OCD received 10/29/2020 Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. DRILL REENTER 1a. Type of work: 1b. Type of Well: Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing Single Zone Multiple Zone 2. Name of Operator 9. API Well No 30 015 47625 10. Field and Pool, or ExploratoryBilbrey Basin; Bone Spring 3a. Address 3b. Phone No. (include area code) 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface At proposed prod. zone 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13 State 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, applied for, on this lease, ft. 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 2. A Drilling Plan. Item 20 above) 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 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

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.

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.

Will require a directional survey with the C-104

(Continued on page 2)

IPPROVED WITH CONDITIONS

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

KP 11/3/2020 GEO Review

*(Instructions on page 2)

Approval Date: 10/21/2020 Entered - KMS NMOCD

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico Energy, Minerals & Natural Resources Department

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-47625	51683 5695 Bilbrey Basin Red Tank, Bone Spr	
Property Code	Property Name	Well Number
329719	TOP SPOT 12_13 FEDERAL COM	313H
OGRID No.	Operator Name	Elevation
	OXY USA, INC.	3580.6'

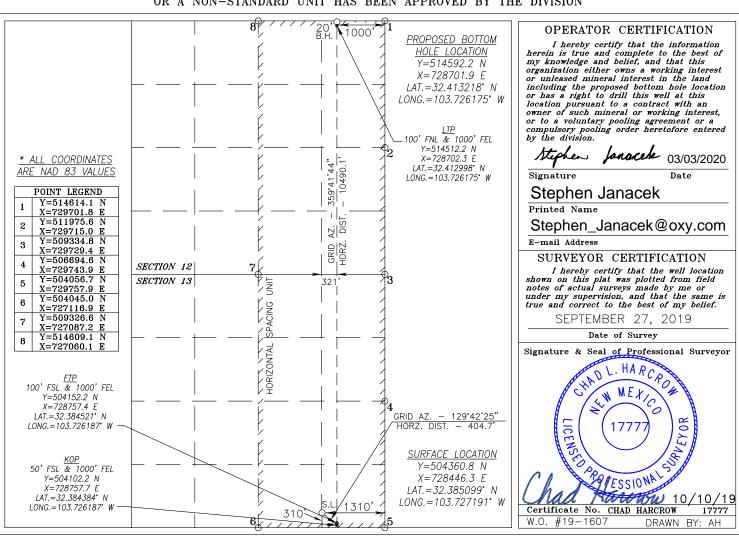
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	13	22-S	31-E		310	SOUTH	1310	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	12	22-S	31-E		20	NORTH	1000	EAST	EDDY
Dedicated Acre	y Joint o	r Infill Co	nsolidation (Code Ord	ler No.				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

Date	
□ Original	Operator & OGRID No.: OXY USA INC 16696
☐ Amended - Reason for Amendment:	

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
TOP SPOT 12_13 FED COM 21H	Pending	N-13-22S-31E	653 FSL 2052 FWL	2375	0	
TOP SPOT 12_13 FED COM 22H	Pending	N-13-22S-31E	473 FSL 2362 FWL	2375	0	
TOP SPOT 12_13 FED COM 23H	Pending	N-13-22S-31E	473 FSL 2397 FWL	2375	0	
TOP SPOT 12_13 FED COM 24H	Pending	P-13-22S-31E	490 FSL 1065 FEL	2375	0	
TOP SPOT 12_13 FED COM 25H	Pending	P-13-22S-31E	490 FSL 1030 FEL	2375	0	
TOP SPOT 12_13 FED COM 26H	Pending	P-13-22S-31E	490 FSL 995 FEL	2375	0	
TOP SPOT 12_13 FED COM 31H	Pending	N-13-22S-31E	473 FSL 2022 FWL	3,418	0	
TOP SPOT 12_13 FED COM 32H	Pending	N-13-22S-31E	473 FSL 2057 FWL	3,418	0	
TOP SPOT 12_13 FED COM 33H	Pending	N-13-22S-31E	473 FSL 2122 FWL	3,418	0	
TOP SPOT 12_13 FED COM 34H	Pending	O-13-22S-31E	310 FSL 1345 FEL	3,418	0	
TOP SPOT 12_13 FED COM 35H	Pending	P-13-22S-31E	310 FSL 1275 FEL	3,418	0	
TOP SPOT 12_13 FED COM 311H	Pending	N-13-22S-31E	473 FSL 2052 FWL	3,418	0	
TOP SPOT 12_13 FED COM 312H	Pending	O-13-22S-31E	310 FSL 1375 FEL	3,418	0	
TOP SPOT 12_13 FED COM 313H	Pending	P-13-22S-31E	310 FSL 1310 FEL	3,418	0	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to DCP Midstream, LP ("DCP") and will be connected to DCP's low/high pressure gathering system located in Lea County, New Mexico. OXY USA INC. ("OXY") provides

(periodically) to DCP a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and DCP have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at DCP's Zia Processing Plant located in Sec. 19, Twn. 19S, Rng. 32E, Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on DCP's system at that time. Based on current information, it is OXY's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - o Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

1. Geologic Formations

TVD of target	11531'	Pilot Hole Depth	N/A
MD at TD:	22370'	Deepest Expected fresh water:	830'

Delaware Basin

Formation	TVD - RKB	Expected Fluids
Rustler	830	
Salado	1,127	Salt
Castile	2,861	Salt
Lamar/Delaware	4,504	Oil/Gas/Brine
Bell Canyon	4,576	Oil/Gas/Brine
Cherry Canyon	5,416	Oil/Gas/Brine
Brushy Canyon	6,653	Losses
Bone Spring	8,405	Oil/Gas
1st Bone Spring	9,515	Oil/Gas
2nd Bone Spring	10,130	Oil/Gas
3rd Bone Spring	11,150	Oil/Gas

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

2. Casing Program

Primary Plan:

									Buoyant	Buoyant
II-1- 6: (:-)	Casing Interval		Csg. Size	ize Weight	Veight Grade		SF	SF Burst	Body SF	Joint SF
Hole Size (in)	From (ft)	To (ft)	(in)	(lbs)	Grade	Conn.	Collapse	Sr Burst	Tension	Tension
17.5	0	880	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	5466	7.625	26.4	L-80 HC	BTC	1.125	1.2	1.4	1.4
9.875	5466	10835	7.625	26.4	L-80 HC	BTC	1.125	1.2	1.4	1.4
6.75	0	22370	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
								SF Values will	meet or Exceed	ı

^{*}Note: Plan is to drill 12.25" hole past the deepest offset injector. If flow is mild or nonexistent, then when ROP diminishes we will swap to 9.875" hole size and drill to TD of the section. 7-5/8" CSG will be run from surface to TD of the section. If high flow is encountered then 9-5/8" CSG will be set as a 1st intermediate string as shown below.

Contingency Plan:

									Buoyant	Buoyant		
II-l- Ci (i)	Casing	Casing Interval		Weight		Csg. Size Weight (lbs) Grade		C	SF	SF Burst	Body SF	Joint SF
Hole Size (in)	From (ft)	To (ft)	(in)	Conn.	Collapse			Sr Burst	Tension	Tension		
17.5	0	880	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4		
12.25	0	6000	9.625	40	L-80	BTC	1.125	1.2	1.4	1.4		
8.75	0	10835	7.625	26.4	L-80 HC	SF (0 ft to 4000 ft) FJ (4000 ft to 10835 ft)	1.125	1.2	1.4	1.4		
6.75	0	22370	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4		
									meet or Exceed	l		

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to run the 9-5/8" Intermediate I as a contingency string to be run only if severe hole conditions dictate an additional casing string necessary. The 9-5/8" casing will be set at a depth to cover the deepest offset injector but before the Brushy top if flow is high.

*Oxy requests the option to run production casing with DQX, TORQ DQW, and/or SF TORQ connections to accommodate hole conditions or drilling operations.

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

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

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

3. Cementing Program

Primary Plan:

z reneer y z eener						
Casing String	# Sks	Wt.	Yld	H20	500# Comp. Strength	Slurry Description
		(lb/gal)	(ft3/sack)	(gal/sk)	(hours)	
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	931	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 1st Stage (Tail)	545	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Salt
Intermediate 2nd Sta	ge (Tail Slurry	y) to be pumpe	ed as Bradenh	ead Squeeze f	from surface,	down the Intermediate annulus
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	1748	12.9	1.92	10.41	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	882	13.2	1.38	6.686	3:39	Class H Cement, Retarder, Dispersant, Salt

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	880	100%
Intermediate 1st Stage (Lead)	N/A	N/A	N/A
Intermediate 1st Stage (Tail)	6903	10835	5%
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	0	6903	10%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	10335	22370	20%

Contingency Plan:

contingency I tan.						
Casing String	# Sks	Wt.	Yld	H20	500# Comp. Strength	Slurry Description
		(lb/gal)	(ft3/sack)	(gal/sk)	(hours)	
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	931	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	1325	12.9	1.88	10.130	14:22	Pozzolan Cement, Retarder
Intermediate (Tail)	155	14.8	1.33	6.370	12:45	Class C Cement, Accelerator
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	252	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Sal
Intermediate II 2nd Sta	ge (Tail Slurry) to be pump	ed as Bradenh	ead Squeeze	from surface	, down the Intermediate annulus
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	405	12.9	1.92	10.410	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	882	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Sal

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	880	100%
Intermediate (Lead)	0	5500	50%
Intermediate (Tail)	5500	6000	20%
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	6903	10835	5%
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	0	6903	25%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	10335	22370	20%

^{*}Contingency design will only be employed if Oxy elects to run 9-5/8" Intermediate I string.

