District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Merine EIVED Energy, Minerals & Natural Resources Department OIL CONSERVATION DINISION 2020 1220 South St. Francis Dr.

Santa Fe, NEWNRD-OCD ARTESIA

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

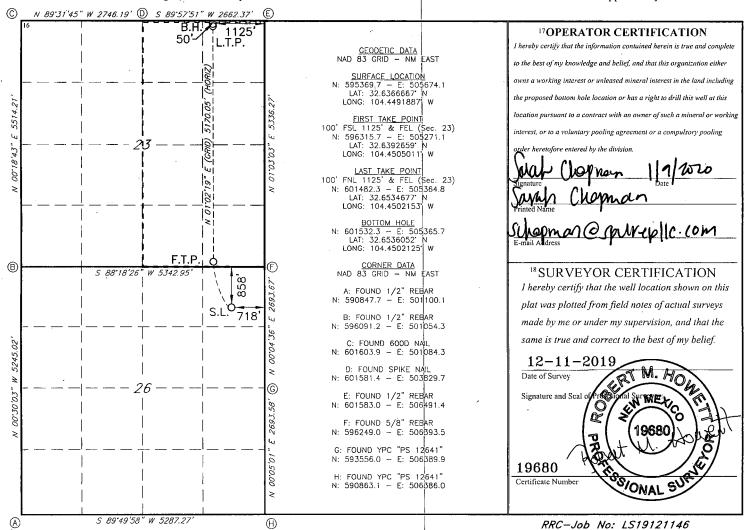
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-01	API Numbe	0626	9	7565	I .	Sinen Kners	3 Pool Na Filovieta	•	
<sup>4</sup> Property Co	de				5 Property Na	ame			6 Well Number 4H
3209U	<b>Y</b> P.			SPUR	8 Operator N ENERGY PA	ARTNERS LLC			<sup>9</sup> Elevation <b>3415</b>
•					<sup>10</sup> Surface	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
A	26	19S	25E		858	NORTH	718	EAST	EDDY
			11 ]	Bottom H	ole Location	If Different Fro	om Surface	·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	19S	25E		50	NORTH	1125	EAST	EDDY
12 Dedicated Acre	s 13 Joint	or Infill 14 (	Consolidation	Code 15 (	Order No.				

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



1/29/20 KG

Inten	t X	As Dril	led										
API#													
Ope	rator Nar	ne:				Property I	lame	9:			<u>-</u>		Well Number
SPL	JR ENE	RGY PA	RTNER	S LLC	>	SHELBY	23						4H
Kick C	Off Point (	(KOP)											
Å.	Section 26	Township 19S	Range 25E	Lot	<sup>Feet</sup> 863	From <b>N</b> OF	v/s RTH	Feet 988	8	From EA	ξΫ́	County EDD'	Y
32	.636	65			Longitu -10	4.450	060	6				NAD	83
First T	ake Poin	t (FTP)											
P.	Section 23	Township 19S	Range 25E	Lot	Feet 100	From	JTH		25	From EA	ŠT	County EDD'	Y
32	.639	2659			Longitu -10	4.450	50	11				NAD	83
Last T	ake Point	t (LTP)											
A A	Section 23	Township 19S	Range 25E	Lot	Feet 100	From N/S NORTH	Fee 11	<sup>t</sup> 25	From E EAS	ŠŤ	Count	ĎΥ	
32	.653	4677			Longitu -10	4.450	21	53			NAD <b>N</b> A	D83	
Is this	well the	defining w	vell for th	e Horiz	ontal Sp	pacing Unit	• [	YES	]				
Is this	well an i	nfill well?		su -									
	l is yes pl ng Unit.	ease provi	ide API if a	availab	le, Oper	ator Name	and	well nu	umber	for D	efinin	ig well fo	r Horizontal
API#		···											
Ope	rator Nar	ne:	1			Property N	lame	<u>:</u>					Well Number
													KZ 06/29/2018

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
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<u>District IV</u>
1220 S. St. Francis Dr., Santa Fe, NM 87505

01/07/0000

## State of New Mexico Energy, Minerals and Natural Resources Department (New Mexico)

Submit Original to Appropriate District Office

Oil Conservation Division 1220 South St. Francis Dr.

JAN 2 1 2020

Santa Fe, NM 87505 EMNRD OCD ARTESIA

#### GAS CAPTURE PLAN

Date: 0 <u>1/0//2020</u>		
	Operator & OGRID No.: SPUR ENERGY PARTNERS LLC (3289	47)
☐ 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.

			2			
Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
SHELBY 23 2H	30-015-Pending	B-26-19S-25E	1246'FNL 1961'FEL	600 mcf/day	Flared	Will flare until gathering line tie-in
SHELBY 23 3H	30-015-Pending	B-26-19S-25E	1235' FNL 1944' FEL	600 mcf/day	Flared	Will flare until gathering line tie-in
SHELBY 23 4H	30-015-Pending	A-26-19S-25E	858' FNL 718' FEL	600 mcf/day	Flared	Will flare until gathering line tie-in
SHELBY 23 5H	30-015-Pending	A-26-19S-25E	847' FNL 702' FEL	600 mcf/day	Flared	Will flare until gathering line tie-in
SHELBY 23 6H	30-015-Pending	A-26-19S-25E	836' FNL 685 'FEL	600 mcf/day	Flared	Will flare until gathering line tie-in

#### **Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated <u>DCP Operating Company</u>, <u>LP</u> and will be connected to <u>DCP's low</u>/high pressure gathering system located in <u>Eddy</u> County, New Mexico. It will require <u>1,100'</u> of pipeline to connect the facility to low/high pressure gathering system. <u>Spur Energy Partners LLC</u> provides (periodically) to <u>DCP</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Spur Energy Partners LLC</u> and <u>DCP</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>DCP's</u> Processing Plant located in Sec. <u>36</u>, Twn. <u>19S</u>, Rng. <u>24E</u>, <u>Eddy</u> 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 <u>DCP's</u> system at that time. Based on current information, it is <u>Spur Energy Partners LLC's</u> 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.

