Form 3160-5 (June 2019)

UNITED STATES DEPARTMENT OF THE INTERIOR

| FORM APPROVED |
|--------------------------|
| OMB No. 1004-0137 |
| Expires: October 31, 202 |

| BUREAU | OF LAND | MANAGEM | ENT | |
|--------|---------|---------|-----|--|
| | | | | |

| BUKE | AC OF LAND MANAGEMENT | NI | MNM113898 | | |
|--|--|---------------------------|--|-------------------------------|--|
| | OTICES AND REPORTS ON W | 6. If Indian, Allottee or | 6. If Indian, Allottee or Tribe Name | | |
| | orm for proposals to drill or to lse Form 3160-3 (APD) for su | | | | |
| SUBMIT IN T | RIPLICATE - Other instructions on pag | ne 2 | 7. If Unit of CA/Agree | ement, Name and/or No. | |
| . Type of Well | | | 9. Wall Name and No. | | |
| ✓ Oil Well Gas W | | | | ONYX 35 FED COM/756H | |
| Name of Operator EOG RESOURC | ES INCORPORATED | | 9. API Well No. | 0-025-51915 | |
| a. Address 1111 BAGBY SKY LOB | 3Y 2, HOUSTON, TX 770 3b. Phone No. (713) 651-70 | | 10. Field and Pool or E HARDIN TANK, BO | | |
| Location of Well (Footage, Sec., T.,R. SEC 35/T24S/R34E/NMP | ,M., or Survey Description) | | 11. Country or Parish, LEA/NM | State | |
| 12. CHEC | CK THE APPROPRIATE BOX(ES) TO IN | DICATE NATURE | OF NOTICE, REPORT OR OTH | HER DATA | |
| TYPE OF SUBMISSION | | TYP | E OF ACTION | | |
| ✓ Notice of Intent | Acidize Deep Alter Casing Hydr | oen raulic Fracturing | Production (Start/Resume) Reclamation | Water Shut-Off Well Integrity | |
| Subsequent Report | | Construction | Recomplete | Other | |
| Subsequent Report | ✓ Change Plans Plug | and Abandon | Temporarily Abandon | | |
| Final Abandonment Notice | Convert to Injection Plug | Back | Water Disposal | | |
| completed. Final Abandonment Noticis ready for final inspection.) Onyx 35 Fed Com 601H (FKA) EOG respectfully requests an athe following changes: Change name from Onyx 35 Fed Change BHL from T-25-S, R-34-to T-25-S, R-34-E, Sec 26, 100 Change target formation to Third | amendment to our approved APD for the ed Com 756H to Onyx 35 Fed Com 6014-E, Sec 26, 100' FNL, 330' FWL, Lea 0' FNL, 660' FWL, Lea Co., N.M. The description of the edge of the control of the edge of the control of the edge of the edg | is, including reclam | | | |
| I hereby certify that the foregoing is t CRAIG RICHARDSON / Ph: (432) 6 | rue and correct. Name (Printed/Typed) 86-3600 | Regulatory | [,] Specialist | | |
| (Electronic Submission | n) | Date | 08/31/20 | 023 | |
| | THE SPACE FOR FED | ERAL OR STA | ATE OFICE USE | | |
| approved by | | | | | |
| KEITH P IMMATTY / Ph: (575) 988 | | Title | NEER I | 09/28/2023 Date | |
| | ed. Approval of this notice does not warran quitable title to those rights in the subject le luct operations thereon. | | RLSBAD | | |
| tle 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.

(Instructions on page 2)

DISTRICT IV

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 (\$7\$) 393-6161 Fax: (\$75) 393-0720 DISTRICT III

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

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

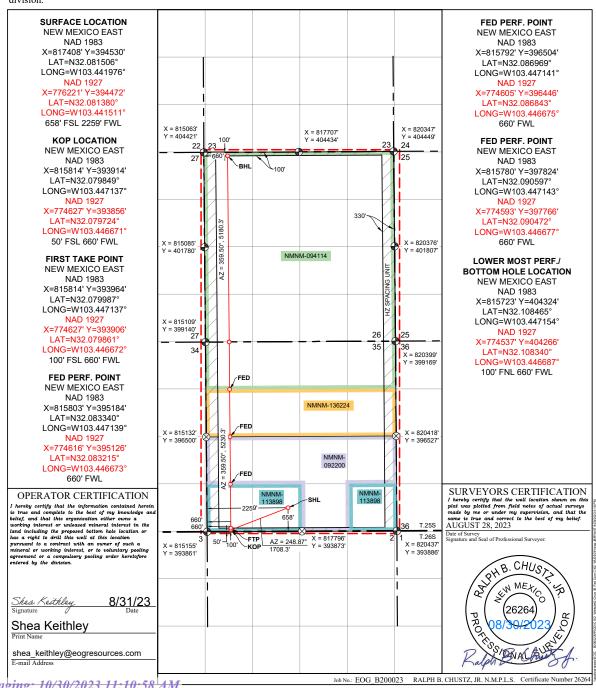
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

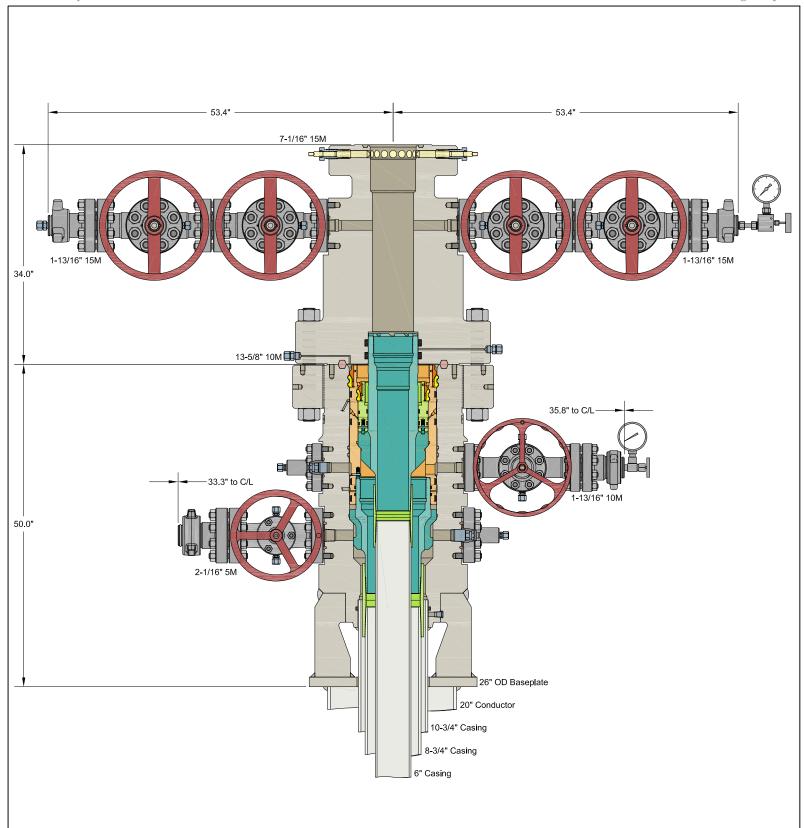
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-025- g | PI Number 51915 | | 96661 HARDIN TANK, BONESPRING | | | | | | |
|----------------------|--------------------|----------|--|-----------|-------------------|-------------------|---------------|-------------------|--------|
| Property Co 33467 | ode | | Property Name Well Number ONYX 35 FED COM 601H | | | | | | |
| OGRID N | | | | | Operator Name | JOIVI | | 601H Elevation | |
| 7377 | | | | EO | G RESOURCE | S, INC. | | 3294 | 1' |
| | | | Surface Location | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| N | 35 | 25 S | 34 E | | 658 | SOUTH | 2259 | WEST | LEA |
| | | | Botte | om Hole l | Location If Diffe | erent From Surfac | e | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| D | 26 | 25 S | 34 E | | 100 | NORTH | 660 | WEST | LEA |
| Dedicated Acres | Joint or | Infill | Consolidated Code Order No. | | | | | | |
| 1280 | | | PENDING COM AGREEMENT | | | | | | |

