



U.S. Department of the Interior
Bureau of Land Management

Application for Permit to Drill

APD Package Report

Date Printed:

APD ID:	Well Status:
APD Received Date:	Well Name:
Operator:	Well Number:

APD Package Report Contents

- Form 3160-3
- Operator Certification Report
- Application Report
- Application Attachments
 - Operator Letter of Designation: 1 file(s)
 - Well Plat: 1 file(s)
- Drilling Plan Report
- Drilling Plan Attachments
 - Blowout Prevention Choke Diagram Attachment: 1 file(s)
 - Blowout Prevention BOP Diagram Attachment: 2 file(s)
 - Casing Design Assumptions and Worksheet(s): 4 file(s)
 - Hydrogen sulfide drilling operations plan: 1 file(s)
 - Proposed horizontal/directional/multi-lateral plan submission: 2 file(s)
 - Other Facets: 1 file(s)
- SUPO Report
- SUPO Attachments
 - Existing Road Map: 1 file(s)
 - New Road Map: 1 file(s)
 - Attach Well map: 1 file(s)
 - Production Facilities map: 1 file(s)
 - Water source and transportation map: 1 file(s)
 - Well Site Layout Diagram: 2 file(s)
 - Recontouring attachment: 1 file(s)
- PWD Report
- PWD Attachments
 - None
- Bond Report

- Bond Attachments
 - None

Form 3160-3
(October 2024)

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

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

1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No.
1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No.
2. Name of Operator		8. Lease Name and Well No.
3a. Address		9. API Well No. 30-015-57797
3b. Phone No. (include area code)		10. Field and Pool, or Exploratory
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone		11. Sec., T. R. M. or Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		12. County or Parish
		13. State
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

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

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

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

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



(Continued on page 2)

*(Instructions on page 2)

INSTRUCTIONS

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

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

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

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

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

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

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

NOTICES

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

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

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

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

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

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

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

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

Additional Operator Remarks

Location of Well

0. SHL: SENE / 1621 FNL / 441 FEL / TWSP: 25S / RANGE: 26E / SECTION: 04 / LAT: 32.162021 / LONG: -104.29081 (TVD: 0 feet, MD: 0 feet)

PPP: W2NW / 1320 FNL / 25 FWL / TWSP: 25S / RANGE: 26E / SECTION: 04 / LAT: 32.162872 / LONG: -104.306447 (TVD: 7557 feet, MD: 13028 feet)

PPP: SENW / 1982 FNL / 2667 FWL / TWSP: 25S / RANGE: 26E / SECTION: 04 / LAT: 32.161046 / LONG: -104.297907 (TVD: 7601 feet, MD: 10012 feet)

PPP: SENE / 1980 FNL / 100 FEL / TWSP: 25S / RANGE: 26E / SECTION: 04 / LAT: 32.161033 / LONG: -104.289714 (TVD: 7634 feet, MD: 8005 feet)

BHL: LOT 01 / 660 FNL / 100 FEL / TWSP: 25S / RANGE: 26E / SECTION: 04 / LAT: 32.164661 / LONG: -104.289688 (TVD: 7643 feet, MD: 18590 feet)

BLM Point of Contact

Name: MARIAH HUGHES

Title: Land Law Examiner

Phone: (575) 234-5972

Email: MHUGHES@BLM.GOV

CONFIDENTIAL

**PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	3R OPERATING LLC
LEASE NO.:	NMNM0554766
COUNTY:	Eddy County, New Mexico

Wells:

Big Mick 4

BIG MICK 4 U FED COM 501H

Surface Hole Location: 1611 feet FNL and 441 feet FEL, Section 4, T. 25 S., R. 26 E.

Bottom Hole Location: 660 feet FNL and 100 feet FEL, Section 4, T. 25 S, R 26 E.

BIG MICK 4 U FED COM 551H

Surface Hole Location: 1641 feet FNL and 441 feet FEL, Section 4, T. 25 S., R. 26 E.

Bottom Hole Location: 660 feet FNL and 100 feet FEL, Section 4, T. 25 S, R 26 E.

TABLE OF CONTENTS

2.3 WILDLIFE.....	3
2.3.1 Texas Hornshell Mussel	3

2.3 WILDLIFE

2.3.1 Texas Hornshell Mussel

Oil and Gas Zone D - CCA Boundary requirements.

- Implement erosion control measures in accordance with the Reasonable and Prudent Practices for Stabilization (“RAPPS”)
- Comply with SPCC requirements in accordance with 40 CFR Part 112;
- Comply with the United States Army Corp of Engineers (USACE) Nationwide 12 General Permit, where applicable;
- Utilize technologies (like underground borings for pipelines), where feasible;
- Educate personnel, agents, contractors, and subcontractors about the requirements of conservation measures, COAs, Stips and provide direction in accordance with the Permit.

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: 3R OPERATING, LLC WELL NAME & NO.: BIG MICK 4 U FEDERAL COM #551H LOCATION: 4 – 25S – 26E (1641' FNL, 441' FEL) COUNTY: Eddy County, New Mexico

COA

H ₂ S	<input checked="" type="radio"/> No	<input type="radio"/> Yes		
Potash / WIPP	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-Q	<input type="checkbox"/> Open Annulus <input type="checkbox"/> WIPP
Choose an option (including blank option.)				
Cave / Karst	<input type="radio"/> Low	<input type="radio"/> Medium	<input type="radio"/> High	<input checked="" type="radio"/> Critical
Wellhead	<input type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input type="radio"/> Both	<input type="radio"/> Diverter
Cementing	<input type="checkbox"/> Primary Squeeze	<input type="checkbox"/> Cont. Squeeze	<input type="checkbox"/> EchoMeter	<input type="checkbox"/> DV Tool
Special Req	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit
Waste Prev.	<input type="radio"/> Self-Certification	<input checked="" type="radio"/> Waste Min. Plan	<input type="radio"/> APD Submitted prior to 06/10/2024	
Additional Language	<input checked="" type="checkbox"/> Flex Hose <input type="checkbox"/> Four-String	<input type="checkbox"/> Casing Clearance <input type="checkbox"/> Offline Cementing	<input type="checkbox"/> Pilot Hole <input type="checkbox"/> Fluid-Filled	<input type="checkbox"/> Break Testing

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H₂S) monitors shall be installed prior to drilling out the surface shoe. If H₂S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet 43 CFR 3176 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8 inch** surface casing shall be set at approximately **480 feet** (a minimum of **70 feet (Eddy 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 minimum required fill of cement behind the **9-5/8 inch** intermediate casing and shall be set at **1,745 feet** is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.**
- ❖ **In Critical Cave/Karst Areas cement must come to surface on the first three casing strings.**
3. The minimum required fill of cement behind the **5-1/2 inch** production casing and shall be set at approximately **18,590 feet** is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.**

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
2. Operator has proposed a multi-bowl wellhead assembly. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M) psi**.
 - 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. 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.
 - e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3171 and 3172.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

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)

Contact Eddy County Petroleum Engineering Inspection Staff:

Email or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220;
[BLM NM CFO DrillingNotifications@BLM.GOV](mailto: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
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - iii. BOP/BOPE test to be conducted per **43 CFR 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 doghouse or stairway area.
3. For intervals in which cement to surface is required, cement to surface should be verified with a visual check and density or pH check to differentiate cement from spacer and drilling mud. The results should be documented in the driller's log and daily reports.

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 of both lead and tail cement, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity 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 hard band 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-Q 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 3172**.
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:
 - i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - ii. 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.
 - iii. Manufacturer representative shall install the test plug for the initial BOP test.
 - iv. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.
 - v. 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.
 - i. 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).
- ii. 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.)
 - iii. 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 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 8 hours or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - iv. 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.
 - v. The results of the test shall be reported to the appropriate BLM office.
 - vi. 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.
 - vii. 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.
 - viii. 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 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.

YJ (10/29/2025)

BIG MICK 4 U FEDERAL COM #551H

13 3/8	surface csg in a	17 1/2	inch hole.	Design Factors			Surface		
Segment	#/ft	Grade	Coupling	Body	Collapse	Burst	Length	Weight	
"A"	48.00	H 40	BTC	23.48	3.36	2.22	480	23,040	
"B"			BTC				0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,002							Totals:	480	23,040
Comparison of Proposed to Minimum Required Cement Volumes									
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
17 1/2	0.6946	453	667	333	100	9.20	396	2M	1.56
Site plan (pipe racks S of E) as per D.O. L111D-A-1 not found									

9 5/8	casing inside the	13 3/8		Design Factors			Int 1		
Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight	
"A"	36.00	J 55	LTC	7.21	2.59	0.92	1,745	62,820	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig:							Totals:	1,745	62,820
The cement volume(s) are intended to achieve a top of				0	ft from surface or a		480	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
12 1/4	0.3132	530	776	577	34	8.60	2130	3M	0.81
Class 'H' tail cmt yld > 1.20									
Burst Frac Gradient(s) for Segment(s): A, B, C, D = 2.02, b, c, d All > 0.70 - OK									

5 1/2	casing inside the	9 5/8		Design Factors			Prod 1		
Segment	#/ft	Grade	Coupling	Body	Collapse	Burst	Length	Weight	
"A"	20.00	P 110	BTC	4.19	2.91	3.32	18,590	371,800	
"B"							0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,681							Totals:	18,590	371,800
The cement volume(s) are intended to achieve a top of				1545	ft from surface or a		200	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
8 3/4	0.2526	2823	5359	4309	24	9.60			1.35
Class 'C' tail cmt yld > 1.35									

#N/A		5 1/2		Design Factors			<Choose Casing>		
Segment	#/ft	Grade	Coupling	#N/A	Collapse	Burst	Length	Weight	
"A"			0.00				0	0	
"B"			0.00				0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig:							Totals:	0	0
Cmt vol calc below includes this csg, TOC intended				#N/A	ft from surface or a		#N/A	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
0		#N/A	#N/A	0	#N/A				
#N/A Capitan Reef est top XXXX.									

#N/A		0		Design Factors			<Choose Casing>		
Segment	#/ft	Grade	Coupling	#N/A	Collapse	Burst	Length	Weight	
"A"			0.00				0	0	
"B"			0.00				0	0	
w/8.4#/g mud, 30min Sfc Csg Test psig:							Totals:	0	0
Cmt vol calc includes previous csg (tandem conn) TOC				#N/A	ft from surface or a		#N/A	overlap.	
Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt		Min Dist Hole-Cplg	
0		#N/A	#N/A		#N/A				
#N/A									



Operator Certification Data Report

11/19/2025

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Operator

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: KALEN MELTON

Signed on: 09/03/2025

Title: PERMITTING SPECIALIST

Street Address: 3909 N CLASSEN BLVD

City: OKLAHOMA CITY

State: OK

Zip: 73118

Phone: (405)286-9326

Email address: KMELTON@REAGANSMITH.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:



Application Data

11/19/2025

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

APD ID: 10400106803	Submission Date: 09/04/2025	Highlighted data reflects the most recent changes Show Final Text
Operator Name: 3R OPERATING LLC		
Well Name: BIG MICK 4 U FED COM	Well Number: 551H	
Well Type: OIL WELL	Well Work Type: Drill	

Section 1 - General

APD ID: 10400106803	Tie to previous NOS? N	Submission Date: 09/04/2025
BLM Office: Carlsbad	User: KALEN MELTON	Title: PERMITTING SPECIALIST
Federal/Indian APD: FED	Is the first lease penetrated for production Federal or Indian? FED	
Lease number: NMNM0554766	Lease Acres:	
Surface access agreement in place?	Allotted?	Reservation:
Agreement in place? NO	Federal or Indian agreement:	
Agreement number:		
Agreement name:		
Keep application confidential? Y		
Permitting Agent? YES	APD Operator: 3R OPERATING LLC	
Operator letter of	NM_DOA_Designation_of_Agent_8.19.25_20250903132811.pdf	

Operator Info

Operator Organization Name: 3R OPERATING LLC

Operator Address: 20405 STATE HIGHWAY 249 STE 820 **Zip:** 77070

Operator PO Box:

Operator City: HOUSTON **State:** TX

Operator Phone: (432)413-4148

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO	Master Development Plan name:	
Well in Master SUPO? NO	Master SUPO name:	
Well in Master Drilling Plan? NO	Master Drilling Plan name:	
Well Name: BIG MICK 4 U FED COM	Well Number: 551H	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: COTTONWOOD DRAW	Pool Name: BONE SPRING

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Is the proposed well in an area containing other mineral resources? USEABLE WATER,NATURAL GAS,OIL

Is the proposed well in a Helium production area? N **Use Existing Well Pad?** N **New surface disturbance?**

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: BIG MICK PAD **Number:** 501H, 551H

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 5 Miles

Distance to nearest well: 30 FT

Distance to lease line: 441 FT

Reservoir well spacing assigned acres Measurement: 319.21 Acres

Well plat: Big_Mick_551H_C_102_20250930174250.pdf

Well work start Date: 12/01/2025

Duration: 30 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

Reference Datum: GROUND LEVEL

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this
SHL Leg #1	162	FNL	441	FEL	25S	26E	4	Aliquot SENE	32.162021	-104.29081	EDD Y	NEW MEXI CO	NEW MEXI CO	F	FEE	3318			N
KOP Leg #1	198	FNL	50	FEL	25S	26E	4	Aliquot SENE	32.161033	-104.289553	EDD Y	NEW MEXI CO	NEW MEXI CO	F	FEE	-3743	7096	7061	N
PPP Leg #1-1	198	FNL	100	FEL	25S	26E	4	Aliquot SENE	32.161033	-104.289714	EDD Y	NEW MEXI CO	NEW MEXI CO	F	FEE	-4316	8005	7634	Y

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this
PPP Leg #1-2	1982	FNL	2667	FWL	25S	26E	4	Aliquot SENW	32.161046	-104.297907	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 0554766	-4283	10012	7601	Y
PPP Leg #1-3	1320	FNL	25	FWL	25S	26E	4	Aliquot W2NW	32.162872	-104.306447	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 0554766	-4239	13028	7557	N
EXIT Leg #1	660	FNL	100	FEL	25S	26E	4	Lot 01	32.164661	-104.289688	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 0554766	-4325	18590	7643	Y
BHL Leg #1	660	FNL	100	FEL	25S	26E	4	Lot 01	32.164661	-104.289688	EDD Y	NEW MEXICO	NEW MEXICO	F	NMNM 0554766	-4325	18590	7643	Y

August 19, 2025

Bureau of Land Management
Carlsbad Field Office
620 E Greene St, Carlsbad, NM 88220
Attn: Land Law Examiner

Re: **3R Operating, LLC**
Designation of Agent
Big Mick Unit
Sioux West Unit
Sioux East Unit
Comanche Unit
Eddy & Lea County, New Mexico

Land Law Examiner:

3R Operating, LLC has contracted with Reagan Smith, Inc. to assist in regulatory compliance associated with the above-named oil & gas development projects. Reagan Smith has the authority to act as 3R Operating's agent to maintain regulatory compliance for the above-named projects. This includes the submittal of Applications for Permit to Drill, Communitization Agreements, Designations of Operator, Sundry Notices, Enforcement Actions including Notices of Incompliance, and any other regulatory documents on behalf of 3R Operating, in order to maintain regulatory compliance with the Bureau of Land Management in regard to the above-named projects.

Sincerely,



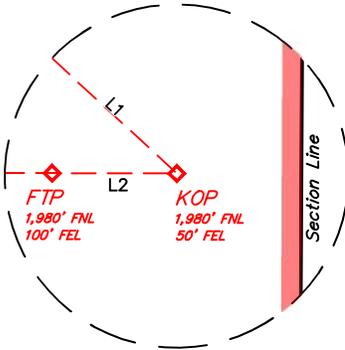
Brad Grandstaff
COO
3R Operating, LLC

Property Name BIG MICK 4 U FED COM	Well Number 551H	Drawn By D.J.S. 08-21-25	Revised By REV: 2 T.I.R. 09-19-25 (UPDATE SHL)
---------------------------------------	---------------------	-----------------------------	---

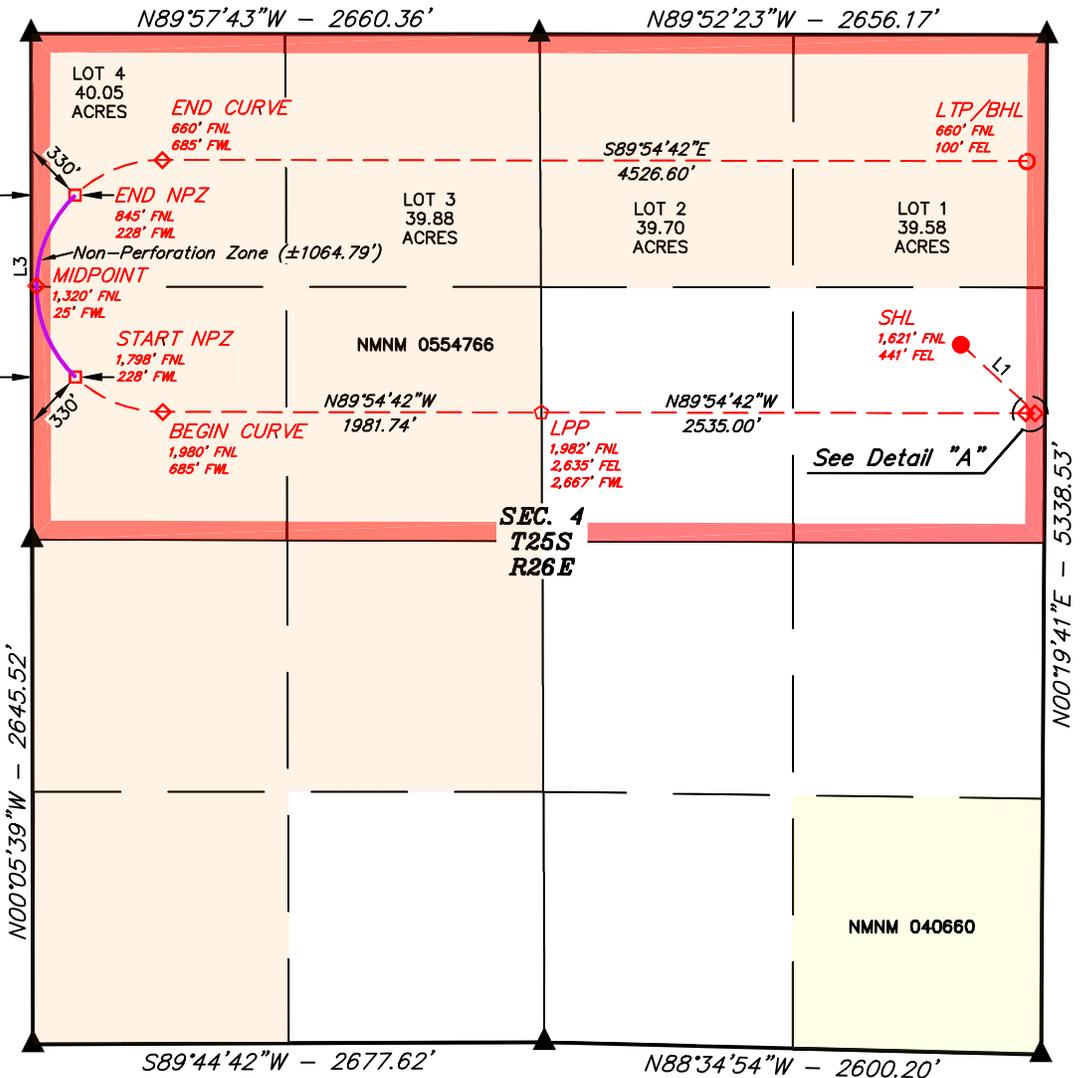
- NOTE:**
- Distances referenced on plat to section lines are perpendicular.
 - Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
 - Colored areas within section lines represent Federal oil & gas leases.

- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/TAKE POINT
- = NPZ POINT
- ◇ = LEASE PENETRATION POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- = DEDICATED ACREAGE
- = NON-PERFORATION ZONE

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S47°16'11"E	529.91'
L2	N89°52'23"W	50.00'
L3	N00°06'00"W	2648.15'



Detail "A"
No Scale



NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°09'43.28" (32.162021°)
LONGITUDE = -104°17'26.92" (-104.290810°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°09'42.85" (32.161903°)
LONGITUDE = -104°17'25.12" (-104.290311°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422681.10' E: 554495.89'
STATE PLANE NAD 27 (N.M. EAST)
N: 422623.86' E: 513313.25'

NAD 83 (KICK OFF POINT)
LATITUDE = 32°09'39.72" (32.161033°)
LONGITUDE = -104°17'22.39" (-104.289553°)
NAD 27 (KICK OFF POINT)
LATITUDE = 32°09'39.29" (32.160914°)
LONGITUDE = -104°17'20.59" (-104.289053°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422321.53' E: 554885.14'
STATE PLANE NAD 27 (N.M. EAST)
N: 422264.29' E: 513702.50'

NAD 83 (FIRST TAKE POINT)
LATITUDE = 32°09'39.72" (32.161033°)
LONGITUDE = -104°17'22.97" (-104.289714°)
NAD 27 (FIRST TAKE POINT)
LATITUDE = 32°09'39.29" (32.160914°)
LONGITUDE = -104°17'21.17" (-104.289215°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422321.64' E: 554835.14'
STATE PLANE NAD 27 (N.M. EAST)
N: 422264.40' E: 513652.50'

NAD 83 (LPP)
LATITUDE = 32°09'39.77" (32.161046°)
LONGITUDE = -104°17'52.46" (-104.297907°)
NAD 27 (LPP)
LATITUDE = 32°09'39.34" (32.160927°)
LONGITUDE = -104°17'50.66" (-104.297407°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422325.55' E: 552300.15'
STATE PLANE NAD 27 (N.M. EAST)
N: 422268.36' E: 511117.53'

NAD 83 (BEGIN CURVE)
LATITUDE = 32°09'39.80" (32.161056°)
LONGITUDE = -104°18'15.52" (-104.304311°)
NAD 27 (BEGIN CURVE)
LATITUDE = 32°09'39.38" (32.160938°)
LONGITUDE = -104°18'13.72" (-104.303811°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422328.60' E: 550318.41'
STATE PLANE NAD 27 (N.M. EAST)
N: 422271.45' E: 509135.81'

NAD 83 (NPZ 1)
LATITUDE = 32°09'41.61" (32.161559°)
LONGITUDE = -104°18'20.83" (-104.305787°)
NAD 27 (NPZ 1)
LATITUDE = 32°09'41.18" (32.161440°)
LONGITUDE = -104°18'19.03" (-104.305287°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422511.30' E: 549861.43'
STATE PLANE NAD 27 (N.M. EAST)
N: 422454.15' E: 508678.83'

NAD 83 (MIDPOINT)
LATITUDE = 32°09'46.34" (32.162872°)
LONGITUDE = -104°18'23.21" (-104.306447°)
NAD 27 (MIDPOINT)
LATITUDE = 32°09'45.91" (32.162754°)
LONGITUDE = -104°18'21.41" (-104.305947°)
STATE PLANE NAD 83 (N.M. EAST)
N: 422989.04' E: 549657.26'
STATE PLANE NAD 27 (N.M. EAST)
N: 422931.89' E: 508474.67'

NAD 83 (NPZ 2)
LATITUDE = 32°09'51.04" (32.164179°)
LONGITUDE = -104°18'20.85" (-104.305792°)
NAD 27 (NPZ 2)
LATITUDE = 32°09'50.62" (32.164060°)
LONGITUDE = -104°18'19.05" (-104.305292°)
STATE PLANE NAD 83 (N.M. EAST)
N: 423464.31' E: 549859.76'
STATE PLANE NAD 27 (N.M. EAST)
N: 423407.15' E: 508677.18'

NAD 83 (END CURVE)
LATITUDE = 32°09'52.87" (32.164685°)
LONGITUDE = -104°18'15.54" (-104.304317°)
NAD 27 (END CURVE)
LATITUDE = 32°09'52.44" (32.164566°)
LONGITUDE = -104°18'13.74" (-104.303817°)
STATE PLANE NAD 83 (N.M. EAST)
N: 423648.60' E: 550316.11'
STATE PLANE NAD 27 (N.M. EAST)
N: 423591.43' E: 509133.53'

NAD 83 (LTP/BHL)
LATITUDE = 32°09'52.78" (32.164661°)
LONGITUDE = -104°17'22.88" (-104.289688°)
NAD 27 (LTP/BHL)
LATITUDE = 32°09'52.35" (32.164543°)
LONGITUDE = -104°17'21.08" (-104.289189°)
STATE PLANE NAD 83 (N.M. EAST)
N: 423641.63' E: 554842.70'
STATE PLANE NAD 27 (N.M. EAST)
N: 423584.36' E: 513660.07'



SCALE



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

11/19/2025

APD ID: 10400106803

Submission Date: 09/04/2025

Highlighted data reflects the most recent changes

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Well Type: OIL WELL

Well Work Type: Drill

[Show Final Text](#)

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
16805324	CASTILE	3318	0	0	ALLUVIUM	USEABLE WATER	N
16805327	DELAWARE	1525	1793	1795	LIMESTONE, SANDSTONE, SHALE	NONE	N
16805328	BONE SPRING	-1955	5273	5303	LIMESTONE	NATURAL GAS, OIL	N
16805329	BONE SPRING 1ST	-2940	6258	6293	SANDSTONE	NATURAL GAS, OIL	N
16805330	BONE SPRING 2ND	-3205	6523	6558	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	N
16805335	BONE SPRING 2ND	-3455	6773	6808	SANDSTONE	NATURAL GAS, OIL	N
16805336	BONE SPRING 3RD	-3800	7118	7153	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 10000

Equipment: Ten thousand (10M) psi Blind Rams and Pipe Rams and a five thousand (5M) psi Annular Preventer will be installed on all casing. Per 5M system requirements, two (2) chokes, with at least one (1) being a remotely controlled hydraulic choke, will be used. If a full 10M system is required by the BLM, three (3) chokes will be used.