Offline Cementing

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

- 1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
- 2. Land casing.
- 3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
- 4. Set and pressure test annular packoff.
- 5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
- 6. Skid rig to next well on pad.
- 7. Confirm well is static before removing cap flange.
- 8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
- 9. Install offline cement tool.
- 10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
- 11. Perform cement job.
- 12. Confirm well is static and floats are holding after cement job.
- 13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

Oxy requests permission to adjust the CBL requirement after bradenhead cement jobs, on 7-5/8" intermediate casings, as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

Primary Plan:

Three string wells:

- CBL will be required on one well per pad
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

Contingency Plan:

Four string wells:

- CBL is not required
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run

• Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

Include Pilot Hole Cementing specs:

Pilot hole depth: N/A

KOP: N/A

Plug	Plug	%	No.	Wt.	Yld	Water	Slurry Description and
top	Bottom	Excess	Sacks	lb/gal	ft3/sack	gal/sk	Cement Type
N/A							
N/A							

4. Pressure Control Equipment

Primary Plan

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		√	Tested to:
	13-5/8"	5M	Annular		✓	70% of working pressure
0.975" Hala			Blind R	am	✓	
9.875" Hole		5M	Pipe Ram			250 psi / 5000 psi
			Double Ram		✓	
			Other*			
		5M	Annula	ar	✓	70% of working pressure
6.75" Hole	13-5/8"		Blind R	am	✓	
		5M	Pipe Ra	ım		250 ms; / 5000 ms;
			Double F	Ram	✓	250 psi / 5000 psi
			Other*			

^{*}Specify if additional ram is utilized.

Contingency Plan:

Contingency I ta	10,					
BOP installed and		Min.				
tested before drilling	Size?	Required	Туре	✓	Tested to:	
which hole?		WP				
		3M	Annular	✓	70% of working pressure	
12.25" 11.1.	12.5/92		Blind Ram	✓		
12.25" Hole	13-5/8"	23.4	Pipe Ram		250 : /2000 :	
		3M	Double Ram	✓	250 psi / 3000 psi	
			Other*		1	
	13-5/8"	5M	Annular	✓	70% of working pressure	
		5M	Blind Ram	√	pressure	
8.75" Hole			Pipe Ram	<u>'</u>	250 psi / 5000 psi	
			Double Ram	1		
			Other*	'	1	
		5M	Annular	✓	70% of working	
6.75" Hole	13-5/8"		DI: 1D		pressure	
			Blind Ram	✓	4	
		5M	Pipe Ram	_	250 psi / 5000 psi	
			Double Ram	✓		
			Other*			

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other

accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Formation integrity test will be performed per Onshore Order #2.

On Exploratory wells or 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.

A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.

Y Are anchors required by manufacturer?

A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015.

See attached schematics.

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019. A separate sundry will be sent prior to spud that reflects the pad based break testing plan.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.
- When skidding to drill a production section that does not penetrate into the third Bone Spring or deeper.

If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

1) Wellhead flange, co-flex hose, check valve, upper pipe rams

5. Mud Program

Depth		Trmo	Weight	Vigogity	Water Loss	
From (ft)	To (ft)	Туре	(ppg)	Viscosity	water Loss	
0	880	Water-Based Mud	8.6-8.8	40-60	N/C	
880	10835	Saturated Brine- Based or Oil-Based Mud	8.0-10.0	35-45	N/C	
10835	22370	Water-Based or Oil- Based Mud	9.5-12.0	38-50	N/C	

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain	PVT/MD Totco/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

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

Addi	tional logs planned	Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	ICP - TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	7196 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	173°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

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

N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

	Yes/No
 Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the four well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well. 	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Primary Plan:

Total estimated cuttings volume: 1949.5 bbls.

Contingency Plan:

Total estimated cuttings volume: 1878.0 bbls.

Attachments

_x__ Directional Plan

- _x__ H2S Contingency Plan
- _x__ Flex III Attachments
- _x_ Spudder Rig Attachment
- _x__ Premium Connection Specs

9. Company Personnel

<u>Name</u>	<u>Title</u>	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
William Turner	Drilling Engineer Supervisor	713-350-4951	661-817-4586
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932

OXY

PRD NM DIRECTIONAL PLANS (NAD 1983) Top Spot 12_13 Fed Com Top Spot 12_13 Federal Com 313H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

07 November, 2019

Planning Report

Database: HOPSPP

Company: ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com

Well: Top Spot 12_13 Federal Com 313H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 313H

RKB=26.5' @ 3607.10ft RKB=26.5' @ 3607.10ft

Grid

Minimum Curvature

Project PRD NM DIRECTIONAL PLANS (NAD 1983)

Map System: US State Plane 1983

Geo Datum: North American Datum 1983
Map Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

Using geodetic scale factor

Site Top Spot 12_13 Fed Com

Site Position: Northing: 514,494.39 usft 32° 24' 46.798486 N Latitude: From: Мар Easting: 725,461.56 usft Longitude: 103° 44' 12.035436 W **Position Uncertainty:** 50.00 ft Slot Radius: 13.200 in **Grid Convergence:** 0.32°

Well Top Spot 12_13 Federal Com 313H

 Well Position
 +N/-S
 -10,134.14 ft
 Northing:
 504,360.80 usft
 Latitude:
 32° 23′ 6.358035 N

 +E/-W
 2,984.90 ft
 Easting:
 728,446.30 usft
 Longitude:
 103° 43′ 37.887657 W

Position Uncertainty 1.00 ft Wellhead Elevation: Ground Level: 3,580.60 ft

Wellbore Wellbore #1 **Model Name** Declination Dip Angle Field Strength Magnetics Sample Date (°) (°) (nT) 48,027.20000000 HDGM_FILE 11/7/2019 6.75 60.10

Design	Permitting Plan					
Audit Notes:						
Version:		Phase:	PROTOTYPE	Tie On Depth:	0.00	
Vertical Section:		Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)	
		0.00	0.00	0.00	1.43	

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,955.00	0.00	0.00	5,955.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,454.94	10.00	160.42	6,452.41	-41.00	14.58	2.00	2.00	0.00	160.42	
10,935.96	10.00	160.42	10,865.37	-774.02	275.37	0.00	0.00	0.00	0.00	
11,930.29	90.00	359.70	11,531.10	-208.61	311.12	10.00	8.05	-16.16	-160.45	FTP (Top Spot
22,370.99	90.00	359.70	11,531.10	10,231.94	255.61	0.00	0.00	0.00	0.00	PBHL (Top Spot

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Top Spot 12_13 Fed Com

Site: Well:

Top Spot 12_13 Federal Com 313H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Top Spot 12_13 Federal Com 313H

RKB=26.5' @ 3607.10ft RKB=26.5' @ 3607.10ft

Grid

nned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
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
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00		2,200.00	0.00	0.00		0.00	0.00	0.00
		0.00				0.00			
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3.800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00 4,100.00	0.00 0.00	0.00 0.00	4,000.00 4,100.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 313H

Well: Top Spot 12_13
Wellbore: Wellbore #1
Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 313H

RKB=26.5' @ 3607.10ft RKB=26.5' @ 3607.10ft

Grid

nned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00		0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00		0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00
5,800.00		0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,955.00	0.00	0.00	5,955.00	0.00	0.00	0.00	0.00	0.00	0.00
6,000.00	0.90	160.42	6,000.00	-0.33	0.12	-0.33	2.00	2.00	0.00
6,100.00	2.90	160.42	6,099.94	-3.46	1.23	-3.42	2.00	2.00	0.00
6,200.00	4.90	160.42	6,199.70	-9.86	3.51	-9.77	2.00	2.00	0.00
6,300.00	6.90	160.42	6,299.17	-19.55	6.95	-19.37	2.00	2.00	0.00
6,400.00	8.90	160.42	6,398.21	-32.50	11.56	-32.20	2.00	2.00	0.00
6,454.94	10.00	160.42	6,452.41	-41.00	14.58	-40.62	2.00	2.00	0.00
6,500.00		160.42	6,496.78	-48.37	17.21	-47.92	0.00	0.00	0.00
6,600.00		160.42	6,595.26	-64.72	23.03	-64.13	0.00	0.00	0.00
6,700.00		160.42	6,693.74	-81.08	28.85	-80.34	0.00	0.00	0.00
6,800.00	10.00	160.42	6,792.23	-97.44	34.67	-96.55	0.00	0.00	0.00
6,900.00		160.42	6,890.71	-113.80	40.49	-112.75	0.00	0.00	0.00
7,000.00		160.42	6,989.19	-130.16	46.31	-128.96	0.00	0.00	0.00
7,100.00		160.42	7,087.67	-146.52	52.13	-145.17	0.00	0.00	0.00
7,200.00		160.42	7,186.15	-162.88	57.95	-161.38	0.00	0.00	0.00
7,300.00	10.00	160.42	7,284.63	-179.23	63.76	-177.59	0.00	0.00	0.00
7,400.00		160.42	7,383.11	-195.59	69.58	-193.79	0.00	0.00	0.00
7,500.00		160.42	7,481.59	-211.95	75.40	-210.00	0.00	0.00	0.00
7,600.00		160.42	7,580.07	-228.31	81.22	-226.21	0.00	0.00	0.00
7,700.00		160.42	7,678.56	-244.67	87.04	-242.42	0.00	0.00	0.00
7,800.00	10.00	160.42	7,777.04	-261.03	92.86	-258.63	0.00	0.00	0.00
7,900.00		160.42	7,875.52	-277.38	98.68	-274.83	0.00	0.00	0.00
8,000.00		160.42	7,974.00	-293.74	104.50	-291.04	0.00	0.00	0.00
8,100.00		160.42	8,072.48	-310.10	110.32	-307.25	0.00	0.00	0.00
8,200.00		160.42	8,170.96	-326.46	116.14	-323.46	0.00	0.00	0.00
8,300.00	10.00	160.42	8,269.44	-342.82	121.96	-339.67	0.00	0.00	0.00
8,400.00		160.42	8,367.92	-359.18	127.78	-355.87	0.00	0.00	0.00
8,500.00		160.42	8,466.40	-375.53	133.60	-372.08	0.00	0.00	0.00
8,600.00		160.42	8,564.89	-391.89	139.42	-388.29	0.00	0.00	0.00
8,700.00		160.42	8,663.37	-408.25	145.24	-404.50	0.00	0.00	0.00
8.800.00	10.00	160.42	8,761.85	-424.61	151.06	-420.71	0.00	0.00	0.00
8.900.00		160.42	8,860.33	-440.97	151.06	-420.71 -436.91	0.00	0.00	0.00
9,000.00		160.42	8,958.81	-457.33	162.70	-453.12	0.00	0.00	0.00
9,100.00		160.42	9,057.29	-473.69	168.52	-469.33	0.00	0.00	0.00
9,200.00		160.42	9,155.77	-490.04	174.34	-485.54	0.00	0.00	0.00
9,300.00		160.42	9,254.25	-506.40	180.16	-501.75	0.00	0.00	0.00
9,400.00		160.42	9,254.25	-500.40 -522.76	185.98	-501.75 -517.95	0.00	0.00	0.00
9,500.00		160.42	9,352.73 9,451.22	-522.76 -539.12	191.80	-517.95 -534.16	0.00	0.00	0.00
9,600.00		160.42	9,451.22	-555.48	197.62	-554.16 -550.37	0.00	0.00	0.00
9,700.00		160.42	9,549.70	-555.46 -571.84	203.44	-566.58	0.00	0.00	0.00
9,800.00		160.42	9.746.66	-588.19	209.26	-582.79	0.00	0.00	0.00
9,800.00		160.42	9,746.66	-588.19 -604.55	209.26 215.08	-582.79 -598.99	0.00	0.00	0.00
10,000.00		160.42	9,845.14	-620.91	220.90	-598.99 -615.20	0.00	0.00	0.00
10,000.00		160.42	10,042.10	-620.91	226.72	-631.41	0.00	0.00	0.00
10,700.00		160.42	10,140.58	-653.63	232.54	-647.62	0.00	0.00	0.00
10,300.00 10,400.00		160.42 160.42	10,239.06 10,337.55	-669.99 -686.34	238.36 244.18	-663.83 -680.03	0.00 0.00	0.00 0.00	0.00 0.00
10,500.00		160.42	10,337.55	-000.34 -702.70	250.00	-696.24	0.00	0.00	0.00