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





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ALL DIMENSIONS APPROXIMATE

CACTUS WELLHEAD LLC EOG RESOURCES 10-3/4" x 8-3/4" x 6" MBU-3T-SF-SOW Wellhead System DRAWN DLE 14

With 8-5/8" & 6" MBU-31-SF-SOW Wellhead System
With 8-5/8" & 6" Pin Bottom Mandrel Casing Hangers
And 13-5/8" 10M x 7-1/16" 15M CTH-DBLHPS Tubing Head

| DRAWN | DLE | 14APR21 |
|-------|-----|---------|
| APPRV | | |
| | | |

DRAWING NO. SDT-3141-1



Break-test BOP & Offline Cementing:

EOG Resources Inc. (EOG) respectfully requests a variance from the minimum standards for well control equipment testing of ECFR Title 43 Part 3172.6(b)(9)(iv) to allow a testing schedule of the blow out preventer (BOP) and blow out prevention equipment (BOPE) along with Batch Drilling & Offline cement operations to include the following:

- Full BOPE test at first installation on the pad.
- Full BOPE test every 21 days.
- This test will be conducted for 5M rated hole intervals only.
- Each rig requesting the break-test variance is capable of picking up the BOP without damaging components using winches, following API Standard 53, Well Control Equipment Systems for Drilling Wells (Fifth edition, December 2018, Annex C. Table C.4) which recognizes break testing as an acceptable practice.
- Function tests will be performed on the following BOP elements:
 - Annular **à** during each full BOPE test
 - Upper Pipe Rams **à** On trip ins where FIT required
 - Blind Rams **à** Every trip
 - Lower Pipe Rams à during each full BOPE test
- Break testing BOP and BOPE coupled with batch drilling operations and option to offline cement and/or remediate (if needed) any surface or intermediate sections, according to attached offline cementing support documentation.
- After the well section is secured, the BOP will be disconnected from the wellhead and walked with the rig to another well on the pad.
- TA cap will also be installed per Wellhead vendor procedure and pressure inside the
 casing will be monitored via the valve on the TA cap as per standard batch drilling
 ops.

Blind Rams

Roadside Kill

Test plug

Break Test Diagram (HCR valve)

Steps

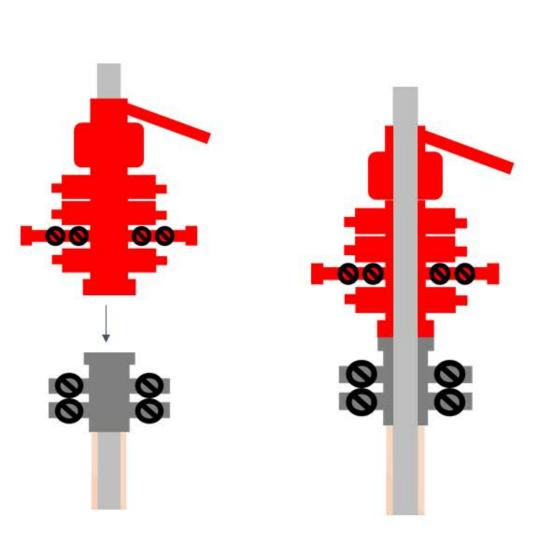
Pressure

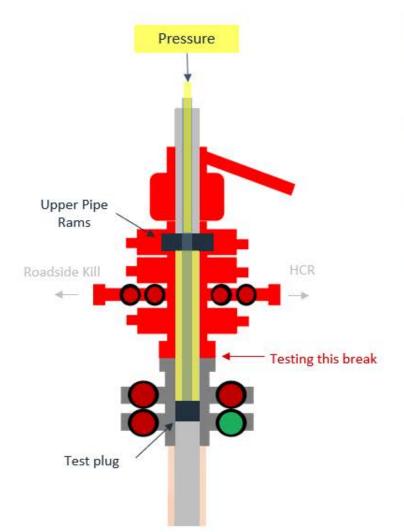
HCR

Testing this break

- 1. Set plug in wellhead (lower barrier)
- 2. Close Blind Rams (upper barrier)
- 3. Close roadside kill
- 4. Open HCR (pressure application)
- 5. Open wellhead valves below test plug to ensure if leak past test plug, pressure won't be applied to wellbore
- 6. Tie BOP testers high pressure line to main choke manifold crown valve
- 7. Pressure up to test break
- 8. Bleed test pressure from BOP testing unit

Break Test Diagram (Test Joint)





Steps

- Set plug in with test joint wellhead (lower barrier)
- 2. Close Upper Pipe Rams (upper barrier)
- 3. Close roadside kill
- 4. Close HCR
- Open wellhead valves below test plug to ensure if leak past test plug, pressure won't be applied to wellbore
- Tie BOP testers high pressure line to top of test joint
- 7. Pressure up to test break
- Bleed test pressure from BOP testing unit



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Cement Program

1. No changes to the cement program will take place for offline cementing.

Summarized Operational Procedure for Intermediate Casing

- 1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment back pressure valves.
 - a. Float equipment is equipped with two back pressure valves rated to a minimum of 5,000 psi.
- 2. Land production casing on mandrel hanger through BOP.
 - a. If casing is unable to be landed with a mandrel hanger, then the casing will be cemented online.
- 3. Break circulation and confirm no restrictions.
 - a. Ensure no blockage of float equipment and appropriate annular returns.
 - b. Perform flow check to confirm well is static.
- 4. Set pack-off
 - a. If utilizing a fluted/ported mandrel hanger, ensure well is static on the annulus and inside the casing by filling the pipe with kill weight fluid, remove landing joint, and set annular packoff through BOP. Pressure test to 5,000 psi for 10 min.
 - b. If utilizing a solid mandrel hanger, ensure well is static on the annulus and inside the casing by filling the pipe with kill weight fluid. Pressure test seals to 5,000 psi for 10 min. Remove landing joint through BOP.
- 5. After confirmation of both annular barriers and the two casing barriers, install TA plug and pressure test to 5,000 psi for 10 min. Notify the BLM with intent to proceed with nipple down and offline cementing.
 - a. Minimum 4 hrs notice.
- 6. With the well secured and BLM notified, nipple down BOP and secure on hydraulic carrier or cradle.
 - a. Note, if any of the barriers fail to test, the BOP stack will not be nippled down until after the cement job has concluded and both lead and tail slurry have reached 500 psi.
- 7. Skid/Walk rig off current well.
- 8. Confirm well is static before removing TA Plug.
 - a. Cementing operations will not proceed until well is under control. (If well is not static, notify BLM and proceed to kill)
 - b. Casing outlet valves will provide access to both the casing ID and annulus. Rig or third party pump truck will kill well prior to cementing.
 - c. Well control plan can be seen in Section B, Well Control Procedures.
 - d. If need be, rig can be moved back over well and BOP nippled back up for any further remediation.