Requesting Variance? YES

Variance request: (1) Variance requested to use a flex hose in place of a rigid line connection from BOP to choke manifold. Please see attachment for typical flex hose. (2) Variance requested to use multibowl wellhead. Please see attachment for typical multibowl wellhead.

Testing Procedure: Operator testing procedures will meet minimum standards for well control equipment testing per CFR 3172.6(b)(9). Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing if BOP stack is not isolated from casing. Annular type preventers shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer. Multi-bowl wellhead testing will adhere to required regulations, CFRs, and COAs.

Choke Diagram Attachment:

CHOKE_HOSE_M14945_20250903132909.pdf

BOP Diagram Attachment:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

CHOKE_HOSE_M14945_20250903132909.pdf

BOP_and_Choke_Manifold_20250903132914.pdf

Ridgerunner_Multibowl_20250903132919.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	480	0	480	3318	2838	480	H-40	48	BUTT	3.59	8.06	DRY	13.98	DRY	23.48
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	1745	0	1745	3347	1573	1745	J-55	36	LT&C	5.18	4.51	DRY	8.98	DRY	10.17
3	PRODUCTION	8.75	5.5	NEW	API	N	0	18590	0	7643	3347	-4325	18590	P-110	20	BUTT	2.9	3.31	DRY	4.36	DRY	4.19

Casing Attachments

Casing ID: 1 **String** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Drilling_Plan_Big_Mick_4_U_Fed_Com_551H_10.23.25_20251023131315.pdf

Casing_Factors_Big_Mick_4_U_Fed_Com_551H_20251023131324.pdf

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Casing Attachments

Casing ID: 2 **String** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Factors_Big_Mick_4_U_Fed_Com_551H_20250903132957.pdf

Casing ID: 3 **String** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Factors_Big_Mick_4_U_Fed_Com_551H_20250903133008.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	180	140	1.79	13.5	250	100	Class C	4% Gel + 5% Salt +0.2% SA-1 + 0.25pps Pol-E Flake + 0.005gps NOFoam V1A
SURFACE	Tail		180	480	313	1.33	14.8	417	100	Class C	1% calcium chloride + 0.005gps NoFoam V1A
INTERMEDIATE	Lead		0	1245	353	1.53	12.7	540	50	40% Class C + 60% POZ	5% Salt + 1% SMS + 2% CS-9 + 0.1% R-1300 + 0.25pps Pol-E Flake + 0.005gps

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
											NoFoam V1A
INTERMEDIATE	Tail		1245	1745	177	1.33	14.8	235	50	Class C	1% calcium chloride + 0.005gps NoFoam V1A
PRODUCTION	Lead		0	6596	562	3.34	10.7	1878	15	100% ProLite	5pps Plexcrete STE + 2% SMS + 0.1% RCKCAS-100 + .85% R-1300 + 0.2% FL-24 + .25pps Pol-E Flake + 0.005gps NoFoam V1A
PRODUCTION	Tail		6596	1859 0	2261	1.54	13.5	3482	15	50% Class H + 50% B POZ	6% Gell + 5% Slat + .2% SMS + .55% FR-5 + .4% FL-24 + 0.005gps NoFoam V1A

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with 43 CFR 3172:

Diagram of the equipment for the circulating system in accordance with 43 CFR 3172:

Describe what will be on location to control well or mitigate other conditions: Mud weight increases at shoe depths are for pressure control. Mud weight increases in the curve and lateral section of the hole are for hole stability, not pressure control. Mud weight assumptions for casing load designs exceed anticipated maximum mud weight for balanced drilling in all hole sections. Expected mud weights in producing formation will be 0.5 to 1.0 lbs/gal greater than formation pressure (i.e. overbalanced drilling). Sufficient materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: The mud system will run as a closed loop system. PVT system will be in place throughout the well, as well as visual checks.

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	480	WATER-BASED MUD	8.6	9.2							
480	1745	WATER-BASED MUD	8.6	8.6							
1745	1859 0	OIL-BASED MUD	9.6	9.6							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

The operator will comply with the BLM's logging requirements as stated in the COAs.

List of open and cased hole logs run in the well:

GAMMA RAY LOG, SPONTANEOUS POTENTIAL LOG, MEASUREMENT WHILE DRILLING, CEMENT BOND LOG, MUD LOG/GEOLOGICAL LITHOLOGY LOG,

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 3815

Anticipated Surface Pressure: 2133

Anticipated Bottom Hole Temperature(F): 180

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

3R_H2S_Plan_Eddy_20250903133027.pdf

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

3R_Operating_Big_Mick_4_U_Fed_Com_551H_P1_WP_Rpt_20250903133035.pdf

3R_Operating_Big_Mick_4_U_Fed_Com_551H_P1_20250903133038.pdf

Other proposed operations facets description:

WMP/NGMP attached

Other proposed operations facets attachment:

Big_Mick_551H_WMP_NGMP_9_3_25_20250930174644.pdf

Other Variance request(s)?: N

Other Variance attachment:

CONFIDENTIAL



GATES ENGINEERING & SERVICES NORTH AMERICA
7603 Pralrle Oak Dr. Sulte 190
Houston, TX. 77086

PHONE: +1 (281) 602-4100
FAX: +1 (281) 602-4147
EMAIL: gesna.quality@gates.com
WEB: gates.com/oilandgas

CERTIFICATE OF CONFORMANCE

This is to verify that all Parts and/or Materials included in this shipment have been manufactured and/or processed in Conformance with applicable drawings and specifications, and that Records of Required Tests are on file and subject to examination. The following items were assembled at Gates Engineering & Services North America facilities in Houston, TX, USA. This hose assembly was designed and manufactured to meet requirements of API Spec 16C, 3rd Edition.

CUSTOMER: A-7 AUSTIN INC DBA AUSTIN HOSE
CUSTOMER P.O.#: 00620920 (MENA REF# 01LB10050, 01-012870, HOSE BATCH NO. 120463-07/20)
CUSTOMER P/N: 16C3.035.0CK4116FX-FLTSC/S
PART DESCRIPTION: 3" X 35' GATES API 16C FSL3 TEMP B CHOKE & KILL HOSE ASSEMBLY C/W 4 1/16" 10K FIXED X SWIVEL H2S SUITED FLANGE ENDS WITH BX 155 RING GROOVE SUPPLIED WITH SAFETY CLAMPS & SLINGS ATTACHED
SALES ORDER #: 522832
QUANTITY: 1
SERIAL #: F-041522-1

SIGNATURE: [Handwritten Signature]
TITLE: QUALITY ASSURANCE
DATE: 8/15/2022



DRIVEN BY POSSIBILITY™

GATES ENGINEERING & SERVICES FZCO
 MENA HEADQUARTERS
 JEBEL ALI FREE ZONE, P. O. BOX 61046
 DUBAI, UNITED ARAB EMIRATES
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جيتس للهندسة و الخدمات ش م ح
 المقر الرئيسي للشرق الأوسط و شمال أفريقيا
 جبل علي المنطقة الحرة، ص. ب. ٦١.٤٦
 دبي، الامارات العربية المتحدة
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PRESSURE TEST CERTIFICATE

Certificate #	01-012870	Test Date	15-Apr-2022
Customer Name	GATES E & S NORTH AMERICA INC		
Customer Ref. #	1786392/ 2	Gates Ref. #	01CCLBSOA-10007
Gates Job #	01LB10050		
Product Description	3" X 35' GATES API 16C FSL3 TEMP B CHOKE & KILL HOSE ASSEMBLY C/W 4 1/16" 10K FIXED X SWIVEL H2S SUITED FLANGE ENDS WITH BX 155 RING GROOVE		
Part #	RAB000884-23	Quantity	1
Assembly Code / Serial No.	F-041522-1	Hose Batch No.	120463-07/20
Working Pressure	10000 PSI	Test Pressure	15000.0 PSI
Medium	Water	Duration	1 HOUR
Ref. Specifications			
Observation	No Leakage or Pressure Drop observed under testing condition.		

Gates Engineering & Services certifies that the hose has been assembled, inspected and tested as per Gates Technical Specification. The hose assembly has successfully passed the 60 minutes hydrostatic test as per as per API Spec 16C standard, 3rd edition, March 2021.

Pr. Gauge Sr.#	288223022	Calibrn. Exp.Date	13-Jul-2022
Chart Recorder Sr.#	11.02117.1-01	Calibrn. Exp.Date	13-Jul-2022
Reviewed By			Witnessed By
 Clifford G			 Siva Mahalingam
Supervisor / 15-Apr-2022		Operations / Quality Lead / 15-Apr-2022	



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GATES ENGINEERING & SERVICES FZCO
 MENA HEADQUARTERS
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CERTIFICATE OF CONFORMANCE

Certificate #	01-012870	Date	15-Apr-2022
Customer Name	GATES E & S NORTH AMERICA INC		
Customer Ref. #	1786392/ 2	Gates Ref. #	01CCLBSOA-10007

Gates Engineering & Services certifies that the hose has been assembled, inspected and tested as per Gates Technical Specification. The hose assembly has successfully passed the 60 minutes hydrostatic test as per as per API Spec 16C standard, 3rd edition, March 2021.

Item Code	Product Description	Quantity
RNB-30E-16C-4F3T2-FG	3" X 35' GATES API 16C FSL3 TEMP B CHOKE & KILL HOSE ASSEMBLY C/W 4 1/16" 10K FIXED X SWIVEL H2S SUITED FLANGE ENDS WITH BX 155 RING GROOVE Hose Batch No. 120463-07/20 Assembly Code / Serial No. F-041522-1 Gates Job # 01LB10050	1

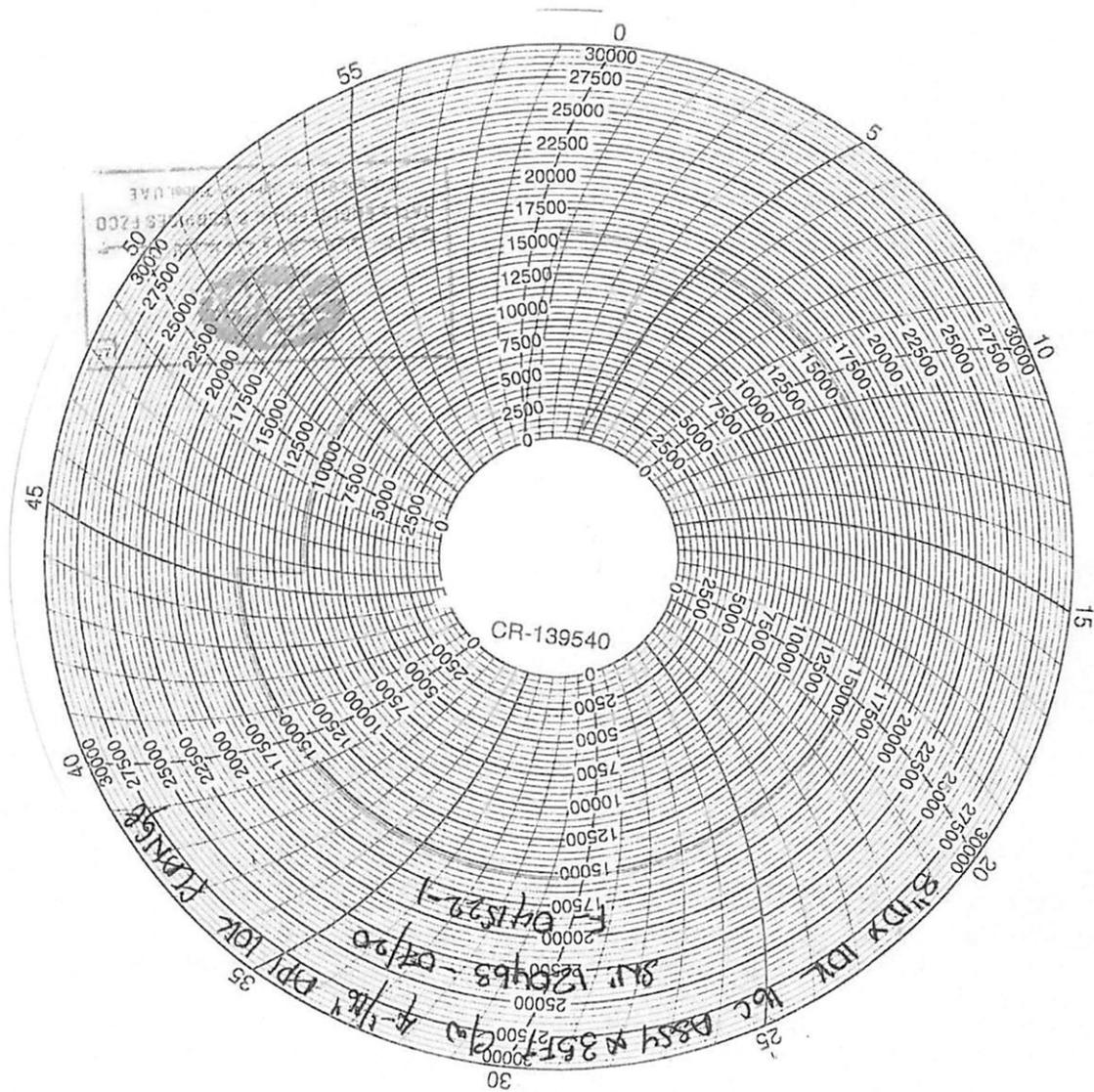
15-Apr-2022

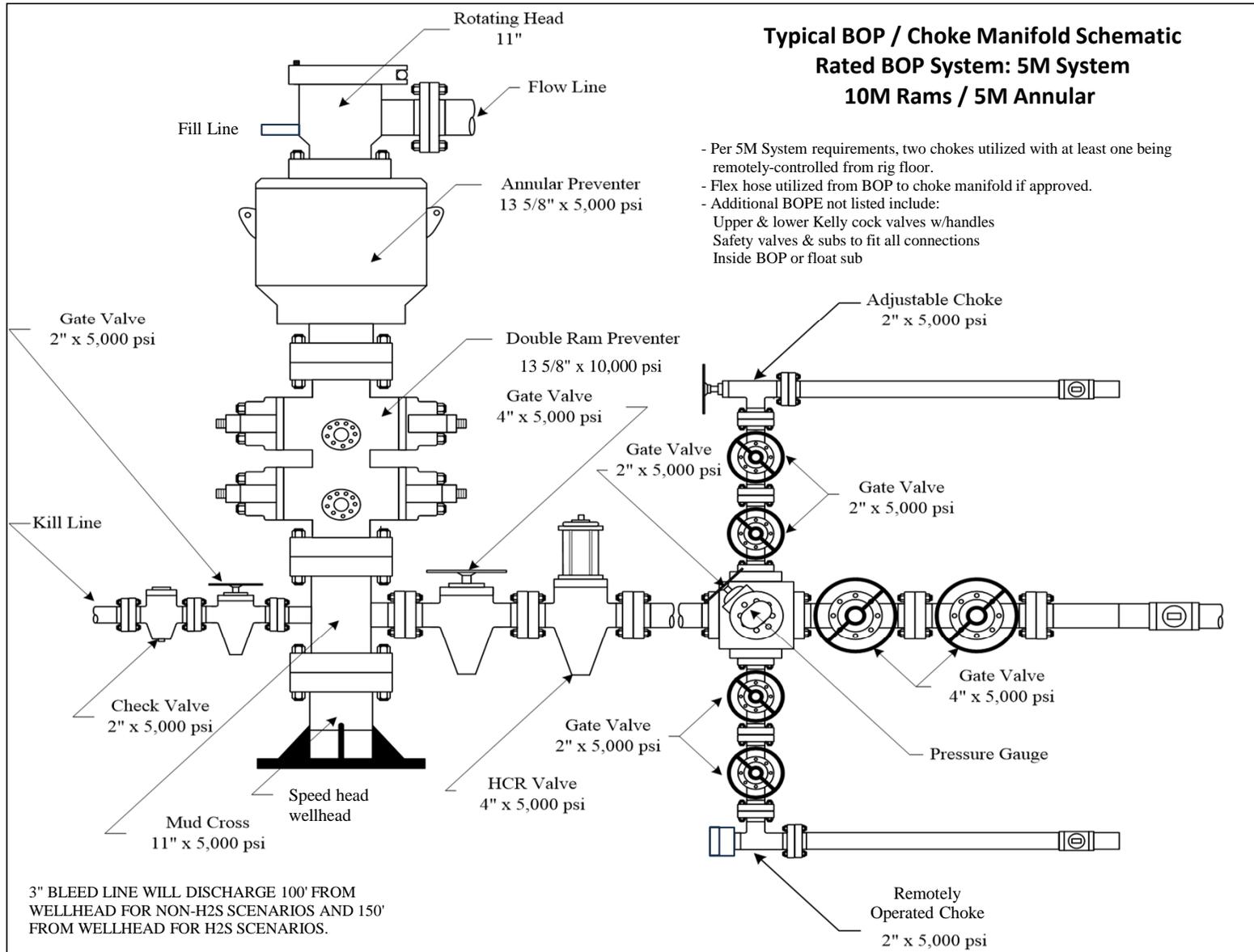
Date



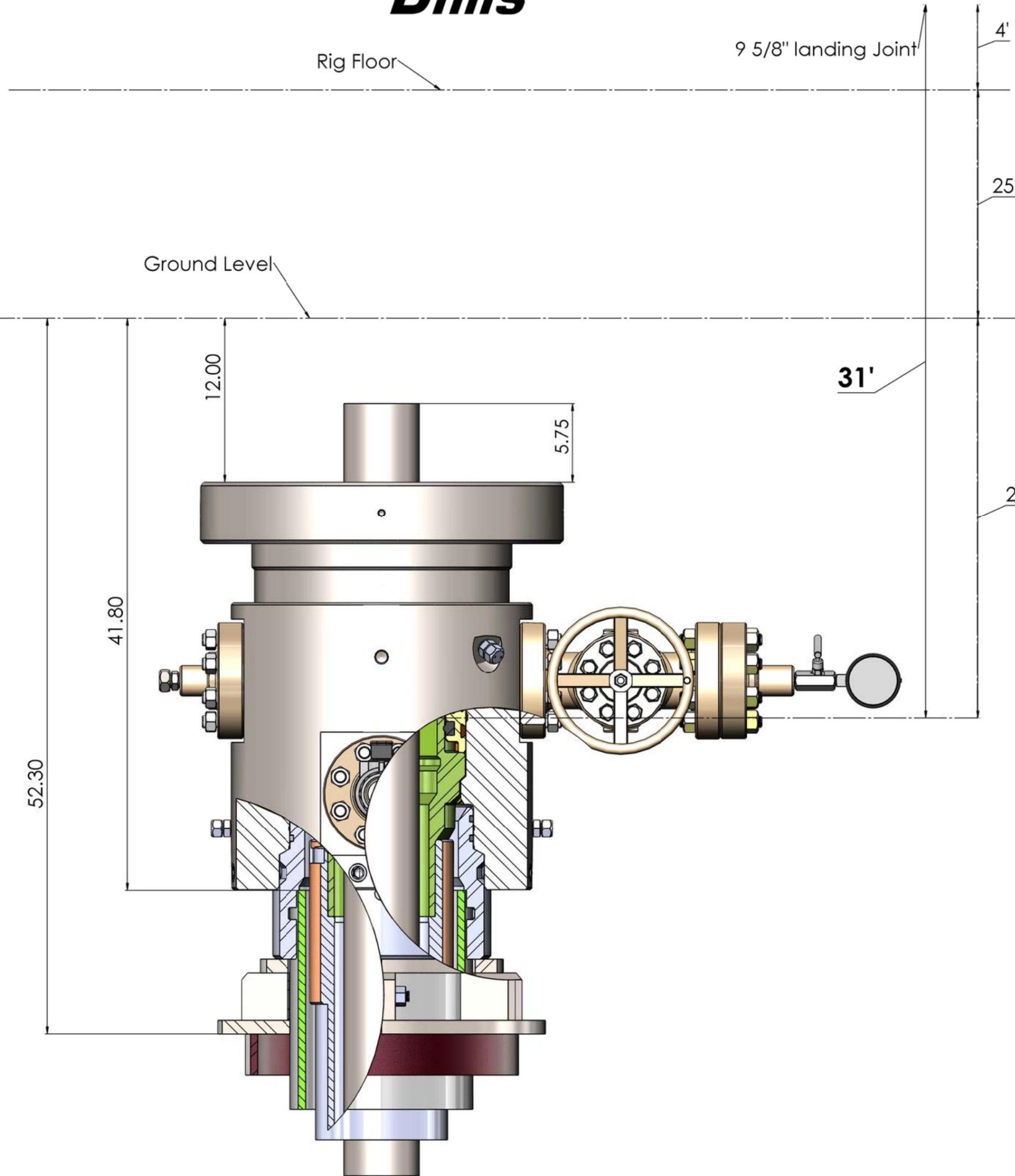
Sajid Rasheed

QHSE Manager

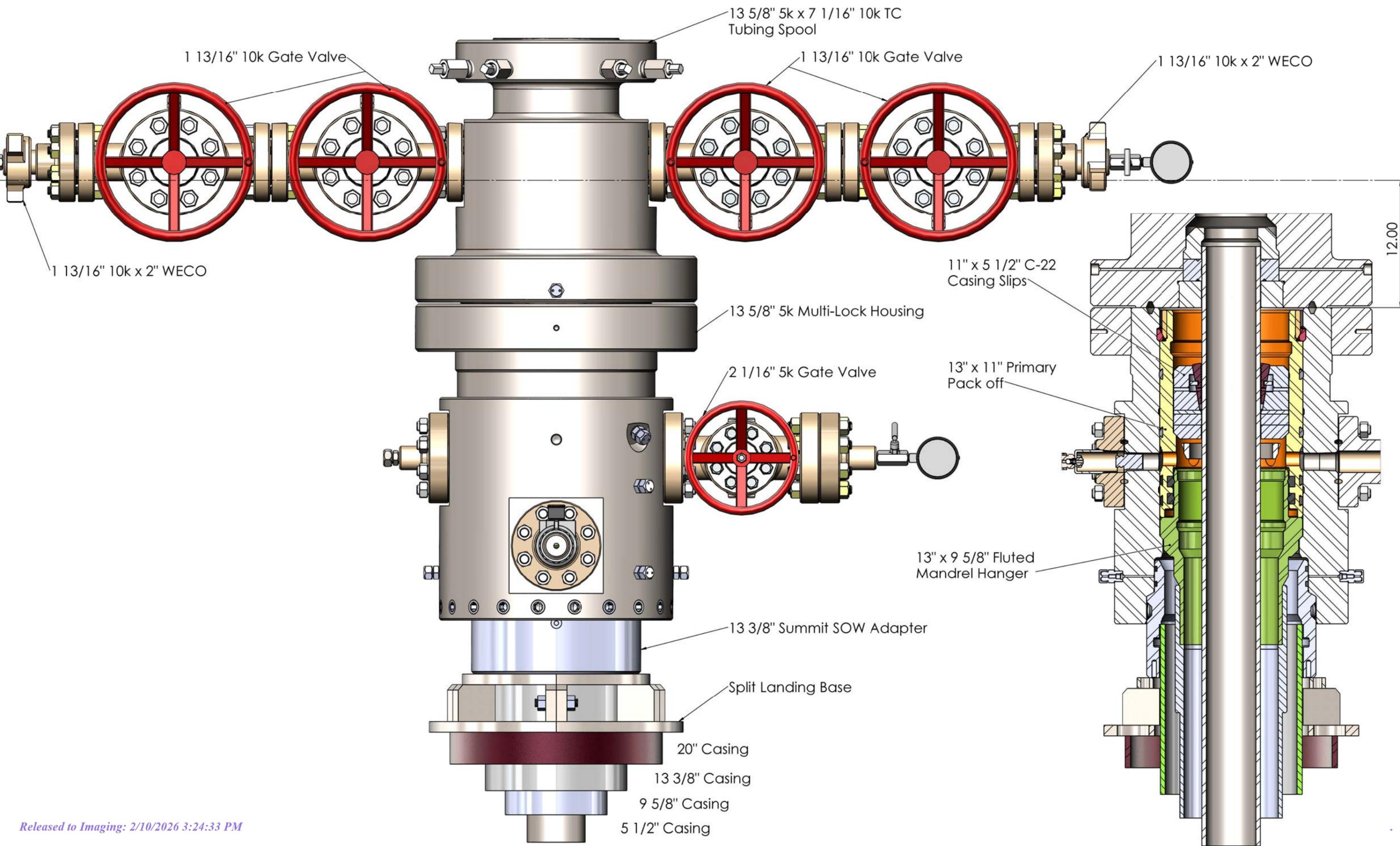




13 5/8" 5k Multi-Lock Dims



13 5/8" 5k Multi-Lock





Drilling Plan

Operator

3R Operating, LLC

Project Name

Big Mick 4 U Fed Com 551H

SHL: 1641' FNL & 441' FEL of Section 4-25S-26E, Eddy County, NM

BHL: 660' FNL & 100' FEL of Section 4-25S-26E, Eddy County, NM

Prepared By

Austin Tramell

Please address any questions, inquiries, or deficiency statements to
Austin Tramell, address below:

3R Operating, LLC
20405 State Hwy 249 STE 820
Houston, TX 77070
832-810-1037

1.0 Estimated Formation Tops

Formation	Depth	Primary Lithology	Primary Mineral Resource
Castille	Surface	Alluvium	Usable Water
Delaware	1,793	Limestone, Sandstone, Shale	None
Bone Spring	5,273	Limestone	Nat. Gas, Oil
1st Bone Spring Sand	6,258	Sandstone	Nat. Gas, Oil
2nd Bone Spring Carb	6,523	Limestone, Sandstone, Shale	Nat. Gas, Oil
2nd Bone Spring Sand	6,773	Sandstone	Nat. Gas, Oil
3rd Bone Spring Carb	7,118	Limestone, Sandstone, Shale	Nat. Gas, Oil

Total Depth and Target Formation

Total Vertical Depth (ft):	7,643
Measured Depth (ft):	18,590
Formation:	Bone Spring

2.0 Estimated Depths of Oil & Gas

Substance	Depth (ft)
Top of Hydrocarbons	5,273
Bottom of Hydrocarbons	TD

3.0 Pressure Control Equipment

Ten thousand (10M) psi working pressure Blind Rams & Pipe Rams and a five thousand (5M) psi Annular Preventer will be installed on all casing. Two (2) chokes, with at least one (1) being a remotely controlled hydraulic choke, will be used. If a full 10M system is required by the BLM, three (3) chokes will be used.

A variance to the requirement of a rigid steel line connecting the BOP to the choke manifold is requested. Specifications for the flex hose are provided with the BOP schematic in the exhibit section.

A variance is requested to use a multi-bowl wellhead system. Schematic attached in the exhibit section. Multi-bowl wellhead testing will adhere to required regulations, CFRs, and COAs.

Operator testing procedures will meet minimum standards for well control equipment testing per CFR § 3172.6(b)(9). Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing if BOP stack is not isolated from casing. Annular type preventers shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer. Multi-bowl wellhead testing will adhere to required regulations, CFRs, and COAs.

Floor safety valves that are fully open and sized to fit drill pipe and collars will be available on the rig floor in the open position when the Kelly is not in use.

4.0 Proposed Casing and Design Analysis**4.1 Proposed Casing Program**

Interval	Length (ft)	Size (in)	Weight/ft (lbs.)	Grade	Thread	Condition	Hole size (in)
<i>Surface</i>	480	13 3/8"	48	H-40	BTC	New	17.5"
<i>Inter.</i>	1,745	9 5/8"	36	J-55	LTC	New	12.25"
<i>Prod.</i>	18,590	5 1/2"	20	P-110	BTC	New	8.75"

4.2 Casing Specifications

Interval	Total Vertical Depth (TVD)	Total Measured Depth (MD)	Weight/ft (lbs.)	Grade	Collapse (psi)	Internal Yield (psi)	Body Yield Strength (psi)	Joint Strength (psi)
<i>Surface</i>	480	480	48	H-40	770	1,730	541,000	322,000
<i>Inter.</i>	1,745	1,745	36	J-55	2,020	3,520	639,000	564,000
<i>Prod.</i>	7,643	18,590	20	P-110	11,080	12,640	641,000	667,000

5.0 Proposed Cement Program**Surface Casing Cement**

Lead / Tail	TOC (MD)	Bottom of CMT (MD)	Density (lbs/gal)	Yield (ft3/sk)	Excess (%)	Volume (ft3)	# of sks CMT
<i>Sur. Lead</i>	0	180	13.50	1.79	100	250	140
<i>Sur. Tail</i>	180	480	14.80	1.33	100	417	313

Lead Cmt Type: Class C
Lead Additives: 4% Gel + 5% Salt + 0.2% SA-1 + 0.25pps Pol-E Flake + 0.005gps NOFoam V1A
Tail Cmt Type: Class C
Tail Additives: 1% calcium chloride + 0.005gps NoFoam V1A

Intermediate Casing Cement

Lead / Tail	TOC (MD)	Bottom of CMT (MD)	Density (lbs/gal)	Yield (ft3/sk)	Excess (%)	Volume (ft3)	# of sks CMT
<i>Int. Lead</i>	0	1,245	12.70	1.53	50	540	353
<i>Int. Tail</i>	1,245	1,745	14.80	1.33	50	235	177

Lead Cmt Type: 40% Class C + 60% POZ
Lead Additives: 5% Salt + 1% SMS + 2% CS-9 + 0.1% R-1300 + 0.25pps Pol-E Flake + 0.005gps NoFoam V1A
Tail Cmt Type: Class C
Tail Additives: 1% calcium chloride + 0.005gps NoFoam V1A

Production Casing Cement

Lead / Tail	TOC (MD)	Bottom of CMT (MD)	Density (lbs/gal)	Yield (ft3/sk)	Excess (%)	Volume (ft3)	# of sks CMT
<i>Prod. Lead</i>	0'	6,596	10.70	3.34	15	1,878	562
<i>Prod. Tail</i>	6,596	18,590	13.50	1.54	15	3,482	2,261

Lead Cmt Type: 100% ProLite
Lead Additives: 5pps Plexcrete STE + 2% SMS + 0.1% RCKCAS-100 + .85% R-1300 + 0.2% FL-24 + .25pps Pol-E Flake + 0.005gps NoFoam V1A

Tail Cmt Type: 50% Class H + 50% B POZ

Tail Additives: 6% Gell + 5% Slat + .2% SMS + .55% FR-5 + .4% FL-24 + 0.005gps NoFoam V1A

***Operator reserves the right to change cement designs as hole conditions may warrant**

6.0 Proposed Mud Program

Interval	Top (MD)	Bottom (MD)	Type	Max Mud Weight Pressure Control Design	Max Mud Weight Hole Control Design	Viscosity (cP)	Formation Fracture Gradient	Fluid Loss
Surface	0'	480	FW	9.20	8.60	32-36	0.75	NC
Inter.	480	1,745	FW	8.60	8.60	28-30	0.75	NC
Prod.	1,745	18,590	OBM	9.60	9.60	50-70	0.75	8-10 cc

Mud weight increases at shoe depths are for pressure control. Mud weight increases in the curve and lateral section of the hole are for hole stability, not pressure control. Mud weight assumptions for casing load designs exceed anticipated maximum mud weight for balanced drilling in all hole sections. Expected mud weights in producing formation will be 0.5 to 1.0 lbs/gal greater than formation pressure (i.e. overbalanced drilling).

The mud system will run as a closed loop system with PVT monitoring. All drill cuttings and liquid mud will be hauled to an approved site for disposal or soil farmed upon receiving appropriate approval.

An industry accepted medium will be stored on location in the event that there is a loss of circulation in the well bore.

7.0 Drilling Design Analysis

7.1 Casing Design Analysis

*see separate Safety Factor attachment

Interval	Burst Safety Factor	Collapse Safety Factor	Pipe Body Tensile Safety Factor	Joint Tension Safety Factor
Surface	8.06	3.59	23.48	13.98
Inter.	4.51	5.18	10.17	8.98
Prod.	3.31	2.90	4.19	4.36

7.2 Casing Design Assumptions

7.2.1 Surface Casing Design Assumptions

Burst Design Assumptions:

Calculations assume complete evacuation behind pipe.

Collapse Design Assumptions:

Calculations assume complete evacuation behind pipe.

Tension Design Assumptions:

Calculations assume string held in suspension to TVD.

7.2.2 Intermediate Casing Design Assumptions

Burst Design Assumptions:

Calculations assume complete evacuation behind pipe.

Collapse Design Assumptions:

Calculations assume complete evacuation behind pipe.

Tension Design Assumptions:

Calculations assume string held in suspension to TVD.

7.2.3 Production Casing Design Assumptions

Burst Design Assumptions:

Calculations assume complete evacuation behind pipe. Safety factor calculated using offset pressure gradient variance factor of a maximum of 0.22psi/ft.

Collapse Design Assumptions:

Calculations assume complete evacuation behind pipe. Safety factor calculated using offset pressure gradient variance factor of a maximum of 0.22psi/ft.

Tension Design Assumptions:

Calculations assume string held in suspension to TVD.

8.0 Completion Program and Casing Design

Hydraulic fracturing will occur through the production casing. The burst design calculation assumes TOC at 10,445 ft., therefore, the backside of the production casing is not evacuated. The maximum pumping pressure is 9500 psi with a maximum proppant fluid weight of 9.5 lbs/gal.

Upon request, operator will provide proof of cement bonding by bond log. Operator is responsible for log interpretation and certification prior to frac treatment.

Upon request, operator will provide estimated fracture lengths, flowback storage, volumes of fluids and amount of sand to be used, and number of stages of frac procedure. Furthermore, a report of the annulus pressures before and after each stage of treatment may be requested by the BLM. The report may include chemical additives (other than proprietary), dissolved solids in frac fluid, and depth of perforations.

9.0 Drilling Evaluation Program

Required Testing, Logging, and Coring procedures noted below:

- *Mud Logging/Gamma Ray/MWD – (MWD on horizontal wells only).
- *Open hole logs (GR/SP/DIL/LDT/CNL/ML) from TD (horizontal well - vertical portion of hole) to the top of the uppermost potential hydrocarbon intervals
- *Open hole logs (GR/SP/DIL) from the top of the uppermost hydrocarbon interval to the base of the surface casing and (GR) log from base of surface casing to surface.
- *Cased hole CBL on production casing.

Note: The above referenced logging requirements are mandatory unless:

- 1)The well is located off unit, or
- 2)The operator can provide the BLM adequate geologic information in which they based the location and drilling of the well, or
- 3)The operator can provide the BLM logging data from a well that is within a 1-mile radius from the proposed surface hole location. The logging data can be no more than 30 years old and must be at least to TD of the proposed well.

10.0 Downhole Conditions

Zones of Possible Lost Circulation:	N/A	
Zones of Possible Abnormal Pressure:	N/A	
Maximum Bottom Hole Temperature:	180	degrees F
Maximum Bottom Hole Pressure:	3,815	psi
Anticipated Surface Downhoe Pressure:	2,134	psi

Casing Program: RRR - 13/8" x 9 5/8" x 5 1/2"

Open Hole Size (Inches)	Casing Depth; From (ft)	Casing Setting Depth (ft) MD	Casing Setting Depth (ft) TVD	Casing Size (inches)	Casing Weight (lb/ft)	Casing Grade	Thread	Condition	Anticipated Mud Weight (ppg)	Burst (psi)	Burst SF (1.125)	Collapse (psi)	Collapse SF (1.125)	Tension Joint (klbs)	Air Weight (lbs)	Tension Joint SF (1.8)	Tension Body (klbs)	Air Weight (lbs)	Tension Body SF (1.8)
Surface																			
17.5"	0'	480'	480'	13 3/8"	48.0	H-40	BTC	New	8.6	1,730	8.06	770	3.59	322,000	23,040	13.98	541,000	23,040	23.48
Intermediate																			
12.25"	0'	1,745'	1,745'	9 5/8"	36	J-55	LTC	New	8.6	3,520	4.51	2,020	5.18	564,000	62,820	8.98	639,000	62,820	10.17
Production																			
8.75"	0'	18,590'	7,643'	5 1/2"	20	P-110	BTC	New	9.6	12,640	3.31	11,080	2.90	667,000	152,860	4.36	641,000	152,860	4.19

Casing Design Criteria and Casing Loading Assumptions:

Surface	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	8.6 ppg
Collapse A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of:	8.6 ppg
Burst A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of:	8.6 ppg
Intermediate	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	8.6 ppg
Collapse A 1.125 design factor with 1/2 TVD internal evacuation and collapse force equal to a mud gradient of:	8.6 ppg
Burst A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of:	8.6 ppg
Production	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	9.6 ppg
Collapse A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of:	9.6 ppg
Burst A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of:	9.6 ppg

Casing Program: RRR - 13/8" x 9 5/8" x 5 1/2"

Open Hole Size (Inches)	Casing Depth; From (ft)	Casing Setting Depth (ft) MD	Casing Setting Depth (ft) TVD	Casing Size (inches)	Casing Weight (lb/ft)	Casing Grade	Thread	Condition	Anticipated Mud Weight (ppg)	Burst (psi)	Burst SF (1.125)	Collapse (psi)	Collapse SF (1.125)	Tension Joint (klbs)	Air Weight (lbs)	Tension Joint SF (1.8)	Tension Body (klbs)	Air Weight (lbs)	Tension Body SF (1.8)
Surface																			
17.5"	0'	480'	480'	13 3/8"	48.0	H-40	BTC	New	8.6	1,730	8.06	770	3.59	322,000	23,040	13.98	541,000	23,040	23.48
Intermediate																			
12.25"	0'	1,745'	1,745'	9 5/8"	36	J-55	LTC	New	8.6	3,520	4.51	2,020	5.18	564,000	62,820	8.98	639,000	62,820	10.17
Production																			
8.75"	0'	18,590'	7,643'	5 1/2"	20	P-110	BTC	New	9.6	12,640	3.31	11,080	2.90	667,000	152,860	4.36	641,000	152,860	4.19

Casing Design Criteria and Casing Loading Assumptions:

Surface	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	8.6 ppg
Collapse A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of:	8.6 ppg
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Production	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	9.6 ppg
Collapse A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of:	9.6 ppg
Burst A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of:	9.6 ppg

Casing Program: RRR - 13/8" x 9 5/8" x 5 1/2"

Open Hole Size (Inches)	Casing Depth; From (ft)	Casing Setting Depth (ft) MD	Casing Setting Depth (ft) TVD	Casing Size (inches)	Casing Weight (lb/ft)	Casing Grade	Thread	Condition	Anticipated Mud Weight (ppg)	Burst (psi)	Burst SF (1.125)	Collapse (psi)	Collapse SF (1.125)	Tension Joint (klbs)	Air Weight (lbs)	Tension Joint SF (1.8)	Tension Body (klbs)	Air Weight (lbs)	Tension Body SF (1.8)
Surface																			
17.5"	0'	480'	480'	13 3/8"	48.0	H-40	BTC	New	8.6	1,730	8.06	770	3.59	322,000	23,040	13.98	541,000	23,040	23.48
Intermediate																			
12.25"	0'	1,745'	1,745'	9 5/8"	36	J-55	LTC	New	8.6	3,520	4.51	2,020	5.18	564,000	62,820	8.98	639,000	62,820	10.17
Production																			
8.75"	0'	18,590'	7,643'	5 1/2"	20	P-110	BTC	New	9.6	12,640	3.31	11,080	2.90	667,000	152,860	4.36	641,000	152,860	4.19

Casing Design Criteria and Casing Loading Assumptions:

Surface	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	8.6 ppg
Collapse A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of:	8.6 ppg
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Burst A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of:	8.6 ppg
Production	
Tension A 1.8 design factor with effects of buoyancy with a fluid equal to a mud weight of:	9.6 ppg
Collapse A 1.125 design factor with full internal evacuation and collapse force equal to a mud gradient of:	9.6 ppg
Burst A 1.125 design factor with full external evacuation and burst force equal to a mud gradient of:	9.6 ppg

3R Operating, LLC
Ridge Runner Resources, LLC
1004 N . Big Spring St., Suite 325

Midland, TX 79701

H2S Contingency Plan
Eddy County, NM

Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated from the location entrance road. Crew should then block entrance to the location from the lease road so as not to allow anyone traversing into a hazardous area. The blockade should be at a safe distance outside of the ROE. There are NO homes or buildings in or near the ROE.

Assumed 100 ppm ROE = 3000'
 100 ppm H2S concentration shall trigger activation of this plan

Emergency Procedures

In the event of a release of gas containing H2S, the first responder(s) must:

- « Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- « Evacuate any public places encompassed by the 100 ppm ROE.
- « Be equipped with H2S monitors and air packs in order to control the release.
- « Use the "buddy system" to ensure no injuries occur during the response.
- « Take precautions to avoid personal injury during this operation.
- « Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- « Have received training
 - in the: Detection of
 - H2S, and
 - Measures for protection against the gas,
 - Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

Characteristics of H2S and SO,

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H2S	1.189 Air=1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO2	2.21 Air=1	2 ppm	N/A	1000 ppm

Contacting Authorities

3 Bear Field Services personnel must liaise with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. 3 Bear Field Services, LLC response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMERP).

Hydrogen Sulfide Drilling Operations Plan

1. All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:
 - A. Characteristics of H2S
 - B. Physical effects and hazards
 - C. Principal and operation of H2S detectors, warning system and briefing areas.
 - D. Evacuation procedure, routes and first aid.
 - E. Proper use of safety equipment & life support systems
 - F. Essential personnel meeting Medical Evaluation criteria will receive additional training on the proper use of 30-minute pressure demand air packs.
2. H2S Detection and Alarm Systems:
 - a. H2S sensors/detectors to be located on the drilling rig floor, in the base of the sub structure/cellar area, on the mud pits in the shale shaker area. Additional H2S detectors may be placed as deemed necessary.
 - b. An audio alarm system will be installed on the derrick floor and in the top doghouse.
3. Windsock and/or wind streamers:
 - a. Windsock at mudpit area should be high enough to be visible.
 - b. Windsock on the rig floor and/ or top doghouse should be high enough to be visible.
4. Condition Flags and Signs
 - a. Warning sign on access road to location.
 - b. Flags to be displayed on sign at entrance to location. Green flag indicates normal safe condition. Yellow flag indicates potential pressure and danger. Red flag indicates danger (H2S present in dangerous concentration). Only H2S trained and certified personnel

admitted to location.

5. Well control equipment:

- a. See exhibit BOP and Choke Diagrams

6. Communication:

- a. While working under masks chalkboards will be used for communication.
- b. Hand signals will be used where chalk board is inappropriate.
- c. Two-way radio will be used to communicate off location in case of emergency help is required. In most cases, cellular telephones will be available at most drilling foreman's trailer or living quarters.

7. Drill stem Testing:

No DSTs are planned at this time.

- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.
- 9. If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavengers if necessary.

Emergency Assistance Telephone List

Ridge Runner Resources, LLC

Ridge Runner Resources, LLC
CEO-Brian Cassens

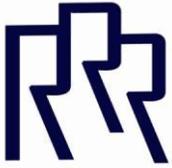
Office: (432)686-2973
Office: (817)953-0480

Drilling Superintendent-Russell Simons
Production Superintendent-Paul Martinez

Cell: (830)285-7501
Cell: (325)206-1722

Public Safety Numbers

Eddy County Sheriff's Department	Number:	575-887-7551
Eddy County Fire & Rescue	Number:	575-628-5450
Carlsbad Police Department	Number:	575-885-2111
Carlsbad Fire Department	Number:	575-885-3125
Hospital – Carlsbad Medical Center	Number:	575-887-4100
Trans Aero Medevac	Number:	844-435-4911
NMDOT District 2 – Roswell	Number:	575-840-3035
NM OCD Dist. 2 – Artesia	Number:	575-626-0830
BLM Pecos District Office – Roswell	Number:	575-627-0272
BLM Carlsbad Field Office	Number:	575-234-5972
BLM Hobbs Field Station	Number:	575-393-3612
BLM CFO/Eddy Co. PET On-Call	Number:	575-361-2822



3R Operating, LLC

Eddy County, NM (NAD83)

Big Mick 4 U Fed Com

Big Mick 4 U Fed Com 551H

OH

Plan: Plan 1

Standard Planning Report

27 August, 2025



Legacy Directional Drilling Planning Report

Database:	EDM_WA	Local Co-ordinate Reference:	Well Big Mick 4 U Fed Com 551H
Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Project	Eddy County, NM (NAD83)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Big Mick 4 U Fed Com				
Site Position:		Northing:	422,691.20 usft	Latitude:	32.162049
From:	Map	Easting:	554,495.87 usft	Longitude:	-104.290811
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "		

Well	Big Mick 4 U Fed Com 551H					
Well Position	+N/-S	0.00 usft	Northing:	422,661.20 usft	Latitude:	32.161967
	+E/-W	0.00 usft	Easting:	554,495.87 usft	Longitude:	-104.290811
Position Uncertainty		0.00 usft	Wellhead Elevation:	usft	Ground Level:	3,318.20 usft
Grid Convergence:		0.02 °				

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2025	8/26/2025	6.56	59.59	46,892.14715151

Design	Plan 1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	19.48

Plan Survey Tool Program		Date	8/27/2025		
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks	
1	0.00	18,589.58 Plan 1 (OH)	MWD		
			OWSG MWD - Standard		



Legacy Directional Drilling
Planning Report

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Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

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
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,680.26	7.20	137.19	1,678.99	-22.12	20.49	1.50	1.50	0.00	137.19	
5,764.51	7.20	137.19	5,731.01	-397.88	368.51	0.00	0.00	0.00	0.00	
6,244.77	0.00	0.01	6,210.00	-420.00	389.00	1.50	-1.50	0.00	180.00	
7,095.97	0.00	0.01	7,061.20	-420.00	389.00	0.00	0.00	0.00	0.01	
8,005.47	90.95	276.10	7,634.08	-358.11	-190.16	10.00	10.00	0.00	276.10	
8,374.33	90.95	270.09	7,627.96	-338.21	-558.26	1.63	0.00	-1.63	-89.96	
11,994.03	90.95	270.09	7,568.00	-332.60	-4,177.46	0.00	0.00	0.00	0.00	Begin Curve - Big Mic
12,767.22	90.36	337.75	7,557.99	74.19	-4,782.38	8.75	-0.08	8.75	90.00	
12,778.51	90.36	337.75	7,557.92	84.64	-4,786.66	0.00	0.00	0.00	0.00	
14,062.36	89.05	90.09	7,568.00	987.40	-4,179.76	8.75	-0.10	8.75	90.88	End Curve - Big Mick
18,589.58	89.05	90.09	7,643.00	980.43	346.83	0.00	0.00	0.00	0.00	LTP/BHL - Big Mick 4