Planning Report

Database: Company:

HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com

Well: Top Spot 12_13 Federal Com 313H

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Survey Calculation Method:

Well Top Spot 12_13 Federal Com 313H

RKB=26.5' @ 3607.10ft RKB=26.5' @ 3607.10ft

Grid

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,600.00	10.00	160.42	10,534.51	-719.06	255.82	-712.45	0.00	0.00	0.00
10,700.00	10.00	160.42	10,632.99	-735.42	261.64	-728.66	0.00	0.00	0.00
10,800.00	10.00	160.42	10,731.47	-751.78	267.46	-744.87	0.00	0.00	0.00
10,900.00	10.00	160.42	10,829.95	-768.14	273.28	-761.07	0.00	0.00	0.00
10,935.96	10.00	160.42	10,865.37	-774.02	275.37	-766.90	0.00	0.00	0.00
11,000.00	4.50	132.01	10,928.89	-780.95	279.10	-773.73	10.00	-8.58	-44.35
11,100.00	7.72	25.12	11,028.53	-777.48	284.89	-770.12	10.00	3.22	-106.90
11,200.00	17.29	10.48	11,126.07	-756.74	290.45	-749.25	10.00	9.56	-14.64
11,300.00	27.16	6.21	11,218.53	-719.34	295.64	-711.73	10.00	9.88	-4.27
11,400.00	37.10	4.11	11,303.11	-666.43	300.28	-658.73	10.00	9.94	-2.10
11,500.00	47.06	2.80	11,377.24	-599.62	304.24	-591.84	10.00	9.96	-1.31
11,600.00	57.03	1.86	11,438.66	-520.93	307.40	-513.09	10.00	9.97	-0.94
11,700.00	67.01	1.11	11,485.52	-432.76	309.65	-424.89	10.00	9.98	-0.75
11,800.00	76.99	0.47	11,516.38	-337.78	310.95	-329.91	10.00	9.98	-0.64
11,900.00	86.98	359.87	11,530.30	-238.89	311.23	-231.04	10.00	9.98	-0.59
11,930.29	90.00	359.70	11,531.10	-208.61	311.12	-200.78	10.00	9.98	-0.58
12,000.00	90.00	359.70	11,531.10	-138.90	310.75	-131.10	0.00	0.00	0.00
12,100.00	90.00	359.70	11,531.10	-38.90	310.21	-31.14	0.00	0.00	0.00
12,200.00	90.00	359.70	11,531.10	61.10	309.68	68.81	0.00	0.00	0.00
12,300.00	90.00	359.70	11,531.10	161.09	309.15	168.76	0.00	0.00	0.00
12,400.00	90.00	359.70	11,531.10	261.09	308.62	268.72	0.00	0.00	0.00
12,500.00	90.00	359.70	11,531.10	361.09	308.09	368.67	0.00	0.00	0.00
12,600.00	90.00	359.70	11,531.10	461.09	307.56	468.63	0.00	0.00	0.00
12,700.00	90.00	359.70	11,531.10	561.09	307.02	568.58	0.00	0.00	0.00
12,800.00	90.00	359.70	11,531.10	661.09	306.49	668.53	0.00	0.00	0.00
12,900.00	90.00	359.70	11,531.10	761.09	305.96	768.49	0.00	0.00	0.00
13,000.00	90.00	359.70	11,531.10	861.08	305.43	868.44	0.00	0.00	0.00
13,100.00	90.00	359.70	11,531.10	961.08	304.90	968.40	0.00	0.00	0.00
13,200.00	90.00	359.70	11,531.10	1,061.08	304.37	1,068.35	0.00	0.00	0.00
13,300.00	90.00	359.70	11,531.10	1,161.08	303.84	1,168.31	0.00	0.00	0.00
13,400.00	90.00	359.70	11,531.10	1,261.08	303.30	1,268.26	0.00	0.00	0.00
13,500.00	90.00	359.70	11,531.10	1,361.08	302.77	1,368.21	0.00	0.00	0.00
13,600.00	90.00	359.70	11,531.10	1,461.08	302.24	1,468.17	0.00	0.00	0.00
13,700.00	90.00	359.70	11,531.10	1,561.07	301.71	1,568.12	0.00	0.00	0.00
13,800.00	90.00	359.70	11,531.10	1,661.07	301.18	1,668.08	0.00	0.00	0.00
13,900.00	90.00	359.70	11,531.10	1,761.07	300.65	1,768.03	0.00	0.00	0.00
14,000.00	90.00	359.70	11,531.10	1,861.07	300.11	1,867.98	0.00	0.00	0.00
14,100.00	90.00	359.70	11,531.10	1,961.07	299.58	1,967.94	0.00	0.00	0.00
14,200.00	90.00	359.70	11,531.10	2,061.07	299.05	2,067.89	0.00	0.00	0.00
14,300.00	90.00	359.70	11,531.10	2,161.07	298.52	2,167.85	0.00	0.00	0.00
14,400.00	90.00	359.70	11,531.10	2,261.06	297.99	2,267.80	0.00	0.00	0.00
14,500.00	90.00	359.70	11,531.10	2,361.06	297.46	2,367.76	0.00	0.00	0.00
14,600.00	90.00	359.70	11,531.10	2,461.06	296.92	2,467.71	0.00	0.00	0.00
14,700.00	90.00	359.70	11,531.10	2,561.06	296.39	2,567.66	0.00	0.00	0.00
14,800.00	90.00	359.70	11,531.10	2,661.06	295.86	2,667.62	0.00	0.00	0.00
14,900.00	90.00	359.70	11,531.10	2,761.06	295.33	2,767.57	0.00	0.00	0.00
15,000.00	90.00	359.70	11,531.10	2,861.06	294.80	2,867.53	0.00	0.00	0.00
15,100.00	90.00	359.70	11,531.10	2,961.05	294.27	2,967.48	0.00	0.00	0.00
15,200.00	90.00	359.70	11,531.10	3,061.05	293.73	3,067.43	0.00	0.00	0.00
15,300.00	90.00	359.70	11,531.10	3,161.05	293.20	3,167.39	0.00	0.00	0.00
15,400.00	90.00	359.70	11,531.10	3,261.05	292.67	3,267.34	0.00	0.00	0.00
15,500.00	90.00	359.70	11,531.10	3,361.05	292.14	3,367.30	0.00	0.00	0.00
15,600.00	90.00	359.70	11,531.10	3,461.05	291.61	3,467.25	0.00	0.00	0.00
15,700.00	90.00	359.70	11,531.10	3,561.05	291.08	3,567.20	0.00	0.00	0.00

Planning Report

Database: Company: HOPSPP

ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com
Well: Top Spot 12_13 Federal Com 313H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Top Spot 12_13 Federal Com 313H