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- e. Diagram for rig positioning relative to offline cementing can be seen in Figure 4.
- 9. Rig up return lines to take returns from wellhead to pits and rig choke.
 - a. Test all connections and lines from wellhead to choke manifold to 5,000 psi high for 10 min.
 - b. If either test fails, perform corrections and retest before proceeding.
 - c. Return line schematics can be seen in Figure 3.
- 10. Remove TA Plug from the casing.
- 11. Install offline cement tool.
 - a. Current offline cement tool schematics can be seen in Figure 1 (Cameron) and Figure 2 (Cactus).
- 12. Rig up cement head and cementing lines.
 - a. Pressure test cement lines against cement head to 80% of casing burst for 10 min.
- 13. Break circulation on well to confirm no restrictions.
 - a. If gas is present on circulation, well will be shut in and returns rerouted through gas buster.
 - b. Max anticipated time before circulating with cement truck is 6 hrs.
- 14. Pump cement job as per plan.
 - a. At plug bump, test casing to 0.22 psi/ft or 1500 psi, whichever is greater.
 - b. If plug does not bump on calculated, shut down and wait 8 hrs or 500 psi compressive strength, whichever is greater before testing casing.
- 15. Confirm well is static and floats are holding after cement job.
 - a. With floats holding and backside static:
 - i. Remove cement head.
 - b. If floats are leaking:
 - i. Shut-in well and WOC (Wait on Cement) until tail slurry reaches 500 psi compressive strength and the casing is static prior to removing cement head.
 - c. If there is flow on the backside:
 - i. Shut in well and WOC until tail slurry reaches 500 psi compressive strength. Ensure that the casing is static prior to removing cement head.
- 16. Remove offline cement tool.
- 17. Install night cap with pressure gauge for monitoring.
- 18. Test night cap to 5,000 psi for 10 min.



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Example Well Control Plan Content

A. Well Control Component Table

The table below, which covers the cementing of the <u>5M MASP (Maximum Allowable Surface Pressure) portion of the well</u>, outlines the well control component rating in use. This table, combined with the mud program, documents that two barriers to flow can be maintained at all times, independent of the BOP nippled up to the wellhead.

Intermediate hole section, 5M requirement

| Component | RWP |
|--------------------------|-----|
| Pack-off | 10M |
| Casing Wellhead Valves | 10M |
| Annular Wellhead Valves | 5M |
| TA Plug | 10M |
| Float Valves | 5M |
| 2" 1502 Lo-Torque Valves | 15M |

B. Well Control Procedures

Well control procedures are specific to the rig equipment and the operation at the time the kick occurs. Below are the minimal high-level tasks prescribed to assure a proper shut-in while circulating and cementing through the Offline Cement Adapter.

General Procedure While Circulating

- 1. Sound alarm (alert crew).
- 2. Shut down pumps.
- 3. Shut-in Well (close valves to rig pits and open valve to rig choke line. Rig choke will already be in the closed position).
- 4. Confirm shut-in.
- 5. Notify tool pusher/company representative.

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- 6. Read and record the following:
 - a. SICP (Shut in Casing Pressure) and AP (Annular Pressure)
 - b. Pit gain
 - c. Time
 - d. Regroup and identify forward plan to continue circulating out kick via rig choke and mud/gas separator. Circulate and adjust mud density as needed to control well.

General Procedure While Cementing

- 1. Sound alarm (alert crew).
- 2. Shut down pumps.
- 3. Shut-in Well (close valves to rig pits and open valve to rig choke line. Rig choke will already be in the closed position).
- 4. Confirm shut-in.
- 5. Notify tool pusher/company representative.
- 6. Open rig choke and begin pumping again taking returns through choke manifold and mud/gas separator.
- 7. Continue to place cement until plug bumps.
- 8. At plug bump close rig choke and cement head.
- 9. Read and record the following
 - a. SICP and AP
 - b. Pit gain
 - c. Time
 - d. Shut-in annulus valves on wellhead

General Procedure After Cementing

- 1. Sound alarm (alert crew).
- 2. Shut-in Well (close valves to rig pits and open valve to rig choke line. Rig choke will already be in the closed position).
- 3. Confirm shut-in.
- 4. Notify tool pusher/company representative.
- 5. Read and record the following:
 - a. SICP and AP
 - b. Pit gain
 - c. Time
 - d. Shut-in annulus valves on wellhead



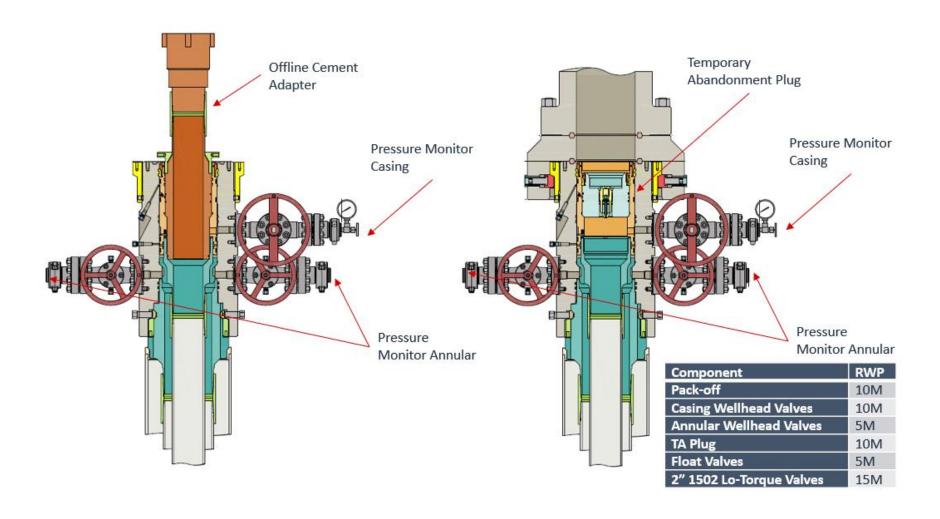
Figure 1: Cameron TA Plug and Offline Adapter Schematic



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Figure 2: Cactus TA Plug and Offline Adapter Schematic