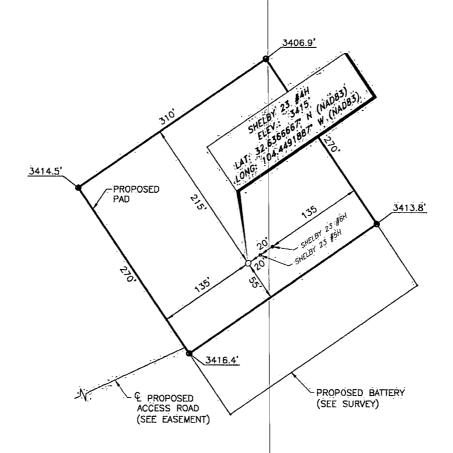
#### **Alternatives to Reduce Flaring**

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

- Power Generation On lease
  - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease

•	o NGL R	Gas flared would be minimal, but might be uneconomica emoval – On lease	
	0	Plants are expensive, residue gas is still flared, and uneco	pnomical to operate when gas volume declines
		•	

# SPUR ENERGY PARTNERS LLC SHELBY 23 #4H SITE PLAN (858' FNL & 718' FEL) SECTION 28, T195, R25E N. M. P. M., EDDY COUNTY, NEW MEXICO



#### DIRECTIONS TO LOCATION

From the intersection of CR-23 (Rock Daisy Rd.) and CR-29 (Crossbuck Rd.);
Co East on CR-23 approx. 3.2 miles to a lease rood on the left.

Turn left and go North approx. 1.3 miles to a proposed road on the left,

Turn left and go Northeast approx. 467 feet to location on the left.

SCALE: 1" = 100" 0 50" 100"

BEARINGS ARE GRID NAD 83 NN EAST DISTANCES ARE HORIZ, GROUND

RRC

701 S. CECIL ST., HOBBS, NM BB240

(575) 964-8200

SCALE: 1" = 100'
DĂTE: 12-11-2019
SÜRVEYED BY: JF/EF
DRAWN BY: KAKN
APPROVED BY: RMH
SHEET: 1 0F 1

Copyright 2016 - All Rights Reserved

-								
	,							
NO.	REVISION	DATE						
JOB	JOB NO.: LS19121146							
DWG	NO - 19121	146-4						

#### 1. Geologic Formations

TVD of target	2675'	Pilot Hole Depth	N/A
MD at TD:	8517'	Deepest Expected fresh water:	397'

#### **Delaware Basin**

Formation	TVD - RKB	<b>Expected Fluids</b>
San Andres Upper	810	Losses
San Andres Middle	1,105	Losses
San Andres Lower	1,790	Losses
Glorieta Top	2,385	Oil/Gas
Upper Paddock	2,525	Oil/Gas
Lower Paddock 1	2,685	Oil/Gas
Lower Paddock 2	2,795	Oil/Gas
Lower Paddock 3	2915	Oil/Gas

<sup>\*</sup>H2S, water flows, loss of circulation, abnormal pressures, etc.

#### 2. Casing Program

									Buoyant	Buoyant
Hole Size (in)	Casing	Interval	Csg. Size	Weight	Grade	'Conn.	SF	SF Burst	Body SF	Joint SF.
	From (ft)	To (ft)	(in)	(lbs)			Collapse		Tension	Tension
12.25	0	1200	9.625	36	J-55	BTC	1.125	1.2	1.4	1.4
8.75	0	2973	7	32	L-80	LTC	1.125	1.2	1.4	1.4
8.75	2973	8517	5.5	20	L-80	BK-HT	1.125	1.2	1.4	1.4

	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?	N/A
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
In yes, does production easing cement the back a minimum of 50 above the Reef?	
Is well within the designated 4 string boundary.	C. C66289032 - F.A
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back	
500' into previous casing?  Is well located in R-111-P and SOPA?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
	Tar Remarks
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

#### 3. Cementing Program

Casing String	#Sks	Wt. (lb/gal)	Yld (ft3/s ack)	H20       (gal/s k)	500# Comp. Strength (hours)	Slurry-Description
Surface (Lead)	380	12.8	1.65	8.19	10:25	35/65 Poz C
Surface (Tail)	170	14.8	1.33	6.32	6:40	Class C Cement, Accelerator
Production (Lead)	265	11.5	2.63	9.7	N/A	50/50 Poz C
Production (Tail)	1225	14.2	1.38	6.686	N/A	50/50 Poz C

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	0	950	100%
Surface (Tail)	950	1200	165%
Production (Lead)	0	1640	0%
Production (Tail)	1640	8517	50%

#### 4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Ţ,	/pe:	<b>/</b>	Tested to:	
		3M	Ann	ular	1	70% of working	
		3111	7			pressure	
12.25" Hole	13-5/8"	3M	Blind	Ram	✓		
	13-3/6		Pipe	Ram		250 : (2000 :	
			Double Ram		✓	250 psi / 3000 psi	
			Other*				
		3M	Ann	ular	✓	70% of working pressure	
9.75" [[-]-	12 5/00	,	Blind	Ram	<b>√</b>		
8.75" Hole	13-5/8"	23.4	Pipe	Ram			
		3M	Double Ram		✓	250 psi / 3000 psi	
			Other*		,		

<sup>\*</sup>Specify if additional ram is utilized.