RKB=26.5' @ 3607.10ft RKB=26.5' @ 3607.10ft

Grid

	<u> </u>								
Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
15,800.00	90.00	359.70	11,531.10	3,661.04	290.54	3,667.16	0.00	0.00	0.00
15,900.00	90.00	359.70	11,531.10	3,761.04	290.01	3,767.11	0.00	0.00	0.00
16,000.00	90.00	359.70	11,531.10	3,861.04	289.48	3,867.07	0.00	0.00	0.00
16,100.00	90.00	359.70	11,531.10	3,961.04	288.95	3,967.02	0.00	0.00	0.00
16,200.00	90.00	359.70	11,531.10	4,061.04	288.42	4,066.98	0.00	0.00	0.00
16,300.00	90.00	359.70	11,531.10	4,161.04	287.89	4,166.93	0.00	0.00	0.00
16,400.00	90.00	359.70	11,531.10	4,261.04	287.36	4,266.88	0.00	0.00	0.00
16,500.00	90.00	359.70	11,531.10	4,361.04	286.82	4,366.84	0.00	0.00	0.00
16,600.00	90.00	359.70	11,531.10	4,461.03	286.29	4,466.79	0.00	0.00	0.00
16,700.00	90.00	359.70	11,531.10	4,561.03	285.76	4,566.75	0.00	0.00	0.00
16,800.00	90.00	359.70	11,531.10	4,661.03	285.23	4,666.70	0.00	0.00	0.00
16,900.00	90.00	359.70	11,531.10	4,761.03	284.70	4,766.65	0.00	0.00	0.00
17,000.00	90.00	359.70	11,531.10	4,861.03	284.17	4,866.61	0.00	0.00	0.00
17,100.00	90.00	359.70	11,531.10	4,961.03	283.63	4,966.56	0.00	0.00	0.00
17,200.00	90.00	359.70	11,531.10	5,061.03	283.10	5,066.52	0.00	0.00	0.00
17,300.00	90.00	359.70	11,531.10	5,161.02	282.57	5,166.47	0.00	0.00	0.00
17,400.00	90.00	359.70	11,531.10	5,261.02	282.04	5,266.42	0.00	0.00	0.00
17,500.00	90.00	359.70	11,531.10	5,361.02	281.51	5,366.38	0.00	0.00	0.00
17,600.00	90.00	359.70	11,531.10	5,461.02	280.98	5,466.33	0.00	0.00	0.00
17,700.00	90.00	359.70	11,531.10	5,561.02	280.44	5,566.29	0.00	0.00	0.00
17,800.00	90.00	359.70	11,531.10	5,661.02	279.91	5,666.24	0.00	0.00	0.00
17,900.00	90.00	359.70	11,531.10	5,761.02	279.38	5,766.20	0.00	0.00	0.00
18,000.00	90.00	359.70	11,531.10	5,861.01	278.85	5,866.15	0.00	0.00	0.00
18,100.00	90.00	359.70	11,531.10	5,961.01	278.32	5,966.10	0.00	0.00	0.00
18,200.00	90.00	359.70	11,531.10	6,061.01	277.79	6,066.06	0.00	0.00	0.00
18,300.00	90.00	359.70	11,531.10	6,161.01	277.25	6,166.01	0.00	0.00	0.00
18,400.00	90.00	359.70	11,531.10	6,261.01	276.72	6,265.97	0.00	0.00	0.00
18,500.00	90.00	359.70	11,531.10	6,361.01	276.19	6,365.92	0.00	0.00	0.00
18,600.00	90.00	359.70	11,531.10	6,461.01	275.66	6,465.87	0.00	0.00	0.00
18,700.00	90.00	359.70	11,531.10	6,561.00	275.13	6,565.83	0.00	0.00	0.00
18,800.00	90.00	359.70	11,531.10	6,661.00	274.60	6,665.78	0.00	0.00	0.00
18,900.00	90.00	359.70	11,531.10	6,761.00	274.07	6,765.74	0.00	0.00	0.00
19,000.00	90.00	359.70	11,531.10	6,861.00	273.53	6,865.69	0.00	0.00	0.00
19,100.00	90.00	359.70	11,531.10	6,961.00	273.00	6,965.64	0.00	0.00	0.00
19,200.00	90.00	359.70	11,531.10	7,061.00	272.47	7,065.60	0.00	0.00	0.00
19,300.00	90.00	359.70	11,531.10	7,161.00	271.94	7,165.55	0.00	0.00	0.00
19,400.00	90.00	359.70	11,531.10	7,260.99	271.41	7,265.51	0.00	0.00	0.00
19,500.00	90.00	359.70	11,531.10	7,360.99	270.88	7,365.46	0.00	0.00	0.00
19,600.00	90.00	359.70	11,531.10	7,460.99	270.34	7,465.42	0.00	0.00	0.00
19,700.00	90.00	359.70	11,531.10	7,560.99	269.81	7,565.37	0.00	0.00	0.00
19,800.00	90.00	359.70	11,531.10	7,660.99	269.28	7,665.32	0.00	0.00	0.00
19,900.00	90.00	359.70	11,531.10	7,760.99	268.75	7,765.28	0.00	0.00	0.00
20,000.00	90.00	359.70	11,531.10	7,860.99	268.22	7,865.23	0.00	0.00	0.00
20,100.00	90.00	359.70	11,531.10	7,960.98	267.69	7,965.19	0.00	0.00	0.00
20,200.00	90.00	359.70	11,531.10	8,060.98	267.15	8,065.14	0.00	0.00	0.00
20,300.00	90.00	359.70	11,531.10	8,160.98	266.62	8,165.09	0.00	0.00	0.00
20,400.00	90.00	359.70	11,531.10	8,260.98	266.09	8,265.05	0.00	0.00	0.00
20,500.00	90.00	359.70	11,531.10	8,360.98	265.56	8,365.00	0.00	0.00	0.00
20,600.00	90.00	359.70	11,531.10	8,460.98	265.03	8,464.96	0.00	0.00	0.00
20,700.00	90.00	359.70	11,531.10	8,560.98	264.50	8,564.91	0.00	0.00	0.00
20,800.00	90.00	359.70	11,531.10	8,660.97	263.96	8,664.87	0.00	0.00	0.00
20,900.00	90.00	359.70	11,531.10	8,760.97	263.43	8,764.82	0.00	0.00	0.00
21,000.00	90.00	359.70	11,531.10	8,860.97	262.90	8,864.77	0.00	0.00	0.00
21,100.00	90.00	359.70	11,531.10	8,960.97	262.37	8,964.73	0.00	0.00	0.00

Planning Report

Database: HOPSPP

Company: ENGINEERING DESIGNS

Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com

Well: Top Spot 12_13 Federal Com 313H

Wellbore: Wellbore #1

Design: Permitting Plan

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Top Spot 12_13 Federal Com 313H

RKB=26.5' @ 3607.10ft RKB=26.5' @ 3607.10ft

Grid

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
21,200.00	90.00	359.70	11,531.10	9,060.97	261.84	9,064.68	0.00	0.00	0.00
21,300.00	90.00	359.70	11,531.10	9,160.97	261.31	9,164.64	0.00	0.00	0.00
21,400.00	90.00	359.70	11,531.10	9,260.97	260.78	9,264.59	0.00	0.00	0.00
21,500.00	90.00	359.70	11,531.10	9,360.96	260.24	9,364.54	0.00	0.00	0.00
21,600.00	90.00	359.70	11,531.10	9,460.96	259.71	9,464.50	0.00	0.00	0.00
21,700.00	90.00	359.70	11,531.10	9,560.96	259.18	9,564.45	0.00	0.00	0.00
21,800.00	90.00	359.70	11,531.10	9,660.96	258.65	9,664.41	0.00	0.00	0.00
21,900.00	90.00	359.70	11,531.10	9,760.96	258.12	9,764.36	0.00	0.00	0.00
22,000.00	90.00	359.70	11,531.10	9,860.96	257.59	9,864.31	0.00	0.00	0.00
22,100.00	90.00	359.70	11,531.10	9,960.96	257.05	9,964.27	0.00	0.00	0.00
22,200.00	90.00	359.70	11,531.10	10,060.95	256.52	10,064.22	0.00	0.00	0.00
22,300.00	90.00	359.70	11,531.10	10,160.95	255.99	10,164.18	0.00	0.00	0.00
22,370.99	90.00	359.70	11,531.10	10,231.94	255.61	10,235.13	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Top Spot 12_13 - plan hits target cen - Point	0.00 nter	0.00	11,531.10	-208.61	311.12	504,152.20	728,757.40	32° 23' 4.276426 N	103° 43' 34.273509
PBHL (Top Spot - plan hits target cen - Point	0.00 nter	0.00	11,531.10	10,231.94	255.61	514,592.20	728,701.90	32° 24' 47.585778 N	103° 43' 34.229429

Plan Annotations				
Measured	Vertical	Local Coor		
Depth (ft)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment
5,955.00	5,955.00	0.00	0.00	Build 2°/100'
6,454.94	6,452.41	-41.00	14.58	Hold 10° Tangent
10,935.96	10,865.37	-774.02	275.37	KOP, Build & Turn 10°/100'
11,930.29	11,531.10	-208.61	311.12	Landing Point
22,370.99	11,531.10	10,231.94	255.61	TD at 22370.99' MD



Project: PRD NM DIRECTIONAL PLANS (NAD 1983)