Legacy Directional Drilling

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Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned 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)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
Start Nudge Build 1.50										
1,300.00	1.50	137.19	1,299.99	-0.96	0.89	-0.61	1.50	1.50	0.00	
1,400.00	3.00	137.19	1,399.91	-3.84	3.56	-2.43	1.50	1.50	0.00	
1,500.00	4.50	137.19	1,499.69	-8.64	8.00	-5.48	1.50	1.50	0.00	
1,600.00	6.00	137.19	1,599.27	-15.35	14.22	-9.73	1.50	1.50	0.00	
1,680.26	7.20	137.19	1,678.99	-22.12	20.49	-14.02	1.50	1.50	0.00	
7.2° at 1680.26 MD										
1,700.00	7.20	137.19	1,698.58	-23.94	22.17	-15.17	0.00	0.00	0.00	
1,795.17	7.20	137.19	1,793.00	-32.69	30.28	-20.72	0.00	0.00	0.00	
Lamar - Delaware										
1,800.00	7.20	137.19	1,797.79	-33.14	30.69	-21.00	0.00	0.00	0.00	
1,900.00	7.20	137.19	1,897.00	-42.34	39.21	-26.84	0.00	0.00	0.00	
2,000.00	7.20	137.19	1,996.21	-51.54	47.73	-32.67	0.00	0.00	0.00	
2,100.00	7.20	137.19	2,095.42	-60.74	56.26	-38.50	0.00	0.00	0.00	
2,200.00	7.20	137.19	2,194.63	-69.94	64.78	-44.33	0.00	0.00	0.00	
2,300.00	7.20	137.19	2,293.84	-79.14	73.30	-50.16	0.00	0.00	0.00	
2,400.00	7.20	137.19	2,393.05	-88.34	81.82	-55.99	0.00	0.00	0.00	
2,500.00	7.20	137.19	2,492.26	-97.54	90.34	-61.83	0.00	0.00	0.00	
2,600.00	7.20	137.19	2,591.48	-106.74	98.86	-67.66	0.00	0.00	0.00	
2,700.00	7.20	137.19	2,690.69	-115.94	107.38	-73.49	0.00	0.00	0.00	
2,800.00	7.20	137.19	2,789.90	-125.14	115.90	-79.32	0.00	0.00	0.00	
2,900.00	7.20	137.19	2,889.11	-134.34	124.42	-85.15	0.00	0.00	0.00	
3,000.00	7.20	137.19	2,988.32	-143.54	132.95	-90.98	0.00	0.00	0.00	
3,100.00	7.20	137.19	3,087.53	-152.74	141.47	-96.82	0.00	0.00	0.00	
3,200.00	7.20	137.19	3,186.74	-161.94	149.99	-102.65	0.00	0.00	0.00	
3,300.00	7.20	137.19	3,285.95	-171.14	158.51	-108.48	0.00	0.00	0.00	
3,400.00	7.20	137.19	3,385.16	-180.34	167.03	-114.31	0.00	0.00	0.00	
3,500.00	7.20	137.19	3,484.37	-189.54	175.55	-120.14	0.00	0.00	0.00	
3,600.00	7.20	137.19	3,583.58	-198.74	184.07	-125.97	0.00	0.00	0.00	
3,700.00	7.20	137.19	3,682.79	-207.94	192.59	-131.81	0.00	0.00	0.00	
3,800.00	7.20	137.19	3,782.00	-217.14	201.11	-137.64	0.00	0.00	0.00	
3,900.00	7.20	137.19	3,881.21	-226.34	209.63	-143.47	0.00	0.00	0.00	
4,000.00	7.20	137.19	3,980.42	-235.54	218.16	-149.30	0.00	0.00	0.00	
4,100.00	7.20	137.19	4,079.63	-244.74	226.68	-155.13	0.00	0.00	0.00	
4,200.00	7.20	137.19	4,178.85	-253.94	235.20	-160.96	0.00	0.00	0.00	
4,300.00	7.20	137.19	4,278.06	-263.14	243.72	-166.80	0.00	0.00	0.00	
4,400.00	7.20	137.19	4,377.27	-272.34	252.24	-172.63	0.00	0.00	0.00	
4,500.00	7.20	137.19	4,476.48	-281.54	260.76	-178.46	0.00	0.00	0.00	
4,600.00	7.20	137.19	4,575.69	-290.74	269.28	-184.29	0.00	0.00	0.00	
4,700.00	7.20	137.19	4,674.90	-299.94	277.80	-190.12	0.00	0.00	0.00	



Legacy Directional Drilling

Planning Report

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Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned 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)	
4,800.00	7.20	137.19	4,774.11	-309.14	286.32	-195.95	0.00	0.00	0.00	
4,900.00	7.20	137.19	4,873.32	-318.34	294.85	-201.79	0.00	0.00	0.00	
5,000.00	7.20	137.19	4,972.53	-327.54	303.37	-207.62	0.00	0.00	0.00	
5,100.00	7.20	137.19	5,071.74	-336.74	311.89	-213.45	0.00	0.00	0.00	
5,200.00	7.20	137.19	5,170.95	-345.94	320.41	-219.28	0.00	0.00	0.00	
5,300.00	7.20	137.19	5,270.16	-355.14	328.93	-225.11	0.00	0.00	0.00	
5,302.86	7.20	137.19	5,273.00	-355.41	329.17	-225.28	0.00	0.00	0.00	
Bone Spring										
5,400.00	7.20	137.19	5,369.37	-364.34	337.45	-230.94	0.00	0.00	0.00	
5,500.00	7.20	137.19	5,468.58	-373.54	345.97	-236.78	0.00	0.00	0.00	
5,600.00	7.20	137.19	5,567.79	-382.74	354.49	-242.61	0.00	0.00	0.00	
5,700.00	7.20	137.19	5,667.00	-391.94	363.01	-248.44	0.00	0.00	0.00	
5,764.51	7.20	137.19	5,731.01	-397.88	368.51	-252.20	0.00	0.00	0.00	
Start Drop -1.50										
5,800.00	6.67	137.19	5,766.24	-401.02	371.42	-254.19	1.50	-1.50	0.00	
5,900.00	5.17	137.19	5,865.70	-408.59	378.43	-258.99	1.50	-1.50	0.00	
6,000.00	3.67	137.19	5,965.40	-414.25	383.67	-262.58	1.50	-1.50	0.00	
6,100.00	2.17	137.19	6,065.27	-417.99	387.14	-264.95	1.50	-1.50	0.00	
6,200.00	0.67	137.19	6,165.23	-419.81	388.82	-266.10	1.50	-1.50	0.00	
6,244.77	0.00	0.01	6,210.00	-420.00	389.00	-266.22	1.50	-1.50	0.00	
Vertical at 6244.77 MD										
6,292.77	0.00	0.00	6,258.00	-420.00	389.00	-266.22	0.00	0.00	0.00	
1st Bone Spring Sand										
6,300.00	0.00	0.00	6,265.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
6,400.00	0.00	0.00	6,365.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
6,500.00	0.00	0.00	6,465.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
6,557.77	0.00	0.00	6,523.00	-420.00	389.00	-266.22	0.00	0.00	0.00	
2nd Bone Spring Carb										
6,600.00	0.00	0.00	6,565.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
6,700.00	0.00	0.00	6,665.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
6,800.00	0.00	0.00	6,765.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
6,807.77	0.00	0.00	6,773.00	-420.00	389.00	-266.22	0.00	0.00	0.00	
2nd Bone Spring Sand										
6,900.00	0.00	0.00	6,865.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
7,000.00	0.00	0.00	6,965.23	-420.00	389.00	-266.22	0.00	0.00	0.00	
7,095.97	0.00	0.00	7,061.20	-420.00	389.00	-266.22	0.00	0.00	0.00	
KOP Start Build 10.00										
7,100.00	0.40	276.10	7,065.23	-420.00	388.99	-266.23	10.00	10.00	0.00	
7,150.00	5.40	276.10	7,115.15	-419.73	386.47	-266.81	10.00	10.00	0.00	
7,152.86	5.69	276.10	7,118.00	-419.70	386.19	-266.88	10.00	10.00	0.00	
3rd Bone Spring Carb										
7,200.00	10.40	276.10	7,164.66	-419.00	379.63	-268.40	10.00	10.00	0.00	
7,250.00	15.40	276.10	7,213.38	-417.81	368.54	-270.99	10.00	10.00	0.00	
7,300.00	20.40	276.10	7,260.95	-416.18	353.26	-274.54	10.00	10.00	0.00	
7,350.00	25.40	276.10	7,306.99	-414.11	333.92	-279.04	10.00	10.00	0.00	
7,400.00	30.40	276.10	7,351.16	-411.63	310.66	-284.46	10.00	10.00	0.00	
7,450.00	35.40	276.10	7,393.13	-408.74	283.66	-290.74	10.00	10.00	0.00	
7,500.00	40.40	276.10	7,432.57	-405.48	253.12	-297.85	10.00	10.00	0.00	
7,550.00	45.40	276.10	7,469.18	-401.86	219.29	-305.72	10.00	10.00	0.00	
7,600.00	50.40	276.10	7,502.69	-397.92	182.41	-314.31	10.00	10.00	0.00	
7,650.00	55.40	276.10	7,532.84	-393.69	142.77	-323.53	10.00	10.00	0.00	
7,700.00	60.40	276.10	7,559.40	-389.19	100.66	-333.33	10.00	10.00	0.00	
7,750.00	65.40	276.10	7,582.17	-384.46	56.42	-343.63	10.00	10.00	0.00	



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Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned 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)
7,800.00	70.40	276.10	7,600.97	-379.54	10.37	-354.35	10.00	10.00	0.00
7,850.00	75.40	276.10	7,615.66	-374.46	-37.14	-365.41	10.00	10.00	0.00
7,900.00	80.40	276.10	7,626.14	-369.27	-85.73	-376.72	10.00	10.00	0.00
7,950.00	85.40	276.10	7,632.31	-363.99	-135.05	-388.20	10.00	10.00	0.00
8,000.00	90.40	276.10	7,634.14	-358.69	-184.72	-399.76	10.00	10.00	0.00
8,005.47	90.95	276.10	7,634.08	-358.11	-190.16	-401.02	10.00	10.00	0.00
LP 90.95° Start DLS 1.63 TFO -89.96									
8,100.00	90.95	274.56	7,632.51	-349.33	-284.27	-424.13	1.63	0.00	-1.63
8,200.00	90.95	272.93	7,630.85	-342.80	-384.04	-451.25	1.63	0.00	-1.63
8,300.00	90.95	271.30	7,629.19	-339.11	-483.95	-481.09	1.63	0.00	-1.63
8,374.33	90.95	270.09	7,627.96	-338.21	-558.26	-505.03	1.63	0.00	-1.63
End of Turn at 8374.33 MD									
8,400.00	90.95	270.09	7,627.54	-338.17	-583.93	-513.55	0.00	0.00	0.00
8,500.00	90.95	270.09	7,625.88	-338.01	-683.92	-546.75	0.00	0.00	0.00
8,600.00	90.95	270.09	7,624.22	-337.86	-783.90	-579.95	0.00	0.00	0.00
8,700.00	90.95	270.09	7,622.57	-337.70	-883.89	-613.15	0.00	0.00	0.00
8,800.00	90.95	270.09	7,620.91	-337.55	-983.87	-646.34	0.00	0.00	0.00
8,900.00	90.95	270.09	7,619.25	-337.39	-1,083.86	-679.54	0.00	0.00	0.00
9,000.00	90.95	270.09	7,617.60	-337.24	-1,183.85	-712.74	0.00	0.00	0.00
9,100.00	90.95	270.09	7,615.94	-337.08	-1,283.83	-745.94	0.00	0.00	0.00
9,200.00	90.95	270.09	7,614.28	-336.93	-1,383.82	-779.14	0.00	0.00	0.00
9,300.00	90.95	270.09	7,612.63	-336.77	-1,483.81	-812.34	0.00	0.00	0.00
9,400.00	90.95	270.09	7,610.97	-336.62	-1,583.79	-845.54	0.00	0.00	0.00
9,500.00	90.95	270.09	7,609.31	-336.46	-1,683.78	-878.74	0.00	0.00	0.00
9,600.00	90.95	270.09	7,607.66	-336.31	-1,783.76	-911.94	0.00	0.00	0.00
9,700.00	90.95	270.09	7,606.00	-336.15	-1,883.75	-945.14	0.00	0.00	0.00
9,800.00	90.95	270.09	7,604.34	-336.00	-1,983.74	-978.34	0.00	0.00	0.00
9,900.00	90.95	270.09	7,602.69	-335.84	-2,083.72	-1,011.54	0.00	0.00	0.00
10,000.00	90.95	270.09	7,601.03	-335.69	-2,183.71	-1,044.74	0.00	0.00	0.00
10,100.00	90.95	270.09	7,599.37	-335.53	-2,283.69	-1,077.94	0.00	0.00	0.00
10,200.00	90.95	270.09	7,597.72	-335.38	-2,383.68	-1,111.14	0.00	0.00	0.00
10,300.00	90.95	270.09	7,596.06	-335.22	-2,483.67	-1,144.34	0.00	0.00	0.00
10,400.00	90.95	270.09	7,594.41	-335.07	-2,583.65	-1,177.54	0.00	0.00	0.00
10,500.00	90.95	270.09	7,592.75	-334.91	-2,683.64	-1,210.74	0.00	0.00	0.00
10,600.00	90.95	270.09	7,591.09	-334.76	-2,783.63	-1,243.93	0.00	0.00	0.00
10,700.00	90.95	270.09	7,589.44	-334.60	-2,883.61	-1,277.13	0.00	0.00	0.00
10,800.00	90.95	270.09	7,587.78	-334.45	-2,983.60	-1,310.33	0.00	0.00	0.00
10,900.00	90.95	270.09	7,586.12	-334.29	-3,083.58	-1,343.53	0.00	0.00	0.00
11,000.00	90.95	270.09	7,584.47	-334.14	-3,183.57	-1,376.73	0.00	0.00	0.00
11,100.00	90.95	270.09	7,582.81	-333.98	-3,283.56	-1,409.93	0.00	0.00	0.00
11,200.00	90.95	270.09	7,581.15	-333.83	-3,383.54	-1,443.13	0.00	0.00	0.00
11,300.00	90.95	270.09	7,579.50	-333.67	-3,483.53	-1,476.33	0.00	0.00	0.00
11,400.00	90.95	270.09	7,577.84	-333.52	-3,583.51	-1,509.53	0.00	0.00	0.00
11,500.00	90.95	270.09	7,576.18	-333.37	-3,683.50	-1,542.73	0.00	0.00	0.00
11,600.00	90.95	270.09	7,574.53	-333.21	-3,783.49	-1,575.93	0.00	0.00	0.00
11,700.00	90.95	270.09	7,572.87	-333.06	-3,883.47	-1,609.13	0.00	0.00	0.00
11,800.00	90.95	270.09	7,571.21	-332.90	-3,983.46	-1,642.33	0.00	0.00	0.00
11,900.00	90.95	270.09	7,569.56	-332.75	-4,083.45	-1,675.53	0.00	0.00	0.00
11,994.03	90.95	270.09	7,568.00	-332.60	-4,177.46	-1,706.74	0.00	0.00	0.00
Begin Turn DLS 8.75 TFO 90.00									
12,000.00	90.95	270.61	7,567.90	-332.56	-4,183.43	-1,708.70	8.75	0.00	8.75
12,050.00	90.95	274.99	7,567.07	-330.12	-4,233.35	-1,723.05	8.75	-0.01	8.75
12,100.00	90.94	279.36	7,566.25	-323.88	-4,282.94	-1,733.70	8.75	-0.02	8.75



Legacy Directional Drilling

Planning Report

Database:	EDM_WA	Local Co-ordinate Reference:	Well Big Mick 4 U Fed Com 551H
Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned 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)
12,150.00	90.92	283.74	7,565.44	-313.87	-4,331.91	-1,740.60	8.75	-0.03	8.75
12,200.00	90.90	288.11	7,564.65	-300.16	-4,379.97	-1,743.70	8.75	-0.04	8.75
12,250.00	90.88	292.49	7,563.87	-282.82	-4,426.85	-1,742.98	8.75	-0.05	8.75
12,300.00	90.85	296.86	7,563.12	-261.95	-4,472.27	-1,738.46	8.75	-0.06	8.75
12,350.00	90.81	301.24	7,562.39	-237.68	-4,515.96	-1,730.15	8.75	-0.07	8.75
12,400.00	90.77	305.62	7,561.70	-210.14	-4,557.68	-1,718.10	8.75	-0.08	8.75
12,450.00	90.73	309.99	7,561.05	-179.51	-4,597.17	-1,702.39	8.75	-0.09	8.75
12,500.00	90.68	314.37	7,560.44	-145.94	-4,634.21	-1,683.10	8.75	-0.10	8.75
12,550.00	90.62	318.74	7,559.87	-109.65	-4,668.59	-1,660.35	8.75	-0.11	8.75
12,600.00	90.57	323.12	7,559.35	-70.85	-4,700.09	-1,634.28	8.75	-0.11	8.75
12,650.00	90.51	327.49	7,558.88	-29.75	-4,728.55	-1,605.02	8.75	-0.12	8.75
12,700.00	90.45	331.86	7,558.46	13.40	-4,753.78	-1,572.76	8.75	-0.13	8.75
12,750.00	90.38	336.24	7,558.10	58.34	-4,775.66	-1,537.68	8.75	-0.13	8.75
12,767.22	90.36	337.75	7,557.99	74.19	-4,782.38	-1,524.98	8.75	-0.13	8.75
Start 11.29 hold at 12767.22 MD									
12,778.51	90.36	337.75	7,557.92	84.64	-4,786.66	-1,516.56	0.00	0.00	0.00
Start DLS 8.75 TFO 90.88									
12,800.00	90.33	339.63	7,557.79	104.66	-4,794.47	-1,500.29	8.75	-0.14	8.75
12,850.00	90.26	344.00	7,557.53	152.15	-4,810.07	-1,460.72	8.75	-0.14	8.75
12,900.00	90.19	348.38	7,557.34	200.69	-4,822.01	-1,418.94	8.75	-0.14	8.75
12,950.00	90.12	352.75	7,557.20	250.00	-4,830.20	-1,375.18	8.75	-0.14	8.75
13,000.00	90.05	357.13	7,557.13	299.80	-4,834.61	-1,329.71	8.75	-0.14	8.75
13,050.00	89.97	1.50	7,557.12	349.78	-4,835.21	-1,282.79	8.75	-0.14	8.75
13,100.00	89.90	5.87	7,557.18	399.66	-4,832.00	-1,234.69	8.75	-0.14	8.75
13,150.00	89.83	10.25	7,557.29	449.16	-4,824.99	-1,185.69	8.75	-0.14	8.75
13,200.00	89.76	14.62	7,557.47	497.97	-4,814.22	-1,136.08	8.75	-0.14	8.75
13,250.00	89.69	19.00	7,557.71	545.82	-4,799.77	-1,086.15	8.75	-0.14	8.75
13,300.00	89.62	23.37	7,558.02	592.43	-4,781.70	-1,036.18	8.75	-0.14	8.75
13,350.00	89.56	27.75	7,558.37	637.53	-4,760.13	-986.48	8.75	-0.13	8.75
13,400.00	89.49	32.12	7,558.79	680.84	-4,735.19	-937.32	8.75	-0.13	8.75
13,450.00	89.43	36.50	7,559.26	722.13	-4,707.01	-889.00	8.75	-0.12	8.75
13,500.00	89.38	40.87	7,559.78	761.15	-4,675.77	-841.80	8.75	-0.11	8.75
13,550.00	89.32	45.25	7,560.34	797.67	-4,641.64	-795.99	8.75	-0.11	8.75
13,600.00	89.28	49.62	7,560.95	831.48	-4,604.82	-751.84	8.75	-0.10	8.75
13,650.00	89.23	54.00	7,561.60	862.38	-4,565.54	-709.60	8.75	-0.09	8.75
13,700.00	89.19	58.38	7,562.29	890.19	-4,524.01	-669.53	8.75	-0.08	8.75
13,750.00	89.16	62.75	7,563.02	914.76	-4,480.48	-631.85	8.75	-0.07	8.75
13,800.00	89.12	67.13	7,563.77	935.93	-4,435.20	-596.80	8.75	-0.06	8.75
13,850.00	89.10	71.50	7,564.54	953.58	-4,388.44	-564.56	8.75	-0.05	8.75
13,900.00	89.08	75.88	7,565.34	967.62	-4,340.47	-535.33	8.75	-0.04	8.75
13,950.00	89.06	80.25	7,566.15	977.95	-4,291.57	-509.27	8.75	-0.03	8.75
14,000.00	89.05	84.63	7,566.97	984.53	-4,242.02	-486.55	8.75	-0.02	8.75
14,050.00	89.05	89.01	7,567.80	987.30	-4,192.12	-467.29	8.75	-0.01	8.75
14,062.36	89.05	90.09	7,568.00	987.40	-4,179.76	-463.08	8.75	0.00	8.75
End of Turn 89.05° at 14062.36 MD									
14,100.00	89.05	90.09	7,568.62	987.34	-4,142.13	-450.58	0.00	0.00	0.00
14,200.00	89.05	90.09	7,570.28	987.19	-4,042.14	-417.38	0.00	0.00	0.00
14,300.00	89.05	90.09	7,571.94	987.03	-3,942.15	-384.18	0.00	0.00	0.00
14,400.00	89.05	90.09	7,573.59	986.88	-3,842.17	-350.98	0.00	0.00	0.00
14,500.00	89.05	90.09	7,575.25	986.73	-3,742.18	-317.78	0.00	0.00	0.00
14,600.00	89.05	90.09	7,576.91	986.57	-3,642.20	-284.58	0.00	0.00	0.00
14,700.00	89.05	90.09	7,578.56	986.42	-3,542.21	-251.38	0.00	0.00	0.00
14,800.00	89.05	90.09	7,580.22	986.26	-3,442.22	-218.18	0.00	0.00	0.00



Legacy Directional Drilling

Planning Report

Database:	EDM_WA	Local Co-ordinate Reference:	Well Big Mick 4 U Fed Com 551H
Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned 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)
14,900.00	89.05	90.09	7,581.88	986.11	-3,342.24	-184.98	0.00	0.00	0.00
15,000.00	89.05	90.09	7,583.53	985.96	-3,242.25	-151.78	0.00	0.00	0.00
15,100.00	89.05	90.09	7,585.19	985.80	-3,142.26	-118.58	0.00	0.00	0.00
15,200.00	89.05	90.09	7,586.85	985.65	-3,042.28	-85.38	0.00	0.00	0.00
15,300.00	89.05	90.09	7,588.50	985.49	-2,942.29	-52.18	0.00	0.00	0.00
15,400.00	89.05	90.09	7,590.16	985.34	-2,842.31	-18.98	0.00	0.00	0.00
15,500.00	89.05	90.09	7,591.82	985.19	-2,742.32	14.22	0.00	0.00	0.00
15,600.00	89.05	90.09	7,593.47	985.03	-2,642.33	47.42	0.00	0.00	0.00
15,700.00	89.05	90.09	7,595.13	984.88	-2,542.35	80.62	0.00	0.00	0.00
15,800.00	89.05	90.09	7,596.79	984.72	-2,442.36	113.82	0.00	0.00	0.00
15,900.00	89.05	90.09	7,598.44	984.57	-2,342.38	147.02	0.00	0.00	0.00
16,000.00	89.05	90.09	7,600.10	984.42	-2,242.39	180.22	0.00	0.00	0.00
16,100.00	89.05	90.09	7,601.76	984.26	-2,142.40	213.42	0.00	0.00	0.00
16,200.00	89.05	90.09	7,603.41	984.11	-2,042.42	246.62	0.00	0.00	0.00
16,300.00	89.05	90.09	7,605.07	983.96	-1,942.43	279.82	0.00	0.00	0.00
16,400.00	89.05	90.09	7,606.73	983.80	-1,842.44	313.02	0.00	0.00	0.00
16,500.00	89.05	90.09	7,608.38	983.65	-1,742.46	346.22	0.00	0.00	0.00
16,600.00	89.05	90.09	7,610.04	983.49	-1,642.47	379.42	0.00	0.00	0.00
16,700.00	89.05	90.09	7,611.70	983.34	-1,542.49	412.62	0.00	0.00	0.00
16,800.00	89.05	90.09	7,613.35	983.19	-1,442.50	445.82	0.00	0.00	0.00
16,900.00	89.05	90.09	7,615.01	983.03	-1,342.51	479.02	0.00	0.00	0.00
17,000.00	89.05	90.09	7,616.67	982.88	-1,242.53	512.22	0.00	0.00	0.00
17,100.00	89.05	90.09	7,618.32	982.72	-1,142.54	545.42	0.00	0.00	0.00
17,200.00	89.05	90.09	7,619.98	982.57	-1,042.56	578.62	0.00	0.00	0.00
17,300.00	89.05	90.09	7,621.64	982.42	-942.57	611.82	0.00	0.00	0.00
17,400.00	89.05	90.09	7,623.29	982.26	-842.58	645.02	0.00	0.00	0.00
17,500.00	89.05	90.09	7,624.95	982.11	-742.60	678.23	0.00	0.00	0.00
17,600.00	89.05	90.09	7,626.61	981.95	-642.61	711.43	0.00	0.00	0.00
17,700.00	89.05	90.09	7,628.26	981.80	-542.62	744.63	0.00	0.00	0.00
17,800.00	89.05	90.09	7,629.92	981.65	-442.64	777.83	0.00	0.00	0.00
17,900.00	89.05	90.09	7,631.58	981.49	-342.65	811.03	0.00	0.00	0.00
18,000.00	89.05	90.09	7,633.23	981.34	-242.67	844.23	0.00	0.00	0.00
18,100.00	89.05	90.09	7,634.89	981.18	-142.68	877.43	0.00	0.00	0.00
18,200.00	89.05	90.09	7,636.55	981.03	-42.69	910.63	0.00	0.00	0.00
18,300.00	89.05	90.09	7,638.20	980.88	57.29	943.83	0.00	0.00	0.00
18,400.00	89.05	90.09	7,639.86	980.72	157.28	977.03	0.00	0.00	0.00
18,500.00	89.05	90.09	7,641.52	980.57	257.26	1,010.23	0.00	0.00	0.00
18,589.58	89.05	90.09	7,643.00	980.43	346.83	1,039.97	0.00	0.00	0.00
LTP/BHL at 18589.58 - Target CL									