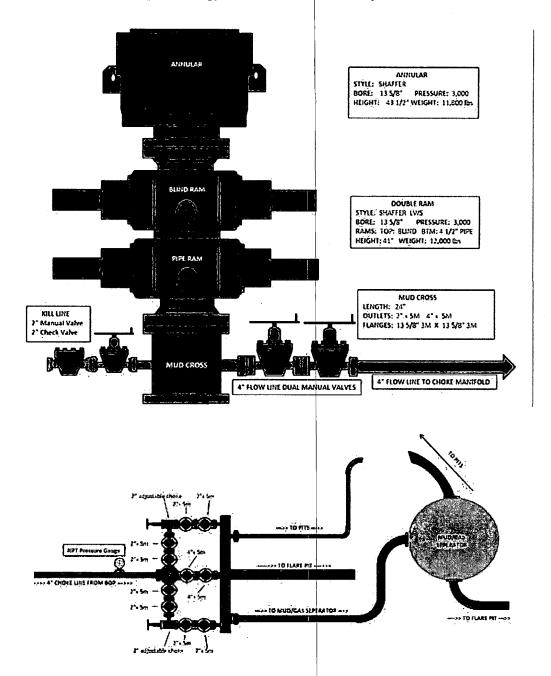
Spur will utilize a 5M annular with a 5M BOPE stack. The BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in 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.

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.



The buffer tank and panic line will not be connected at any point during drilling operations.

Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor.

#### 5. Mud Program

De From (ft)	pth To (ft)	Type	Weight (ppg)	Viscosity	Water Loss
0	1200	Water-Based Mud	8.6-8.9	32-36	N/C
1200	8517	Water-Based Mud	8.6-8.9	32-36	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. Spur will use a closed mud system.

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

#### 6. Logging and Testing Procedures

Logg	ing, Coring and Testing			
Yes				oortion of hole). Stated logs
	run will be in the Comp	letion Report and subm	itted to the B	LM.
No	Logs are planned based	on well control or offse	et log informa	tion.
No	Drill stem test? If yes, e	explain		
No	Coring? If yes, explain			
Áddi	tional logs planned	Interval		
No	Resistivity			
No	Density			
No	CBL			, <del>-</del>
Yes	Mud log	SCP - TD		
No	PEX			

#### 7. Drilling Conditions

Condition	Speci	fy what type and where?
BH Pressure at deepest TVD		1238 psi
Abnormal Temperature		No
BH Temperature at deepest TVD		102°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.	Yes
• We plan to drill the two well pad in batch by section: all surface sections,	
and production sections. The wellhead will be secured with a night cap	ļ
whenever the rig is not over the well.	
Will more than one drilling rig be used for drilling operations? If yes, describe.	No

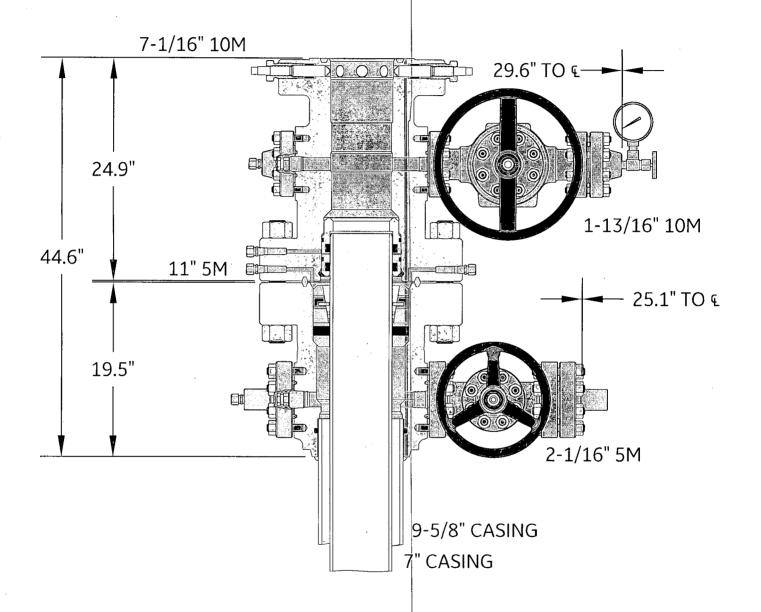
#### Total estimated cuttings volume: 808.4 bbls.

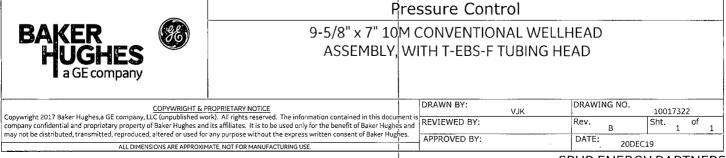
#### Attachments

- \_x\_\_ Directional Plan
- \_x\_\_ H2S Contingency Plan
- \_x\_\_ Rig Attachments
- x Premium Connection Specs

#### 9. Company Personnel

Name	<u>Title</u>	Office Phone	Mobile Phone
Christopher Hollis	Drilling Manager	832-930-8629	713-380-7754







Keeping You Connected.

# Precision Connections BK-HT 5.5 in. 20 lb/ft L-80 with 6.3 in. Coupling OD



7/26/2018

Pipe Body			Connection		
Nominal OD	5.500	inches	Coupling OD	6.300	inches
Nominal Weight	20.00	lb/ft	Coupling Length	8.250	inches
Wall Thickness	0.361	inches	Make Up Loss	4.125	inches
Plain End Weight	19.81	lb/ft	Critical Section Area	8.456	in²
Drift	4.653	inches	Internal Pressure Rating	100%	
Nominal ID	4.778	inches	External Pressure Rating	1-0.0%	
Grade	L-80	-	Tension Efficiency	100%	
Min Yield	80,000	lbf/in²	Connection Strength	466	kips
Min Tensile	95,000	lbf/in²	Compression Efficiency	100%	
Critical Section Area	5.828	in²	Uniaxial Bend Rating	58.2	° / 100 ft
Pipe Body Yield Strength	466	kips	Min Make Up Torque	6,050	ft-lbs
Min Internal Yield Pressure	9,190	psi	Yield Torque	23,250	ft-lbs
Collapse Pressure	8,830	psi			<b>V</b> <sup>s</sup>

This documentation contains confidential and proprietary information not to be reproduced or divulged in whole or in part to anyone outside of your company without prior written authorization from Precision Connections, LLC, and such documentation and information is provided to you upon such conditions of confidentiality.