Site: Top Spot 12_13 Fed Com

Well: Top Spot 12_13 Federal Com 313H

Wellbore: Wellbore #1
Design: Permitting Plan

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

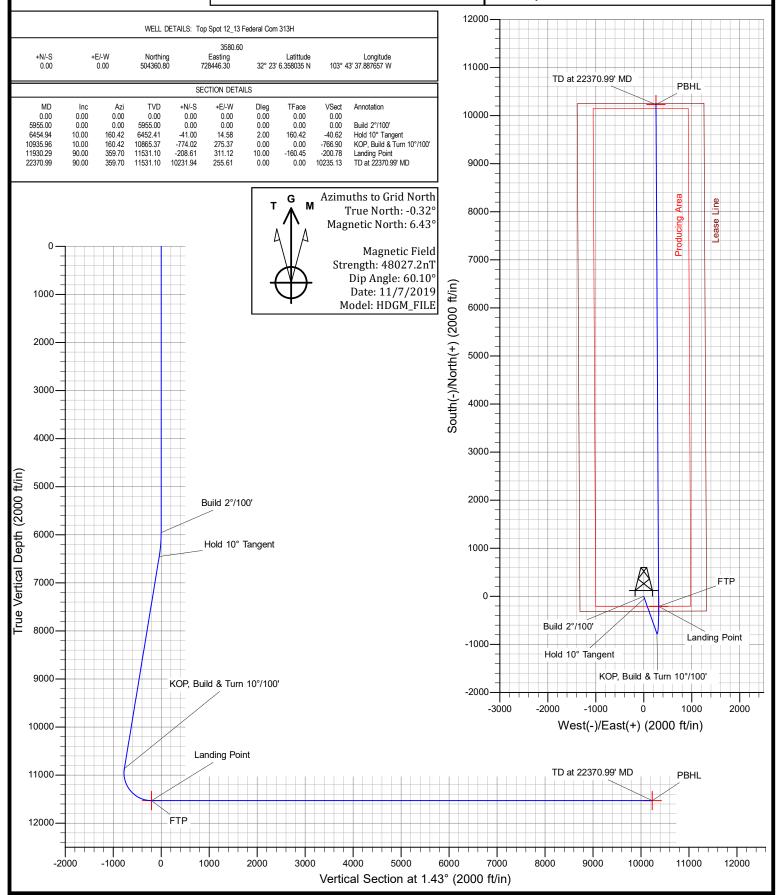
Geodetic System: US State Plane 1983

Datum: North American Datum 1983

Ellipsoid: GRS 1980

Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level



PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

Proposed Well Name	Surface Hole Location	Legal Location*	Surface Ownership
Top Spot 12-13 Federal Com 1H	653 FSL and 2,087 FWL		
Top Spot 12-13 Federal Com 2H	653 FSL and 2,362 FWL		
Top Spot 12-13 Federal Com 3H	490 FSL and 755 FEL		
Top Spot 12-13 Federal Com 4H	490 FSL and 720 FEL		
Top Spot 12-13 Federal Com 11H	653 FSL and 2,022 FWL		
Top Spot 12-13 Federal Com 12H	653 FSL and 2,327 FWL		
Top Spot 12-13 Federal Com 13H	653 FSL and 2,397 FWL		
Top Spot 12-13 Federal Com 14H	490 FSL and 1,375 FEL		
Top Spot 12-13 Federal Com 15H	490 FSL and 1,340 FEL		
Top Spot 12-13 Federal Com 16H	490 FSL and 1,305 FEL		
Top Spot 12-13 Federal Com 21H	635 FSL and 2,052 FWL	Section 13, Township 22 South, Range 31 East	
Top Spot 12-13 Federal Com 22H	473 FSL and 2,362 FWL	South, Italige of East	
Top Spot 12-13 Federal Com 23H	473 FSL and 2,397 FWL		
Top Spot 12-13 Federal Com 24H	490 FSL and 1,065 FEL		
Top Spot 12-13 Federal Com 25H	490 FSL and 1,030 FEL		BLM
Top Spot 12-13 Federal Com 26H	490 FSL and 995 FEL		DLM
Top Spot 12-13 Federal Com 31H	473 FSL and 2,022 FWL		
Top Spot 12-13 Federal Com 32H	473 FSL and 2,087 FWL		
Top Spot 12-13 Federal Com 33H	473 FSL and 2,122 FWL		
Top Spot 12-13 Federal Com 34H	310 FSL and 1,345 FEL		
Top Spot 12-13 Federal Com 35H	310 FSL and 1,275 FEL		
Top Spot 12-13 Federal Com 41H	115 FNL and 1,715 FWL	Section 12, Township 22	
Top Spot 12-13 Federal Com 42H	115 FNL and 1,990 FWL	South, Range 31 East	
Top Spot 12-13 Federal Com 43H	310 FSL and 1,035 FEL	Section 13, Township 22	
Top Spot 12-13 Federal Com 44H	310 FSL and 1,000 FEL	South, Range 31 East	
Top Spot 12-13 Federal Com 71H	115 FNL and 1,750 FWL	Section 12, Township 22	
Top Spot 12-13 Federal Com 72H	115 FNL and 2,025 FWL	South, Range 31 East	
Top Spot 12-13 Federal Com 73H	310 FSL and 760 FEL		
Top Spot 12-13 Federal Com 74H	310 FSL and 725 FEL	Section 13, Township 22 South, Range 31 East	
Top Spot 12-13 Federal Com 311H	473 FSL and 2,052 FWL	, 5: 2	

Approval Date: 10/21/2020

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:
LEASE NO.:
NMNM029233
WELL NAME & NO.:
TOP SPOT 12_13 FED COM 313H
SURFACE HOLE FOOTAGE:
BOTTOM HOLE FOOTAGE
LOCATION:
COUNTY:
Section 13, T.22 S., R.31 E., NMPM
Eddy County, New Mexico

COA

H2S	O Yes	No	
Potash	O None	Secretary	• R-111-P
Cave/Karst Potential	• Low	Medium	O High
Cave/Karst Potential	O Critical		
Variance	O None	Flex Hose	Other
Wellhead	Conventional	• Multibowl	O Both
Other	☐4 String Area	□Capitan Reef	□WIPP
Other	□Fluid Filled	✓ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	☑ COM	□ Unit
Break Testing	Yes	O No	

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 Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

Primary Casing Design/Alternate Casing Design:

- 1. The **13-3/8** inch surface casing shall be set at approximately **880 feet** (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) 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 **24 hours in the Potash Area** 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 9-5/8 inch intermediate casing shall be set at approximately 5466 feet. The 7-5/8 inch second tapered intermediate casing shall be set at 10835 feet. The minimum required fill of cement behind the intermediate casing is:

Option 1:

a. 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 or potash.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
 - Excess cement calculates to less than 25%; More cement may be needed.
- b. Second stage above DV tool:
- 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 or potash.
 - Excess cement calculates to less than 25%; More cement may be needed.

- Operator will perform bradenhead squeeze. Cement to surface. If cement does not circulate see B.1.a, c-d above.
- c. Operator has proposed to pump down 9-5/8" X 7-5/8" annulus.

Four string wells:

- CBL is not required
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement
- **❖** In <u>R111 Potash Areas</u> if cement does not circulate to surface on the first two salt protection casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **500 feet** into previous casing string. Operator shall provide method of verification.
- Excess Cement calculates to less than 25%; More cement may be needed.

C. PRESSURE CONTROL

• 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).'

BOP Requirements

Option 1:

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.

b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **10,000 (10M)** psi.

Option 2:

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 10,000 (10M) psi. Variance is approved to use a 5000 (5M) Annular which shall be tested to 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 OOGO2.III.A.2.i 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.
- 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.

Page 4 of 9

Offline Cementing

• Contact the BLM prior to the commencement of any offline cementing procedure.

BOPE Break Testing Variance (Note: For 5M BOPE or less)

- BOPE Break Testing is ONLY permitted for 5M BOPE or less.
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section.
 If any subsequent hole interval is deeper than the first, a full BOPE test will be required.
- The BLM is to be contacted (575-361-2822 Eddy County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.

A separate sundry will be sent prior to spud that reflects the pad based break testing plan

GENERAL REQUIREMENTS

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

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - Eddy County
 Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

- a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
- b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours.

Page 6 of 9

WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 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.

Page 7 of 9

- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

Page 8 of 9

- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

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.

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Page 9 of 9



Permian Drilling Hydrogen Sulfide Drilling Operations Plan New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H2S) gas.

While drilling this well, it is possible to encounter H2S bearing formations. At all times, the first barrier to control H2S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

- 1. Provide an immediate and predetermined response plan to any condition when H2S is detected. All H2S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.
- 2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.
- 3. Provide proper evacuation procedures to cope with emergencies.
- 4. Provide immediate and adequate medical attention should an injury occur.

Discussion

Implementation: This plan with all details is to be fully implemented

before drilling to commence.

Emergency response

Procedure:

This section outlines the conditions and denotes steps

to be taken in the event of an emergency.

Emergency equipment

Procedure:

This section outlines the safety and emergency

equipment that will be required for the drilling of this

well.

Training provisions: This section outlines the training provisions that must

be adhered to prior to drilling.

Drilling emergency call lists: Included are the telephone numbers of all persons to

be contacted should an emergency exist.

Briefing: This section deals with the briefing of all people

involved in the drilling operation.

Public safety: Public safety personnel will be made aware of any

potential evacuation and any additional support

needed.

Check lists: Status check lists and procedural check lists have been

included to insure adherence to the plan.

General information: A general information section has been included to

supply support information.

Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on the well:

- 1. The hazards and characteristics of H2S.
- 2. Proper use and maintenance of personal protective equipment and life support systems.
- 3. H2S detection.
- 4. Proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
- 5. Proper techniques for first aid and rescue procedures.
- 6. Physical effects of hydrogen sulfide on the human body.
- 7. Toxicity of hydrogen sulfide and sulfur dioxide.
- 8. Use of SCBA and supplied air equipment.
- 9. First aid and artificial respiration.
- 10. Emergency rescue.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H2S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
- 3. The contents and requirements of the H2S Drilling Operations Plan.

H2S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H2S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H2S training has been taken.

Service company and visiting personnel

- A. Each service company that will be on this well will be notified if the zone contains H2S.
- B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.
- C. Each service company will be expected to attend a well site briefing

Emergency Equipment Requirements

1. Well control equipment

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

- A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.
- B. Rotating head
- C. Gas buster equipment shall be installed before drilling out of surface pipe.

2. <u>Protective equipment for personnel</u>

- A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.
- B. Adequate fire extinguishers shall be located at strategic locations.
- C. Radio / cell telephone communication will be available at the rig.
 - Rig floor and trailers.
 - Vehicle.

3. Hydrogen sulfide sensors and alarms

- A. H2S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
- B. Hand operated detectors with tubes.
- C. H2S monitor tester (to be provided by contract Safety Company.)
- D. There shall be one combustible gas detector on location at all times.

4. <u>Visual Warning Systems</u>

A. One sign located at each location entrance with the following language:

Caution – potential poison gas Hydrogen sulfide No admittance without authorization *Wind sock – wind streamers:*

- A. One 36" (in length) wind sock located at protection center, at height visible from rig floor.
- B. One 36" (in length) wind sock located at height visible from pit areas.

Condition flags

A. One each condition flag to be displayed to denote conditions.

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green – normal conditions
yellow – potential danger
red – danger, H2S present
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B. Condition flag shall be posted at each location sign entrance.

5. <u>Mud Program</u>

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

6. <u>Metallurgy</u>

- A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
- B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

7. Well Testing

No drill stem test will be performed on this well.

8. Evacuation plan

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

9. <u>Designated area</u>

- A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.
- B. There will be a designated smoking area.
- C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

- A. In the event of any evidence of H2S level above 10 ppm, take the following steps:
 - 1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.
 - 2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.
 - 3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.
 - 4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.
 - 5. Entrance to the location will be secured to a higher level than our usual "Meet and Greet" requirement, and the proper condition flag will be displayed at the entrance to the location.
 - 6. Take steps to determine if the H2S level can be corrected or suppressed and, if so, proceed as required.

B. If uncontrollable conditions occur:

1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

- 2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.
- 3. Notify public safety personnel of safe briefing / muster area.
- 4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.
- 5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.

C. Responsibility:

- 1. Designated personnel.
 - a. Shall be responsible for the total implementation of this plan.
 - b. Shall be in complete command during any emergency.
 - c. Shall designate a back-up.

All personnel:

- 1. On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw
- 2. Check status of personnel (buddy system).
- 3. Secure breathing equipment.
- 4. Await orders from supervisor.

Drill site manager:

- 1. Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area.
- 2. Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system).
- 3. Determine H2S concentrations.
- 4. Assess situation and take control measures.