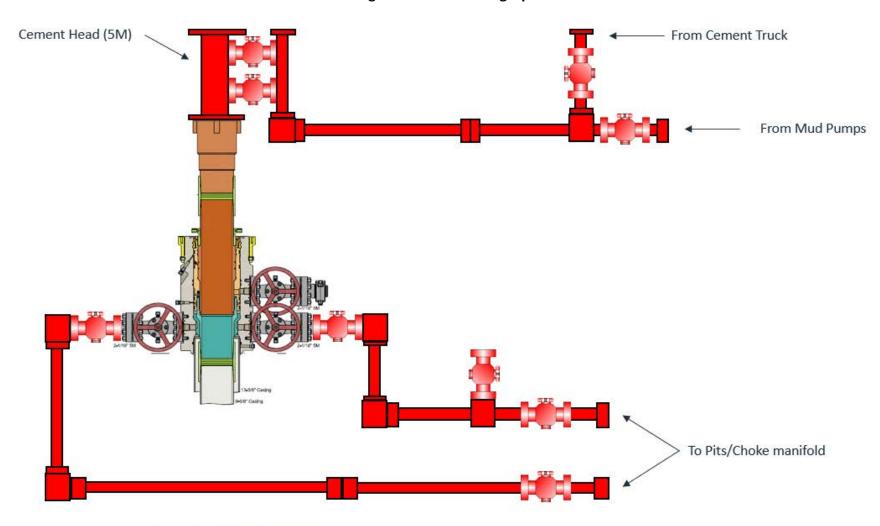


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Figure 3: Back Yard Rig Up



*** All Lines 10M rated working pressure

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Figure 4: Rig Placement Diagram



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Issued on: 09 Dec. 2020 by Wesley Ott



Connection Data Sheet

 OD
 Weight (lb/ft)
 Wall Th.
 Grade
 Spec. Drift:
 Connection

 8 3/4 in.
 Nominal: 38.50 Plain End: 36.98
 0.415 in.
 P110EC
 7.875 in.
 VAM® SPRINT-SF

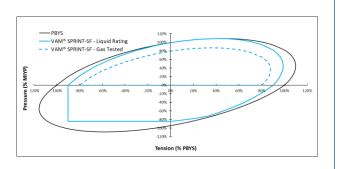
| 8.750 | in. |
|--------|--------------------------------------|
| 7.920 | in. |
| 10.867 | sqin. |
| Hig | gh Yield |
| 125 | ksi |
| 140 | ksi |
| 135 | ksi |
| | 7.920 10.867 Hig 125 140 |

| CONNECTION PROPERTIES | | |
|------------------------------|------------|------------|
| Connection Type | Integral : | Semi-Flush |
| Connection OD (nom): | 9.009 | in. |
| Connection ID (nom): | 7.945 | in. |
| Make-Up Loss | 4.905 | in. |
| Critical Cross Section | 9.970 | sqin. |
| Tension Efficiency | 89.0 | % of pipe |
| Compression Efficiency | 80.0 | % of pipe |
| Internal Pressure Efficiency | 87 | % of pipe |
| External Pressure Efficiency | 100 | % of pipe |

| CONNECTION PERFORMANCE | S | |
|---------------------------------------|-------|---------|
| Tensile Yield Strength | 1,209 | klb |
| Compression Resistance | 1,086 | klb |
| Internal Yield Pressure | 9,030 | psi |
| Collapse Resistance | 5,210 | psi |
| Max. Structural Bending | 55 | °/100ft |
| Max. Bending with ISO/API Sealability | 30 | °/100ft |

| TORQUE VALUES | | |
|------------------------------------|--------|-------|
| Min. Make-up torque | 20,750 | ft.lb |
| Opt. Make-up torque | 23,250 | ft.lb |
| Max. Make-up torque | 25,750 | ft.lb |
| Max. Torque with Sealability (MTS) | 50,000 | ft.lb |

VAM® SPRINT-SF is a semi-flush connection innovatively designed for extreme shale applications. Its high tension rating and ultra high torque capacity make it ideal to run a fill string length as production casing in shale wells with extended horizontal sections and tight clearance requirements.



Do you need help on this product? - Remember no one knows VAM[®] like VAM[®]

canada@vamfieldservice.com uk@vamfieldservice.com dubai@vamfieldservice.com dubai@vamfieldservice.com nigeria@vamfieldservice.com nigeria@vamfieldservice.com brazii@vamfieldservice.com angola@vamfieldservice.com

china@vamfieldservice.com baku@vamfieldservice.com singapore@vamfieldservice.com australia@vamfieldservice.com

Over 140 VAM® Specialists available worldwide 24/7 for Rig Site Assistance



^{* 87.5%} RBW



Revised Permit Information 08/24/2023:

Well Name: Onyx 35 Fed Com 601H

Location: SHL: 658' FSL & 2259' FWL, Section 35, T-25-S, R-34-E, Lea Co., N.M.

BHL: 100' FNL & 660' FWL, Section 26, T-25-S, R-34-E, Lea Co., N.M.

Casing Program:

| Hole | Interval MD | | Interval TVD | | Csg | | | |
|--------|-------------|---------|--------------|---------|--------|--------|---------|---------------|
| Size | From (ft) | To (ft) | From (ft) | To (ft) | OD | Weight | Grade | Conn |
| 11" | 0 | 1,040 | 0 | 1,040 | 9-5/8" | 36# | J-55 | LTC |
| 8-3/4" | 0 | 11,882 | 0 | 11,620 | 7-5/8" | 29.7# | HCP-110 | FXL |
| 6-3/4" | 0 | 11,382 | 0 | 11,120 | 5-1/2" | 20# | P110-EC | DWC/C IS MS |
| 6-3/4" | 11,382 | 11,882 | 11,120 | 11,620 | 5-1/2" | 20# | P110-EC | Vam Sprint SF |
| 6-3/4" | 11,882 | 22,955 | 11,620 | 12,510 | 5-1/2" | 20# | P110-EC | DWC/C IS MS |

Variance is requested to waive the centralizer requirements for the 7-5/8" casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to waive any centralizer requirements for the 5-1/2" casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to waive the annular clearance requirements for the 5-1/2" casing by 7-5/8" casing annulus to the proposed top of cement.

