Form 3160-3 (June 2015) DEPARTMENT OF THE IN BUREAU OF LAND MANA APPLICATION FOR PERMIT TO DI	NTERIOR AGEMENT RILL OR I	OCD - HOF 06/09/20 RECEIN	3BS 20 TED	FORM OMB No OMB No Expires: Ja 5. Lease Serial No. NMLC0068281B 6. If Indian, Allotee	APPROVED 5. 1004-0137 nuary 31, 2018 or Tribe Name		
1a. Type of work: 🖌 DRILL 🗌 RE	EENTER			7. If Unit or CA Agr	eement, Name and No.		
1b. Type of Well:	her			8. Lease Name and	Well No.		
1c. Type of Completion: Hydraulic Fracturing 🖌 Sir	ngle Zone	Multiple Zone		ZHU 2032 BS 6H	[328111]		
2. Name of Operator CONOCOPHILLIPS COMPANY [217817]				9. API Well No. 30)-025-47304		
3a. Address PO Box 2197 Houston TX 77252	3b. Phone N (281)293-17	o. <i>(include area cod</i> 748	e)	10. Field and Pool, o WOLFCAMP / ZIA	or Exploratory [98009] HILLS; WOLFCAMP		
 Location of Well (Report location clearly and in accordance w At surface NESE / 2640 FSL / 1291 FEL / LAT 32.0281 At proposed prod. zone NWNE / 50 FNL / 2030 FEL / LA⁻ 	vith any State 08 / LONG - T 32.05009 /	requirements.*) 103.69276 / LONG -103.6951	53	11. Sec., T. R. M. or Blk. and Survey or Area SEC 20 / T26S / R32E / NMP			
14. Distance in miles and direction from nearest town or post office 43.95 miles	ce*			12. County or Parish LEA	n 13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of ac 1841.48	res in lease	17. Spacin O	ng Unit dedicated to t	his well		
 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 33 feet 	19. Proposed 9493 feet /	l Depth 17569 feet	20. BLM/ FED: ES	BIA Bond No. in file 0085			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3143 feet	22. Approxim 10/09/2020	mate date work will	start*	23. Estimated durati90 days	on		
The following, completed in accordance with the requirements of (as applicable)	24. Attack	and Gas Order No. 1	, and the H	Hydraulic Fracturing r	ule per 43 CFR 3162.3-3		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office) 	n Lands, the	 Bond to cover the Item 20 above). Operator certific Such other site sp BLM. 	e operation ation. pecific infor	is unless covered by ar mation and/or plans as	may be requested by the		
25. Signature (Electronic Submission)	Name Jerem	<i>(Printed/Typed)</i> y Lee / Ph: (832)4	86-2510		Date 07/17/2019		
Title Regulatory Coordinator					_		
Approved by (Signature) (Electronic Submission)	Name Christe	(Printed/Typed) opher Walls / Ph: (575)234-2	2234	Date 06/08/2020		

 Title
 Office

 Petroleum Engineer
 CARLSBAD

 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.
 Image: Carl Content operation op

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.

GCP Rec 06/09/2020





06/19/2020

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	CONOCOPHILLIPS COMPANY
LEASE NO.:	NMLC0068281B
WELL NAME & NO.:	ZHU 2032 BS 6H
SURFACE HOLE FOOTAGE:	2640'/S & 1291'/E
BOTTOM HOLE FOOTAGE	50'/N & 2030'/E
LOCATION:	Section 20, T.26 S., R.32 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	• Yes	O No	
Potash	None	O Secretary	© R-111-P
Cave/Karst Potential	O Low	Medium	O High
Cave/Karst Potential	Critical		
Variance	O None	Flex Hose	O 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

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the Cherry and Brushy Canyon formations. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

Casing Design:

- 1. The **13-3/8** inch surface casing shall be set at approximately **1224 feet** (a minimum of **25 feet (Lea 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 <u>8</u>
 <u>hours</u> 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.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above. 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 -51%, additional cement might be required.

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.
- 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.
- In <u>Medium Cave/Karst Areas</u> if cement does not circulate to surface on the first two 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:

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

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

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 **5000 (5M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **5000 (5M)** 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 2500 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.

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
 - Lea County
 Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612
- 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.
- <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least <u>24</u> <u>hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. 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.
- 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).
- 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.

OTA06012020



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

APD ID: 10400043592

Operator Name: CONOCOPHILLIPS COMPANY Well Name: ZHU 2032 BS

Well Type: OIL WELL

Submission Date: 07/17/2019

Zip: 77252

Well Number: 6H Well Work Type: Drill Highlighted data reflects the most recent changes

06/09/2020

Application Data Report

Show Final Text

Section 1 - General

APD ID: 10400043592	Tie to previous NOS? N	Submission Date: 07/17/2019
BLM Office: CARLSBAD	User: Jeremy Lee	Title: Regulatory Coordinator
Federal/Indian APD: FED	Is the first lease penetrated	for production Federal or Indian? FED
Lease number: NMLC0068281B	Lease Acres: 1841.48	
Surface access agreement in place?	Allotted? R	eservation:
Agreement in place? YES	Federal or Indian agreemen	t: FEDERAL
Agreement number: NMNM138329X		
Agreement name:		
Keep application confidential? NO		
Permitting Agent? NO	APD Operator: CONOCOPH	ILLIPS COMPANY
Operator letter of designation:		

