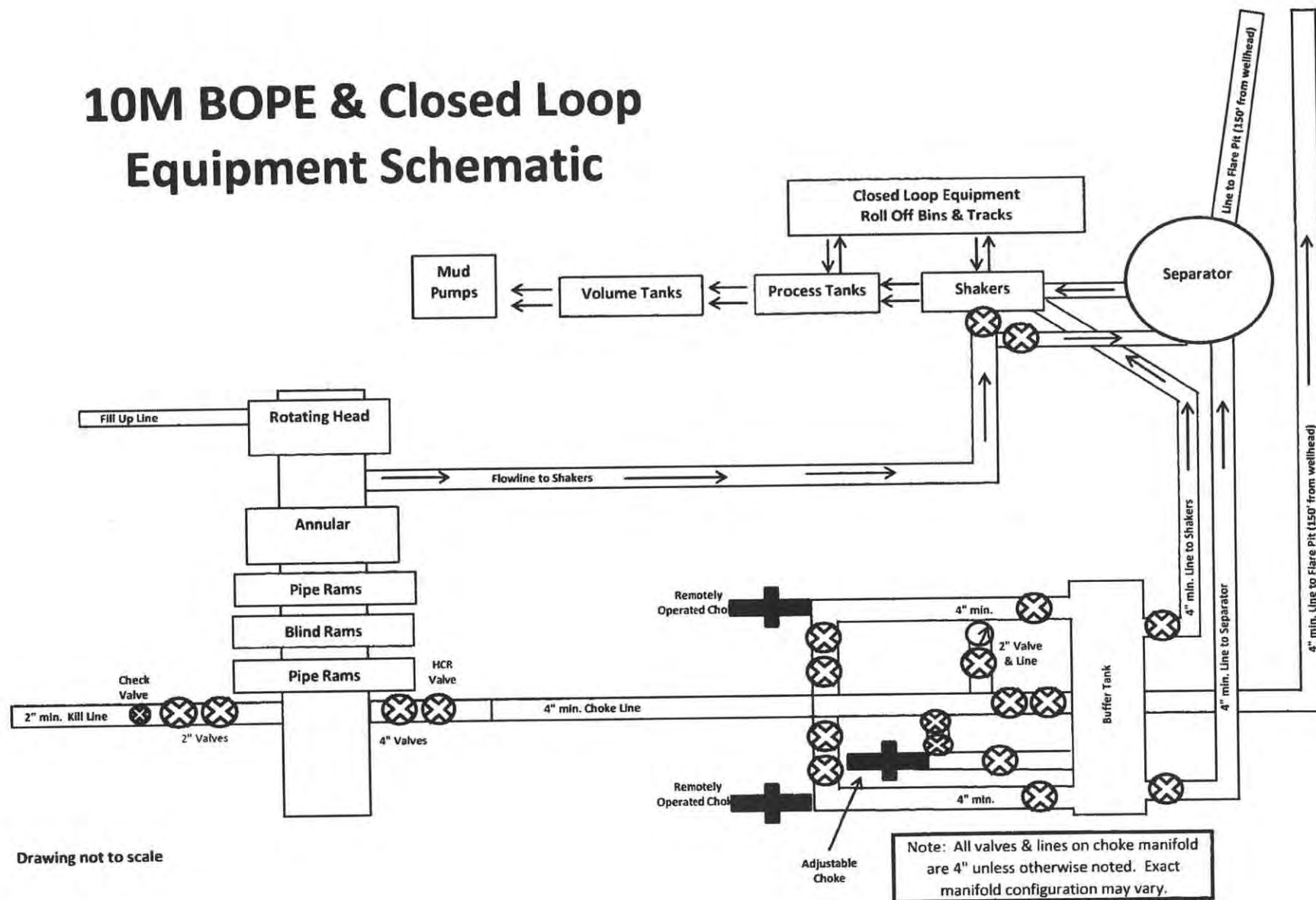
If drilled depths correspond to formation tops, RU casers. Strap, tally & clean 7" x 5 1/2" tubing. RIH with 7" x 5 1/2" tubing and Packer Top Sub. PU landing joint and space out packer to correspond with proper landing depth. Lightly tag packer to confirm space out. Reverse circulate packer fluid down backside & up tubing. Pump 25% excess. Once backside is displaced, Sting into packer & set 50-100 klbs on packer. ND BOP & set well head slips with remaining string weight. LD BOP & NU injection head. RDMO drilling rig.