Tool pusher:

- 1. Don escape unit Report to up nearest upwind designated safe briefing / muster area.
- 2. Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system).
- 3. Determine H2S concentration.
- 4. Assess situation and take control measures.

Driller:

1. Don escape unit, shut down pumps, continue

- rotating DP.
- 2. Check monitor for point of release.
- 3. Report to nearest upwind designated safe briefing / muster area.
- 4. Check status of personnel (in an attempt to rescue, use the buddy system).
- 5. Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case of their absence.
- 6. Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.

Derrick man Floor man #1 Floor man #2 1. Will remain in briefing / muster area until instructed by supervisor.

Mud engineer:

- 1. Report to nearest upwind designated safe briefing / muster area.
- 2. When instructed, begin check of mud for ph and H2S level. (Garett gas train.)

Safety personnel:

1. Mask up and check status of all personnel and secure operations as instructed by drill site manager.

Taking a kick

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same "tripping" procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

- 1. Human life and property are endangered.
- 2. There is no hope controlling the blowout under the prevailing conditions at the well.

<u>Instructions for igniting the well</u>

- 1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with the gas monitor. The other man is responsible for igniting the well.
- 2. Primary method to ignite: 25 mm flare gun with range of approximately 500 feet.
- 3. Ignite upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best for protection, and which offers an easy escape route.
- 5. Before firing, check for presence of combustible gas.
- 6. After lighting, continue emergency action and procedure as before.
- 7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

Remember: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. **Do not assume the area is safe after the well is ignited.**

Status check list

Note:	All items on	this list mus	t be complete	d before drilling	to production	casing point.
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- 1. H2S sign at location entrance.
- 2. Two (2) wind socks located as required.
- 3. Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.
- 4. Air packs inspected and ready for use.
- 5. Cascade system and hose line hook-up as needed.
- 6. Cascade system for refilling air bottles as needed.
- 7. Condition flag on location and ready for use.
- 8. H2S detection system hooked up and tested.
- 9. H2S alarm system hooked up and tested.
- 10. Hand operated H2S detector with tubes on location.
- 11. 1 100' length of nylon rope on location.
- 12. All rig crew and supervisors trained as required.
- 13. All outside service contractors advised of potential H2S hazard on well.
- 14. No smoking sign posted and a designated smoking area identified.
- 15. Calibration of all H2S equipment shall be noted on the IADC report.

Checked by		D-4
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Procedural check list during H2S events

Perform each tour:

- 1. Check fire extinguishers to see that they have the proper charge.
- 2. Check breathing equipment to ensure that it in proper working order.
- 3. Make sure all the H2S detection system is operative.

Perform each week:

- 1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.
- 2. BOP skills (well control drills).
- 3. Check supply pressure on BOP accumulator stand by source.
- 4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.
- 5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade "D" before bringing to location)
- 6. Confirm pressure on all supply air bottles.
- 7. Perform breathing equipment drills with on-site personnel.
- 8. Check the following supplies for availability.
 - A. Emergency telephone list.
 - B. Hand operated H2S detectors and tubes.

General evacuation plan

- 1. When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.
- 2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.
- 3. Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.
- 4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.
- 5. After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

<u>Important:</u> Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

- 1. Evacuate all personnel to "Safe Briefing / Muster Areas" or off location if needed.
- 2. If sour gas evacuate rig personnel.
- 3. If sour gas evacuate public within 3000 ft radius of exposure.
- 4. Don SCBA and shut well in if possible using the buddy system.
- 5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
- 6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.
- 6. Give first aid as needed.

Person down location/facility

- 1. If immediately possible, contact 911. Give location and wait for confirmation.
- 2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity – 1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Table i Toxicity of various gases

Common name	Chemical formula	Specific gravity (sc=1)	Threshold limit (1)	Hazardous limit (2)	Lethal concentration (3)
Hydrogen Cyanide	Hen	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	C12	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Co	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustibl	e above 5% in air

- 1) threshold limit concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.
- 2) hazardous limit concentration that will cause death with short-term exposure.
- 3) lethal concentration concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii Physical effects of hydrogen sulfide

		Concentration	Physical effects
Percent (%)	<u>Ppm</u>	Grains	
		100 std. Ft3*	
0.001	<10	00.65	Obvious and unpleasant odor.

0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in 3 – 15 minutes. May sting eyes and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

^{*}at 15.00 psia and 60'f.

Use of self-contained breathing equipment (SCBA)

- 1. Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.
- 2 SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.
- 3. Anyone who may use the SCBA's shall be trained in how to insure proper face-piece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.
- 4. Maintenance and care of SCBA's:
 - a. A program for maintenance and care of SCBA's shall include the following:
 - 1. Inspection for defects, including leak checks.
 - 2. Cleaning and disinfecting.
 - 3. Repair.
 - 4. Storage.
 - b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
 - 1. Fully charged cylinders.
 - 2. Regulator and warning device operation.
 - 3. Condition of face piece and connections.
 - 4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.
 - c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.
- 5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.
- 6. SCBA's should be worn when:
 - A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H2S.

- B. When breaking out any line where H2S can reasonably be expected.
- C. When sampling air in areas to determine if toxic concentrations of H2S exists.
- D. When working in areas where over 10 ppm H2S has been detected.
- E. At any time there is a doubt as to the H2S level in the area to be entered.

Rescue First aid for H2S poisoning

Do not panic!

Remain calm – think!

- 1. Don SCBA breathing equipment.
- 2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)
- 3. Briefly apply chest pressure arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
- 4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
- 5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H2S gas poisoning no matter how remote the possibility is.
- 6. Notify emergency room personnel that the victim(s) has been exposed to H2S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

Revised CM 6/27/2012

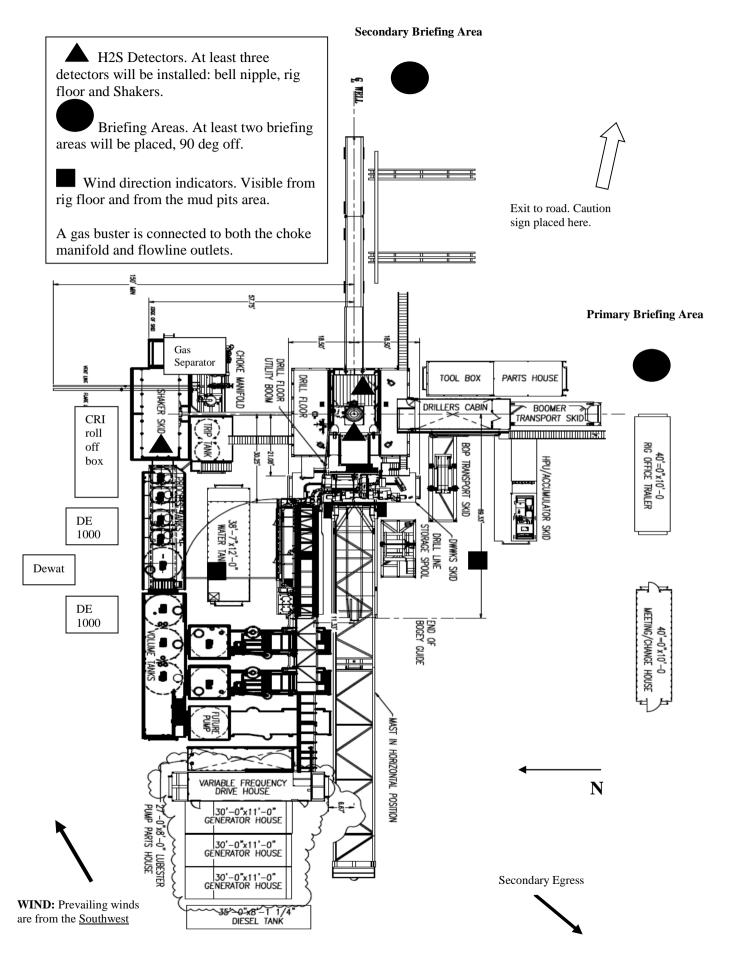


Permian Drilling Hydrogen Sulfide Drilling Operations Plan Top Spot 12_13 Fed Com 313H

Open drill site. No homes or buildings are near the proposed location.

1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.



OXY Permian Delaware NM Basin Drilling & Completions Incident Reporting OXY Permian Crisis Team Hotline Notification

Person	Location	Office Phone	Cell/Mobile Phone	Home Phone	Pager Number
Drilling & Completions Department					
Drilling & Completions Manager: John Willis	Houston	(713) 366-5556	(713) 259-1417		
Drilling Superintendent: Simon Benavides	Houston	(713) 215-7403	(832) 528-3547		
Completions Superintendent: Chris Winter	Houston	(713) 366-5212	(806) 239-8774		
Drilling Eng. Supervisor: Diego Tellez	Houston	(713) 350-4602	(713) 303-4932		
Drilling Eng. Supervisor: Randy Neel	Houston	(713) 215-7987	(713) 517-5544		
Completions Eng. Supervisor: Evan Hinkel	Houston	(713) 366-5436	(281) 236-6153		
Drilling & Completions HES Lead. Ryan Green	Houston	713-336-5753	281-520-5216		
Drilling & Completions HES Advisor:Kenny Williams	Carlsbad	(432) 686-1434	(337) 208-0911		
Drilling & Completions HES Advisor:Kyle Holden	Carlsbad	(432) 686-1435	(661) 369-5328		
Drilling & Completions HES Advisor Sr:Dave Schmidt	Carlsbad		(559) 310-8572		
Drilling & Completions HES Advisor. :Seth Doyle	Carlsbad		(337) 499-0756		
HES / Enviromental & Regulatory Department	Location	Office	Cell Phone		
Jon Hamil-HES Manager	Houston	(713) 497-2494	(832) 537-9885		
Mark Birk-HES Manager	Houston	(713) 350-4615	(949) 413-3127		
Austin Tramell	Midland	(432) 699-4208	(575) 499-4919		
Rico Munoz	Midland	(432) 699-8366	(432) 803-4116		
Amber DuckWorth	Midland		(832) 966-1879		
Kelley Montgomery- Regulatory Manager	Houston	(713) 366-5716	(832) 454-8137		
Sandra Musallam -Regulatory Lead	Houston	+1 (713) 366-5106	+1 (713) 504-8577		
Bishop, Steve-DOT Pipeline Coordinator	Midland	432-685-5614			