Keeping You Connected.



7/26/2018

### Torque Data Sheet - Precision Connections BK-HT

5.5 in. 20 lb/ft L-80 with 6.3 in. Coupling OD

Min Make Up Torque

6,050 ft-lbs

Max Operating Torque

19,800 ft-lbs

Max Make Up Torque

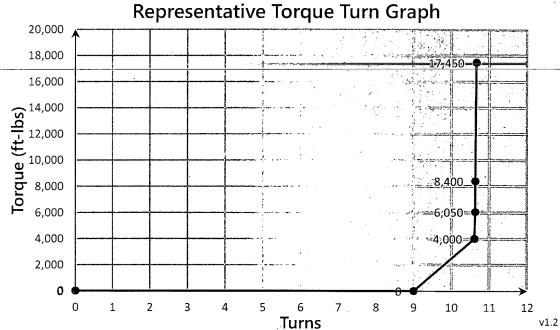
17,450 ft-lbs

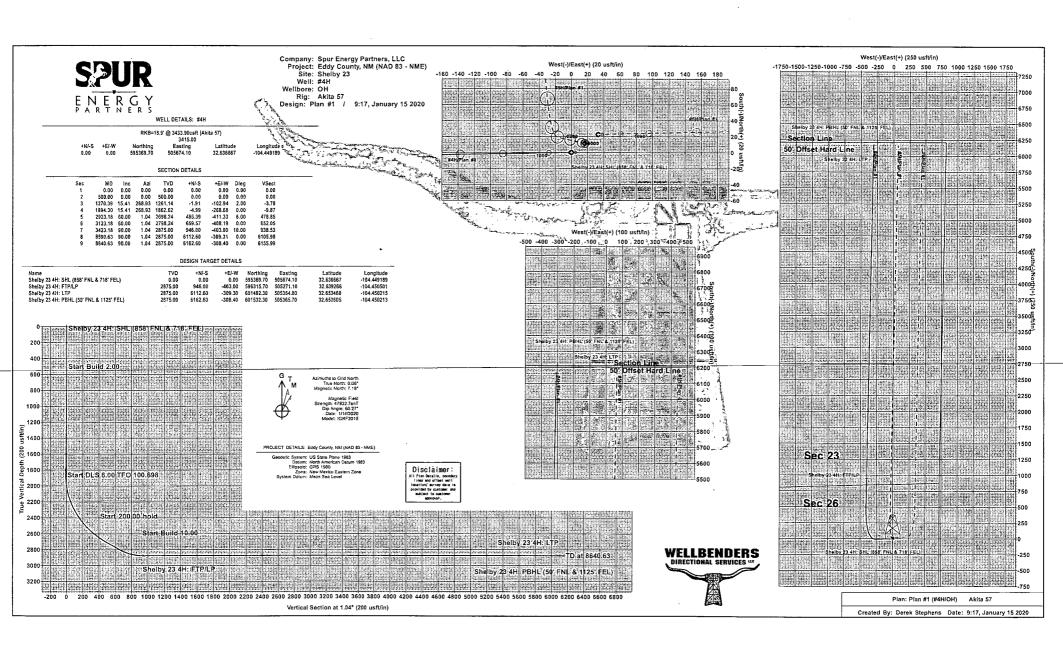
Yield Torque

23,250 ft-lbs

Optimum Torque

8,400 ft-lbs







## **Spur Energy Partners, LLC**

Eddy County, NM (NAD 83 - NME) Shelby 23 #4H OH

Plan: Plan #1

### **Standard Plan With Toolface**

15 January, 2020

RECEIVED

JAN 2 1 2020

EMNRD-OCD ARTESIA



#### Standard Plan With Toolface

Spur Energy Partners, LLC Well #4H Company: Local Co-ordinate Reference: Project: Eddy County, NM (NAD 83 - NME) TVD Reference: RKB=18.9' @ 3433.90usft (Akita 57) Shelby 23 RKB=18.9 @ 3433.90usft (Akita 57) Site: MD Reference: #4H Grid Well: North Reference: ОН Survey Calculation Method: Minimum Curvature Wellbore: Plan #1 Database: WBDS SQL 2 Design: Eddy County, NM (NAD 83 - NME) Project US State Plane 1983 Map System: System Datum: Mean Sea Level North American Datum 1983 Geo Datum: Map Zone: New Mexico Eastern Zone Site Shelby 23 Northing: 594,944.60 usft Site Position: Latitude: 32.635495 504,431.00 usft Мар Easting: Longitude: From: -104.453225 Position Uncertainty: 0.00 usft Slot Radius: 13.200 in **Grid Convergence:** -0.065 ° #4H Well 0.00 usft +N/-S Northing: 595,369.70 usft Well Position Latitude: 32.636667 +E/-W 0.00 usft 505,674.10 usft Easting: Longitude: -104.449189 0.00 usft Position Uncertainty Wellhead Elevation: usft Ground Level: 3,415.00 usft ОН Wellbore Declination 2007 Dip Angle Magnetics Model Name Sample Date Field Strength \* > (°) (°) (nT) 1/14/2020 7.114 60.268 47,822.71969799 IGRF2015 Plan #1 Design Audit Notes: Version: Phase: PLAN Tie On Depth: 0.00 Depth From (TVD) +N/-S +E/-W Vertical Section: Direction (usft) (usft) (usft) (°) 0.00 0.00 0.00 1.04 Survey Tool Program Date 1/15/2020 То From (usft) Survey (Wellbore) Tool Name Description 0.00 8,640.63 Plan #1 (OH) MWD+IGRF OWSG MWD + IGRF or WMM