Legacy Directional Drilling

Planning Report

Database:	EDM_WA	Local Co-ordinate Reference:	Well Big Mick 4 U Fed Com 551H
Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Design Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape									
KOP - Big Mick 4 U Fed - plan misses target center by 80.33usft at 7096.00usft MD (7061.23 TVD, -420.00 N, 389.00 E) - Point	0.00	0.00	7,061.20	-339.67	389.27	422,321.53	554,885.14	32.161033	-104.289553
NPZ1 - Big Mick 4 U Fed - plan misses target center by 2.99usft at 12497.51usft MD (7560.47 TVD, -147.68 N, -4632.43 E) - Point	0.00	0.00	7,560.43	-149.90	-4,634.44	422,511.30	549,861.43	32.161559	-104.305788
NPZ2 - Big Mick 4 U Fed - plan misses target center by 0.02usft at 13557.76usft MD (7560.43 TVD, 803.09 N, -4636.10 E) - Point	0.00	0.00	7,560.43	803.11	-4,636.11	423,464.31	549,859.76	32.164179	-104.305792
Midpoint - Big Mick 4 U Fed - plan misses target center by 6.69usft at 13028.10usft MD (7557.12 TVD, 327.88 N, -4835.42 E) - Point	0.00	0.00	7,563.00	327.84	-4,838.61	422,989.04	549,657.26	32.162872	-104.306447
End Curve - Big Mick 4 U Fed - plan hits target center - Point	0.00	0.00	7,568.00	987.40	-4,179.76	423,648.60	550,316.11	32.164685	-104.304317
Begin Curve - Big Mick 4 U Fed - plan hits target center - Point	0.00	0.00	7,568.00	-332.60	-4,177.46	422,328.60	550,318.41	32.161056	-104.304311
LPP - Big Mick 4 U Fed - plan misses target center by 0.21usft at 10012.02usft MD (7600.83 TVD, -335.67 N, -2195.72 E) - Point	0.00	0.00	7,600.62	-335.65	-2,195.72	422,325.55	552,300.15	32.161046	-104.297907
LTP/BHL - Big Mick 4 U Fed - plan hits target center - Point	0.00	0.00	7,643.00	980.43	346.83	423,641.63	554,842.70	32.164662	-104.289689
FTP - Big Mick 4 U Fed - plan misses target center by 217.27usft at 7582.93usft MD (7491.61 TVD, -399.30 N, 195.33 E) - Point	0.00	0.00	7,643.00	-339.56	339.27	422,321.64	554,835.14	32.161033	-104.289715

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(usft)	(usft)			(°)	(°)	
1,795.17	1,793.00	Lamar				
1,795.17	1,793.00	Delaware				
5,302.86	5,273.00	Bone Spring				
6,292.77	6,258.00	1st Bone Spring Sand				
6,557.77	6,523.00	2nd Bone Spring Carb				
6,807.77	6,773.00	2nd Bone Spring Sand				
7,152.86	7,118.00	3rd Bone Spring Carb				
18,589.58	7,643.00	Target CL				

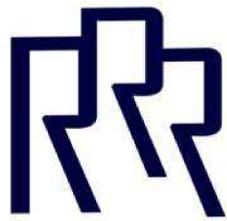


Legacy Directional Drilling
Planning Report

Database:	EDM_WA	Local Co-ordinate Reference:	Well Big Mick 4 U Fed Com 551H
Company:	3R Operating, LLC	TVD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Project:	Eddy County, NM (NAD83)	MD Reference:	GL 3318.2 + 25' KB @ 3343.20usft
Site:	Big Mick 4 U Fed Com	North Reference:	Grid
Well:	Big Mick 4 U Fed Com 551H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
1,200.00	1,200.00	0.00	0.00	Start Nudge Build 1.50
1,680.26	1,678.99	-22.12	20.49	7.2° at 1680.26 MD
5,764.51	5,731.01	-397.88	368.51	Start Drop -1.50
6,244.77	6,210.00	-420.00	389.00	Vertical at 6244.77 MD
7,095.97	7,061.20	-420.00	389.00	KOP Start Build 10.00
8,005.47	7,634.08	-358.11	-190.16	LP 90.95° Start DLS 1.63 TFO -89.96
8,374.33	7,627.96	-338.21	-558.26	End of Turn at 8374.33 MD
11,994.03	7,568.00	-332.60	-4,177.46	Begin Turn DLS 8.75 TFO 90.00
12,767.22	7,557.99	74.19	-4,782.38	Start 11.29 hold at 12767.22 MD
12,778.51	7,557.92	84.64	-4,786.66	Start DLS 8.75 TFO 90.88
14,062.36	7,568.00	987.40	-4,179.76	End of Turn 89.05° at 14062.36 MD
18,589.58	7,643.00	980.43	346.83	LTP/BHL at 18589.58

3R Operating, LLC



Azimuths to Grid North
 True North: -0.02°
 Magnetic North: 6.54°

Magnetic Field
 Strength: 46892.1nT
 Dip Angle: 59.59°
 Date: 8/26/2025
 Model: IGRF2025



Company: 3R Operating, LLC
 Field: Eddy County, NM (NAD83)
 Location: Big Mick 4 U Fed Com
 Well: Big Mick 4 U Fed Com 551H
 OH
 Plan: Plan 1
 GL 3318.2 + 25' KB @ 3343.20usft

WELL DETAILS: Big Mick 4 U Fed Com 551H

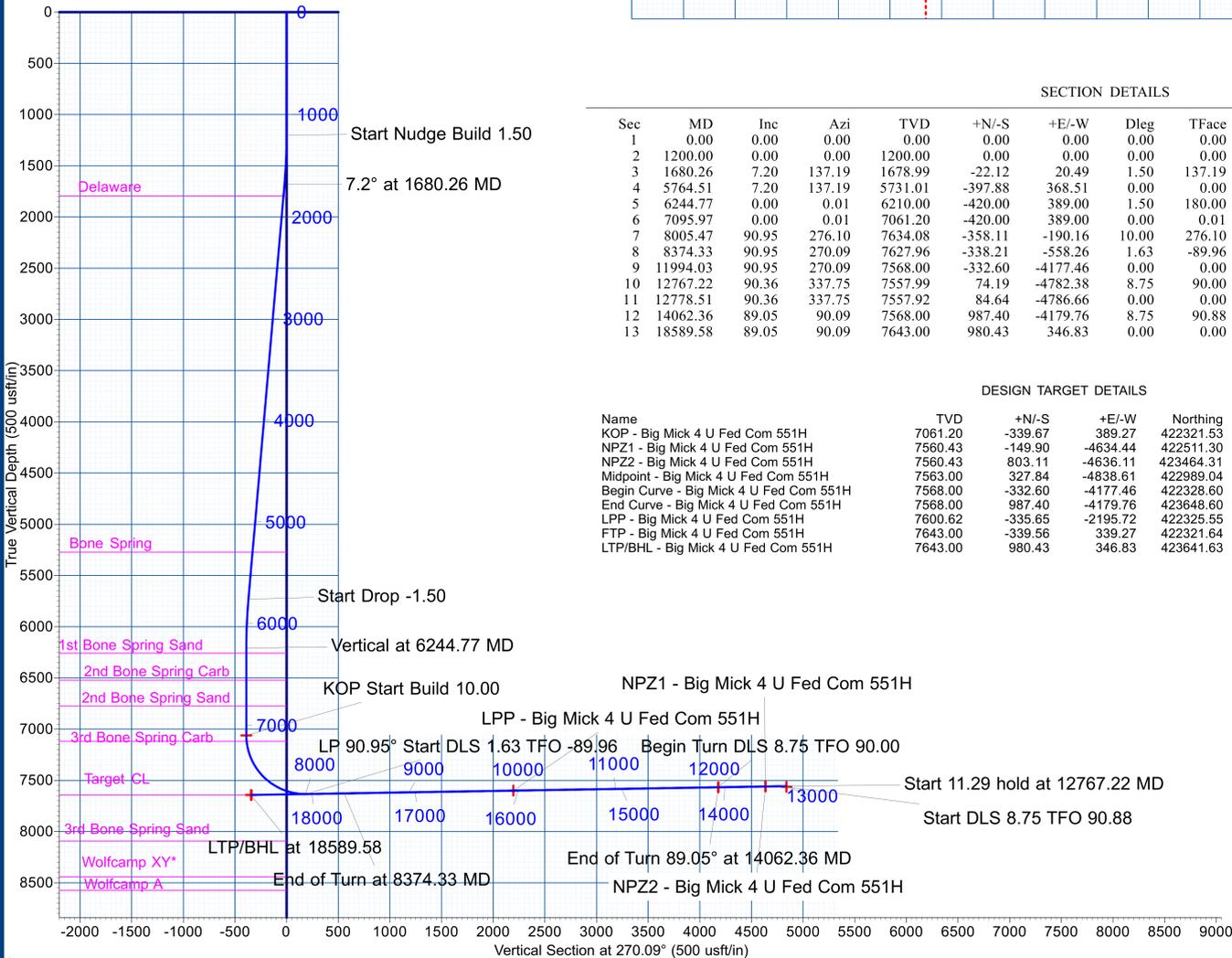
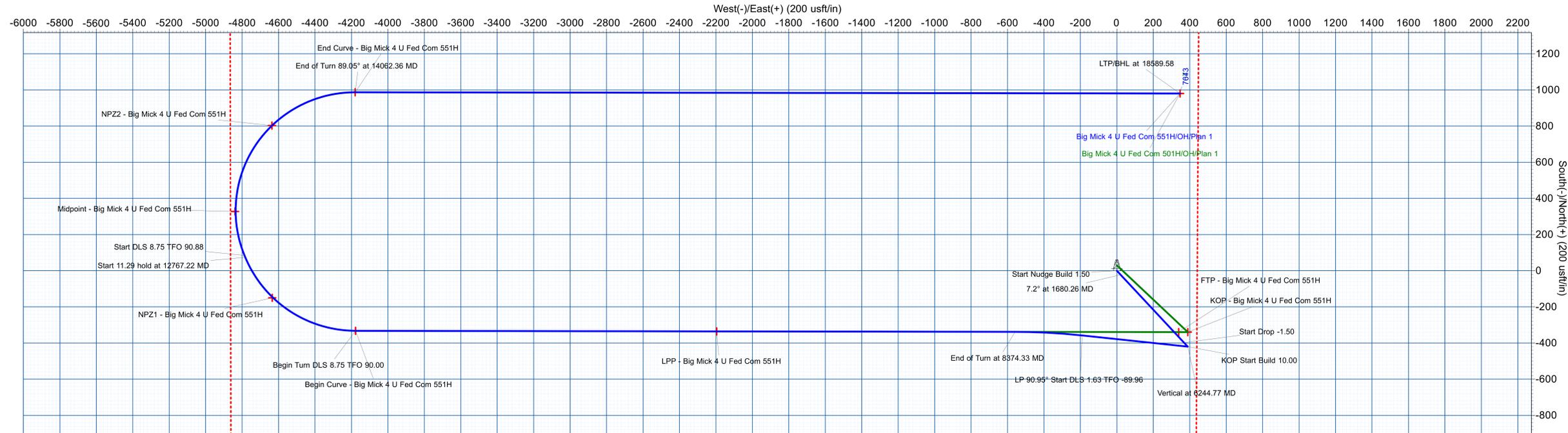
+N/-S	+E/-W	GL 3318.2 + 25' KB @ 3343.20usft	3318.20	Slot
0.00	0.00	Northing 422661.20	Easting 554495.87	Latitude 32.161967
				Longitude -104.290810

To convert a Magnetic Direction to a Grid Direction, Add 6.54°

RIG: TBD

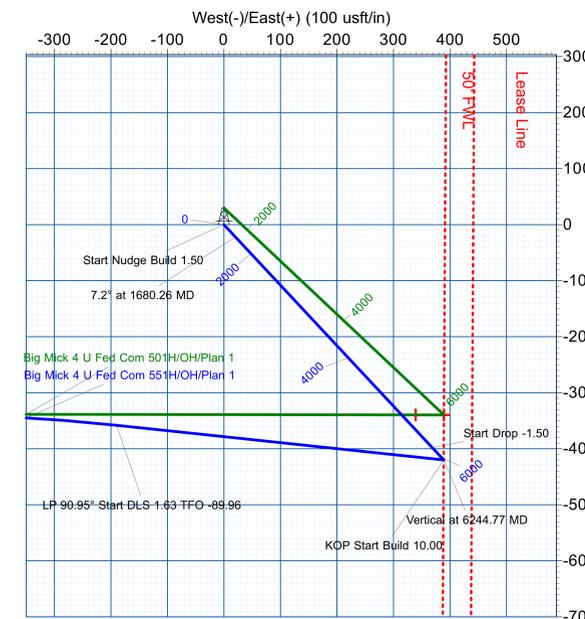
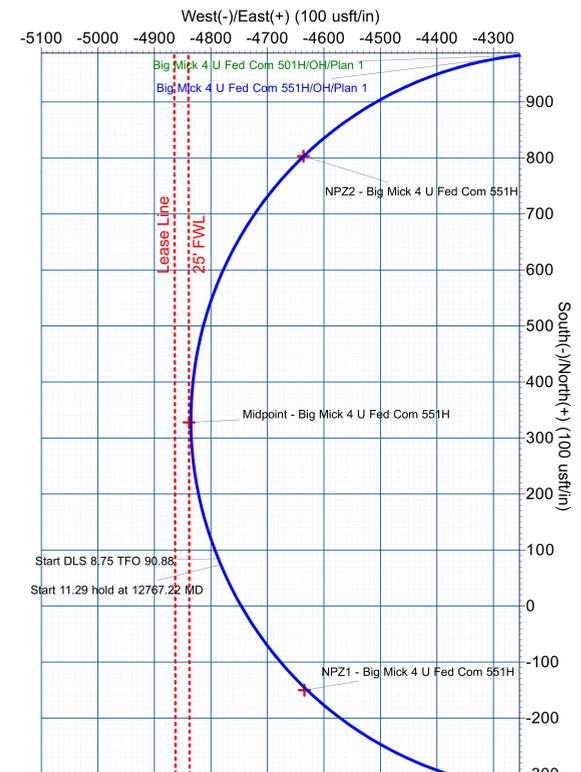
PROJECT DETAILS: Eddy County, NM (NAD83)

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



SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	1200.00	0.00	0.00	1200.00	0.00	0.00	0.00	0.00	0.00	
3	1680.26	7.20	137.19	1678.99	-22.12	20.49	1.50	137.19	-20.52	
4	5764.51	7.20	137.19	5731.01	-397.88	368.51	0.00	0.00	-369.14	
5	6244.77	0.00	0.01	6210.00	-420.00	389.00	1.50	180.00	-389.66	
6	7095.97	0.00	0.01	7061.20	-420.00	389.00	0.00	0.01	-389.66	
7	8005.47	90.95	276.10	7634.08	-358.11	-190.16	10.00	276.10	189.60	
8	8374.33	90.95	270.09	7627.96	-338.21	-558.26	1.63	-89.96	557.73	
9	11994.03	90.95	270.09	7568.00	-332.60	-4177.46	0.00	0.00	4176.93	Begin Curve - Big Mick 4 U Fed Com 551H
10	12767.22	90.36	337.75	7557.99	74.19	-4782.38	8.75	90.00	4782.50	
11	12778.51	90.36	337.75	7557.92	84.64	-4786.66	0.00	0.00	4786.79	
12	14062.36	89.05	90.09	7568.00	987.40	-4179.76	8.75	90.88	4181.31	End Curve - Big Mick 4 U Fed Com 551H
13	18589.58	89.05	90.09	7643.00	980.43	346.83	0.00	0.00	-345.29	LTP/BHL - Big Mick 4 U Fed Com 551H

DESIGN TARGET DETAILS							
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
KOP - Big Mick 4 U Fed Com 551H	7061.20	-339.67	389.27	422321.53	554885.14	32.161033	-104.289553
NP21 - Big Mick 4 U Fed Com 551H	7560.43	-149.90	-4634.44	422511.30	549861.43	32.161559	-104.305787
NP22 - Big Mick 4 U Fed Com 551H	7560.43	803.11	-4636.11	423464.31	549859.76	32.164179	-104.305792
Midpoint - Big Mick 4 U Fed Com 551H	7563.00	327.84	-4838.61	422989.04	549657.26	32.162872	-104.306447
Begin Curve - Big Mick 4 U Fed Com 551H	7568.00	-332.60	-4177.46	422328.60	550318.41	32.161056	-104.304311
End Curve - Big Mick 4 U Fed Com 551H	7568.00	987.40	-4179.76	423648.60	550316.11	32.164685	-104.304317
LPP - Big Mick 4 U Fed Com 551H	7600.62	-335.65	-2195.72	422325.55	552300.15	32.161046	-104.297907
FTP - Big Mick 4 U Fed Com 551H	7643.00	-339.56	339.27	422321.64	554835.14	32.161033	-104.289714
LTP/BHL - Big Mick 4 U Fed Com 551H	7643.00	980.43	346.83	423641.63	554842.70	32.164661	-104.289688



September 3, 2025

Attn: Engineering Dept.
Bureau of Land Management
Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220

RE: **43 CFR § 3162.3-1 (j): Waste Minimization Plan**
3R Operating, LLC
Application for Permit to Drill
Big Mick 4 U Fed Com 551H
SE/4-NE/4 of Section 04-25S-26E
Eddy County, NM

To Whom It May Concern,

3R Operating, LLC has submitted a Federal Application for Permit to Drill (APD) for the proposed “**Big Mick 4 U Fed Com 551H**” oil well. As required by the Waste Minimization Plan and in compliance with 43 CFR § 3162.3-1 (j)(1)-(4), 3R Operating provides the following information:

43 CFR § 3162.3-1 (j)(1) & (2): Anticipated Initial Oil & Gas Production and Decline

Oil	Gas
Estimated 1st month of oil production: <i>See attachment</i>	Estimated 1st month of gas production: <i>See attachment</i>
Estimated 36th month of oil production: <i>See attachment</i>	Estimated 36th month of gas production: <i>See attachment</i>

43 CFR § 3162.3-1 (j)(3): Gas Sales Certification

3R Operating, LLC hereby certifies that the operator will have a valid, executed gas sales contract to sell to a purchaser 100 percent of the produced oil-well gas, less gas anticipated for use on-lease pursuant to 43 CFR subpart 3178.

43 CFR § 3162.3-1 (j)(4): Other Information

See attachment (NM OCD Natural Gas Management Plan)

State of New Mexico
 Energy, Minerals and Natural Resources Department

Submit Electronically
 Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

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

Section 1 – Plan Description Effective May 25, 2021

I. Operator: 3R Operating, LLC **OGRID:** 331569 **Date:** 08 / 21 / 25

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

If Other, please describe: _____

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

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
See attachment						

IV. Central Delivery Point Name: Boudin CTB [See 19.15.27.9(D)(1) NMAC]

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

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
See attachment						

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

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

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

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

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

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

IX. Anticipated Natural Gas Production:

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

X. Natural Gas Gathering System (NGGS):

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

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

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

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

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

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

Section 3 - Certifications

Effective May 25, 2021

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

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

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

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

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

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

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

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

Signature:	<i>Kalen Melton</i>
Printed Name:	Kalen Melton
Title:	Permitting Agent
E-mail Address:	kmelton@reagansmith.com
Date:	8/21/25
Phone:	405-286-9326
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

XIV. Confidentiality

Uniqueness and variability of the formation encountered for this well is such that the Operator requests confidentiality in order to protect its proprietary data. After the responsible agency has conducted its review, the Operator requests the following information be REDACTED from the approved and posted permit(s), including anticipated production volumes and the Operator's planned development schedule. This information is expected to remain private between the submitting operator and the reviewing agency only.

III. Wells

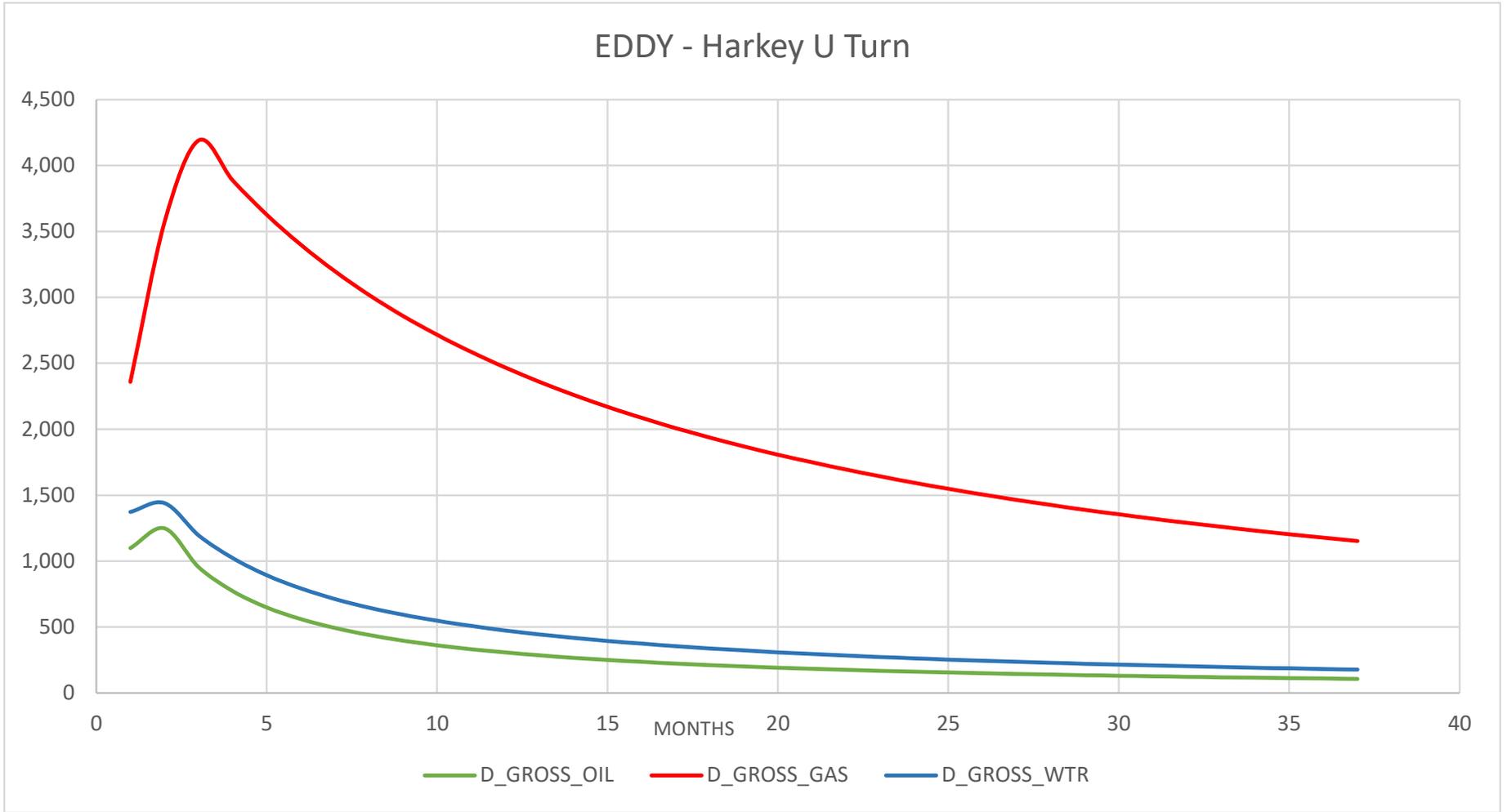
Well Name	API	ULSTR	Footages	Anticipated Initial (High) Oil Production BBL/D	Anticipated Initial (High) Gas Production MCF/D	Anticipated (High) Produced Water BBL/D
Big Mick 4 U Fed Com 551H	Pending	H-04-25S-26E	1621' FNL & 441' FEL	1249	3567	1440

Well Name	Anticipated Oil Prod. after 3 years BBL/D (for Federal APD)	Anticipated Gas Prod. after 3 years MCF/D (for Federal APD)
Big Mick 4 U Fed Com 551H	109	1177

See provided decline curve on next page for estimated production volumes over 36 months.