Operator Info

Operator Organization Name: CONOCOPHILLIPS COMPANY
Operator Address: PO Box 2197
Operator PO Box:
Operator City: Houston State: TX
Operator Phone: (281)293-1748

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO	Master Development Plan na	ame:
Well in Master SUPO? NO	Master SUPO name:	
Well in Master Drilling Plan? NO	Master Drilling Plan name:	
Well Name: ZHU 2032 BS	Well Number: 6H	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: WOLFCAMP	Pool Name: ZIA HILLS; WOLFCAMP

Is the proposed well in an area containing other mineral resources? NONE

Well Number: 6H

Is the proposed well in an area containing other mineral resources? NONE

Is the proposed	l well in a Helium produ	ction area? N	Use Existing Well Pac	I ? NO	New surface disturbance?
Type of Well Pa	Id: MULTIPLE WELL		Multiple Well Pad Nan	ne: ZIA	Number: 4
Well Class: HOP	RIZONTAL		HILLS 20 PAD Number of Legs: 1		
Well Work Type	e: Drill				
Well Type: OIL \	WELL				
Describe Well T	уре:				
Well sub-Type:	INFILL				
Describe sub-ty	/pe:				
Distance to tow	/n: 43.95 Miles	Distance to nea	arest well: 33 FT	Distanc	e to lease line: 1291 FT
Reservoir well s	spacing assigned acres	Measurement:	0 Acres		
Well plat: ZH	HU_2032_BS_6H_C_102	_201907111356	43.pdf		
Well work start	Date: 10/09/2020		Duration: 90 DAYS		

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Survey number:

Vertical Datum: NAVD88

Reference Datum:

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
SHL	264	FSL	129	FEL	26S	32E	20	Aliquot	32.02810	-	LEA	NEW	NEW	F	NMLC0	314	0	0	
Leg	0		1					NESE	8	103.6927		MEXI	MEXI		068281	3			
#1										6		co	CO		В				
KOP	228	FSL	192	FEL	26S	32E	20	Aliquot	32.02713	-	LEA	NEW	NEW	F	NMLC0	-	882	877	
Leg	3		4					NESW	64	103.6948		MEXI	MEXI		068281	563	7	7	
#1										105		co	co		В	4			
PPP	263	FSL	193	FEL	26S	32E	20	Aliquot	32.0281	-	LEA	NEW	NEW	F	NMLC0	-	822	817	
Leg	9		1					NWSE		103.6948		MEXI	MEXI		068281	503	5	5	
#1-1										25		со	со		В	2			

Well Number: 6H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce from this lease?
EXIT	100	FNL	203	FEL	26S	32E	17	Aliquot	32.04995	-	LEA	NEW	NEW	F	NMLCO	-	175	949	
Leg			0					NWNE	2	103.6951		MEXI	MEXI		068281	635	19	3	
#1										51		co	со		В	0			
BHL	50	FNL	203	FEL	26S	32E	17	Aliquot	32.05009	-	LEA	NEW	NEW	F	NMLC0	-	175	949	
Leg			0					NWNE		103.6951		MEXI	MEXI		068281	635	69	3	
#1										53		co	co		В	0			



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

APD ID: 10400043592

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: ZHU 2032 BS

Well Type: OIL WELL

Submission Date: 07/17/2019

Highlighted data reflects the most recent changes

06/09/2020

Drilling Plan Data Report

Show Final Text

Well Work Type: Drill

Well Number: 6H

Section 1 - Geologic Formations

Formation	_		True Vertical	Measured			Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
496349	QUATERNARY	3144	22	22	-	NONE	N
496350	RUSTLER	1970	1174	1174	ANHYDRITE, DOLOMITE	NONE	N
496351	SALADO	1800	1344	1344	SALT	NONE	N
496352	CASTILE	810	2334	2334	SALT	NONE	N
496353	DELAWARE	-1187	4331	4331	SANDSTONE	NATURAL GAS, OIL	N
496354	CHERRY CANYON	-2110	5254	5254	SANDSTONE	NATURAL GAS, OIL	N
496355	BRUSHY CANYON	-3641	6785	6785	SANDSTONE	NATURAL GAS, OIL	N
496356	BONE SPRING	-5031	8175	8175	SANDSTONE	NATURAL GAS, OIL	N
664443	BONE SPRING 1ST	-6188	9332	9332	SANDSTONE	NATURAL GAS, OIL	Y
664444	BONE SPRING 2ND	-6913	10057	10057		NATURAL GAS, OIL	N
664445	BONE SPRING 3RD	-7398	10542	10542	LIMESTONE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Pressure Rating (PSI): 10M

Rating Depth: 9493

Equipment: Rotating Head, Annular Preventer, Pipe/Blind Rams, Kill Lines, Choke Lines, Adapter Spool

Requesting Variance? YES

Variance request: A variance to use flexible choke line(s) from the BOP to Choke Manifold. Testing certificate is attached in "Flexhose Variance data" document. A variance to use a multibowl wellhead system. Please see attached in section 8 of drilling plan. A variance is requested to use a 5M annular and test the annular to 100% of its working pressure. The variance is requested in conjunction with the attached well control plan.

Testing Procedure: BOP/BOPE will be isolated from the casing and tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. BOPE controls will be installed prior to drilling under the surface casing and will be used until the completion of drilling operations. The intermediate interval and the

Well Name: ZHU 2032 BS

Well Number: 6H

production interval will be tested per 10M working system requirements. See attached "Drill Plan" document.