#### Standard Plan With Toolface

Company: Spur Energy Partners, LLC

Project: Eddy County, NM (NAD 83 - NME)

Site: Shelby 23 Well: #4H

Wellbore: OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Database:

Well #4H

RKB=18.9' @ 3433.90usft (Akita 57) RKB=18.9' @ 3433.90usft (Akita 57)

Grid

Minimum Curvature

WBDS\_SQL\_2

**										
Planned Survey										
MD (usft)	Inc Az		TVD (usft)		E/W. usft)	V. Sec DLeg (usft) (°/100		The second secon	Turn 100ft)	TFace (°)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
600.00	2.00	268.93	599.98	-0.03	-1.74	-0.06	2.00	2.00	0.00	268.935
700.00	4.00	268.93	699.84	-0.13	-6.98	-0.26	2.00	2.00	0:00	0.000
800.00	6.00	268.93	799.45	-0.29	-15.69	-0.58	2.00	2.00	0.00	0.000
900.00	8.00	268.93	898.70	-0.52	-27.88	-1.02	2.00	2.00	0.00	0.000
1,000:00	10.00	268:93	997-47	-0:81	43:52	-1.60	2.00	2.00	0.00	0.000
1,100.00	12.00	268.93	1,095.62	-1.16	-62.59	-2.30	2.00	2.00	0.00	0.000
1,200.00	14.00	268.93	1,193.06	-1.58	-85.08	-3.13	2.00	2.00	0.00	0.000
1,270.39	15.41	268.93	1,261.14	-1.91	-102.94	-3.78	2.00	2.00	0.00	0.000
1,300.00	15.41	268.93	1,289.68	-2.06	-110.81	-4.07	0.00	0.00	0.00	0.000
1,400.00	15.41	268.93	1,386.09	-2.55	-137.37	-5.05	0.00	0.00	0.00	0.000
1,500.00	15.41	268.93	1,482.50	-3.05	-163.94	-6.02	0.00	0.00	0.00	0.000
1,600.00	15.41	268.93	1,578.90	-3.54	-190.50	-7.00	0.00	0.00	0.00	0.000
1,700.00	15.41	268.93	1,675.31	-4.04	-217.07	-7.97	0.00	0.00	0.00	0.000
1,800.00	15.41	268.93	1,771.71	-4.53	-243.63	-8.95	0.00	0.00	0.00	0.000
1,894.30	15.41	268.93	1,862.62	-4.99	-268.68	-9.87	0.00	0.00	0.00	0.000
1,900.00	15.35	270.21	1,868.12	-5.01	-270.19	-9.91	6.00	-1.05	22.28	100.698
1,950.00	15.14	281.61	1,916.37	-3.67	-283.21	-8.81	6.00	-0.42	22.80	99.473
2,000.00	15.50	292.89	1,964.61	0.25	-295.76	-5.12	6.00	0.73	22.57	88.471
2,050.00	16.41	303.32	2,012.69	6.73	-307.82	1.14	6.00	1.80	20.85	77.584
2,100.00	17.76	312.44	2,060.49	15.75	-319.36	9.95	6.00	2.71	18.25	67.558
2,150.00	19.48	320.16	2,107.88	27.30	-330.33	21.30	6.00	3.43	15.43	58.836



#### Standard Plan With Toolface

Company: Project:

Design:

Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME)

Site: Shelby 23 Well: #4H Wellbore: OH

Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method: Database: Well #4H

RKB=18.9' @ 3433.90usft (Akita 57) RKB=18.9' @ 3433.90usft (Akita 57)

Grid

Minimum Curvature
WBDS\_SQL\_2

Planned Survey

MD Inc (usft) (°)	· · · · · · · · · · · · · · · · · · ·	Azi (azimuth) (°)	TVD (usft)	N/S (usft)	E/W (usft)	V. Sec	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
2,200.00	21.47	326.58	2,154.72	41.35	-340.71	35.16	6.00	3.98	12.85	51.521
2,250.00	23.67	331.92	2,200.89	57.84	-350.48	51.47	6.00	4.39	10.67	45.498
2,300.00	26.01	336.37	2,246.27	76.75	-359.60	70.21	6.00	4.70	8.90	40.570
2,350.00	28.48	340.12	2,290.72	98.01	-368.05	91.31	6.00	4.93	7.49	36.530
2,400.00	31.03	343.30	2,334.13	121.56	-375.81	114.72	6.00	5.10	6.37	33.198
2,450.00	33.65	346.05	2,376.37	147.36	-382.85	140.38	6.00	5.24	5.48	30.430
2,500.00	36.32	348.43	2,417.34	175.31	-389.16	168.22	6.00	5.34	4.77	28.113
2,550.00	39.03	350.53	2,456.91	205.35	-394.72	198.15	6.00	5.42	4.20	26.157
2,600.00	41.77	352.40	2,494.99	237.39	-399.52	230.10	6.00	5.49	3.73	24.494
2,650.00	44.55	354.07	2,531.46	271.35	-403.53	263.98	6.00	5.55	3.35	23.072
2,700.00	47.34	355.59	2,566.23	307.13	-406.76	299.70	6.00	5:59	3.04	21.850
2,750.00	50.15	356.98	2,599.19	344.64	-409.18	337.16	6.00	5.63	2.77	20.794
2,800.00	52.98	358.26	2,630.27	383.77	-410.80	376.25	6.00	5.66	2.55	19.879
2,850.00	55.82	359.44	2,659.37	424.41	-411.61	416.87	6.00	5.68	2.37	19.085
2,900.00	58.67	0.55	2,686.42	466.46	-411.61	458.91	6.00	5.70	2.22	18.395
2,923.18	60.00	1.04	2,698.24	486.39	-411.33	478.85	6.00	5.72	2.12	17.795
3,000.00	60.00	1.04	2,736.65	552.91	-410.13	545.38	0.00	0.00	0.00	0.000
3,100.00	60.00	1.04	2,786.65	639.50	-408.56	631.98	0.00	0.00	0.00	0.000
3,123.18	60.00	1.04	2,798.24	659.57	-408.19	652.05	0.00	0.00	0.00	0.000
3,150.00	62.68	1.04	2,811.10	683.10	-407.77	675.59	10.00	10.00	0.00	0.000
3,200.00	67.68	1.04	2,832.08	728.46	-406.94	720.95	10.00	10.00	0.00	0.000
3,250.00	72.68	1.04	2,849.03	775.48	-406.09	767.98	10.00	10.00	0.00	0.000
3,300.00	77.68	1.04	2,861.81	823.79	-405.22	816.30	10.00	10.00	0.00	0.000
3,350.00	82.68	1.04	2,870.33	873.03	-404.32	865.55	10.00	10.00	0.00	0.000
3,400.00	87.68	1.04	2,874.53	922.83	-403.42	915.36	10.00	10.00	0.00	0.000
3,423.18	90.00	1.04	2,875.00	946.00	-403.00	938.53	10.00	10.00	0.00	0.000
3,500.00	90.00	1.04	2,875.00	1,022.81	-401.61	1,015.35	0.00	0.00	0.00	0.000