20" Diverter & Closed Loop Equipment Schematic

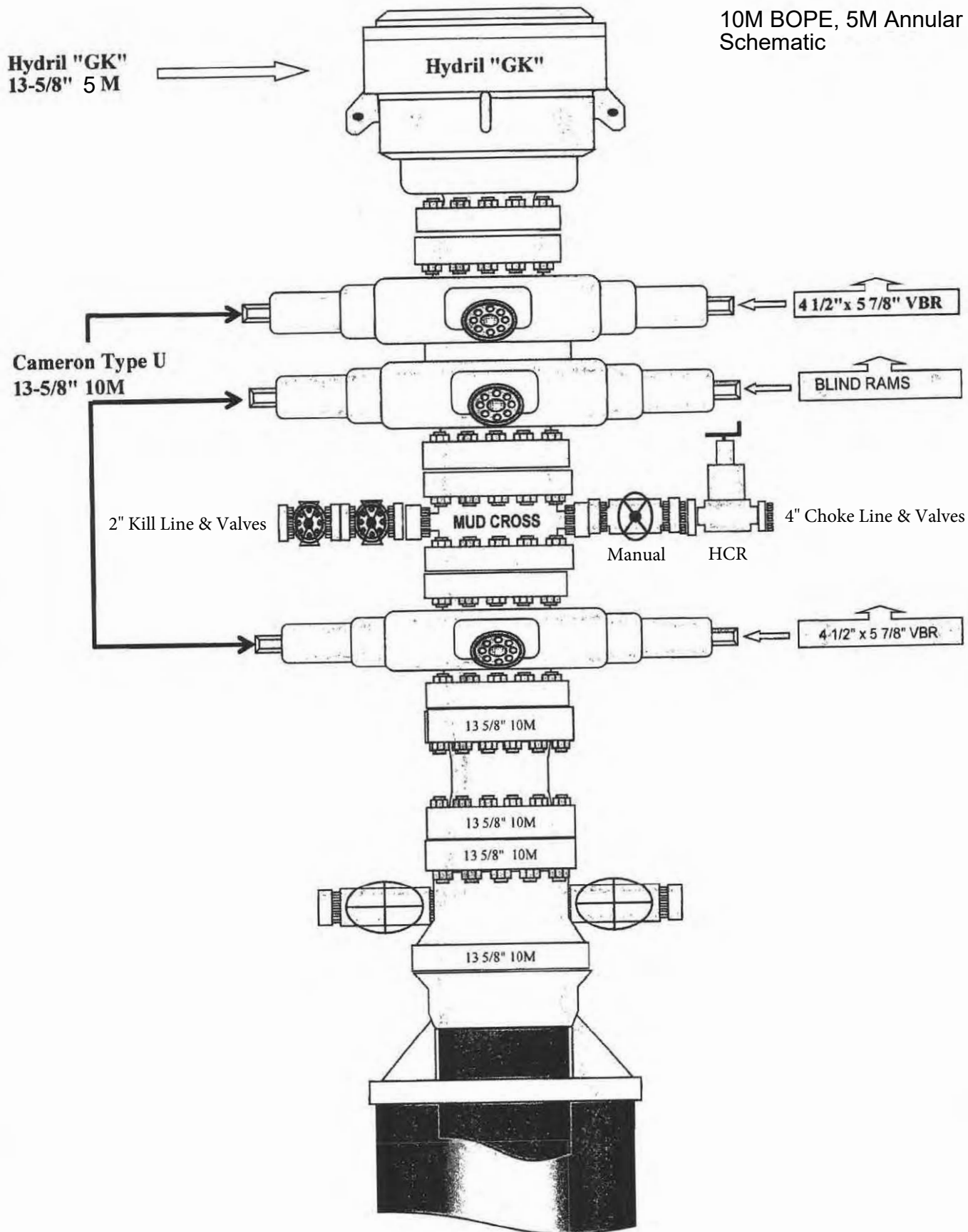


Drawing not to scale

10M BOPE & Closed Loop Equipment Schematic



Drawing not to scale



Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, while pipe is not in the hole and moving the BHA through the BOP's. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the drilling supervisor's office on location and on the rig floor. All BOP equipment will be tested as per BLM Onshore Oil & Gas Order No. 2 with the exception of the **5M annular which will be tested to 100% of its RWP**. *Note: HCR valve and choke manifold will remain closed during all normal operations. Manipulation of such equipment will occur as part of the general well control procedures.