V. Anticipated Schedule

Well Name	API	Spud date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Big Mick 4 U Fed Com 551H	Pending	3/11/2026	3/26/2026	5/10/2025	6/19/2026	6/25/2026



VI. Separation Equipment

Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing modeling software to ensure adequate capacity for anticipated production volumes and conditions. Production composition and the volumes will be utilized as inputs to a process model which predicts relative amounts of gas, oil and water throughout the process. The high-volume case will be used to size equipment, piping and instrumentation.

Each well has a dedicated 3-phase separator and gas from that separator is taken directly to gas sales. Facility piping and pipeline will be sized to allow peak volumes to flow with minimal pressure loss and deliver to the midstream gatherer at an acceptable pressure. Water will be conveyed directly to tankage. Oil from 3-phase separators will be conveyed to a heated separator for enhanced liquid-liquid separation and degassing. Vapors from the heater treater are routed to flare. Oil and water storage tanks vapor outlets utilize a closed vent vapor system to ensure all working & breathing and flashing losses are routed to the flare which is sized to accommodate peak expected production volume. Flash volumes are estimated using the high-volume case.

VII. Operational Practices

The operator will ensure pipeline connectivity before producing hydrocarbons and will operate a closed vent vapor capture system that is designed to capture all associated and evolved gas during normal operation. Venting will only occur during maintenance activities or equipment failure. The operator may utilize the following from Section 3 for its operations to minimize flaring:

- A. The operator will maximize the recovery of natural gas by minimizing the waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. The operator will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas. If there is no adequate takeaway for the gas, compression will be added to deliver volumes that are produced. Well production may also be curtailed to manage the flow of gas and not overrun compression.
- B. All drilling operations will be equipped with a rig flare located at least 100' from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations.
- C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flowback will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards; however, if natural gas does not meet gathering pipeline quality specifications, the operator will flare the natural gas for up to 60 days or until the natural gas meets the pipeline quality specifications, whichever is sooner. The operator will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will be analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
- D. Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D.(l) through (4). If there is no adequate takeaway for the separator gas, well(s) will be curtailed until the natural gas gathering system is available with exception of emergency or malfunction situations. Venting and/or flaring volumes will be measured using a total flow meter and reported appropriately.
- E. The operator will comply with the performance standards requirements and provisions listed in 19.15.27.8 E.(l) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs to minimize the waste. Production storage tanks constructed after May 25, 2021, will be equipped with automatic gauging system. Flares constructed after May 25, 2021, will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. The operator will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
- F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared, or beneficially used during production operations, will be measured, or estimated. The operator will install equipment to measure the volume of natural gas flared from existing process piping, or a flowline piped from equipment such as high-

pressure separators, heater treaters, or vapor recovery units associated with a well or facility associated with a well authorized by an APD issued after May 25, 2021, that has an average daily production greater than 60 Mcf/day. If metering is not practicable due to circumstances such as low flow rate or low pressure venting and flaring, the operator will estimate the volume of vented or flared natural gas. Measuring equipment will conform to industry standards and will not be designed or equipped with a manifold that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing the measurement equipment.

VIII. Best Management Practices

The operator utilizes automated engineering controls included in facility design to minimize venting and flaring. Additionally, operator's SOP support the minimization of flare and venting.

If the main gas outlet becomes unavailable and pressure increases on the outlet sales line, produced gas will be routed directly to the facility flare. The facility control system will alert personnel to the need for maintenance and appropriate response to the temporary flaring event. The facility design includes a closed vent vapor capture system to route flash from the heater treater and tanks to the flare. For maintenance activities, the operator will utilize the facility flare to blowdown equipment and piping whenever practical to minimize venting.



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

SUPO Data Report

11/19/2025

APD ID: 10400106803

Submission Date: 09/04/2025

Highlighted data reflects the most recent changes

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

BIG_MICK_ACCESS_20250930174707.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

BIG_MICK_PROPOSED_ROAD_20250930174716.pdf

New road type: COLLECTOR

Length: 1733 Feet

Width (ft.): 30

Max slope (%): 3

Max grade (%): 3

Army Corp of Engineers (ACOE) permit required? N

ACOE Permit Number(s):

New road travel width: 25

New road access erosion control: The proposed lease road traverses mostly level terrain. The largest grade along the lease road may be approximately 3%. Existing bar ditches or any man-made ditch is not considered in determining max slope of preconstruction contours. Fencing, gates, and/or cattle guards may be installed as necessary per agreement with landowner or surface managing agency. To accommodate the natural drainage of the landscape, culverts or water diversions will be installed as necessary to allow proper drainage of the landscape and mitigate erosion.

New road access plan or profile prepared? N

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

New road access plan

Access road engineering design? N

Access road engineering design

Turnout? N

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Bulldozer/Road Grader

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: CULVERT

Drainage Control comments: The lease road will be new construction and provide all-weather access to this property. The lease road will be maintained with a motor grader in a prudent manner as an all-weather road. Maintenance activity shall include, but not be limited to, resurfacing, reshaping, compacting, and crowning said road as necessary. Any ruts, rills, and eroded areas will be filled/repared as necessary. Crown/ditch will be surfaced with caliche.

Road Drainage Control Structures (DCS) description: To accommodate the natural drainage of the landscape, culverts or water diversions will be installed as necessary to allow proper drainage of the landscape and mitigate erosion.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Existing Well map Attachment:

BIG_MICK_ONE_MILE_RADIUS_20250930174807.pdf

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Proposed production facilities are located in the SW corner of the well pad. A site facility diagram will be submitted to the BLM upon the well being placed into production.

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Production Facilities map:

BIG_MICK_FAC_20250930174814.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source type: PERENNIAL SURFACE

Water source use type: DUST CONTROL
SURFACE CASING
INTERMEDIATE/PRODUCTION CASING
STIMULATION

Source latitude: 32.17881

Source longitude: -104.359002

Source datum: NAD83

City:

Water source permit type: PRIVATE CONTRACT

Water source transport method: PIPELINE

Source land ownership: PRIVATE

Source transportation land ownership: OTHER

Describe transportation land ownership: Private, co

Water source volume (barrels): 180000

Source volume (acre-feet): 23.20075734

Source volume (gal): 7560000

Water source and transportation

WTP_Big_Mick_20250903133220.pdf

Water source comments: Existing frac pond. Temporary aboveground water line will follow edge of existing roads/ROW routes.

New water well? N

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Using any construction materials: YES

Construction Materials description: Location will be graded and leveled with existing soil at proposed site. Construction material will be obtained via private contract for the construction of the well pad and lease road. Source of materials is existing caliche pit located on private surface (approx. 32.160285, -104.321481) in the SW/4-NW/4 of Sec. 05-25S-26E.

Construction Materials source location

Section 7 - Methods for Handling

Waste type: COMPLETIONS/STIMULATION

Waste content description: Water associated with completion of the well.

Amount of waste: 1000 barrels

Waste disposal frequency : Weekly

Safe containment description: Completion water will be held in permanent above ground storage tanks on the well pad. The tank(s) will be contained by appropriate secondary containment.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Third party vendor will be charged with disposal of waste (R360 Environmental Solutions). Waste will be hauled to an approved commercial disposal facility.

Waste type: GARBAGE

Waste content description: Garbage produced during drilling and completions.

Amount of waste: 1000 pounds

Waste disposal frequency : Weekly

Safe containment description: All garbage will be contained either in trash cans or dumpsters onsite.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Disposal type description:

Disposal location description: Third party vendor will be charged with disposal of waste (R360 Environmental Solutions). Waste will be hauled to an approved commercial disposal facility.

Waste type: PRODUCED WATER

Waste content description: Water produced from the target formation.

Amount of waste: 1000 barrels

Waste disposal frequency : Daily

Safe containment description: Water produced form target formation will be held in permanent above ground storage tanks on the well pad. The tank(s) will be contained by appropriate secondary containment.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: TBD - Disposal will occur at a regional wastewater disposal facility designed and approved to dispose of oilfield wastewater.

Waste type: SEWAGE

Waste content description: Sewage associated with active drilling and completions operations.

Amount of waste: 1000 gallons

Waste disposal frequency : Weekly

Safe containment description: All sewage will be held in onsite portable restrooms.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Third party vendor will be charged with disposal of waste (R360 Environmental Solutions). Waste will be hauled to an approved commercial disposal facility.

Waste type: DRILLING

Waste content description: Drilling mud and cuttings

Amount of waste: 3800 barrels

Waste disposal frequency : One Time Only

Safe containment description: Drilling mud and cuttings will be contained in a closed system. During drilling activities trenches will surround all pumps, motors, and rig such that runoff will be directed to a sump area on the well site and pumped into a haul off tank.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

Disposal type description:

Disposal location description: Third party vendor will be charged with disposal of waste (R360 Environmental Solutions). Waste will be hauled to an approved commercial disposal facility.

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit? NO

Reserve pit length (ft.) **Reserve pit width (ft.)**

Reserve pit depth (ft.) **Reserve pit volume (cu. yd.)**

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? N

Description of cuttings location

Cuttings area length (ft.) **Cuttings area width (ft.)**

Cuttings area depth (ft.) **Cuttings area volume (cu. yd.)**

Is at least 50% of the cuttings area in cut?

Cuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary

Are you requesting any Ancillary Facilities?: N

Ancillary Facilities

Comments:

Section 9 - Well Site

Well Site Layout Diagram:

Rig_Layout_20250903133441.pdf

BIG_MICK_PAD_DESIGN_20250930174834.pdf

Comments:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Section 10 - Plans for Surface

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: BIG MICK PAD

Multiple Well Pad Number: 501H, 551H

Recontouring

BIG_MICK_PAD_DESIGN_20250930174912.pdf

Drainage/Erosion control construction: To mitigate erosion and protect the natural drainage areas, erosion control methods (e.g. cut and fill ratios of 2:1) will be implemented during the construction and production phases of this project. The slopes of the well pad may be reseeded or replanted per agreement with the landowner. Erosion mitigation such as water diversions, silt fences, and hay bales will be located as necessary around the well pad.

Drainage/Erosion control reclamation: To mitigate erosion and protect the natural drainage areas, erosion control methods (e.g. cut and fill ratios of 2:1) will be implemented during the construction and production phases of this project. The slopes of the well pad may be reseeded or replanted per agreement with the landowner. Erosion mitigation such as water diversions, silt fences, and hay bales will be located as necessary around the well pad.

Well pad proposed disturbance (acres): 5.17

Road proposed disturbance (acres): 1.19

Powerline proposed disturbance (acres): 0

Pipeline proposed disturbance (acres): 0

Other proposed disturbance (acres): 0.34

Total proposed disturbance: 6.699999999999999

Disturbance Comments:

Well pad interim reclamation (acres): 0

Road interim reclamation (acres): 0

Powerline interim reclamation (acres): 0

Pipeline interim reclamation (acres): 0

Other interim reclamation (acres): 0

Total interim reclamation: 0

Well pad long term disturbance (acres): 5.17

Road long term disturbance (acres): 1.19

Powerline long term disturbance (acres): 0

Pipeline long term disturbance (acres): 0

Other long term disturbance (acres): 0.34

Total long term disturbance: 6.699999999999999

Reconstruction method: The operator does not intend to downsize this well location at this time due to plans of future oil and gas development. In the event that it later becomes necessary to downsize or reclaim the well pad, the following methods will be implemented. The operator will restore topsoil to its original condition. The operator will backfill, level, and restore site to original contours with segregation of spoiled materials as needed. The operator will rehabilitate all disturbed areas. All areas of reclamation will be rehabilitated as per agreement with private surface owner or surface managing agency. Upon abandonment of the well, all waste will be hauled away and disposed of in an approved manner. All equipment and salvageable material will be removed from the drill site. All debris generated from the drilling and operating of the well, which is unsuited for burial at an approved landfill, will be disposed of according to applicable regulations. Cleaning operations will commence with completion of drilling activity and should be completed in approximately 10 days. The drill site will be restored as near as practicable to its reconstruction condition and topography. All surface drainage patterns, which may be affected by the proposed action, will be shaped and restored to preconstruction conditions. The soil will be graded and tilled to prepare its surface for seedbed in accordance with the applicable regulatory and conservation agencies. Erosion control techniques will be implemented when necessary. If applicable, construction of all pipelines will be in accordance with standard pipeline industry practices to assure prudent and safe operations and use of the land and in accordance with the conditions and stipulations of the BLM. The right-of-ways will be graded as necessary to provide a suitable work surface.

Topsoil redistribution: The operator does not intend to downsize this well location at this time due to plans of future oil and gas development. In the event that it later becomes necessary to downsize or reclaim the well pad, topsoil will be redistributed after the well pad has been returned to original contours, or as close as practical.

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Soil treatment: No soil treatment will be needed.

Existing Vegetation at the well pad: The project area is located within the Chihuahuan Basins & Playas Level IV Ecoregion and situated in semi-arid rangeland consisting of scrubland and desert grassland communities. Topography is gently to moderately sloping. Land use within and surrounding the project area is primarily limited to oil & gas development and cattle grazing. Dominant species include creosote bush, acacia spp., American tarwort, grama spp., bluestem spp., burrograss, tobosa grass, purple three-awn, honey mesquite, cacti spp., soaptree yucca, and other native grasses and forbs.

Existing Vegetation at the well pad

Existing Vegetation Community at the road: The project area is located within the Chihuahuan Basins & Playas Level IV Ecoregion and situated in semi-arid rangeland consisting of scrubland and desert grassland communities. Topography is gently to moderately sloping. Land use within and surrounding the project area is primarily limited to oil & gas development and cattle grazing. Dominant species include creosote bush, acacia spp., American tarwort, grama spp., bluestem spp., burrograss, tobosa grass, purple three-awn, honey mesquite, cacti spp., soaptree yucca, and other native grasses and forbs.

Existing Vegetation Community at the road

Existing Vegetation Community at the pipeline: N/A

Existing Vegetation Community at the pipeline

Existing Vegetation Community at other disturbances: TOPSOIL STOCKPILE - The project area is located within the Chihuahuan Basins & Playas Level IV Ecoregion and situated in semi-arid rangeland consisting of scrubland and desert grassland communities. Topography is gently to moderately sloping. Land use within and surrounding the project area is primarily limited to oil & gas development and cattle grazing. Dominant species include creosote bush, acacia spp., American tarwort, grama spp., bluestem spp., burrograss, tobosa grass, purple three-awn, honey mesquite, cacti spp., soaptree yucca, and other native grasses and forbs.

Existing Vegetation Community at other disturbances

Non native seed used?

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project?

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation?

Seed harvest description:

Seed harvest description attachment:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Seed

Seed Table

Seed Summary

Total pounds/Acre:

Seed Type

Pounds/Acre

Seed reclamation

Operator Contact/Responsible Official

First Name:

Last Name:

Phone:

Email:

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? N

Existing invasive species treatment description:

Existing invasive species treatment

Weed treatment plan description: Weeds will be mowed regularly to prevent them from becoming the dominant species within the project area.

Weed treatment plan

Monitoring plan description: The project location will be periodically monitored by the operator's staff that are responsible for infrastructure maintenance.

Monitoring plan

Success standards: Develop sufficient plant and root coverage to minimize erosion and maximize sediment control.

Pit closure description: N/A

Pit closure attachment:

Section 11 - Surface

Disturbance type: WELL PAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: AGREEMENT

Surface Access Agreement Need description: A surface access agreement will be finalized with the surface owner prior to construction.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: AGREEMENT

Surface Access Agreement Need description: A surface access agreement will be finalized with the surface owner prior to construction.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other

Right of Way needed? N

Use APD as ROW?

ROW Type(s):

ROW

SUPO Additional Information: Project location is considered Fee-Fee-Fed per BLM PIM 2018-014.

Use a previously conducted onsite? N

Previous Onsite information:

Other SUPO

BEGINNING AT THE INTERSECTION OF GREENE ST AND U.S. HIGHWAY 62/180 IN CARLSBAD, NEW MEXICO, PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION ALONG U.S. HIGHWAY 62/180 APPROXIMATELY 16.4 MILES TO THE JUNCTION OF THIS ROAD AND MEANS ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 1,733' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM CARLSBAD, NEW MEXICO TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 20.6 MILES.

REV: 1 09-19-25 T.I.R. (UPDATE ACCESS ROAD)

3R OPERATING, LLC

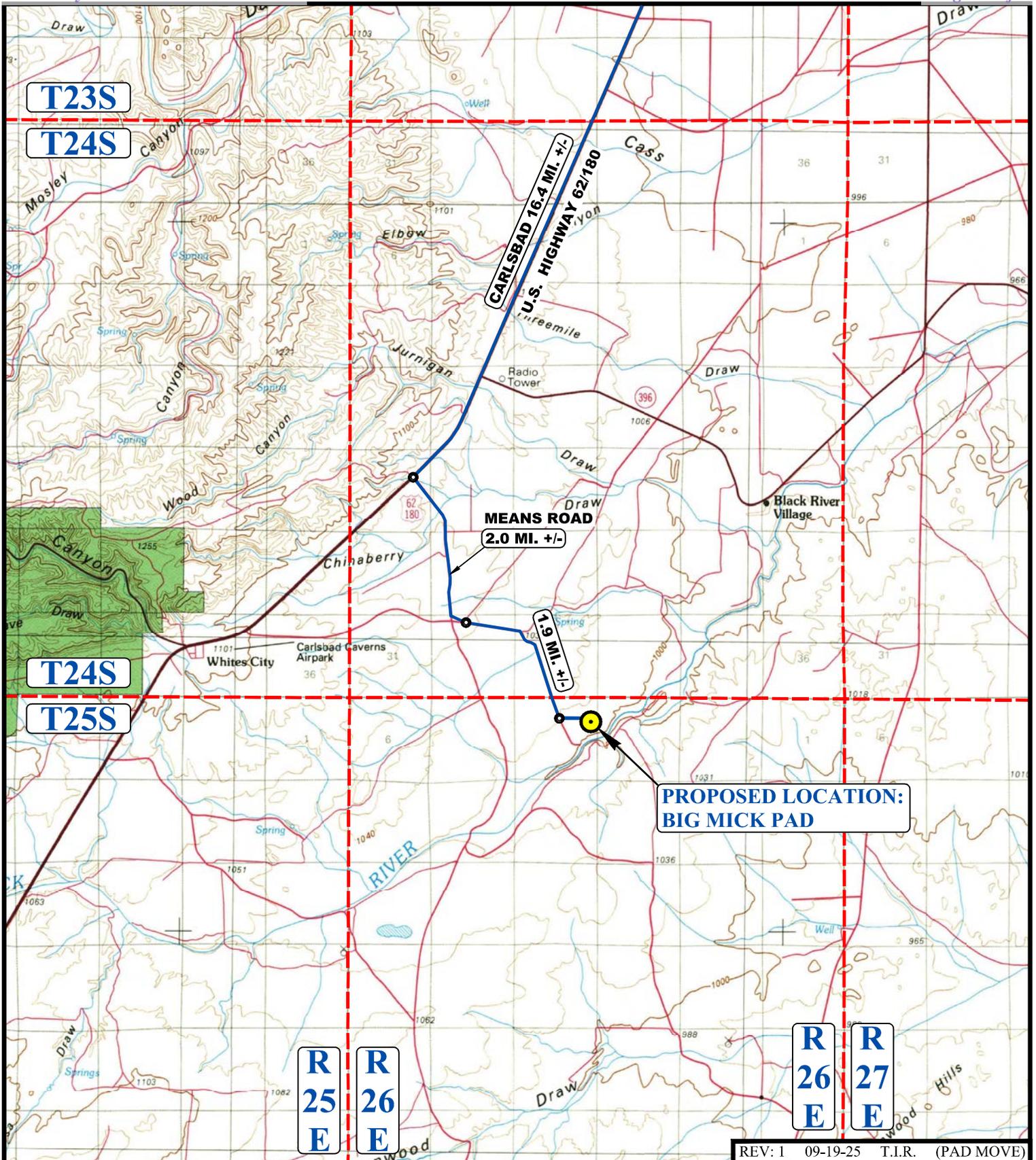
BIG MICK PAD
 SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

SURVEYED BY	J.H., I.A.	08-07-25	
DRAWN BY	D.J.S.	08-21-25	
ROAD DESCRIPTION			

UELS, LLC

Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017





REV: 1 09-19-25 T.I.R. (PAD MOVE)

LEGEND:

 PROPOSED LOCATION



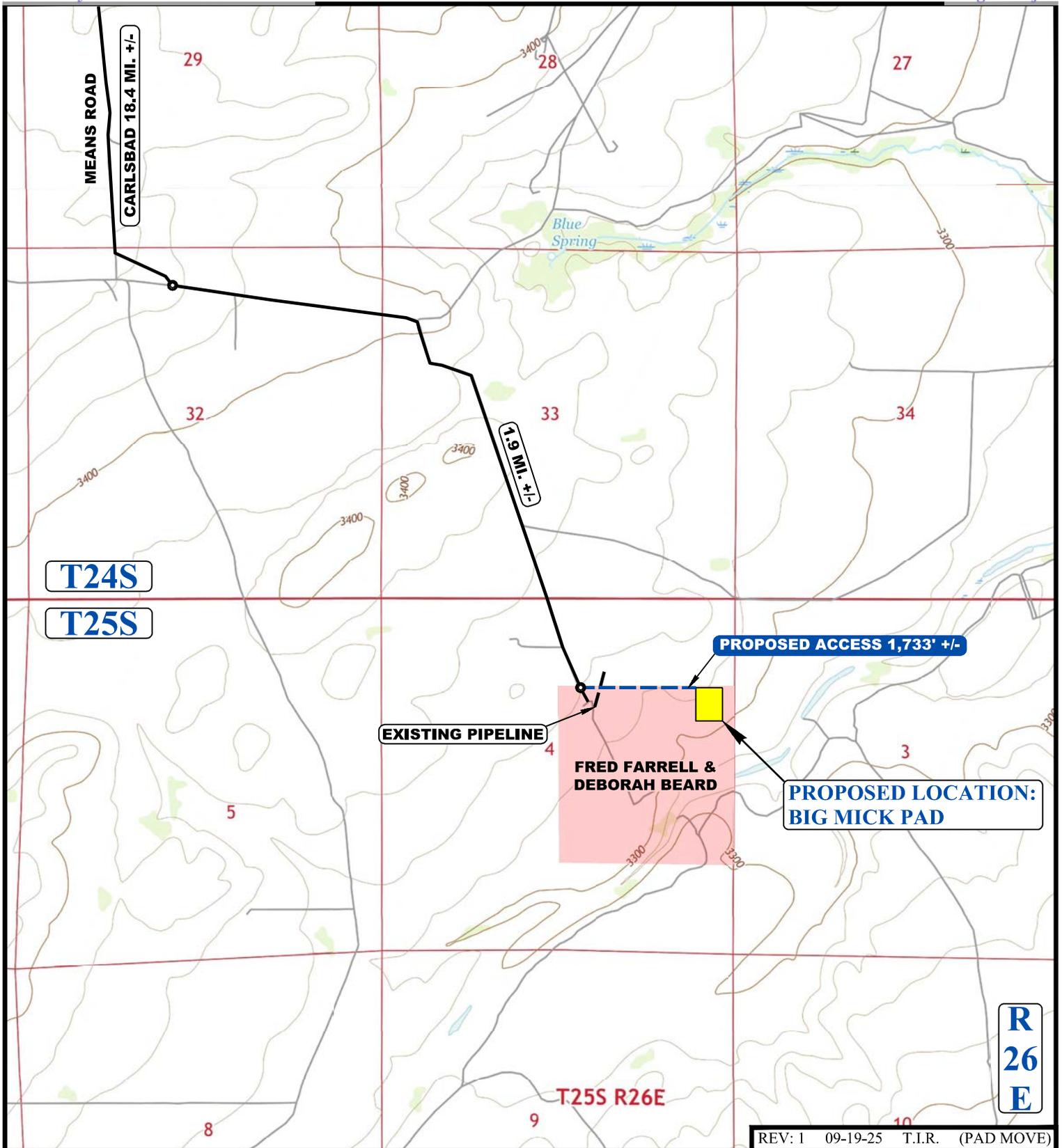
3R OPERATING, LLC

BIG MICK PAD
SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



UELS, LLC
Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	1 : 100,000
ACCESS ROAD MAP			TOPO A



REV: 1 09-19-25 T.I.R. (PAD MOVE)

NOTE: PARCEL DATA SHOWN HAS BEEN OBTAINED FROM VARIOUS SOURCES AND SHOULD BE USED FOR MAPPING, GRAPHIC AND PLANNING PURPOSES ONLY. NO WARRANTY IS MADE BY UINTAH ENGINEERING AND LAND SURVEYING (UELS) FOR ACCURACY OF THE PARCEL DATA.