Choke Diagram Attachment:

ZHU_2032_BS_6H_Choke_Manifold_20190712060152.pdf

BOP Diagram Attachment:

ZHU_2032_BS_6H_BOPE_20190712060203.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1224	0	1224			1224	J-55	54.5	OTHER - BTC	3.08	4.99	DRY	13.6 3	DRY	13.6 3
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	10052	0	9493			10052	OTH ER	40	OTHER - BTC	3.11	2.06	DRY	2.3	DRY	2.3
3	PRODUCTI ON	8.5	5.5	NEW	API	N	0	17569	0	9493			17569	OTH ER	20	OTHER - TXP	7.69	4.37	DRY	3.84	DRY	3.84

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

13.375_54.5_lb_J55_20190710134019.pdf

ZHU_2032_BS_6H_Csg_Design_20190712060549.pdf

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $9.625_40_lb_L_80_lC_20190710134042.pdf$

ZHU_2032_BS_6H_Csg_Design_20190712060605.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

5.5_TXP_Spec_Sheet_20190710134130.pdf

ZHU_2032_BS_6H_Csg_Design_20190712060620.pdf

Section	4 - Ce	emen	L								
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	824	1000	1.73	12.8	1716	200	Control Set 'C'	1.0% CaCl2, 1.0% SMS, 1.0% OGC-60, ¼ lb/sk Polyflake, ½ ppb FiberBlock
SURFACE	Tail		824	1224	660	1.33	14.8	868	200	0:1:0 'Type III'	0.5% CaCl2, ¼ lb/sk Polyflake, ½ ppb FiberBlock

Section 4 - Cement

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: ZHU 2032 BS

Well Number: 6H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Lead		0	6785	3280	1.73	11	5668	200	Thermal 35	10% NaCl, 0.9% CFR, 0.7% CFL-4, 0.1% LTR, 0.2% SPC-II, 0.4% CDF-4P, ¼ lb/sk Polyflake, ½ ppb FiberBlock

INTERMEDIATE	Lead	6785	724	8327	310	2.7	11	821	70	WBL	0.5% CFL-4, 0.6% LTR, 0.2% SPC-II, 0.4% CDF-4P, ¼ lb/sk Polyflake, ½ ppb FiberBlock
INTERMEDIATE	Tail		8327	1005 2	470	1.59	13.2	741	30	Thermal 35	10% NaCl, 0.9% CFR, 0.7% CFL-4, 0.1% LTR, 0.2% SPC-II, 0.4% CDF-4P, ¼ lb/sk Polyflake, ½ ppb FiberBlock
PRODUCTION	Lead		0	1768 8	0	0	0	0	0	No Lead	No Lead
PRODUCTION	Tail		7827	1756 9	2080	1.19	15.6	2474	10	1:1:0 'Poz:Lafarge G'	20% Silica Flour, 8% Silica Flume, 2% FWCA-H (FWC-2), 0.3% HTR, 0.5% CR-4 (MCR-4), 1% TAE-1 (SEA-1), 1% CFL-4, 0.2% CFR-5, 0.3% ASM-3 (AS-3)

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. See attached "Drill Plan" for additional information.

Describe the mud monitoring system utilized: Closed-loop mud system using steel mud containers will be on location. Mud monitoring of any changes in levels (gains or losses) will use Pressure Volume Temperature, Pason, Visual Observations. See attached "Drill Plan" for additional information. Well Name: ZHU 2032 BS

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
1224	9493	OTHER : Brine	9.5	10.5							
0	1224	OTHER : Fresh Water	8.6	9.1							
9493	9493	OIL-BASED MUD	10.5	11.5							

Section 6 - Test, Logging, Coring

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

Production tests will be conducted multiple times per week, through a test separator, during first months following completion. Thereafter, tests will be less frequently. See attached "Drill Plan" for additional information.

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

GR

Coring operation description for the well:

No coring operation is planned at this time.

This well will be an Infill Horizontal well as defined in Part H of 19.15.16.7 NMAC. It will not have a unique horizontal spacing unit. It will share a horizontal spacing unit.

ConocoPhillips Company requests a variance to the requirement to run a neutron porosity log for any wells within one mile of an existing well with a neutron porosity log (vertical well, or vertical portion of a horizontal well). If there is an existing neutron log within one mile, ConocoPhillips requests to log gamma ray only. If there is not an existing neutron log within one mile, ConocoPhillips request to run a GR/N log on the vertical section of one well per pad.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4936

Anticipated Surface Pressure: 2847.54

Anticipated Bottom Hole Temperature(F): 165

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Well Name: ZHU 2032 BS

Hydrogen sulfide drilling operations plan:

ZIA_HILLS_20_PAD_4_H2S_C_Plan_20190711125554.pdf Zia_Hills_20_Pad_4_Rig_Layout_20190711125808.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

ZHU_2032_BS_6H_Directional_Plan_20190712062102.pdf ZHU_2032_BS_6H_Drill_Plan_20190712062112.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Zia_Hills_20_Pad_4_Drill_Waste_Containment_20190711130956.pdf ZHU_2032_BS_6H__Drilling_Plan_20190712062131.pdf ZHU_2032_BS_6H_Cement_20190712062159.pdf ZHU_2032_BS_6H_Kelly_Choke_20190712062211.pdf ZHU_2032_BS_5H_8H_Gas_Capture_Plan_20190712062235.pdf