EOG requests permission to allow deviation from the 0.422" annulus clearance requirement from Onshore Order #2 under the following conditions:

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

Cementing Program:

| | | Wt. | Yld | |
|---------|-----------|------|--------|---|
| Depth | No. Sacks | ppg | Ft3/sk | Slurry Description |
| 1,040' | 210 | 13.5 | 1.73 | Lead: Class C + 4.0% Bentonite Gel + 0.5% CaCl2 + 0.25 lb/sk Cello- |
| 9-5/8'' | | | | Flake (TOC @ Surface) |
| | 50 | 14.8 | 1.34 | Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium |
| | | | | Metasilicate (TOC @ 840') |
| 11,620' | 460 | 14.2 | 1.11 | 1st Stage (Tail): Class C + 0.6% Halad-9 + 0.45% HR-601 + 3% |
| 7-5/8'' | | | | Microbond (TOC @ 7,690') |
| | 1310 | 14.8 | 1.5 | 2nd Stage (Bradenhead squeeze): Class C + 3% Salt + 1% PreMag- |
| | | | | M + 6% Bentonite Gel (TOC @ surface) |
| 22,955' | 1960 | 13.2 | 1.41 | Lead: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% Microbond |
| 5-1/2'' | | | | (TOC @ 11,120') |



| Additive | Purpose |
|---------------------|---|
| Bentonite Gel | Lightweight/Lost circulation prevention |
| Calcium Chloride | Accelerator |
| Cello-flake | Lost circulation prevention |
| Sodium Metasilicate | Accelerator |
| MagOx | Expansive agent |
| Pre-Mag-M | Expansive agent |
| Sodium Chloride | Accelerator |
| FL-62 | Fluid loss control |
| Halad-344 | Fluid loss control |
| Halad-9 | Fluid loss control |
| HR-601 | Retarder |
| Microbond | Expansive Agent |

EOG requests variance from minimum standards to pump a two stage cement job on the 7-5/8" intermediate casing string with the first stage being pumped conventionally with the calculated top of cement at the Brushy Canyon (7,889') and the second stage performed as a 1000 sack bradenhead squeeze with planned cement from the Brushy Canyon to surface. If necessary, a top out consisting of 310 sacks of Class C cement + 3% Salt + 1% PreMag-M + 6% Bentonite Gel (2.30 yld, 12.91 ppg) will be executed as a contingency. Top will be verified by Echo-meter.

EOG will include the Echo-meter verified fluid top and the volume of displacement fluid above the cement slurry in the annulus in all post-drill sundries on wells utilizing this cement program.

EOG will report to the BLM the volume of fluid (limited to 5 bbls) used to flush intermediate casing valves following backside cementing procedures.

Mud Program:

| Measured Depth | Type | Weight (ppg) | Viscosity | Water Loss |
|------------------------------|-------------|--------------|-----------|------------|
| 0 – 1,040' | Fresh - Gel | 8.6-8.8 | 28-34 | N/c |
| 1,040' – 11,620' | Brine | 10.0-10.2 | 28-34 | N/c |
| 11,620' – 12,272' | Oil Base | 8.7-9.4 | 58-68 | N/c - 6 |
| 12,272' – 22,955' Lateral | Oil Base | 10.0-14.0 | 58-68 | 4 - 6 |



TUBING REQUIREMENTS

EOG respectively requests an exception to the following NMOCD rule:

• 19.15.16.10 Casing AND TUBING RQUIREMENTS: J (3): "The operator shall set tubing as near the bottom as practical and tubing perforations shall not be more than 250 feet above top of pay zone."

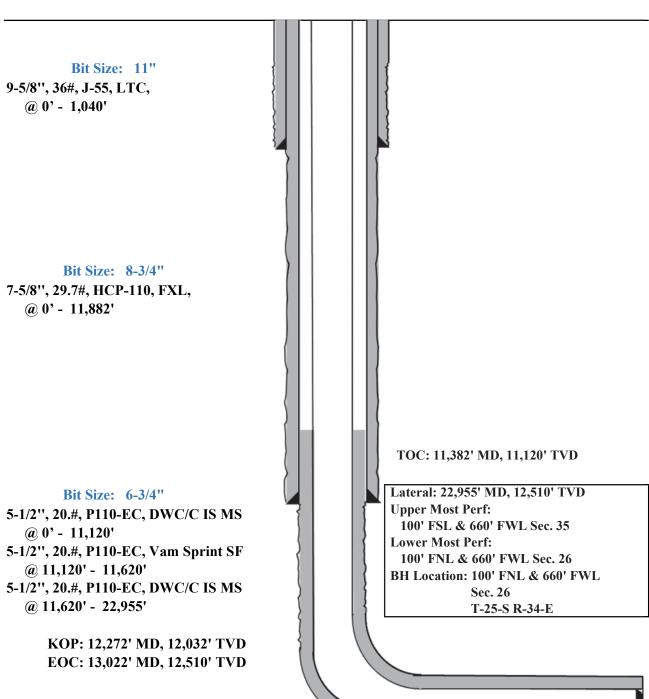
With horizontal flowing and gas lifted wells an end of tubing depth placed at or slightly above KOP is a conservative way to ensure the tubing stays clean from debris, plugging, and allows for fewer well interventions post offset completion. The deeper the tubulars are run into the curve, the higher the probability is that the tubing will become stuck in sand and or well debris as the well produces over time. An additional consideration for EOT placement during artificial lift installations is avoiding the high dog leg severity and inclinations found in the curve section of the wellbore to help improve reliability and performance. Dog leg severity and inclinations tend not to hamper gas lifted or flowing wells, but they do effect other forms of artificial lift like rod pump or ESP (electric submersible pump). Keeping the EOT above KOP is an industry best practice for those respective forms of artificial lift.



658' FSL Revised Wellbore KB: 3319' 2259' FWL GL: 3294'

Section 35

T-25-S, R-34-E API: 30-025-51915





Design B

4. CASING PROGRAM

| Hole | Interval MD | | Interval TVD | | Csg | | | |
|--------|-------------|---------|--------------|---------|---------|--------|---------|------------|
| Size | From (ft) | To (ft) | From (ft) | To (ft) | OD | Weight | Grade | Conn |
| 13" | 0 | 1,040 | 0 | 1,040 | 10-3/4" | 40.5# | J-55 | STC |
| 9-7/8" | 0 | 11,882 | 0 | 11,620 | 8-3/4" | 38.5# | P110-EC | SLIJ II NA |
| 7-7/8" | 0 | 22,955 | 0 | 12,510 | 6" | 22.3# | P110-EC | DWC/C IS |

Variance is requested to waive the centralizer requirements for the 8-3/4" casing in the 9-7/8" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 9-7/8" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to waive any centralizer requirements for the 6" casing in the 7-7/8" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 7-7/8" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to waive the annular clearance requirements for the 6" casing by 8-3/4" casing annulus to the proposed top of cement.