#### Standard Plan With Toolface

Company:

Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME)

Project: Site: Well:

Wellbore: .

Design:

Shelby 23

ЮН

Plan #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: Survey Calculation Method:

Database:

Well #4H

RKB=18.9' @ 3433.90usft (Akita 57) RKB=18.9' @ 3433.90usft (Akita 57)

Grid

Minimum Curvature
WBDS SQL 2

Planned Survey

Planned Survey			<del></del>			<del></del>			agenting and the state of the s	
MD (usft)	inc ,,::-(°),	Azi (azimuth) (°)	TVD (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
3,600.00	90.00	1.04	2,875.00	1,122.79	-399.79	1,115.35	0.00	0.00	0.00	0.000
3,700.00	90.00	1.04	2,875.00	1,222.78	-397.98	1,215.35	0.00	0.00	0.00	0.000
3,800.00	90.00	1.04	2,875.00	1,322.76	-396.17	1,315.35	0.00	0.00	0.00	0.000
3,900.00	90.00	1.04	2,875.00	1,422.75	-394.35	1,415.35	0.00	0.00	0.00	0.000
4,000.00	90.00	1.04	2,875.00	1,522.73	-392.54	1,515.35	0.00	0.00	0.00	0.000
4,100.00	90.00	1.04	2,875.00	1,622.71	-390.73	1,615.35	0.00	0.00	0.00	0.000
4,200.00	90.00	1.04	2,875.00	1,722.70	-388.92	1,715.35	0.00	0.00	0.00	0.000
4,300.00	90.00	1.04	2,875.00	1,822.68	-387.10	1,815.35	0.00	0.00	0.00	0.000
4,400.00	90.00	1.04	2,875.00	1,922.66	-385.29	1,915.35	0.00	0.00	0.00	0.000
4,500.00	90.00	1.04	2,875.00	2,022.65	-383.48	2,015.35	0.00	0.00	0.00	0.000
4,600.00	90.00_	1.04	2,875.00	2 <del>,</del> 122.63	-381-66	<del>2,115.3</del> 5	0:00	0:00	0.00	0:000
4,700.00	90.00	1.04	2,875.00	2,222.61	-379.85	2,215.35	0.00	0.00	0.00	0.000
4,800.00	90.00	1.04	2,875.00	2,322.60	-378.04	2,315.35	0.00	0.00	0.00	0.000
4,900.00	90.00	1.04	2,875.00	2,422.58	-376.22	2,415.35	0.00	0.00	0.00	0.000
5,000.00	90.00	1.04	2,875.00	2,522.56	-374.41	2,515.35	0.00	0.00	0.00	0.000
5,100.00	90.00	1.04	2,875.00	2,622.55	-372.60	2,615.35	0.00	0.00	0.00	0.000
5,200.00	90.00	1.04	2,875.00	2,722.53	-370.78	2,715.35	0.00	0.00	0.00	0.000
5,300.00	90.00	1.04	2,875.00	2,822.52	-368.97	2,815.35	0.00	0.00	0.00	0.000
5,400.00	90.00	1.04	2,875.00	2,922.50	-367.16	2,915.35	0.00	0.00	0.00	0.000
5,500.00	90.00	1.04	2,875.00	3,022.48	-365.34	3,015.35	0.00	0.00	0.00	0.000
5,600.00	90.00	1.04	2,875.00	3,122.47	-363.53	3,115.35	0.00	0.00	0.00	0.000
5,700.00	90.00	1.04	2,875.00	3,222.45	-361.72	3,215.35	0.00	0.00	0.00	0.000
5,800.00	90.00	1.04	2,875.00	3,322.43	-359.90	3,315.35	0.00	0.00	0.00	0.000
5,900.00	90.00	1.04	2,875.00	3,422.42	-358.09	3,415.35	0.00	0.00	0.00	0.000
6,000.00	90.00	1.04	2,875.00	3,522.40	-356.28	3,515.35	0.00	0.00	0.00	0.000
6,100.00	90.00	1.04	2,875.00	3,622.38	-354.47	3,615.35	0.00	0.00	0.00	0.000
6,200.00	90.00	1.04	2,875.00	3,722.37	-352.65	3,715.35	0.00	0.00	0.00	0.000