Other Variance attachment:

Zia_Hills_20_Pad_4_Flexhose_Variance_20190711131033.pdf Wild_Well_Control_Plan_20190711131059.pdf Wellhead_diagram_3_String__20200217132119.pdf





BOPE Configuration & Specifications 13-5/8" x 10,000 psi System



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TXP® BTC



Outside Diameter	5.500 in.	Min. Wall Thickness	87.5%	(*) Grade P110	
Wall Thickness	0.415 in.	Connection OD Option	REGULAR	COUPLING	PIPE BODY
Grade	P110*	Drift	API Standard	Body: White 1st Band: -	1st Band: White 2nd Band: -
		Туре	Casing	2nd Band: - 3rd Band: -	3rd Band: - 4th Band: -

PIPE BODY DATA					
GEOMETRY					
Nominal OD	5.500 in.	Nominal Weight	23 lbs/ft	Drift	4.545 in.
lominal ID	4.670 in.	Wall Thickness	0.415 in.	Plain End Weight	22.56 lbs/ft
DD Tolerance	API				
PERFORMANCE					
Body Yield Strength	729 x1000 lbs	Internal Yield	14530 psi	SMYS	110000 psi
Collapse	14540 psi				
CONNECTION DATA					
GEOMETRY					
Connection OD	6.200 in.	Coupling Length	9.450 in.	Connection ID	4.658 in.
/lake-up Loss	4.204 in.	Threads per in	5	Connection OD Option	REGULAR
PERFORMANCE		-		-	
ension Efficiency	100.0 %	Joint Yield Strength	729.000 x1000 lbs	Internal Pressure Capacity [1]	14530.000 psi
Compression Efficiency	100 %	Compression Strength	729.000 x1000 lbs	Max. Allowable Bending	92 °/100 ft
External Pressure Capacity	14540.000 psi				
MAKE-UP TORQUES					
Ainimum	12980 ft-lbs	Optimum	14420 ft-lbs	Maximum	15860 ft-lbs
OPERATION LIMIT TO	ORQUES				
Operating Torque	24200 ft-lbs	Yield Torque	26900 ft-lbs		

Notes

This connection is fully interchangeable with:

TXP® BTC - 5.5 in. - 15.5 / 17 / 20 / 26 lbs/ft

[1] Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.

Datasheet is also valid for Special Bevel option when applicable - except for Coupling Face Load, which will be reduced. Please contact a local Tenaris technical sales representative.

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SURFACE CASING DESIGN INFORMATION

ZHU 2032 BS 6H

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	GRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)		TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
13.375	54.5	J-55	BTC	12.612	12.459	1,130 / 960	2,730 / 2,320	909 / 772

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)	
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP	
14.375	12.612	12.459	BTC	1,130 / 960	2,730 / 2,320	909 / 772	

Setting Depth:

INTERMEDIATE CASING DESIGN INFORMATION

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	GRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)		TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
9.625	40.0	L80-IC	BTC	8.835	8.75	3,870 / 3,685	5,750 / 5000	916 / 654

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP
10.625	8.835	8.75	BTC	3,870 / 3,685	5,750 / 5000	947 / 676

Surface Casing Test Pressure = 1,500 psi Pressure Test Prior to Drill Out

	Minimum Desigi	n / Safety Factors CO)P
Burst	Collapse	Tension (Body &	
1.15	1.05	1.40	
	Actual Desig	gn / Safety Factors	
Burst	Collapse	Tension (Body)	
4.99	3.08	13.63	Dry
		15.69	Bouyed

Production Casing Test Pressure = TBD

Dry
Bouyed

PRODUCTION CASING DESIGN INFORMATION

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

Setting Depth: 17,569' MD 9,493' TVD

Setting Depth: 10,052' MD

SIZE	WEIGHT	GRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)		TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
5.5	20	P-110 ICY	TXP	4.778	4.653	12,100 / 11,524	14,360 / 12,487	729 / 521

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	ID DRIFT		COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)	
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP	
6.1	4.766	4.653	TXP	12,100 / 11,524	14,360 / 12,487	729 / 521	

Production Casing Test Pressure = TBD

Minin	num Design / Sa	fety Factors	
Burst	Collapse	Tension (Body & Connection)	
1.15	1.05	1.40	
	Actual Desig	n / Safety Factors	
Burst	Collapse	Tension (Body)	
4.37	7.69	3.84	Dry
		4.57	Bouyed