General Well Control Procedure While Drilling

1. Sound alarm (alert crew)
2. Space out drill string
3. Shut down pumps (stop pumps and rotary)
4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP&SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

1. Sound alarm (alert crew)
2. Stab full-opening safety valve & close
3. Space out drill string
4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:

- a. SIDPP&SICP
- b. Pit gain
- c. Time

8. Regroup and identify forward plan

9. If pressure has built or is anticipated during the kill to reach 70% of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

1. Sound alarm (alert crew)
2. Stab crossover and full-opening safety valve and close
3. Space out string
4. Shut-in well (uppermost applicable BOP, typically annular preventer, first. HCR & choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP&SICP
 - b. Pit gain
 - c. Time

8. Regroup and identify forward plan

9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

1. Sound alarm (alert crew)
2. Shut-in with blind rams (HCR & choke will already be in the closed position)
3. Confirm shut-in
4. Notify toolpusher/company representative
5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time

6. Regroup and identify forward plan

General Procedures While Pulling BHA Through Stack

1. PRIOR to pulling last joint of drillpipe through stack:
 - a. Perform flow check. If flowing, continue to (b).

- b. Sound alarm (alert crew)
- c. Stab full-opening safety valve and close
- d. Space out drill string with tool joint just beneath the upper variable bore rams
- e. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
- f. Confirm shut-in
- g. Notify toolpusher/company representative
- h. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain
 - iii. Time
- i. Regroup and identify forward plan

2. With BHA in the stack and compatible ram preventer and pipe combination immediately available:

- a. Sound alarm (alert crew)
- b. Stab crossover and full-opening safety valve and close
- c. Space out drill string with upset just beneath the upper variable bore rams
- d. Shut-in using upper variable bore rams (HCR & choke will already be in the closed position)
- e. Confirm shut-in
- f. Notify toolpusher/company representative
- g. Read and record the following:
 - i. SIDPP & SICP
 - ii. Pit gain
 - iii. Time
- h. Regroup and identify forward plan

3. With BHA in the stack and NO compatible ram preventer and pipe combination immediately available:

- a. Sound alarm (alert crew)
- b. If possible, pull string clear of the stack and follow "Open Hole" procedure.
- c. If impossible to pull string clear of the stack:
- d. Stab crossover, make up one joint/stand of drillpipe and full-opening safety valve and close
- e. Space out drill string with tooljoint just beneath the upper variable bore ram
- f. Shut-in using upper variable bore ram (HCR & choke will already be in the closed position)
- g. Confirm shut-in
- h. Notify toolpusher/company representative
- i. Read and record the following:
 - i. SIDPP & SICP

- ii. Pit gain
- iii. Time

j. Regroup and identify forward plan

Hydrogen Sulfide Drilling Operations Plan

Straight Shooter State SWD #1 Lea County, NM

1. General Requirements

No high concentrations of H₂S are expected during drilling of this well. Working H₂S safety equipment will be installed on location before the Delaware formation for purposes of safety and insurance requirements.

2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

1. The hazards and characteristics of hydrogen sulfide gas.
2. The proper use of personal protective equipment and life support systems.
3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
4. The proper techniques for first aid and rescue operations. Additionally, supervisory personnel will be trained in the following areas:
 - The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
 - Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
 - The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a known hydrogen sulfide source. The initial training session shall include a review of the site-specific Hydrogen Sulfide Drilling Operations Plan.

3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 13 3/8" intermediate #1 casing.

1. Well Control Equipment
 - Choke manifold with minimum of one adjustable choke.
 - Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit

- Auxiliary equipment including annular type blowout preventer.

2. Protective Equipment for Essential Personnel

- A Thirty-minute self-contained work unit located in the dog house and at briefing areas.
- If H₂S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas.
- If higher concentrations of H₂S are detected the well will be shut in and POP will follow Onshore Order 6 and install a rotating head, mud/gas separator, remote choke and flare line with igniter.

3. Hydrogen Sulfide Protection and Monitoring Equipment

- Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.

4. Visual Warning Systems

- Wind direction indicators as indicated on the wellsite diagram.
- Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

6. Communications

State & County Officials phone numbers are posted on rig floor and supervisor's trailer. Communications in company vehicles and tool pushers are either two-way radios or cellular phones.