LEGEND:

- EXISTING ROAD
- PROPOSED ROAD
- EXISTING PIPELINE



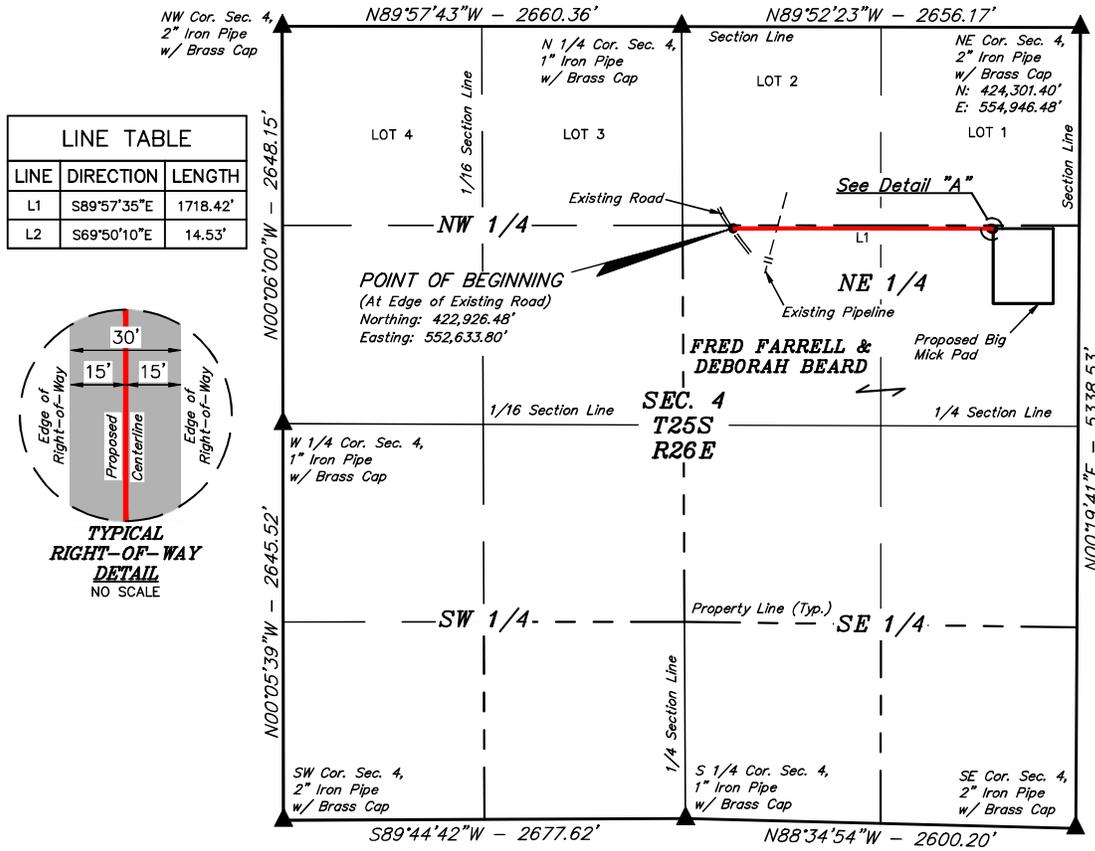
3R OPERATING, LLC

BIG MICK PAD
SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	1 : 24,000
ACCESS ROAD MAP		TOPO B	



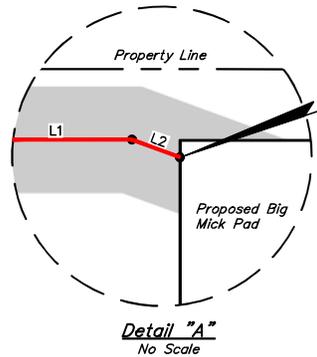
UELS, LLC
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Vernal, UT 84078 * (435) 789-1017



ROAD RIGHT-OF-WAY DESCRIPTION

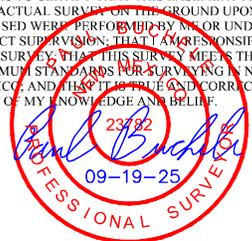
A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 NE 1/4 OF SECTION 4, T25S, R26E, N.M.P.M., WITH THE NORTHING: 422,926.48' AND THE EASTING: 552,633.80'; THENCE S89°57'35"E 1718.42'; THENCE S69°50'10"E 14.53' TO A POINT IN THE SE 1/4 NE 1/4 OF SAID SECTION 4 AND THE POINT OF TERMINATION, WITH THE NORTHING: 422,956.26' AND THE EASTING: 554,365.86'. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. CONTAINS 1.193 ACRES MORE OR LESS. BEARINGS, DISTANCES, COORDINATES AND AREAS ARE BASED ON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, IN U.S. FEET.



POINT OF TERMINATION
 (At Edge of Proposed Well Pad)
 Northing: 422,956.26'
 Easting: 554,365.86'

CERTIFICATE
 THIS IS TO CERTIFY THAT THIS EASEMENT PLAT AND THE ACTUAL SURVEY THEREAFTER ARE CORRECT AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.



LOCATION	FEET	RODS	ACRES
SEC. 4 (NE 1/4)	1732.95'	105.03	1.193

▲ = SECTION CORNERS LOCATED.

REV: 1 09-19-25 T.I.R. (UPDATE PAD & ROAD)

- NOTES:**
- The maximum grade of existing ground for the proposed access road is ±2.08%.
 - Bearings, Distances, Coordinates and Areas are based on the New Mexico Coordinate System of 1983, East Zone, in U.S. Feet.

3R OPERATING, LLC

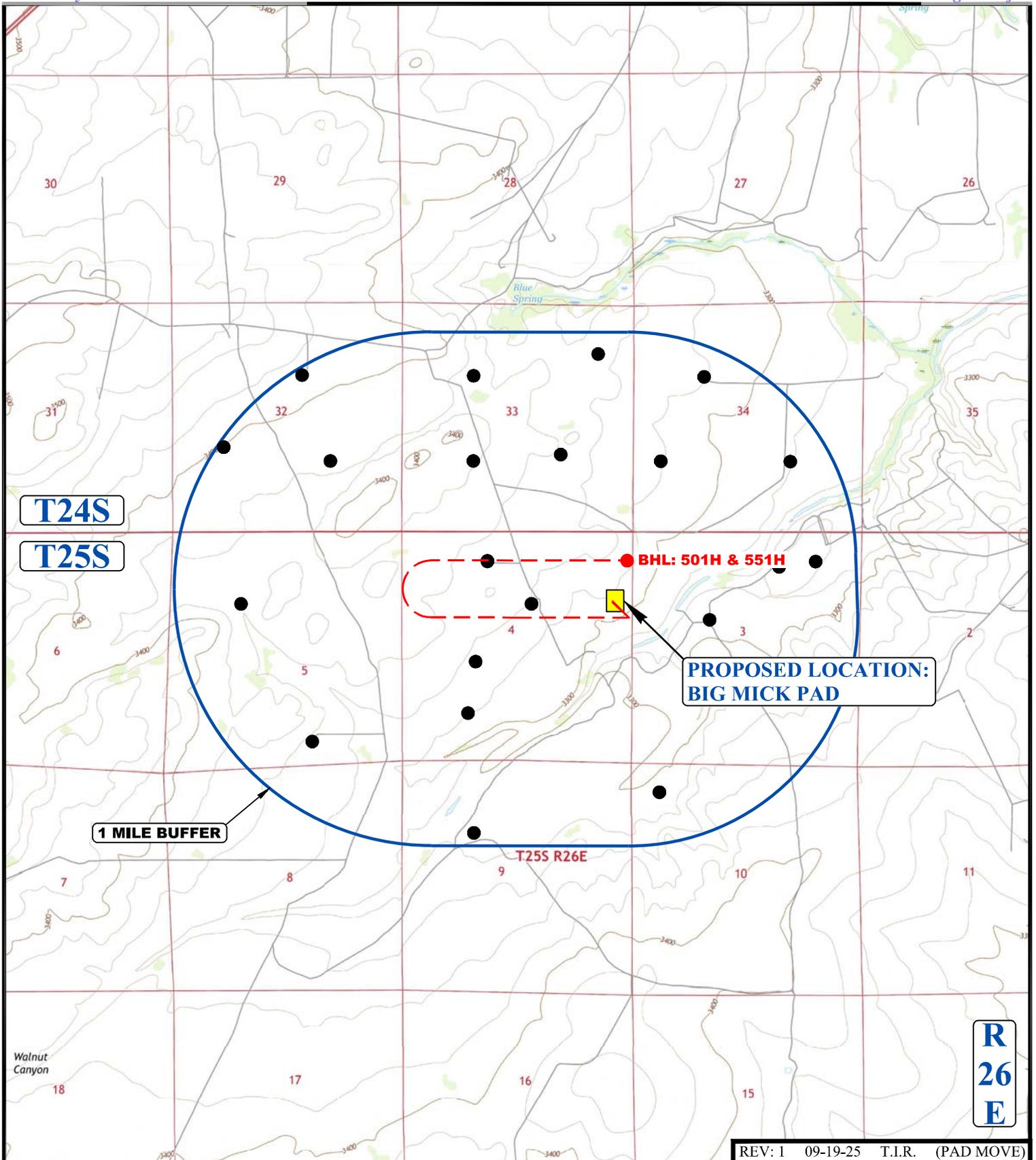
BIG MICK PAD
 ON FRED FARRELL & DEBORAH BEARD LANDS IN
 SECTION 4, T25S, R26E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	1" = 1000'
FILE	REA02-25-0013-A1		

ACCESS ROAD R-O-W



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REV: 1 09-19-25 T.I.R. (PAD MOVE)

LEGEND:

- OIL/GAS WELLS



3R OPERATING, LLC

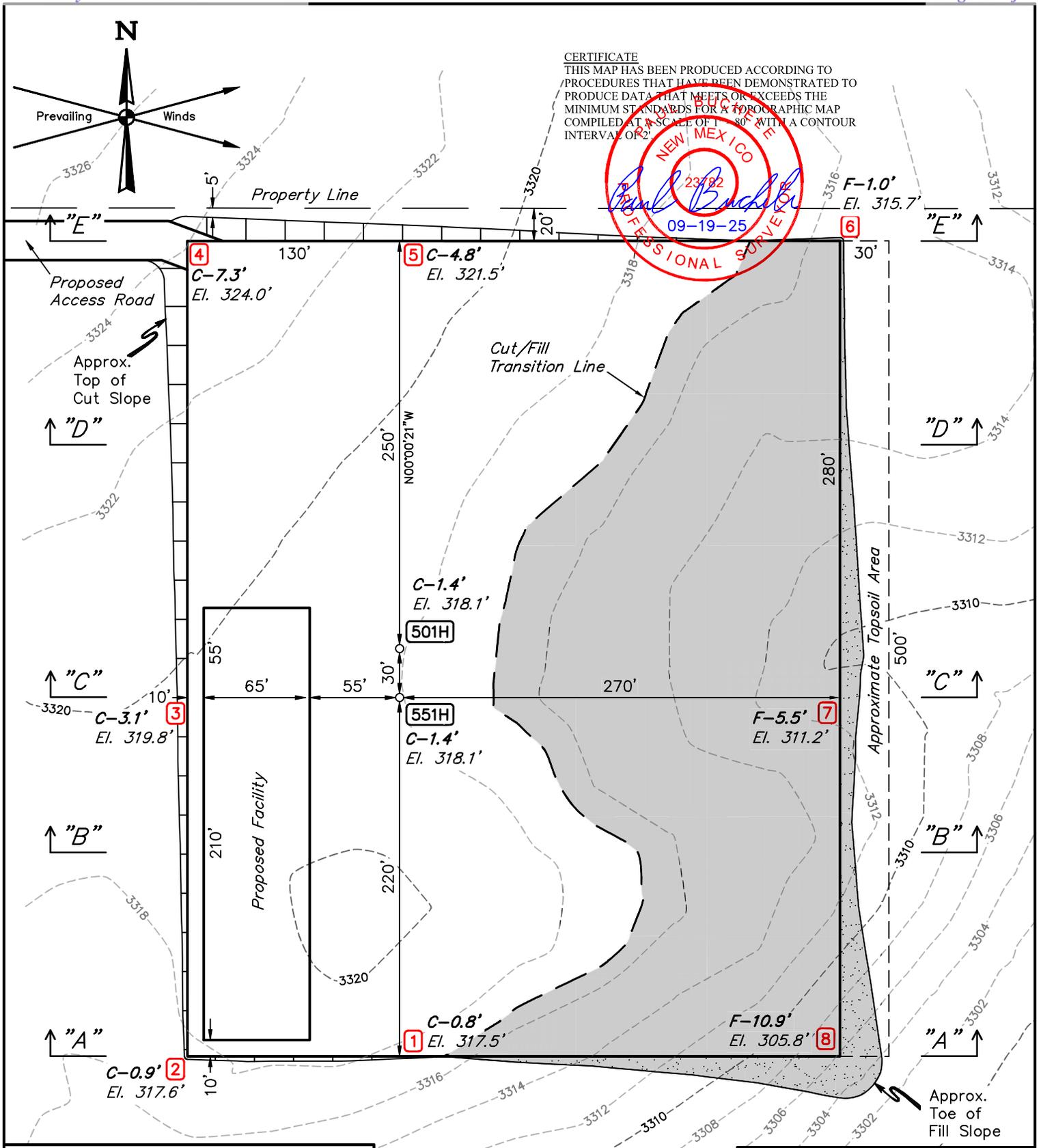
BIG MICK PAD
 SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	1 : 36,000

WELL PROXIMITY MAP **TOPO C**



UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017



FINISHED GRADE ELEVATION = 3316.7'

REV: 1 09-19-25 T.I.R. (PAD MOVE)

- NOTES:**
- Contours shown at 2' intervals.
 - Cut/Fill Slopes 2:1 (Typ.)
 - Underground utilities shown on this sheet are for visualization purposes only, actual locations to be determined prior to construction.
 - Bearings, Distances, Coordinates and Areas are based on the New Mexico Coordinate System of 1983, East Zone, in U.S. Feet.

3R OPERATING, LLC

BIG MICK PAD
 SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	1" = 80'

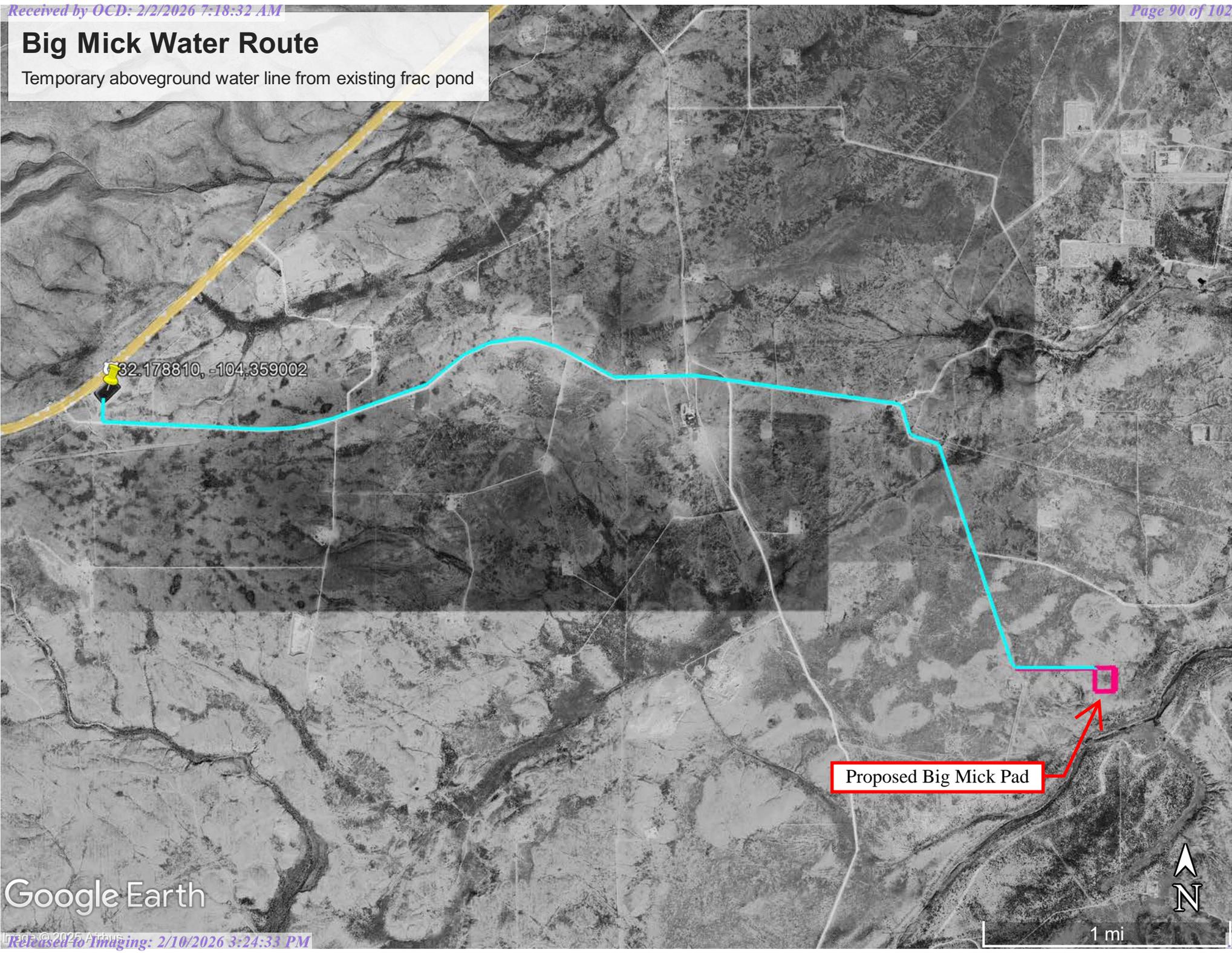
LOCATION LAYOUT



UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017

Big Mick Water Route

Temporary aboveground water line from existing frac pond



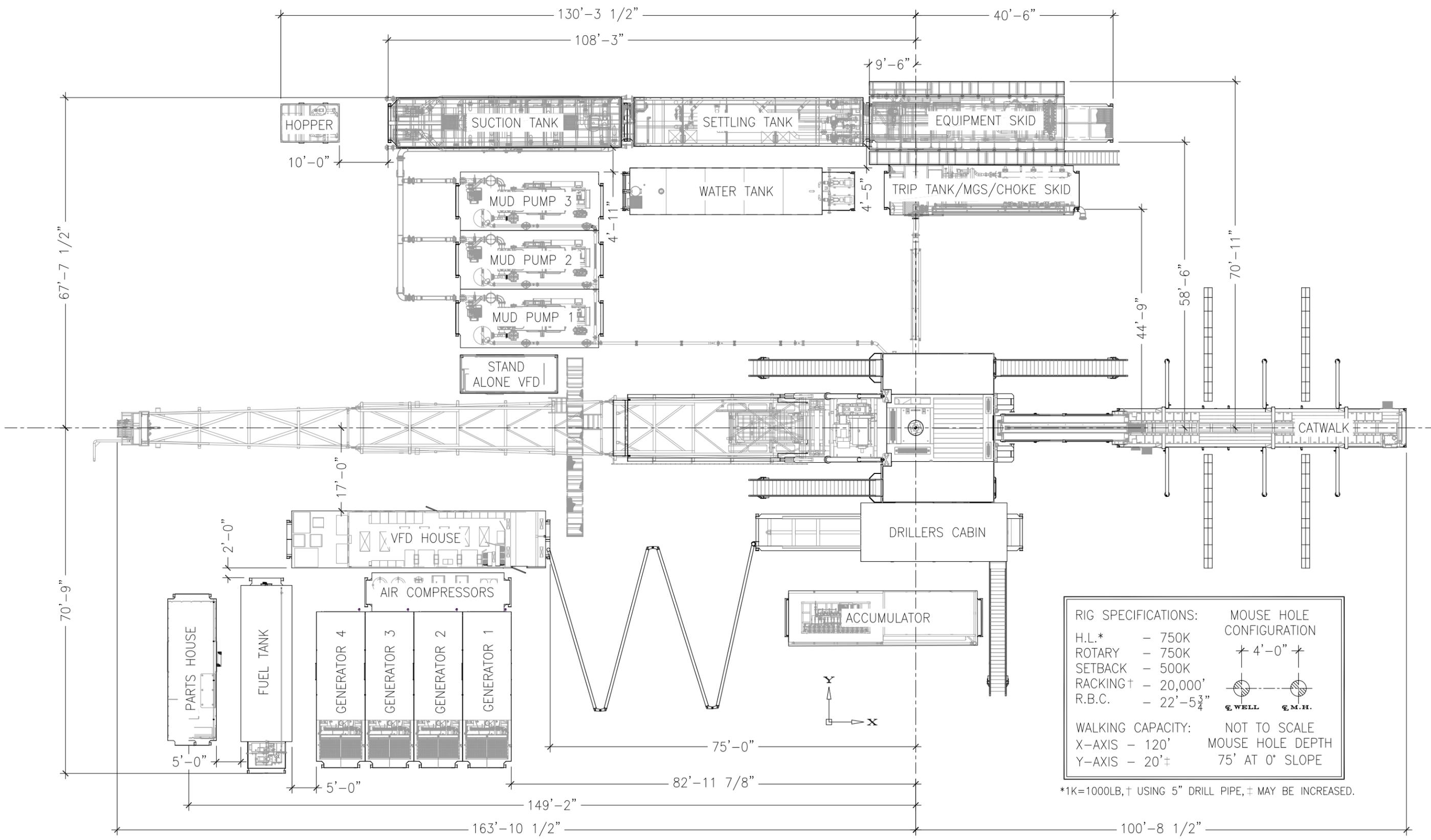
32.178810, -104.359002

Proposed Big Mick Pad

Google Earth

1 mi





RIG SPECIFICATIONS:		MOUSE HOLE CONFIGURATION	
H.L.*	- 750K	+ 4'-0" +	
ROTARY	- 750K		
SETBACK	- 500K		
RACKING†	- 20,000'		
R.B.C.	- 22'-5 3/4"		
WALKING CAPACITY:		NOT TO SCALE	
X-AXIS	- 120'	MOUSE HOLE DEPTH	
Y-AXIS	- 20'±	75' AT 0° SLOPE	

*1K=1000LB, † USING 5" DRILL PIPE, ± MAY BE INCREASED.