Sec 20 T26S R32E

Lea, Co, NM

1,224' TVD

9,493' TVD

1,224' MD

7/8/2019

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TXP® BTC

Printed on: 22/04/2019

					Min. Wall Thickness	87.5%		(*)GradeJ55 (Casing)	
		Outside Diameter	13.375 in.		Connection (Option	OD REGULAR		Coupling	Pipe Body
		Wall Thickn	ess 0.380 in.		Drift	API Standar	d	Body: Bright Green	1st Band: Bright Green
		Grade	J55 (Casing	1)*	Туре	Casing		1st Band: White	2nd Band: -
								2nd Band: -	3rd Band: -
								3rd Band: -	4th Band: -
PIPE BODY D	DATA								
Geometry									
Nominal OD	13.375	in.	Nominal Weight	54.5 ll	bs/ft	Drift	12.4	59 in.	
Nominal ID	12.615	in.	Wall Thickness	0.380	in.	Plain End Weight	52.7	9 lbs/ft	
OD Tolerance	API								
Performance									
Body Yield Strength	853 x10	00 lbs	Internal Yield	ا 2730	psi	SMYS	5500	10 psi	
Collapse	1130 ps	si							
CONNECTIO Geometry	N DATA	1							
Connection OD	14.375	in.	Coupling Length	10.82	5 in.	Connection ID	12.6	03 in.	
Make-up Loss	4.891 ir	1.	Threads per in	5		Connection OD Option	REG	ULAR	
Performance									
Tension Efficiency	100.0 %	, D	Joint Yield Strength	853.00 Ibs	00 x1000	Internal Pressure Capacity [1]	2730	0.000 psi	
Compression Efficiency	100 %		Compression Strength	853.00 Ibs	00 x1000	Max. Allowable Bending	19 °/	100 ft	
External Pressure Capacity	1130.00)0 psi							
Make-Up Toro	ques								
Minimum	21610 f	t-lbs	Optimum	24010) ft-lbs	Maximum	2641	0 ft-lbs	
Operation Lim	nit Torqu	les							
Operating Torque	54300 f	t-lbs	Yield Torque	68700) ft-lbs				

Notes

This connection is fully interchangeable with:

TXP® BTC - 13.375 in. - 61 / 68 / 72 lbs/ft

[1] Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.

Datasheet is also valid for Special Bevel option when applicable - except for Coupling Face Load, which will be reduced. Please contact a local Tenaris technical sales representative.

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SURFACE CASING DESIGN INFORMATION

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	GRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)		TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
13.375	54.5	J-55	BTC	12.612	12.459	1,130 / 960	2,730 / 2,320	909 / 772

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP
14.375	12.612	12.459	BTC	1,130 / 960	2,730 / 2,320	909 / 772

Setting Depth:

Setting Depth: 10,052' MD

INTERMEDIATE CASING DESIGN INFORMATION

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	CRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)	GRADE	TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
9.625	40.0	L80-IC	BTC	8.835	8.75	3,870 / 3,685	5,750 / 5000	916 / 654

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP
10.625	8.835	8.75	BTC	3,870 / 3,685	5,750 / 5000	947 / 676

Surface Casing Test Pressure = 1,500 psi Pressure Test Prior to Drill Out

	Minimum Design / Safety Factors COP						
Burst	Collapse	Tension (Body &					
1.15	1.05	1.40					
	Actual Desig	gn / Safety Factors					
Burst	Collapse	Tension (Body)					
4.99	3.08	13.63	Dry				
		15.69	Bouyed				

Production Casing Test Pressure = TBD

Minin	num Design / Sa	fety Factors	
Burst	Collapse	Tension (Body & Connection)	
1.15	1.05	1.40	
	Actual Desig	n / Safety Factors	
Burst	Collapse	Tension (Body)	
2.06	3.11	2.30	Dry
		2.69	Bouyed

PRODUCTION CASING DESIGN INFORMATION

Setting Depth: 17,569' MD 9,493' TVD

Production Casing Test Pressure = TBD

Minin	num Design / Sa	fety Factors	
Burst	Collapse	Tension (Body & Connection)	
1.15	1.05	1.40	
	Actual Desig	n / Safety Factors	
Burst	Collapse	Tension (Body)	
4.37	7.69	3.84	Dry
		4.57	Bouyed

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	CRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)	GRADE	TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
5.5	20	P-110 ICY	TXP	4.778	4.653	12,100 / 11,524	14,360 / 12,487	729 / 521

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD		ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)	
(Inch	es)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP	
6.1		4.766	4.653	TXP	12,100 / 11,524	14,360 / 12,487	729 / 521	

ZHU 2032 BS 6H

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Lea, Co, NM

1,224' TVD

9,493' TVD

1,224' MD

7/8/2019

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				Min. Wall Thickness	87.5%		(*)GradeL80-IC	
	Outside Diameter	9.625 in.		Connection (Option	OD REGULAR		Coupling	Pipe Body
	Wall Thickn	ess 0.395 in.		Drift	API Standard	b	Body: Red	1st Band: Red
	Grade	L80-IC*		Туре	Casing		1st Band: Brown	2nd Band: Brown
							2nd Band: -	3rd Band: Pale Green
							3rd Band: -	4th Band: -
PIPE BODY [ATA							
Geometry								
Nominal OD	9.625 in.	Nominal Weight	40 lbs	/ft	Drift	8.679	9 in.	
Nominal ID	8.835 in.	Wall Thickness	0.395	in.	Plain End Weight	38.9	7 Ibs/ft	
OD Tolerance	API							
Performance								
Body Yield Strength	916 x1000 lbs	Internal Yield	5750	psi	SMYS	8000	0 psi	
Collapse	3870 psi							
CONNECTIO	N DATA							
Geometry								
Connection OD	10.625 in.	Coupling Length	10.82	5 in.	Connection ID	8.823	3 in.	
Make-up Loss	4.891 in.	Threads per in	5		Connection OD Option	REG	ULAR	
Performance								
Tension Efficiency	100.0 %	Joint Yield Strength	916.0 Ibs	00 x1000	Internal Pressure Capacity [1]	5750	.000 psi	
Compression Efficiency	100 %	Compression Strength	916.0 Ibs	00 ×1000	Max. Allowable Bending	38 °/	100 ft	
Externa l Pressure Capacity	3870.000 psi							
Make-Up Toro	ques							
Minimum	18860 ft-lbs	Optimum	20960) ft-lbs	Maximum	2306	0 ft-lbs	
Operation Lin	nit Torques							
Operating Torque	35600 ft-lbs	Yield Torque	43400) ft-lbs				

Notes

This connection is fully interchangeable with:

TXP® BTC - 9,625 in. - 36 / 43,5 / 47 / 53,5 / 58,4 lbs/ft

[1] Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.