7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

8. Emergency Phone Numbers

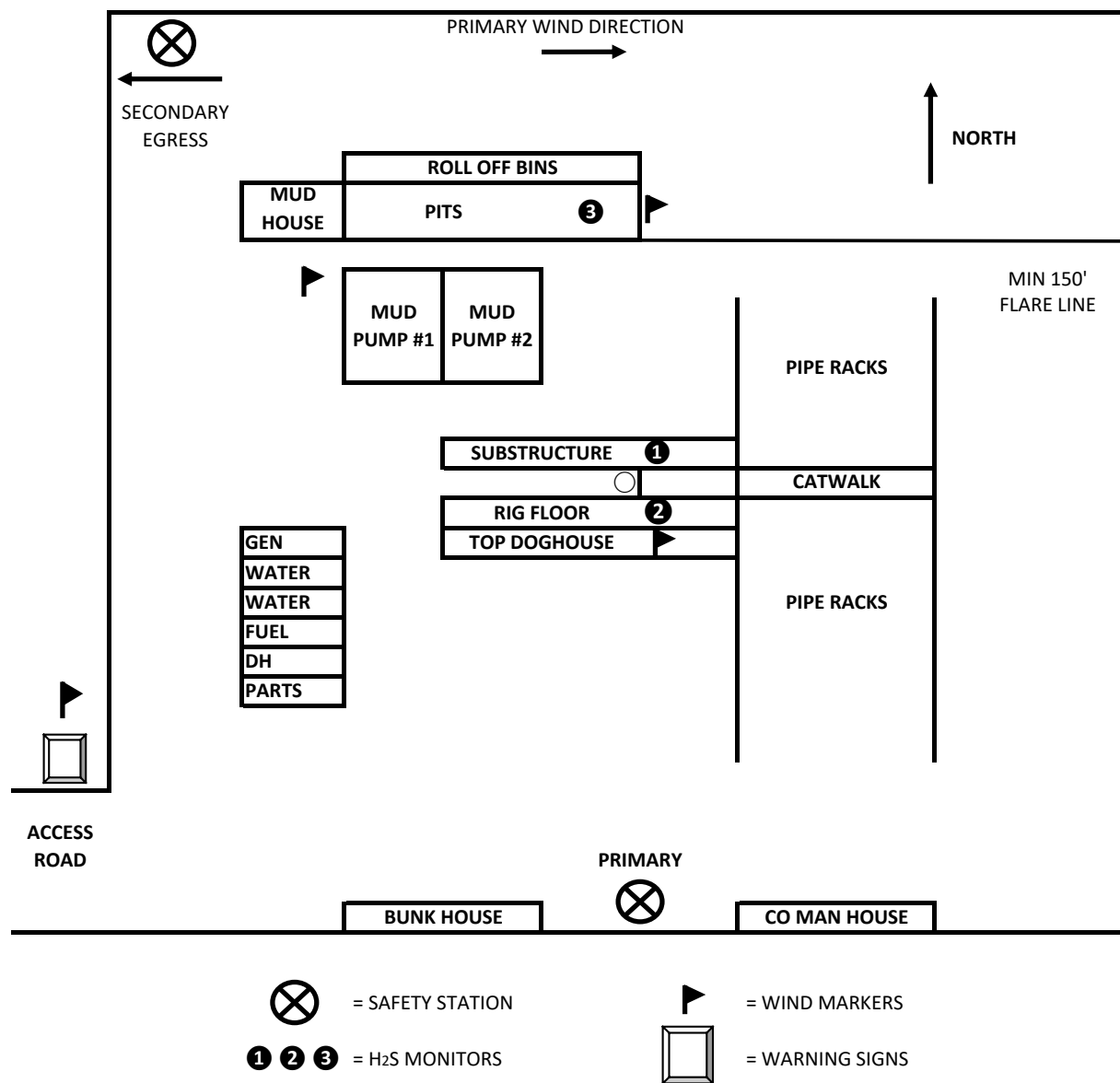
Lea County Sheriff's Office 911 or (575) 396-3611

Ambulance Service 911 or (575) 885-2111

Carlsbad Fire Dept 911 or (575) 885-2111

Closest Medical Facility - Columbia Medical Center of Carlsbad (575) 492-5000

STRAIGHT SHOOTER STATE SWD #1 H₂S DIAGRAM



District I

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

District II

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

District III

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

District IV

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

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

CONDITIONS

Action 17990

CONDITIONS OF APPROVAL

Operator:	PERMIAN OILFIELD PARTNERS, LLC	PO Box 3329	Hobbs, NM88241	OGRID:	328259	Action Number:	17990	Action Type:	APD
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OCD Reviewer	Condition
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	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
pkautz	1) SURFACE & INTERMEDIATE1 CASING - Cement must circulate to surface -- 2) INTERMEDIATE2 CASING - Cement must tie back into intermediate1 casing -- 3) PRODUCTION CASING - Cement must tie back into intermediate2 casing -- 4) Liner -- Cement must tie back into production casing
pkautz	Operator must comply with all conditions of approval found in SWD-2103