EOG requests permission to allow deviation from the 0.422" annulus clearance requirement from Onshore Order #2 under the following conditions:

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

Cementing Program:

| | | Wt. | Yld | Slurry Description |
|---------|-----------|------|--------|--|
| Depth | No. Sacks | ppg | Ft3/sk | Stuffy Description |
| 1,040' | 270 | 13.5 | 1.73 | Lead: Class C + 4.0% Bentonite Gel + 0.5% CaCl2 + 0.25 lb/sk |
| 10-3/4" | | | | Cello-Flake (TOC @ Surface) |
| | 70 | 14.8 | 1.34 | Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% |
| | | | | Sodium Metasilicate (TOC @ 840') |
| 11,620' | 530 | 14.2 | 1.11 | 1st Stage (Tail): Class C + 0.6% Halad-9 + 0.45% HR-601 + 3% |
| 8-3/4" | | | | Microbond (TOC @ 7,690') |
| | 1490 | 14.8 | 1.5 | 2nd Stage (Bradenhead squeeze): Class C + 3% Salt + 1% PreMag- |
| | | | | M + 6% Bentonite Gel (TOC @ surface) |
| 22,955' | 1540 | 13.2 | 1.31 | Lead: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% Microbond |
| 6" | | | | (TOC @ 11,120') |



EOG requests variance from minimum standards to pump a two stage cement job on the 8-3/4" intermediate casing string with the first stage being pumped conventionally with the calculated top of cement at the Brushy Canyon (7,889') and the second stage performed as a 1000 sack bradenhead squeeze with planned cement from the Brushy Canyon to surface. If necessary, a top out consisting of 490 sacks of Class C cement + 3% Salt + 1% PreMag-M + 6% Bentonite Gel (2.30 yld, 12.91 ppg) will be executed as a contingency. Top will be verified by Echo-meter.

EOG will include the Echo-meter verified fluid top and the volume of displacement fluid above the cement slurry in the annulus in all post-drill sundries on wells utilizing this cement program.

EOG will report to the BLM the volume of fluid (limited to 5 bbls) used to flush intermediate casing valves following backside cementing procedures.



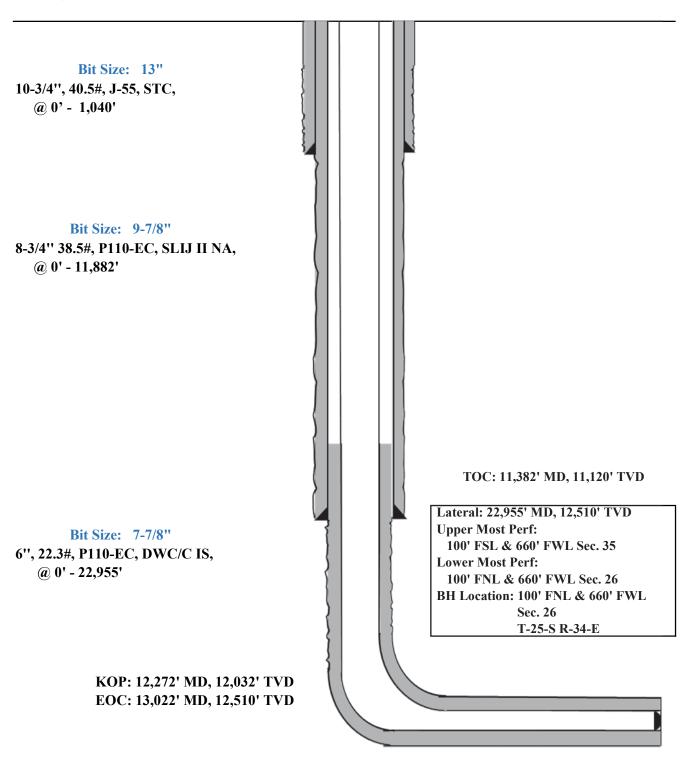
658' FSL 2259' FWL **Proposed Wellbore**

KB: 3319'

GL: 3294'

Section 35

T-25-S, R-34-E API: 30-025-51915





GEOLOGIC NAME OF SURFACE FORMATION:

Permian

ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

| Rustler | 934' |
|------------------------|---------|
| Tamarisk Anhydrite | 1,013' |
| Top of Salt | 1,364' |
| Base of Salt | 5,100' |
| Lamar | 5,378' |
| Bell Canyon | 5,409' |
| Cherry Canyon | 6,334' |
| Brushy Canyon | 7,889' |
| Bone Spring Lime | 9,368' |
| Leonard (Avalon) Shale | 9,392' |
| 1st Bone Spring Sand | 10,426' |
| 2nd Bone Spring Shale | 10,629' |
| 2nd Bone Spring Sand | 11,019' |
| 3rd Bone Spring Carb | 11,521' |
| 3rd Bone Spring Sand | 12,070' |
| Wolfcamp | 12,520' |
| TD | 12,510' |
| | |

ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

| Upper Permian Sands | 0-400' | Fresh Water |
|------------------------|---------|-------------|
| Bell Canyon | 5,409' | Oil |
| Cherry Canyon | 6,334' | Oil |
| Brushy Canyon | 7,889' | Oil |
| Leonard (Avalon) Shale | 9,392' | Oil |
| 1st Bone Spring Sand | 10,426' | Oil |
| 2nd Bone Spring Shale | 10,629' | Oil |
| 2nd Bone Spring Sand | 11,019' | Oil |



Midland

Lea County, NM (NAD 83 NME) Onyx 35 Fed Com #601H

OH

Plan: Plan #0.1 RT

Standard Planning Report

31 August, 2023



Planning Report

Database: Company: PEDM Midland

Lea County, NM (NAD 83 NME)

Site: Onyx 35 Fed Com

Well: Wellbore:

Project:

#601H OH

Design:

Plan #0.1 RT

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well #601H

kb = 25' @ 3319.0usft kb = 25' @ 3319.0usft

Grid

Minimum Curvature

Project

Lea County, NM (NAD 83 NME)

Map System: Geo Datum:

Map Zone:

US State Plane 1983 North American Datum 1983 New Mexico Eastern Zone

System Datum:

Mean Sea Level

Onyx 35 Fed Com Site

Site Position: From:

Мар

Northing: Easting:

394,238.00 usft 819,302.00 usft

Latitude: Longitude:

usft

32° 4' 50.381 N 103° 26' 9.127 W

Position Uncertainty: 0.0 usft Slot Radius: 13-3/16 "

Well #601H

+N/-S

+E/-W

0.0 usft 0.0 usft 0.0 usft

Northing: Easting:

394,530.00 usft 817,408.00 usft Wellhead Elevation:

Latitude: Longitude:

32° 4' 53.425 N 103° 26' 31.111 W

Ground Level: 3,294.0 usft

0.47 **Grid Convergence:**

Wellbore

Well Position

Position Uncertainty

ОН

Declination Magnetics **Model Name** Sample Date Dip Angle Field Strength (°) (°) (nT) 47,192.84980174 IGRF2020 8/31/2023 6.21 59.71

Design Audit Notes:

Version:

Vertical Section:

Phase:

Depth From (TVD)

(usft)

0.0

PLAN

Tie On Depth: +E/-W

(usft)

0.0

0.0 Direction

(°) 350.24

Plan Survey Tool Program

Date 8/31/2023

Depth From (usft)

0.0

Depth To (usft) 22,954.8

Plan #0.1 RT

Survey (Wellbore) Plan #0.1 RT (OH)

Tool Name EOG MWD+IFR1

+N/-S

(usft)

0.0

Remarks

MWD + IFR1



Planning Report

Database: Company:

Project:

PEDM

Midland

Lea County, NM (NAD 83 NME)