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SURFACE CASING DESIGN INFORMATION

ZHU 2032 BS 6H

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	GRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)		TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
13.375	54.5	J-55	BTC	12.612	12.459	1,130 / 960	2,730 / 2,320	909 / 772

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP
14.375	12.612	12.459	BTC	1,130 / 960	2,730 / 2,320	909 / 772

Setting Depth:

INTERMEDIATE CASING DESIGN INFORMATION

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

SIZE	WEIGHT	CRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)	GRADE	TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
9.625	40.0	L80-IC	BTC	8.835	8.75	3,870 / 3,685	5,750 / 5000	916 / 654

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP
10.625	8.835	8.75	BTC	3,870 / 3,685	5,750 / 5000	947 / 676

Surface Casing Test Pressure = 1,500 psi Pressure Test Prior to Drill Out

	Minimum Desigi	n / Safety Factors CO)P
Burst	Collapse	Tension (Body &	
1.15	1.05	1.40	
	Actual Desig	gn / Safety Factors	
Burst	Collapse	Tension (Body)	
4.99	3.08	13.63	Dry
		15.69	Bouyed

Production Casing Test Pressure = TBD

Dry
Bouyed

PRODUCTION CASING DESIGN INFORMATION

PIPE BODY DIMENSIONAL / PERFORMANCE DATA:

Setting Depth: 17,569' MD 9,493' TVD

Setting Depth: 10,052' MD

SIZE	WEIGHT	GRADE	CPLG	BORE ID	DRIFT ID	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(LB/FT)		TYPE	(Inches)	(Inches)	API / CoP	API / CoP	API / CoP
5.5	20	P-110 ICY	TXP	4.778	4.653	12,100 / 11,524	14,360 / 12,487	729 / 521

CONNECTION DIMENSIONAL / PERFORMANCE DATA:

OD	ID	DRIFT	CPLG	COLLAPSE (PSI)	BURST (PSI)	TENSION (1k LBS)
(Inches)	(Inches)	(Inches)	TYPE	API / CoP	API / CoP	API / CoP
6.1	4.766	4.653	TXP	12,100 / 11,524	14,360 / 12,487	729 / 521

Production Casing Test Pressure = TBD

Minin	num Design / Sa	fety Factors	
Burst	Collapse	Tension (Body & Connection)	
1.15	1.05	1.40	
	Actual Desig	n / Safety Factors	
Burst	Collapse	Tension (Body)	
4.37	7.69	3.84	Dry
		4.57	Bouyed

Sec 20 T26S R32E

Lea, Co, NM

1,224' TVD

9,493' TVD

1,224' MD

7/8/2019

Zia Hills 20 Pad 4



H₂S Contingency Plan November 2016

H₂S Contingency Plan Holders:

Attached is an H₂S Contingency Plan for COPC Permian Drilling working in the West Texas and Southeastern New Mexico areas operated by ConocoPhillips Company.

If you have any question regarding this plan, please call Matt Oster (830) 583-1297, or Ryan Vacarella (985) 217-7594.

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- II. Scope
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- V. Emergency Call List
- VI. Public/Media Relations
- VII. Pubic Notification/Evacuation
- VIII. Forms/Reports



HYDROGEN SULFIDE (H₂S) OPERATIONS

Contingency Plan For Permian Drilling Operations

ConocoPhillips Company

Mid-Continent Business Unit Permian Asset Area

I.PURPOSE

The purpose of this Contingency Plan is to provide an organized plan of action for alerting and protecting the public following the release of a potentially hazardous volume of hydrogen sulfide. This plan prescribes mandatory safety procedures to be followed in the event of a release of H_2S into the atmosphere from exploration and production operations included in the scope of this plan. The extent of action taken will be determined by the supervisor and will depend on the severity and extent of H_2S release. Release of H_2S must be reported to the Drilling Superintendent and documented on the IADC and in Wellview.

II. SCOPE

This Contingency plan shall cover the West Texas and Southeastern New Mexico areas, which contain H2S gas and could result in a release where the R.O.E. is greater than 100 ppm at 50' and less than 3000' and does not include a public area and 500 ppm R.O.E. does not include a public road. Radius of exposure is defined as the maximum distance from the source of release that a specified calculated average concentration of H_2S could exist under specific weather conditions.

III. PROCEDURES

First Employee on Scene

____Assess the incident and ensure your own safety.

Note the following:

----- Location of the incident.

____Nature of the incident.

—— Wind direction and weather conditions.

____Other assistance that may be needed.

- Call local supervisory personnel (refer to Section V: Emergency Call List) until personal contact is made with a person on the list.
- Perform emergency assessment and response as needed. The response may include rescue and/or evacuation of personnel, shutting in a system and/or notification of nearby residents/public (refer to Section VII: Public Notification/Evacuation).
- Secure the site.
- Follow the direction of the On-scene Incident Commander (first ConocoPhillips supervisor arriving on-scene).