Wilson, Dusty-Safety Advisor	Midland	432-685-5771	(432) 254-2336]
			()	
John W Dittrich Eniromental Advisor	Midland		(575) 390-2828	
William (Jack) Calhoun-Environmental Lead	Houston	+713 (350) 4906	(281) 917-8571	
Robert Barrow-Risk Engineer Manager	Houston	(713) 366-5611	(832) 867-5336	
Sarah Holmes-HSE Cordinator	Midland	432-685-5758		
Administrative	Location	Office		
Sarah Holmes	Midland	432-685-5830		
Robertson, Debbie	Midland	432-685-5812		
Laci Hollaway	Midland	(432) 685-5716	(432) 631-6341	
Administrative	Location	Office		
Rosalinda Escajeda	Midland	432-685-5831		
Moreno, Leslie (contract)	Hobbs	575-397-8247		
Sehon, Angela (contractor)	Levelland	806-894-8347		
Vasquez, Claudia (contractor)	North Cowden	432-385-3120		
XstremeMD	Location	Office		
Medical Case Management	Orla, TX	(337) 205-9314		
Axiom Medical Consulting	Location	Office		
Medical Case Management		(877) 502-9466		
Regulatory Agencies				
Bureau of Land Management	Carlsbad, NM	(505) 887-6544		
Bureau of Land Management	Hobbs, NM	(505) 393-3612		
Bureau of Land Management	Roswell, NM	(505) 393-3612		
Bureau of Land Management	Santa Fe, NM	(505) 988-6030		
DOT Juisdictional Pipelines-Incident Reporting New Mexico Public Regulaion Commission	Santa Fe, NM	(505) 827-3549 (505) 490-2375		
DOT Juisdictional Pipelines-Incident Reporting Texas Railroad Commission	Austin, TX	(512) 463-6788		
EPA Hot Line	Dallas, Texas	(214) 665-6444		

	<u> </u>			
Federal OSHA, Area Office	Lubbock, Texas	(806) 472-7681		
National Response Center	Washington, D. C.	(800) 424-8802		
National Infrastructure Coordinator Center		(202) 282-9201		
New Mexico Air Quality Bureau	Santa Fe, NM	(505) 827-1494		
New Mexico Oil Conservation Division	Artesia, NM	(505) 748-1283	After Hours (505) 370- 7545	
New Mexico Oil Conservation Division	Hobbs, NM	(505) 393-6161		
New Mexico Oil Conservation Division	Santa Fe, NM	(505) 471-1068		
New Mexico OCD Environmental Bureau	Santa Fe, NM	(505) 476-3470		
New Mexico Environmental Department	Hobbs, NM	(505) 827-9329		
NM State Emergency Response Center	Santa Fe, NM	(505) 827-9222		
Railroad Commission of TX	District 1 San Antonio,	(210) 227-1313		
Railroad Commission of TX	District 7C San Angelo	(325) 657-7450		
Railroad Commission of TX	District 8, 8A Midland,	(432) 684-5581		
Texas Emergency Response Center	Austin, TX	(512) 463-7727		
TCEQ Air	Region 2 Lubbock, TX	(806) 796-3494		
TCEQ Water/Waste/Air	Region 3 Abilene, TX	(325) 698-9674		
TCEQ Water/Waste/Air	Region 7 Midland, TX	(432) 570-1359		
TCEQ Water/Waste/Air	Region 9 San Antonio,	(512) 734-7981		
TCEQ Water/Waste/Air	Region 8 San Angelo	(325) 655-9479		
Medical Facilities				
Abernathy Medical Clinic	Abernathy, TX	(806) 298-2524		
Alliance Hospital	Odessa, TX	(432) 550-1000		
Artesia General Hospital	Artesia, NM	(505) 748-3333		
Brownfield Regional Medical Center	Brownfield, TX	(806) 637-3551		
Cogdell Memorial Hospital	Snyder, TX	(325) 573-6374		
Covenant Hospital Levelland	Levelland, TX	(806) 894-4963		
Covenant Medical Center	Lubbock, TX	(806) 725-1011		
Covenant Medical Center Lakeside	Lubbock, TX	(806) 725-6000		
Covenant Family Health	Synder, TX	(325) 573-1300		

Crockett County Hospital	Ozona, TX	(325) 392-2671		
Guadalupe Medical Center	Carlsbad, NM	(505) 887-6633		
Lea Regional Hospital	Hobbs, NM	(505) 492-5000		
McCamey Hospital	McCamey, TX	(432) 652-8626		
Medical Arts Hospital	Lamesa, TX	(806) 872-2183		
Medical Center Hospital	Odessa, TX	(432) 640-4000		
Medi Center Hospital	San Angelo, TX	(325) 653-6741		
Memorial Hospital	Ft. Stockton	(432) 336-2241		
Memorial Hospital	Seminole, TX	(432) 758-5811		
Midland Memorial Hospital	Midland, TX	(432) 685-1111		
Nor-Lea General Hospital	Lovington, NM	(505) 396-6611		
Odessa Regional Hospital	Odessa, TX	(432) 334-8200		
Permian General Hospital	Andrews, TX	(432) 523-2200		
Reagan County Hospital	Big Lake, TX	(325) 884-2561		
Reeves County Hospital	Pecos, TX	(432) 447-3551		
Shannon Medical Center	San Angelo, TX	(325) 653-6741		
Union County General Hospital	Clayton, NM	(505) 374-2585		
University Medical Center	Lubbock, TX	(806) 725-8200		
Val Verde Regional Medical Center	Del Rio, TX	(830) 775-8566		
Ward Memorial Hospital	Monahans, TX	(432) 943-2511		
Yoakum County Hospital	Denver City, TX	(806) 592-5484		
Law Enforcement - Sheriff				
Andrews Cty Sheriff's Department	Andrews County(Andre	(432) 523-5545		
Crane Cty Sheriff's Department	Crane, County (Crane)	(432) 558-3571		
Crockett Cty Sheriff's Department	Crockett County (Ozon	(325) 392-2661		
Dawson Cty Sheriff's Department	Dawson County (Lame	(806) 872-7560		
Ector Cty Sheriff's Department	Ector County (Odessa)	(432) 335-3050		
Eddy Cty Sheriff's Department	Eddy County (Artesia)	(505) 746-2704		
Eddy Cty Sheriff's Department	Eddy County (Carlsbad	(505) 887-7551		
Gaines Cty Sheriff's Department	Gaines County (Seming	(432) 758-9871		

Healder Ctr. Chariffe Denominant	Healthan Country/Levell	(906) 904 2126		
Hockley Cty Sheriff's Department Vent Cty (Leyton City Sheriff's Dept.)	Hockley County(Levell	(806) 894-3126		
Kent Cty (Jayton City Sheriff's Dept.)	Kent County(Jayton)	(806) 237-3801		
Lea Cty Sheriff's Department	Lea County (Eunice)	(505) 384-2020		
Lea Cty Sheriff's Department	Lea County (Hobbs)	(505) 393-2515		
Lea Cty Sheriff's Department	Lea County (Lovington	(505) 396-3611		
Lubbock Cty Sheriff's Department	Lubbock Cty (Abernath	(806) 296-2724		
Midland Cty Sheriff's Department	Midland County (Midla	(432) 688-1277		
Pecos Cty Sheriff's Department	Pecos County (Iraan)	(432) 639-2251		
Reeves Cty Sheriff's Department	Reeves County (Pecos)	(432) 445-4901		
Scurry Cty Sheriff's Department	Scurry County (Snyder)	(325) 573-3551		
Terry Cty Sheriff's Department	Terry County (Brownfie	(806) 637-2212		
Union Cty Sheriff's Department	Union County (Clayton	(505) 374-2583		
Upton Cty Sheriff's Department	Upton County (Rankin)	(432) 693-2422		
Ward Cty Sheriff's Department	Ward County (Monahar	(432) 943-3254		
Yoakum City Sheriff's Department	Yoakum Co. (Denever	(806) 456-2377		
Law Enforcement - Police				
Abernathy City Police	Abernathy, TX	(806) 298-2545		
Andrews City Police	Andrews, TX	(432) 523-5675		
Artesia City Police	Artesia, NM	(505) 746-2704		
Brownfield City Police	Brownfield, TX	(806) 637-2544		
Carlsbad City Police	Carlsbad, NM	(505) 885-2111		
Clayton City Police	Clayton, NM	(505) 374-2504		
Denver City Police	Denver City, TX	(806) 592-3516		
Eunice City Police	Eunice, NM	(505) 394-2112		
Hobbs City Police	Hobbs, NM	393-2677		
Jal City Police	Jal, NM	(505) 395-2501		
Jayton City Police	Jayton, TX	(806) 237-3801		
Lamesa City Police	Lamesa, TX	(806) 872-2121		
Levelland City Police	Levelland, TX	(806) 894-6164		
Lovington City Police	Lovington, NM	(505) 396-2811		