Site: Onyx 35 Fed Com

Well: #601H Wellbore: OH

Design: Plan #0.1 RT

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well #601H

kb = 25' @ 3319.0usft

kb = 25' @ 3319.0usft

Grid

Minimum Curvature

| Plan Sections | | | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|------------------------------|-----------------------------|------------|----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target |
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,364.0 | 0.00 | 0.00 | 1,364.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2,200.9 | 16.74 | 248.87 | 2,189.1 | -43.8 | -113.2 | 2.00 | 2.00 | 0.00 | 248.87 | |
| 7,291.5 | 16.74 | 248.87 | 7,063.9 | -572.2 | -1,480.8 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 8,128.4 | 0.00 | 0.00 | 7,889.0 | -616.0 | -1,594.0 | 2.00 | -2.00 | 0.00 | 180.00 | |
| 12,271.9 | 0.00 | 0.00 | 12,032.5 | -616.0 | -1,594.0 | 0.00 | 0.00 | 0.00 | 0.00 | KOP(Onyx 35 Fed Cc |
| 12,492.4 | 26.46 | 0.00 | 12,245.2 | -566.0 | -1,594.0 | 12.00 | 12.00 | 0.00 | 0.00 | FTP(Onyx 35 Fed Co |
| 13,021.9 | 90.00 | 359.42 | 12,509.9 | -138.6 | -1,597.0 | 12.00 | 12.00 | -0.11 | -0.65 | |
| 13,814.5 | 90.00 | 359.42 | 12,510.0 | 654.0 | -1,605.0 | 0.00 | 0.00 | 0.00 | 0.00 | Fed Perf 1(Onyx 35 F |
| 15,134.5 | 90.00 | 359.62 | 12,510.0 | 1,974.0 | -1,616.0 | 0.02 | 0.00 | 0.02 | 87.93 | Fed Perf 2(Onyx 35 F |
| 16,454.6 | 90.00 | 359.33 | 12,510.0 | 3,294.0 | -1,628.0 | 0.02 | 0.00 | -0.02 | -91.45 | Fed Perf 3(Onyx 35 F |
| 22,954.8 | 90.00 | 359.66 | 12,510.0 | 9,794.0 | -1,685.0 | 0.01 | 0.00 | 0.01 | 88.71 | PBHL(Onyx 35 Fed C |

| lanned Survey | | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 1,364.0 | 0.00 | 0.00 | 1,364.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,200.9 | 16.74 | 248.87 | 2,189.1 | -43.8 | -113.2 | -23.9 | 2.00 | 2.00 | 0.00 |
| 7,291.5 | 16.74 | 248.87 | 7,063.9 | -572.2 | -1,480.8 | -312.9 | 0.00 | 0.00 | 0.00 |
| 8,128.4 | 0.00 | 0.00 | 7,889.0 | -616.0 | -1,594.0 | -336.8 | 2.00 | -2.00 | 0.00 |
| 12,271.9 | 0.00 | 0.00 | 12,032.5 | -616.0 | -1,594.0 | -336.8 | 0.00 | 0.00 | 0.00 |
| 12,492.4 | 26.46 | 0.00 | 12,245.2 | -566.0 | -1,594.0 | -287.5 | 12.00 | 12.00 | 0.00 |
| 13,021.9 | 90.00 | 359.42 | 12,509.9 | -138.6 | -1,597.0 | 134.2 | 12.00 | 12.00 | -0.11 |
| 13,814.5 | 90.00 | 359.42 | 12,510.0 | 654.0 | -1,605.0 | 916.7 | 0.00 | 0.00 | 0.00 |
| 15,134.5 | 90.00 | 359.62 | 12,510.0 | 1,974.0 | -1,616.0 | 2,219.4 | 0.02 | 0.00 | 0.02 |
| 16,454.6 | 90.00 | 359.33 | 12,510.0 | 3,294.0 | -1,628.0 | 3,522.3 | 0.02 | 0.00 | -0.02 |
| 22,954.8 | 90.00 | 359.66 | 12,510.0 | 9,794.0 | -1,685.0 | 9,937.9 | 0.01 | 0.00 | 0.01 |



Planning Report

PEDM Database:

Company: Midland

Project: Lea County, NM (NAD 83 NME) Onyx 35 Fed Com Site:

Well: #601H Wellbore: ОН

Design: Plan #0.1 RT Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

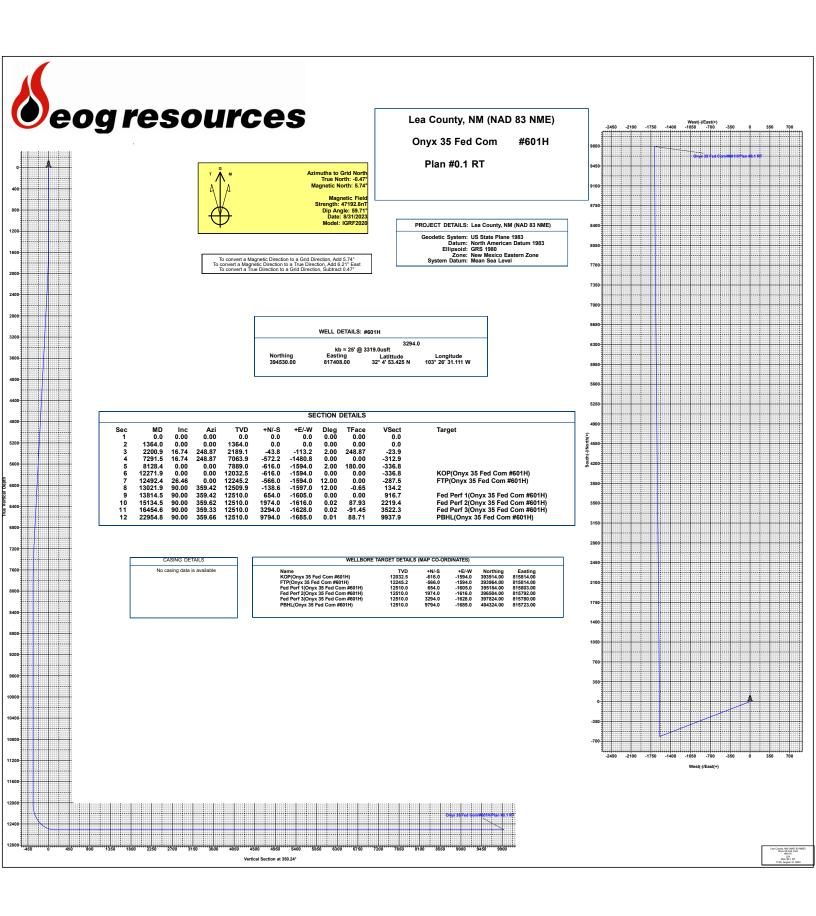
Well #601H

kb = 25' @ 3319.0usft kb = 25' @ 3319.0usft

Grid

Minimum Curvature

| Design Targets | | | | | | | | | |
|---|------------------|-----------------|---------------|-----------------|-----------------|--------------------|-------------------|-----------------|-------------------|
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| KOP(Onyx 35 Fed Com - plan hits target cen - Point | 0.00 ter | 0.00 | 12,032.5 | -616.0 | -1,594.0 | 393,914.00 | 815,814.00 | 32° 4' 47.460 N | 103° 26' 49.696 W |
| FTP(Onyx 35 Fed Com; - plan hits target cen - Point | 0.00 ter | 0.00 | 12,245.2 | -566.0 | -1,594.0 | 393,964.00 | 815,814.00 | 32° 4' 47.955 N | 103° 26' 49.691 W |
| PBHL(Onyx 35 Fed Con - plan hits target cen - Point | 0.00 ter | 0.00 | 12,510.0 | 9,794.0 | -1,685.0 | 404,324.00 | 815,723.00 | 32° 6′ 30.475 N | 103° 26' 49.759 W |
| Fed Perf 2(Onyx 35 Fed - plan hits target cen - Point | 0.00 ter | 0.00 | 12,510.0 | 1,974.0 | -1,616.0 | 396,504.00 | 815,792.00 | 32° 5′ 13.090 N | 103° 26' 49.705 W |
| Fed Perf 1(Onyx 35 Fed - plan hits target cen - Point | 0.00 ter | 0.00 | 12,510.0 | 654.0 | -1,605.0 | 395,184.00 | 815,803.00 | 32° 5′ 0.028 N | 103° 26' 49.703 W |
| Fed Perf 3(Onyx 35 Fed - plan hits target cen - Point | 0.00 ter | 0.00 | 12,510.0 | 3,294.0 | -1,628.0 | 397,824.00 | 815,780.00 | 32° 5′ 26.153 N | 103° 26' 49.718 W |



PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | EOG RESOURCES INCORPORATED

WELL NAME & NO.: ONYX 35 FED COM 601H

SURFACE HOLE FOOTAGE: 658'/S & 2259'/W BOTTOM HOLE FOOTAGE 100'/N & 660'/W

LOCATION: Section 35, T.25 S., R.34 E. COUNTY: Lea County, New Mexico

ALL PREVIOUS COAs STILL APPLY

COA

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

A. CASING

Primary Casing Design:

- 1. The 9-5/8 inch surface casing shall be set at approximately 1,040 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface. The surface hole shall be 12-1/4 inch in diameter. The proposed program has 11 inch hole size listed, which does not meet the clearance requirement. Reached out to the operator to clarify that 12-1/4 inch hole size will be drilled for the 9-5/8 inch surface casing.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature

- survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The **7-5/8** inch intermediate casing shall be set at approximately **11,882** feet. The minimum required fill of cement behind the **7-5/8** inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above.

Option 2:

Operator has proposed to cement in two stages by conventionally cementing the first stage and performing a bradenhead squeeze on the second stage, contingent upon no returns to surface.

- a. First stage: Operator will cement with intent to reach the top of the **Brushy** Canyon
- b. Second stage:
 - Operator will perform bradenhead squeeze and top-out. Cement to surface. If cement does not reach surface, the appropriate BLM office shall be notified.

Operator has proposed to pump down 9-5/8" X 7-5/8" annulus. Operator must top out cement after the bradenhead squeeze and verify cement to surface. Operator can also check TOC with Echo-meter. CBL must be run from TD of the 7-5/8" casing to surface if confidence is lacking on the quality of the bradenhead squeeze cement job. Submit results to BLM.

If cement does not tie-back into the previous casing shoe, a third stage remediation BH may be performed. The appropriate BLM office shall be notified.

Bradenhead squeeze in the production interval is only as an edge case remediation measure and is NOT approved in this COA. If production cement job experiences

losses and a bradenhead squeeze is needed for tie-back, BLM Engineering should be notified prior to job with volumes and planned wellbore schematic. CBL will be needed when this occurs.

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

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

3. The **5-1/2** inch surface casing shall be set at approximately **22,955** feet. The minimum required fill of cement behind the **5-1/2** inch production casing is:

Option 1 (Single Stage):

• Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Alternate Casing Design:

- 1. The **10-3/4** inch surface casing shall be set at approximately **1,040** feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The 8-3/4 inch intermediate casing shall be set at approximately 11,882 feet. **Keep casing full to stay within collapse SF requirement.** The minimum required fill of cement behind the 8-3/4 inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above.

Option 2:

Operator has proposed to cement in two stages by conventionally cementing the first stage and performing a bradenhead squeeze on the second stage, contingent upon no returns to surface.

- c. First stage: Operator will cement with intent to reach the top of the **Brushy** Canyon
- d. Second stage:
 - Operator will perform bradenhead squeeze and top-out. Cement to surface. If cement does not reach surface, the appropriate BLM office shall be notified.

Operator has proposed to pump down 10-3/4" X 8-3/4" annulus. Operator must top out cement after the bradenhead squeeze and verify cement to surface. Operator can also check TOC with Echo-meter. CBL must be run from TD of the 8-3/4" casing to surface if confidence is lacking on the quality of the bradenhead squeeze cement job. Submit results to BLM.

If cement does not tie-back into the previous casing shoe, a third stage remediation BH may be performed. The appropriate BLM office shall be notified.

Bradenhead squeeze in the production interval is only as an edge case remediation measure and is NOT approved in this COA. If production cement job experiences losses and a bradenhead squeeze is needed for tie-back, BLM Engineering should be notified prior to job with volumes and planned wellbore schematic. CBL will be needed when this occurs.

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

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

3. The 6 inch surface casing shall be set at approximately 22,955 feet. Keep casing full to stay within collapse SF requirement. The minimum required fill of cement behind the 6 inch production casing is:

Option 1 (Single Stage):

• Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

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

- BOPE Break Testing is ONLY permitted for 5M BOPE or less. (Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP)
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer (575-706-2779) prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).
- The BLM is to be contacted (575-689-5981 Lea County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per 43 CFR part 3170 Subpart 3172.
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

Offline Cementing

OK for surface and intermediate cementing. Notify the BLM prior to the commencement of any offline cementing procedure.

Casing Clearance:

500' tie back OK in production interval. Surface hole size will need to be 12-1/4" for passing clearance requirement.

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

GENERAL REQUIREMENTS

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

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

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

BLM_NM_CFO_DrillingNotifications@BLM.GOV (575) 361-2822

- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per **43 CFR part 3170 Subpart 3172** as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive

- strength of 500 psi for all cement blends, 2) until cement has been in place at least <u>24 hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR part 3170 Subpart 3172 and API STD 53 Sec. 5.3.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal

- or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR part 3170 Subpart 3172 must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)

- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR part 3170 Subpart 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per 43 CFR part 3170 Subpart 3172.

C. DRILLING MUD

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

D. WASTE MATERIAL AND FLUIDS

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

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

KPI 9/28/2023

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

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 270125

CONDITIONS

| Operator: | OGRID: |
|------------------------------------|--|
| EOG RESOURCES INC | 7377 |
| P.O. Box 2267 Midland, TX 79702 | Action Number: 270125 |
| | Action Type: [C-103] NOI Change of Plans (C-103A) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|-----------|----------------|
| pkautz | None | 10/30/2023 |