First Supervisor on Scene (ConocoPhillips On-scene Incident Commander)

- ----- Becomes ConocoPhillips' On-scene Incident Commander upon arrival to location.
- Follow the principles of the **D.E.C.I.D.E.** process below to assess the incident. (Note wind direction and weather conditions and ensure everyone's safety).

DETECT the problem ESTIMATE likely harm without intervention CHOOSE response objectives IDENTIFY action options DO the best option EVALUATE the progress _Complete the Preliminary Emergency Information Sheet (refer to Section VIII: Forms/Reports).

____Call your supervisor (refer to Section V: Emergency Call List).

Perform emergency response as necessary. (This may include notification & evacuation of all personnel and/or nearby residents/public (refer to Section VII: Public Notification/Evacuation), requesting assistance from ConocoPhillips personnel or outside agencies (refer to Section V: Emergency Call List) and obtaining any safety equipment that may be required (refer to Section IV: Emergency Equipment and Maintenance).

 Notify appropriate local emergency response agencies of the incident as needed. Also notify the appropriate regulatory agencies. (refer to Section V: Emergency Call List).

— Ensure site security.

— Set barricades and /or warning signs at or beyond the calculated 100 ppm H₂S radius of exposure (ROE). All manned barricades must be equipped with an H₂S monitor and a 2-way radio.

— Set roadblocks and staging area as determined.

Establish the Incident Command Structure by designating appropriate onscene response personnel as follows:

Recording Secretary	
Public Information Officer	
Safety/Medical Officer	
Decontamination Officer	

- Have the "Recording Secretary" begin documenting the incident on the "Incident Log" (refer to Section VIII: Forms/Reports).
- If needed, request radio silence on all channels that use your radio tower stating that, until further notice, the channels should be used for emergency communications only.
- —— Perform a Site Characterization and designate the following:

Hot Zone	 Hazardous Area
Warm Zone	 Preparation & Decontamination Area
Cold Zone	 Safe Area

<u>AND</u>

On-Scene Incident Command Post Public Relations Briefing Area Staging Area Triage Area Decontamination Area (Cold Zone) (Cold Zone) (Cold Zone) (Cold Zone) (Warm Zone)

___Refer all media personnel to ConocoPhillips' On-Scene Public Information Officer (refer to Section VI: Public Media Relations).

Coordinate the attempt to stop the release of H₂S. You should consider closing upstream and downstream valves to shut-off gas supply sources, and/or plugging or clamping leaks. Igniting escaping gas to reduce the toxicity hazard should be used ONLY AS A LAST RESORT. (It must first be determined if the gas can be safely ignited, taking into consideration if there is a possibility of a widespread flammable atmosphere.)

_Once the emergency is over, return the situation to normal by:

Confirming the absence of H₂S and combustible gas throughout the area,

Discontinuing the radio silence on all channels, stating that the emergency incident is over,

Removing all barricades and warning signs,

Allowing evacuees to return to the area, and

Advising all parties previously notified that the emergency has ended.

- Ensure the proper regulatory authorities/agencies are notified of the incident (refer to Section V: Emergency Call List).
- Clean up the site. (Be sure all contractor crews have had appropriate HAZWOPER training.)

Report completion of the cleanup to the Asset Environmentalist. (Environmentalist will report this to the proper State and/or Federal agencies.) Fill out all required incident reports and send originals to the Safety Department. (Keep a copy for your records.)

- Company employee receiving occupational injury or illnesses.
- Company employee involved in a vehicle accident while driving a company vehicle.
- Company property that is damaged or lost.
- Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company.
- Hazardous Material Spill/Release Report Form
- Emergency Drill Report
- Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
- If this incident was simulated for practice in emergency response, complete the Emergency Drill Report found in Section VIII: Forms/Reports and submit a copy to the Drilling Manager. (Keep one copy in area files to document exercising of the plan.)

Emergency Procedures <u>Responsibility</u>

In the event of a release of potentially hazardous amounts of H2S, all personnel will immediately proceed upwind/ crosswind to the nearest designated briefing area. The COPC Drilling Rep. will immediately, upon assessing the situation, set this into action by taking the proper procedures to contain the gas and notify appropriate people and agencies.

- 1. In an emergency situation, the Drilling Rep. on duty will have complete responsibility and will take whatever action is deemed necessary in an emergency situation to insure the personnel's safety, to protect the well and to prevent property damage.
- 2. The Toolpusher will assume all responsibilities of the Drilling Rep. in an emergency situation in the event the Drilling Rep. becomes incapacitated.
- 3. Advise each contractor, service company, and all others entering the site that H2S may be encountered and the potential hazards that may exist.
- 4. Authorize the evacuation of local residents if H2S threatens their safety.
- 5. Keep the number of persons on location to a minimum during hazardous operations.
- 6. Direct corrective actions to control the flow of gas.
- 7. Has full responsibility for igniting escaping gas to reduce the toxicity hazard.

This should be used ONLY AS A LAST RESORT.