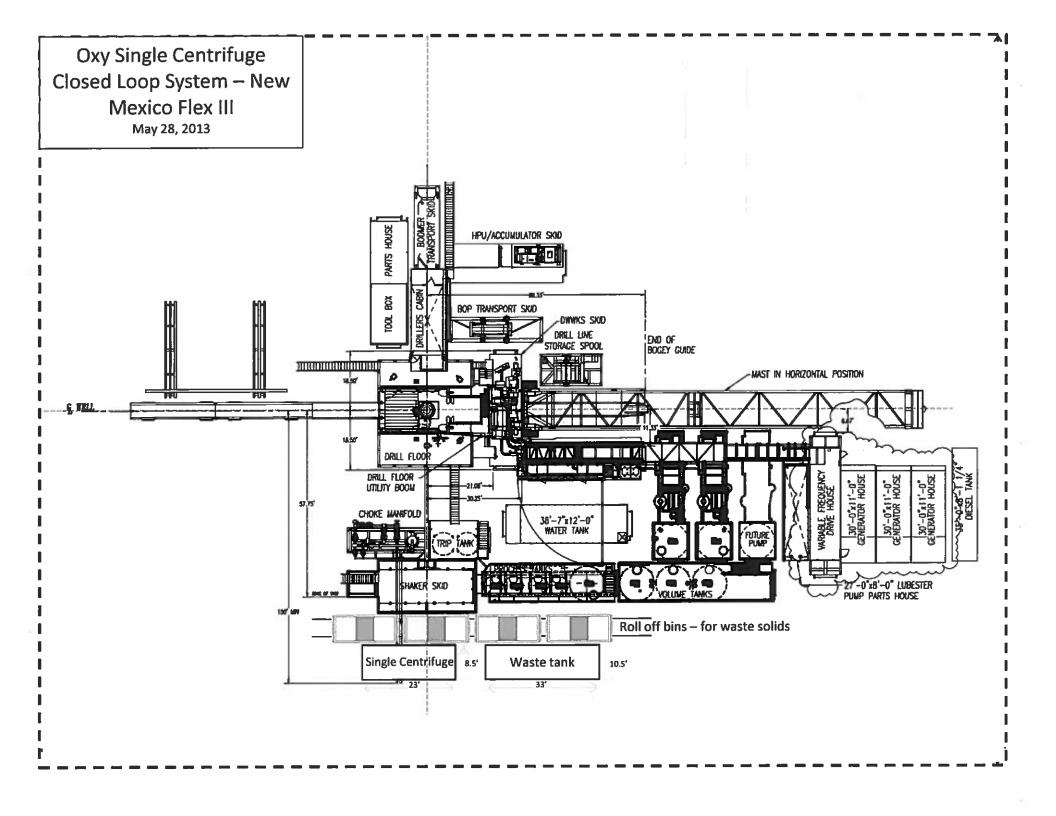
Midland City Police	M: 41 1 TV	(422) (05 7112		
Midland City Police	Midland, TX	(432) 685-7113		
Monahans City Police	Monahans, TX	(432) 943-3254		
Odessa City Police	Odessa, TX	(432) 335-3378		
Seminole City Police	Seminole, TX	(432) 758-9871		
Snyder City Police	Snyder, TX	(325) 573-2611		
Sundown City Police	Sundown, TX	(806) 229-8241		
Law Enforcement - FBI				
FBI	Alburqueque, NM	(505) 224-2000		
FBI	Midland, TX	(432) 570-0255		
Law Enforcement - DPS				
NM State Police	Artesia, NM	(505) 746-2704		
NM State Police	Carlsbad, NM	(505) 885-3137		
NM State Police	Eunice, NM	(505) 392-5588		
NM State Police	Hobbs, NM	(505) 392-5588		
NM State Police	Clayton, NM	(505) 374-2473; 911		
TX Dept of Public Safety	Andrews, TX	(432) 524-1443		
TX Dept of Public Safety	Big Lake, TX	(325) 884-2301		
TX Dept of Public Safety	Brownfield, TX	(806) 637-2312		
TX Dept of Public Safety	Iraan, TX	(432) 639-3232		
TX Dept of Public Safety	Lamesa, TX	(806) 872-8675		
TX Dept of Public Safety	Levelland, TX	(806) 894-4385		
TX Dept of Public Safety	Lubbock, TX	(806) 747-4491		
TX Dept of Public Safety	Midland, TX	(432) 697-2211		
TX Dept of Public Safety	Monahans, TX	(432) 943-5857		
TX Dept of Public Safety	Odessa, TX	(432) 332-6100		
TX Dept of Public Safety	Ozona, TX	(325) 392-2621		
TX Dept of Public Safety	Pecos, TX	(432) 447-3533		
TX Dept of Public Safety	Seminole, TX	(432) 758-4041		
TX Dept of Public Safety	Snyder, TX	(325) 573-0113		

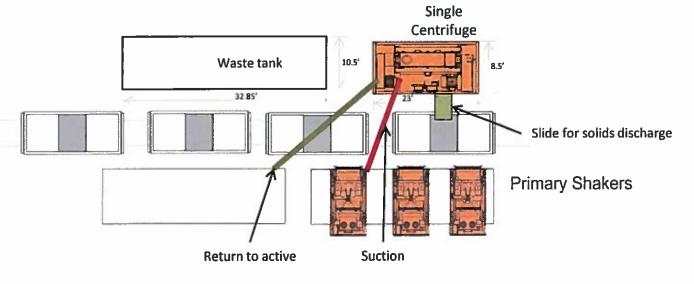
TX Dept of Public Safety	Terry County TX	(806) 637-8913		
TX Dept of Public Safety	Yoakum County TX	(806) 456-2377		
TA Dept of Fubile Safety	Toukum County 174	(000) 430 2311		
Firefighting & Rescue				
Abernathy	Abernathy, TX	(806) 298-2022		
Amistad/Rosebud	Amistad/Rosebud, NM	(505) 633-9113		
Andrews	Andrews, TX	523-3111		
Artesia	Artesia, NM	(505) 746-5051		
Big Lake	Big Lake, TX	(325) 884-3650		
Brownfield-Administrative & other calls	Brownfield, TX	(816) 637-4547		
Brownfield emergency only	Brownfield, TX	-911		
Carlsbad	Carlsbad, NM	(505) 885-3125		
Clayton	Clayton, NM	(505) 374-2435		
Cotton Center	Cotton Center, TX	(806) 879-2157		
Crane	Crane, TX	(432) 558-2361		
Del Rio	Del Rio, TX	(830) 774-8650		
Denver City	Denver City, TX	(806) 592-3516		
Eldorado	Eldorado, TX	(325) 853-2691		
Eunice	Eunice, NM	(505) 394-2111		
Garden City	Garden City, TX	(432) 354-2404		
Goldsmith	Goldsmith, TX	(432) 827-3445		
Hale Center	Hale Center, TX	(806) 839-2411		
Halfway	Halfway, TX			
Hobbs	Hobbs, NM	(505) 397-9308		
Jal	Jal, NM	(505) 395-2221		
Jayton	Jayton, TX	(806) 237-3801		
Kermit	Kermit, TX	(432) 586-3468		
Lamesa	Lamesa, TX	(806) 872-4352		
Levelland	Levelland, TX	(806) 894-3154		
Lovington	Lovington, NM	(505) 396-2359		
Maljamar	Maljamar, NM	(505) 676-4100		

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McCamey	McCamey, TX	(432) 652-8232			
Midland	Midland, TX	(432) 685-7346			
Monahans	Monahans, TX	(432) 943-4343			
Nara Visa	Nara Visa, NM	(505) 461-3300			
Notrees	Notress, TX	(432) 827-3445			
Odessa	Odessa, TX	(432) 335-4659			
Ozona	Ozona, TX	(325) 392-2626			
Pecos	Pecos, TX	(432) 445-2421			
Petersburg	Petersburg, TX				
Plains	Plains, TX	(806) 456-8067			
Plainview	Plainview, TX				
Rankin	Rankin, TX	(432) 693-2252			
San Angelo	San Angelo, TX				
Sanderson	Sanderson, TX				
Seminole	Seminole, TX	758-9871			
Smyer	Smyer, TX	(806) 234-3861			
Snyder	Snyder, TX	(325) 573-6215			
Sundown	Sundown, TX	911			
Tucumcari	Tucumcari, NM	911			
West Odessa	Odessa, TX	(432) 381-3033			
Ambulance					
Abernathy Ambulance	Abernathy, TX	(806) 298-2241			
Amistad/Rosebud	Amistad/Rosebud, NM	(505) 633-9113			
Andrews Ambulance	Andrews, TX	(432) 523-5675			
Artesia Ambulance	Artesia, NM	(505) 746-2701			
Big Lake Ambulance	Big Lake, TX	(325) 884-2423			
Big Spring Ambulance	Big Spring, TX	(432) 264-2550			
Brownfield Ambulance	Brownfield, TX	(806) 637-2511			
Carlsbad Ambulance	Carlsbad, NM	(505) 885-2111; 911			
Clayton, NM	Clayton, NM	(505) 374-2501			

Denver City Ambulance	Denver City, TX	(806) 592-3516		
Eldorado Ambulance	Eldorado, TX	(325) 853-3456		
Eunice Ambulance	Eunice, NM	(505) 394-3258		
Goldsmith Ambulance	Goldsmith, TX	(432) 827-3445		
Hobbs, NM	Hobbs, NM	(505) 397-9308		
Jal, NM	Jal, NM	(505) 395-2501		
Jayton Ambulance	Jayton, TX	(806) 237-3801		
Lamesa Ambulance	Lamesa, TX	(806) 872-3464		
Levelland Ambulance	Levelland, TX	(806) 894-8855		
Lovington Ambulance	Lovington, NM	(505) 396-2811		
McCamey Hospital	McCamey, TX	(432) 652-8626		
Midland Ambulance	Midland, TX	(432) 685-7499		
Monahans Ambulance	Monahans, TX	3731		
Nara Visa, NM	Nara Visa, NM	(505) 461-3300		
Odessa Ambulance	Odessa, TX	(432) 335-3378		
Ozona Ambulance	Ozona, TX	(325) 392-2671		
Pecos Ambulance	Pecos, TX	(432) 445-4444		
Rankin Ambulance	Rankin, TX	(432) 693-2443		
San Angelo Ambulance	San Angelo, TX	(325) 657-4357		
Seminole Ambulance	Seminole, TX	758-9871		
Snyder Ambulance	Snyder, TX	(325) 573-1911		
Stanton Ambulance	Stanton, TX	(432) 756-2211		
Sundown Ambulance	Sundown, TX	911		
Tucumcari, NM	Tucumcari, NM	911		
Medical Air Ambulance Service				
AEROCARE - Methodist Hospital	Lubbock, TX	(800) 627-2376		
San Angelo Med-Vac Air Ambulance	San Angelo, TX	(800) 277-4354		
Southwest Air Ambulance Service	Stanford, TX	(800) 242-6199		
Southwest MediVac	Snyder, TX	(800) 242-6199		
Southwest MediVac	Hobbs, NM	(800) 242-6199		

Odessa Care Star	Odessa, TX	(888) 624-3571		
NWTH Medivac	Amarillo, TX	(800) 692-1331		





		Well Head

Oxy Single Centrifuge Closed Loop System – New Mexico Flex III May 28, 2013