#### Standard Plan With Toolface

Company: Project: Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME)

Site: Shelby 23 Well: #4H

Wellbore: OH
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method:

Database:

Well #4H

RKB=18.9' @ 3433.90usft (Akita 57) RKB=18.9' @ 3433.90usft (Akita 57)

Grid

Minimum Curvature

WBDS\_SQL\_2

Planned Survey	****	tanianani, arabir sananini, nin amani inaka sanani Sananinini		and a second and the	and the second second second second second	and and the second control of the second con	na - katanadhiya - Xanasa a marasa an marasa mag Ana dinangganiya pakka a marasa a mara	errefere, influênce inscrious, inceres, in ingenie, in ingenie, in inceres, in in-		
MD (usft)	Înc (°)	Azi (azimuth)	TVD (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace
6,300.00	90.00	1.04	2,875.00	3,822.35	-350.84	3,815.35	0.00	0.00	0.00	0.000
6,400.00	90.00	1.04	2,875.00	3,922.33	-349.03	3,915.35	0.00	0.00	0.00	0.000
6,500.00	90.00	1.04	2,875.00	4,022.32	-347.21	4,015.35	0.00	0.00	0.00	0.000
6,600.00	90.00	1.04	2,875.00	4,122.30	-345.40	4,115.35	0.00	0.00	0.00	0.000
6,700.00	90.00	1.04	2,875.00	4,222.28	-343.59	4,215.35	0.00	0.00	0.00	0.000
6,800.00	90.00	1.04	2,875.00	4,322.27	-341.77	4,315.35	0.00	0.00	0.00	0.000
6,900.00	90.00	1.04	2,875.00	4,422.25	-339.96	4,415.35	0.00	0.00	0.00	0.000
7,000.00	90.00	1.04	2,875.00	4,522.24	-338.15	4,515.35	0.00	0.00	0.00	0.000
7,100.00	90.00	1.04	2,875.00	4,622.22	-336.33	4,615.35	0.00	0.00	0.00	0.000
7,200.00	90.00	1.04	2,875.00	4,722.20	-334.52	4,715.35	0.00	0.00	0.00	0.000
7,300.00	90.00-	1.04	2,875.00	—4,822.1 <del>9</del>	-332 <del>.</del> 7-1	4;815 <del>.</del> 35-	0:00	0:00	0.00	0:000
7,400.00	90.00	1.04	2,875.00	4,922.17	-330.89	4,915.35	0.00	0.00	0.00	0.000
7,500.00	90.00	1.04	2,875.00	5,022.15	-329.08	5,015.35	0.00	0.00	0.00	0.000
7,600.00	90.00	1.04	2,875.00	5,122.14	-327.27	5,115.35	0.00	0.00	0.00	0.000
7,700.00	90.00	1.04	2,875.00	5,222.12	-325.46	5,215.35	0.00	0.00	0.00	0.000
7,800.00	90.00	1.04	2,875.00	5,322.10	-323.64	5,315.35	0.00	0.00	0.00	0.000
7,900.00	90.00	1.04	2,875.00	5,422.09	-321.83	5,415.35	0.00	0.00	0.00	0.000
8,000.00	90.00	1.04	2,875.00	5,522.07	-320.02	5,515.35	0.00	0.00	0.00	0.000
8,100.00	90.00	1.04	2,875.00	5,622.05	-318.20	5,615.35	0.00	0.00	0.00	0.000
8,200.00	90.00	1.04	2,875.00	5,722.04	-316.39	5,715.35	0.00	0.00	0.00	0.000
8,300.00	90.00	1.04	2,875.00	5,822.02	-314.58	5,815.35	0.00	0.00	0.00	0.000
8,400.00	90.00	1.04	2,875.00	5,922.01	-312.76	5,915.35	0.00	0.00	0.00	0.000
8,500.00	90.00	1.04	2,875.00	6,021.99	-310.95	6,015.35	0.00	0.00	0.00	0.000
8,590.63	90.00	1.04	2,875.00	6,112.60	-309.31	6,105.98	0.00	0.00	0.00	0.000
8,600.00	90.00	1.04	2,875.00	6,121.97	-309.14	6,115.35	0.00	0.00	0.00	0.000
8,640.63	90.00	1.04	2,875.00	6,162.60	-308.40	6,155.99	0.00	0.00	0.00	0.000

#### SPUR ENERGY

#### Wellbenders

#### Standard Plan With Toolface

Company:	Spur Energy Partners, LLC	Local Co-ordinate Reference:	Well #4H
Project:	Eddy County, NM (NAD 83 - NME)	TVD Reference:	RKB=18.9' @ 3433.90usft (Akita 57)
Site:	Shelby 23	MD Reference:	RKB=18.9' @ 3433.90usft (Akita 57)
Well:	∤#4H	North Reference:	Grid .
Wellbore:	ОН	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	WBDS_SQL_2
			Control of the Contro

Checked By:	Approved By:	Date:



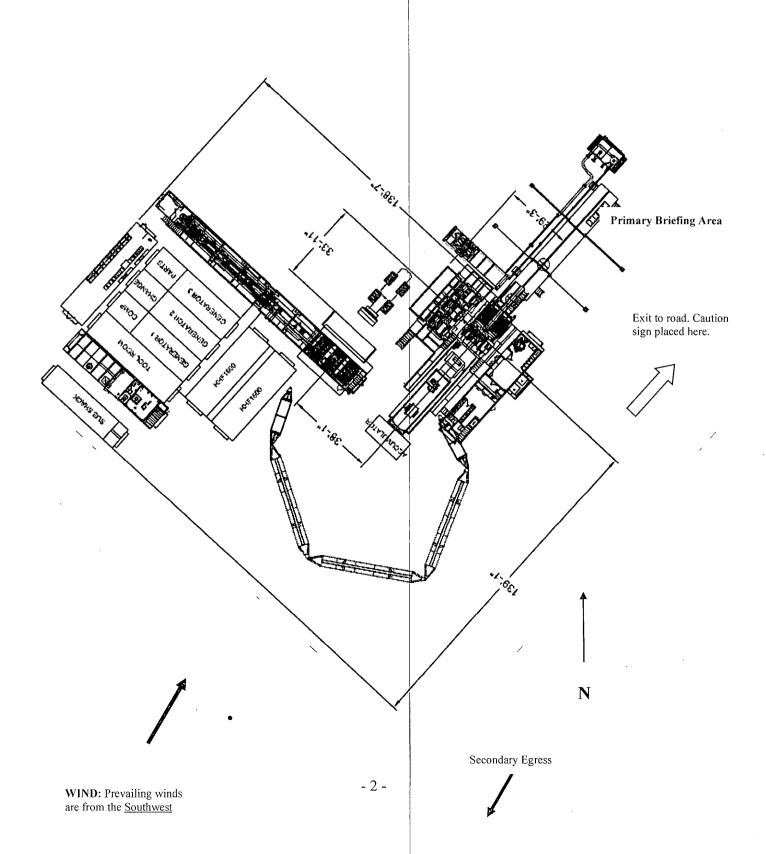
# Permian Drilling Hydrogen Sulfide Drilling Operations Plan Shelby 23 4H

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.

Secondary Briefing Area





Hydrogen Sulfide (H2S)
Contingency Plan

For

Spur Energy Partners
New Mexico Operations

# Spur Energy Partners New Mexico Operations Hydrogen Sulfide Operation Plan

#### Introduction:

H2S is a toxic, poisonous gas that could cause death or injury. The objective of this contingency plan is to provide an organized plan of action for alerting and protecting the public from H2S exposure in the event a potentially hazardous volume is accidentally released to the atmosphere. This plan should be activated immediately if any such release occurs. The Superintendent is responsible for initiating and carrying out the plan.

#### Characteristics of H2S and SO2:

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H2S	1.189 Air= 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	S02	2.21 Air= 1	2 ppm	N/A	1000 ppm

#### Scope:

This contingency plan provides an organized plan of action for alerting and protecting the public within an area of exposure prior to an intentional release, or following the accidental release of a potentially hazardous volume of hydrogen sulfide. The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H<sub>2</sub>S).

#### Objective:

Prevent any and all accidents, and prevent the uncontrolled release of H<sub>2</sub>S into the atmosphere. Provide proper evacuation procedures to cope with emergencies.

Provide immediate and adequate medical attention should an injury occur.

#### H<sub>2</sub>S 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 this well:

- 1. The hazards and characteristics of hydrogen sulfide (H2S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

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

1. The effects of H<sub>2</sub>S metal components. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.

- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan.

Note: All H2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonable expected to contain H2S.

#### **Well Control Equipment**

- A. Flare Line installed
- B. Choke Manifold
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
- D. Auxiliary equipment may include if applicable: annular preventer and rotating head.

#### Protective equipment for essential personnel:

30-minute SCBA units located in the doghouse and at briefing areas, as indicated on well site diagram. As it may be difficult to communicate audibly while wearing these units, hand signals shall be utilized.

#### H2S detection and monitoring equipment:

Portable H2S monitors positioned on location for best coverage and response. These unites have warning lights and audible sirens when H2S levels of 20 PPM are reached. These units are usually capable of detecting SO<sub>2</sub>, which is a byproduct of burning H2S.

#### Visual warning systems:

- A. Wind direction indicators as shown on well site diagram
- B. Caution/ Danger signs shall be posted on roads providing direct access to locations Signs will be painted a high visibility yellow with black lettering of sufficient size to be reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

#### Mud program:

The mud program has been designed to minimize the volume of H2S circulated to surface. Proper mud weight, safe drilling practices and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.

#### Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold lines, and valves shall be H2S trim.
- B. All elastomers used for packing and seals shall be H2S trim.

#### Communication:

- A. Radio communications in company vehicles including cellular telephones and 2-way radio
- B. Land line (telephone) communications at Office

#### Well testing:

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safety and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H2S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

#### **Emergency Procedures**

Assumed 100 ppm Radius Of Exposure (ROE) = 3000'
100 ppm H2S concentration shall trigger activation of this plan.

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

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

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (S02). Intentional ignition must be

coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

#### **Contacting Authorities**

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

Spur Energy Partners Company Call List		
Superintendent - Jerry Mathews	575-748-5234	
Engineer – Michael Sliva	281-723-1473	
Vice President Oper Todd Mucha	832-930-8515	
HSE Manager – Mike Schoch	713-816-6350	
Lea County Agency Call List - (575)		
Hobbs		
State Police	392-5588	
City Police		
Sheriff's Office	*	
Ambulance	1	
Fire Department		
LEPC (Local Emergency Planning Committee).		
NMOCD		
US Bureau of Land Management		
Eddy County Agency Call List - (575)		
Carlsbad		
State Police	885-3137	
City Police		
Sheriff's Office		
Ambulance		
Fire Department	885-2111	
LEPC (Local Emergency Planning Committe	ee) 887-3798	
US Bureau of Land Management	887-6544	
NM Emergency Response Commission (Sant	a Fe). (505) 476-9600	
24 HR	(505) 827-9126	
National Emergency Response Center (Washington,	DC) (800) 424-8802	
Emergency Services		
Hungry Hock Environmental	(575)-393-3386	
Flight For Life - Lubbock, TX	(806) 743-9911	
Aerocare - Lubbock, TX	(806) 747-8923	
	(EZE) 040 4400	
Med Flight Air Amb - Albuquerque, NM	(575) 842-4433	