REVISION HISTORY					
REV	DESCRIPTION	DATE	DRAWN BY	CHECKED BY	APPROVED BY
A	ISSUED FOR REVIEW	02/12/2020	MC	JM	-
0	GENERATORS CORRECTED	03/23/2020	MC	JM	-
1	ADDED MP3, ADDED RIG SPECS, UPDATED FORMATTING	06/1/2020	JM	JM	-
2	UPDATED RIG SPECS	07/23/2020	JM	JM	-
3	ADDED GEN 4	05/24/2022	JM	JM	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

UNSPECIFIED TOLERANCES		
DIMENSIONS OVER	TO	MACHINED WELDMENT
0	1.5	±0.008 ±1/32
1.5	7.0	±0.010 ±1/32
7.0	20.0	±0.020 ±1/16
20.0	50.0	±0.030 ±1/8
50.0	120.0	±0.060 ±3/16
120.0	240.0	±0.080 ±1/4
ANGLES		±0.1° ±0.5'

BREAK ALL CORNERS .06" X 45° MACHINE FINISH 250 MAX. MACHINED DIAMETERS ON SAME CENTERLINE SHALL BE COAXIAL WITHIN ±.002. DRILLED HOLE LOCATION ±.002. CHAMFER ALL TAPPED HOLES 45° TO FIRST THREAD ROOT. DIMENSIONS MARKED () ARE FOR GENERAL REFERENCE ONLY. NOT TO BE USED FOR CONSTRUCTION.

PROPRIETARY INFORMATION

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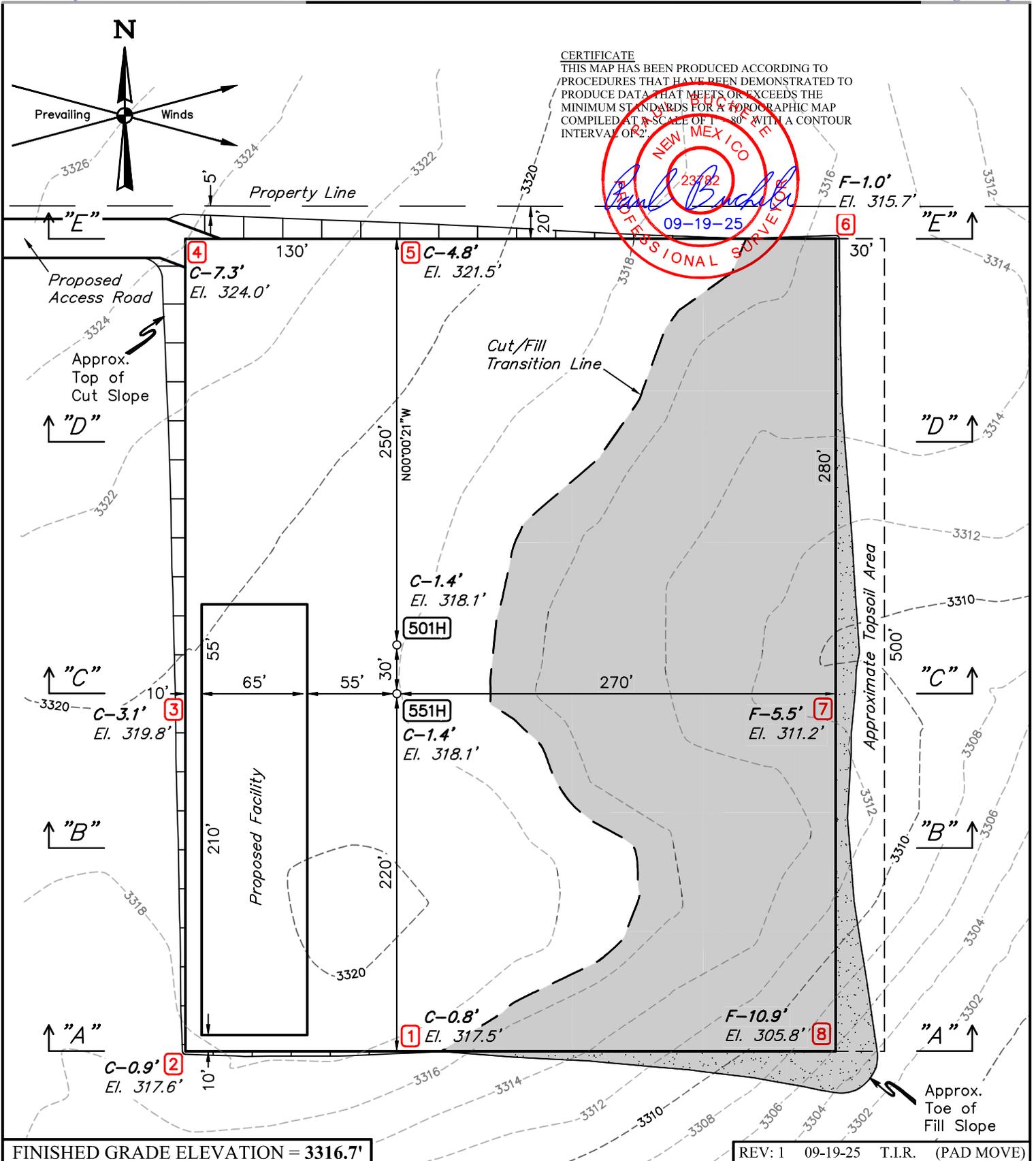
CONTACT INFORMATION

Independence Contract Drilling
 Corporate Office
 20475 SH 249, Ste. 300
 Houston, Texas 77070
 Main: (281) 598-1230
 www.icdrilling.com

DRAWN BY:	MC	DATE:	03/17/2020
CHECKED BY:	JM	DATE:	03/17/2020
APPROVED BY:	-	DATE:	-

THIRD ANGLE PROJECTION

RIG 212 EQUIPMENT LAYOUT GENERAL ARRANGEMENT			
SIZE:	SCALE (UNO):	ESTIMATED WEIGHT (LBS):	
B	1:225	-	
DWG NO.:	RIG212-GA-001	REV:	3
		SHEET:	1 OF 1



FINISHED GRADE ELEVATION = 3316.7'

REV: 1 09-19-25 T.I.R. (PAD MOVE)

- NOTES:**
- Contours shown at 2' intervals.
 - Cut/Fill Slopes 2:1 (Typ.)
 - Underground utilities shown on this sheet are for visualization purposes only, actual locations to be determined prior to construction.
 - Bearings, Distances, Coordinates and Areas are based on the New Mexico Coordinate System of 1983, East Zone, in U.S. Feet.

3R OPERATING, LLC

BIG MICK PAD
 SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

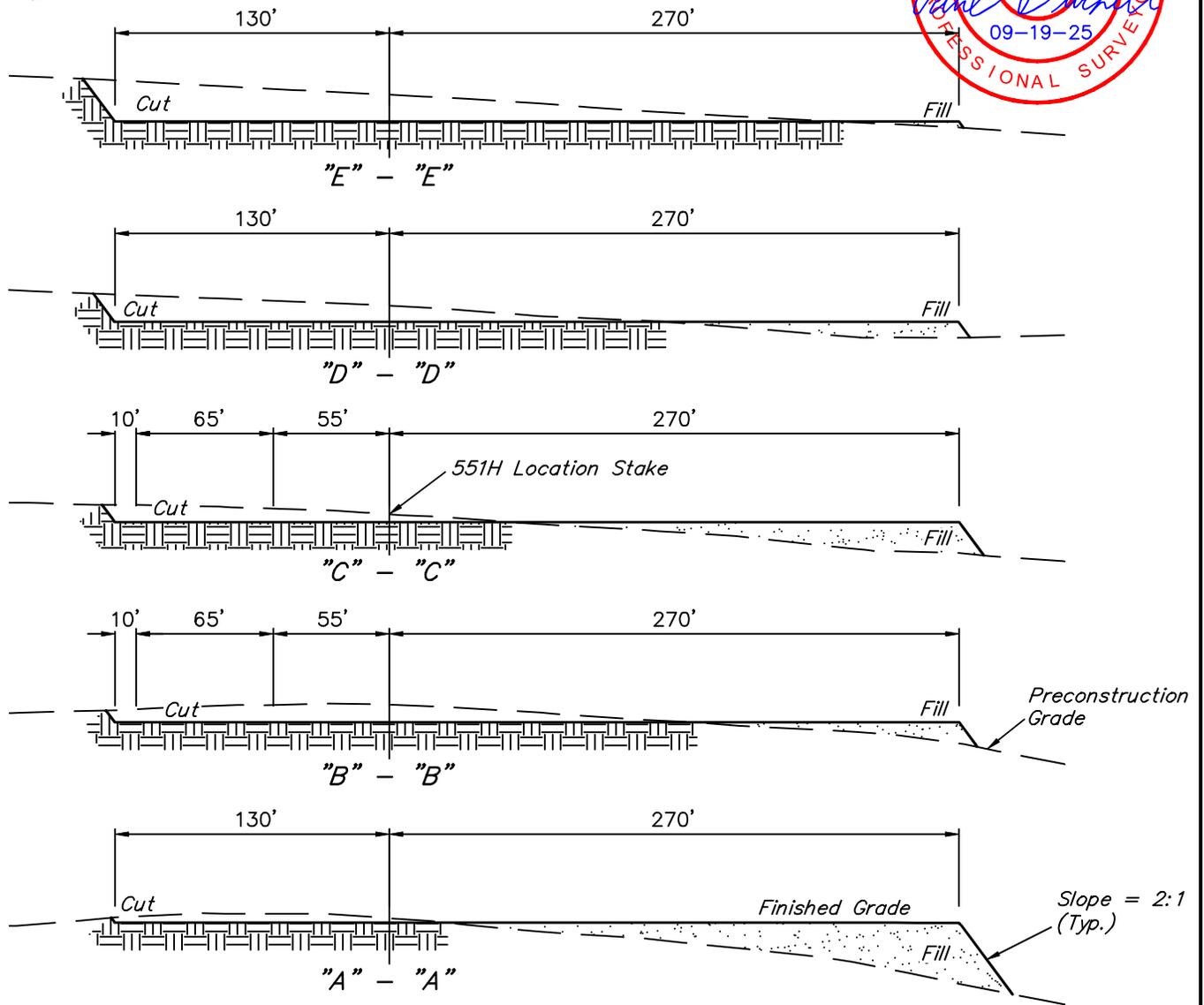


UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	1" = 80'

LOCATION LAYOUT

X-Section Scale
1" = 80'



APPROXIMATE EARTHWORK QUANTITIES	
(6") TOPSOIL STRIPPING	3,980 Cu. Yds.
REMAINING LOCATION	9,750 Cu. Yds.
TOTAL CUT	13,730 Cu. Yds.
FILL	9,750 Cu. Yds.
EXCESS MATERIAL	3,980 Cu. Yds.
TOPSOIL	3,980 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	0 Cu. Yds.

APPROXIMATE SURFACE DISTURBANCE AREAS		
	DISTANCE	ACRES
WELL SITE DISTURBANCE	NA	±5.165
30' WIDE ACCESS ROAD R-O-W DISTURBANCE	±1,732.95'	±1.193
TOTAL SURFACE USE AREA		±6.358

REV: 1 09-19-25 T.I.R. (PAD MOVE)

NOTES:

- Fill quantity includes 5% for compaction.

3R OPERATING, LLC

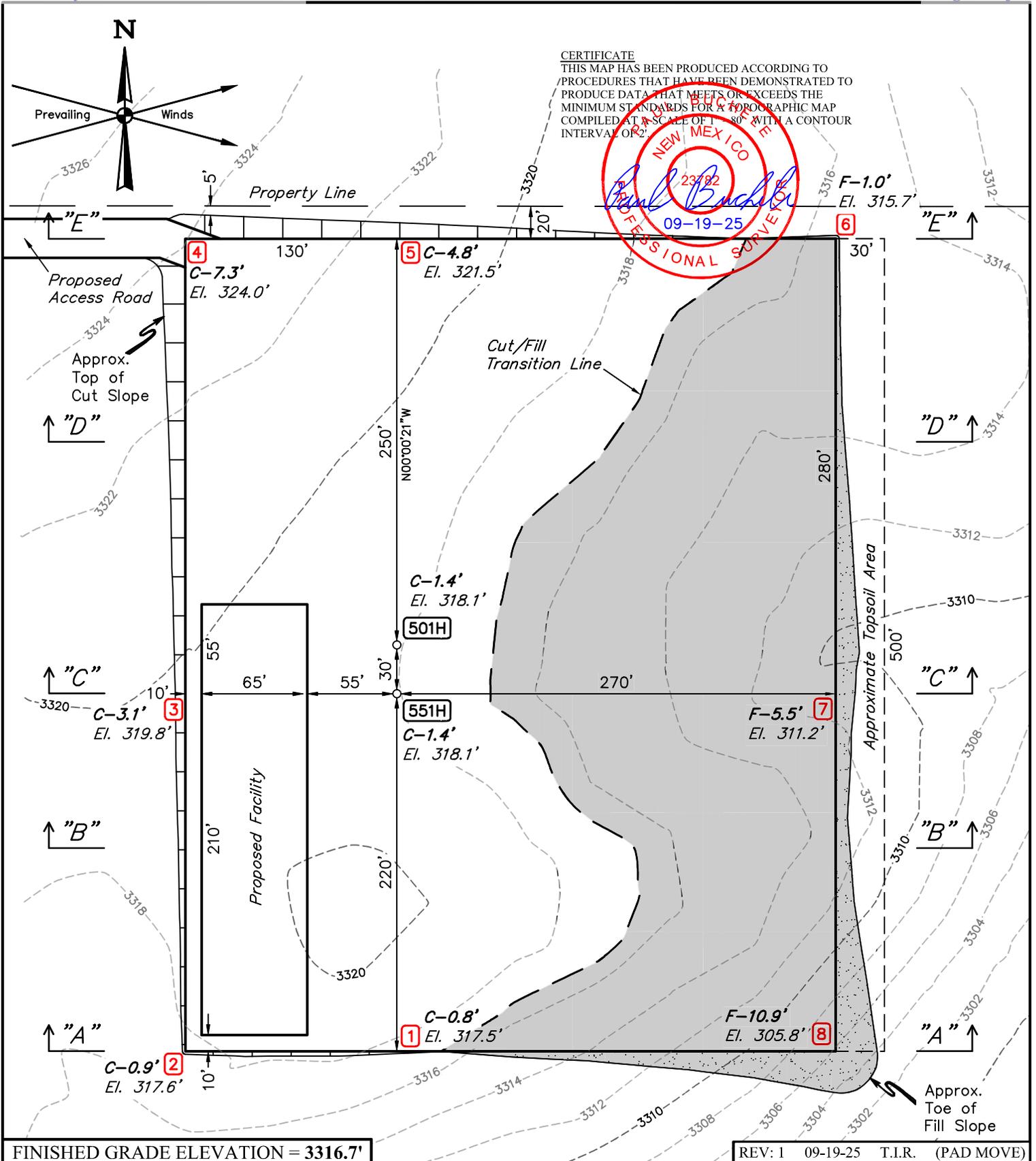
BIG MICK PAD
SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



UELS, LLC
Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	AS SHOWN

TYPICAL CROSS SECTIONS



NOTES:

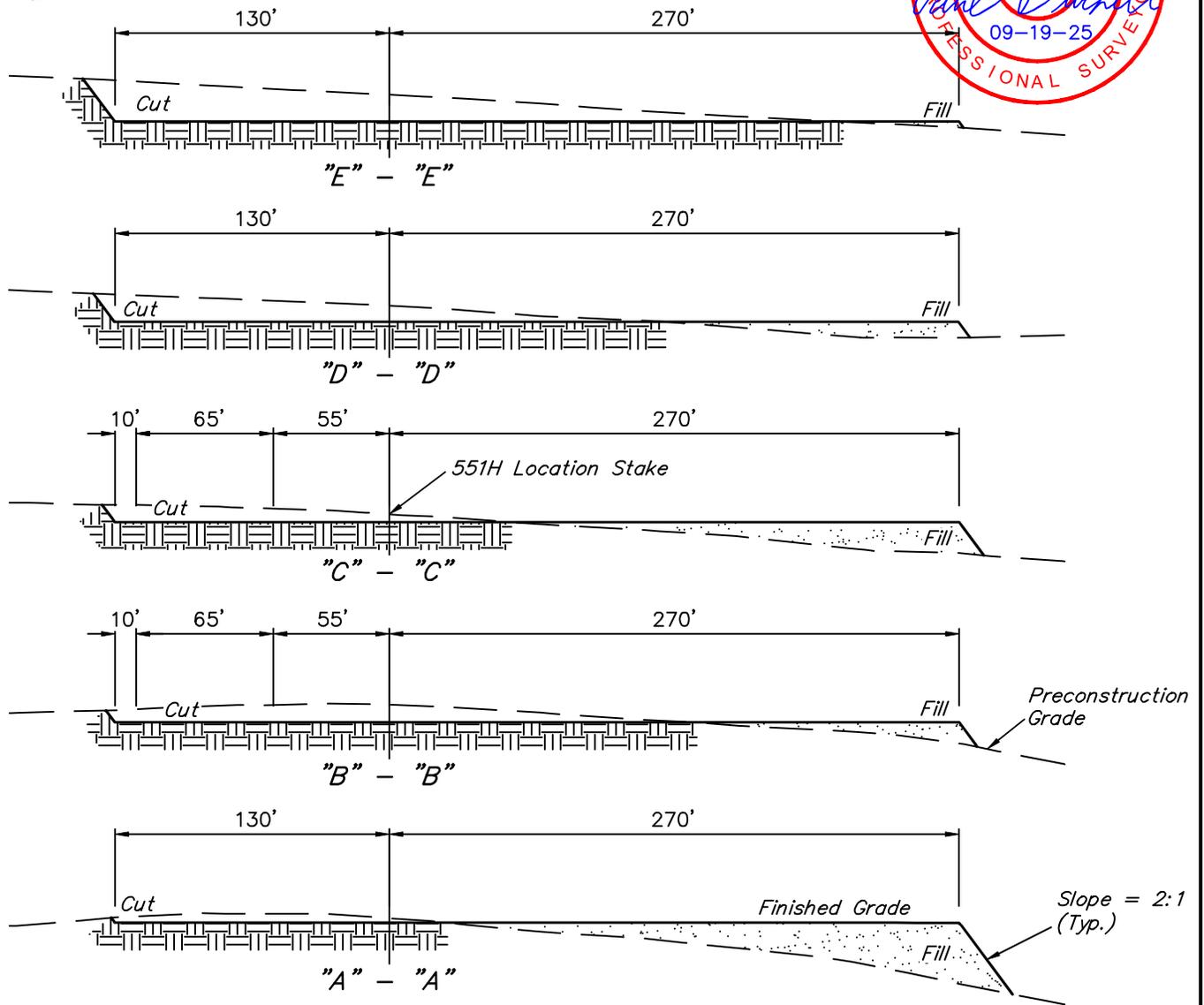
- Contours shown at 2' intervals.
- Cut/Fill Slopes 2:1 (Typ.)
- Underground utilities shown on this sheet are for visualization purposes only, actual locations to be determined prior to construction.
- Bearings, Distances, Coordinates and Areas are based on the New Mexico Coordinate System of 1983, East Zone, in U.S. Feet.

3R OPERATING, LLC

BIG MICK PAD
 SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

FINISHED GRADE ELEVATION = 3316.7'				REV: 1 09-19-25 T.I.R. (PAD MOVE)			
UELS, LLC Corporate Office * 85 South 200 East Vernal, UT 84078 * (435) 789-1017		SURVEYED BY J.H., I.A. 08-07-25		SCALE 1" = 80'			
		DRAWN BY D.J.S. 08-21-25					
LOCATION LAYOUT							

X-Section Scale
1" = 80'



APPROXIMATE EARTHWORK QUANTITIES	
(6") TOPSOIL STRIPPING	3,980 Cu. Yds.
REMAINING LOCATION	9,750 Cu. Yds.
TOTAL CUT	13,730 Cu. Yds.
FILL	9,750 Cu. Yds.
EXCESS MATERIAL	3,980 Cu. Yds.
TOPSOIL	3,980 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	0 Cu. Yds.

APPROXIMATE SURFACE DISTURBANCE AREAS		
	DISTANCE	ACRES
WELL SITE DISTURBANCE	NA	±5.165
30' WIDE ACCESS ROAD R-O-W DISTURBANCE	±1,732.95'	±1.193
TOTAL SURFACE USE AREA		±6.358

REV: 1 09-19-25 T.I.R. (PAD MOVE)

NOTES:

- Fill quantity includes 5% for compaction.

3R OPERATING, LLC

BIG MICK PAD
SE 1/4 NE 1/4, SECTION 4, T25S, R26E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



UELS, LLC
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Vernal, UT 84078 * (435) 789-1017

SURVEYED BY	J.H., I.A.	08-07-25	SCALE
DRAWN BY	D.J.S.	08-21-25	AS SHOWN

TYPICAL CROSS SECTIONS



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

PWD Data Report

11/19/2025

APD ID: 10400106803

Submission Date: 09/04/2025

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined

Would you like to utilize Lined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD Surface Owner Description:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit

Pit liner description:

Pit liner manufacturers

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule

Lined pit reclamation description:

Lined pit reclamation

Leak detection system description:

Leak detection system

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Lined pit Monitor description:

Lined pit Monitor

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information

Section 3 - Unlined

Would you like to utilize Unlined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD disturbance (acres):

PWD surface owner:

Other PWD Surface Owner Description:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule

Unlined pit reclamation description:

Unlined pit reclamation

Unlined pit Monitor description:

Unlined pit Monitor

Do you propose to put the produced water to beneficial use?

Beneficial use user

Estimated depth of the shallowest aquifer (feet):

Precipitated Solids Permit

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

State

Unlined Produced Water Pit Estimated

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information

Section 4 -

Would you like to utilize Injection PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD Surface Owner Description:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Injection well name:

Assigned injection well API number?

Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection

Underground Injection Control (UIC) Permit?

UIC Permit

Section 5 - Surface

Would you like to utilize Surface Discharge PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD Surface Owner Description :

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Section 6 -

Would you like to utilize Other PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

PWD Surface Owner Description:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type

Have other regulatory requirements been met?

Other regulatory requirements



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data

11/19/2025

APD ID: 10400106803

Submission Date: 09/04/2025

Operator Name: 3R OPERATING LLC

Well Name: BIG MICK 4 U FED COM

Well Number: 551H

Well Type: OIL WELL

Well Work Type: Drill

Highlighted data reflects the most recent changes
[Show Final Text](#)

Bond

Federal/Indian APD: FED

BLM Bond number: NMB105811880

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

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

General Information
Phone: (505) 629-6116

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

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

ACKNOWLEDGMENTS

Action 548929

ACKNOWLEDGMENTS

Operator: 3R Operating, LLC 20405 State Highway 249 Houston, TX 77070	OGRID: 331569
	Action Number: 548929
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	I hereby certify that no additives containing PFAS chemicals will be added to the completion or recompletion of this well.
-------------------------------------	--

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

General Information
Phone: (505) 629-6116

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

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

CONDITIONS

Action 548929

CONDITIONS

Operator: 3R Operating, LLC 20405 State Highway 249 Houston, TX 77070	OGRID: 331569
	Action Number: 548929
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
atramell01	Cement is required to circulate on both surface and intermediate1 strings of casing.	2/2/2026
atramell01	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.	2/2/2026
ward.rikala	Notify the OCD 24 hours prior to casing & cement.	2/10/2026
ward.rikala	File As Drilled C-102 and a directional Survey with C-104 completion packet.	2/10/2026
ward.rikala	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.	2/10/2026
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.	2/10/2026