IV. EMERGENCY EQUIPMENT and MAINTENANCE

Emergency Equipment Suppliers

DXP/ Safety International – Odessa, Tx.	
H ₂ S monitors	432.580.3770
Breathing air includes cascade systems	
First aid and medical supplies	
H2S Specialist	
Total Safetv US Odessa. Tx/ Hobs. NM	432.561.5049 Odessa
H ₂ S monitors	575.392.2973 Hobbs
Breathing air includes cascade systems	
First aid and medical supplies	
Salety equipment	
<u> DXP/ Indian Fire & Safety – Hobbs, NM</u>	575.393.3093
H ₂ S monitors	
Breathing air including cascade systems trailer mounted	
30 minute air packs Safaty Equipment	
Salety Equipment	
<u>TC Safety – Odessa. Tx.</u>	
H ₂ S monitors	432.413.8240
Cascade systems trailer mounted	
30 minute all packs Safety Equipment	
H2S Specialist	
<u>Secorp Industries – Odessa, Tx.</u>	432.614.2565
H2S Monitor Systems	
Cascade Systems	
H2S Specialist	
H2S, CPR, First Aid Training	

Emergency Equipment and Maintenance (continued)

General Information

Materials used for repair should be suitable for use where H₂S concentrations exceed 100 ppm. In general, carbon steels having low-yield strengths and a hardness below RC-22 are suitable. The engineering staff should be consulted if any doubt exists on material specifications.

Appropriate signs should be maintained in good condition at location entrance and other locations as specified in Texas Rule 36 and NMOCD Rule 118.

All notification lists should be kept current with changes in names, telephone numbers, etc.

All shutdown devices, alarms, monitors, breathing air systems, etc., should be maintained in accordance with applicable regulations.

All personnel working in H₂S areas shall have received training on the hazards, characteristics, and properties of H₂S, and on procedures and safety equipment applicable for use in H₂S areas.

H2S Safety Equipment and Monitoring Systems

An H2S emergency response package will be maintained at locations requiring H2S monitoring. The package will contain at a minimum the following:

- 3 Fixed H2S sensors located as follows:
 - 1 on the rig floor
 - 1 at the Bell Nipple
 - 1 at the Shale Shaker or Flowline

1 – <u>Entrance Warning Sign</u> located at the main entrance to the location, with warning signs and colored flags to determine the current status for entry into the location.

- 2 Windsocks that are clearly visible.
- 1 <u>Audible</u> warning system located on rig floor
- 2 <u>Visual</u> warning systems (Beacon Lights)
 - 1 Located at the rig floor
 - 1 Located in the mud mixing room

Note: All alarms (audible and visual) should be set to alarm at 10 ppm.

- 2 Briefing areas clearly marked
 - 2 SCBA's at each briefing area

1- SCBA located at the Drilling Reps office

Note:

- 1. All SCBA's must be positive pressure type only!!!
- 2. All SCBA's must either be <u>Scott or Drager</u> brand.

3. All SCBA's face pieces should be <u>size large</u>, unless otherwise specified by the Drilling Supervisor.

5 – <u>Emergency Escape Paks</u> located at Top Doghouse.

Note: Ensure provisions are included for any personnel working above rig floor in derrick.

 $1 - \underline{\text{Tri or Quad gas monitor}}$ located at the Drilling Reps office. This will be used to determine if the work area if safe to re-enter prior to returning to work following any alarm.

V. EMERGENCY CALL LIST:

The following is a <u>priority</u> list of personnel to contact in an emergency situation:

Supervisory Personnel	Office No.	Cellphone
Drilling Supt. (Unconventional) Scott Nicholson	432.688.9065	432.230.8010
Field Superintendents: Clint Case.	432.688.6878	940.231.2839
Safety Support: Matt Oster Ryan Vaccarella	830.583.1245 985.217.7594	601.540.6988 NA
Supt Operations-SEMN/Shale Mike Neuschafer	432.688.6834	713.419.9919
MCBU Safety Coordinator James Buzan	432.688.6860	832.630.4320
Manger GCBU/MCBU D & C Seth Crissman	832.486.6191	832.513.9308

EMERGENCY CALL LIST: State Officials

Regulatory Agencies

Texas Railroad Commission (District 8) Midland, Texas

Office: 432.684.5581

New Mexico Oil Conservation CommissionOffice: 575.393.6161P. O. Box 1980Hobbs, New Mexico 88240-1980

Bureau of Land Mngt. Carlsbad Field Office 620 E. Greene St. Carlsbad, NM 88220

Office: 575.234.5972 Fax: 575.885.9264

EMERGENCY CALL LIST: Local Officials

Refer to the Location Information Sheet

Note: The LIS should include any area residents (i.e. rancher's house, etc)

VI.Public Media Relations

The **Public Information Officer** becomes the ConocoPhillips on-scene contact (once designated by the Phillips On-Scene Incident Commander).

Confers with Houston Office's Human Relations Representative, who is responsible for assisting in the coordination of local public relations duties.

Answer media questions honestly and **only with facts.** do not speculate about the cause, amount of damage, or the potential impact of the incident of the community, company, employees, or environment. (This information will be formally determined in the incident investigation.)

If you are comfortable answering a question or if you are unsure of the answer, use terms such as the following:

- "I do not know. I will try to find out."
- I am not qualified to answer that question, but I will try to find someone who can."
- "It is under investigation."

Note: Do Not Say "No Comment." (This implies a cover-up.)

Do Not Disclose Names of Injured or Dead! Confer with the Houston Office's Human Relations Representative, who is responsible for providing that information.

VII. Public Notification/Evacuation

Alert and/or Evacuate People within the Exposure Area

 <u>Public Notification</u> – If the escape of gas could result in a hazard to area residents, the general public, or employees, the person <u>first</u> observing the leak should take <u>immediate</u> steps to cause notification of any nearby residents. The avoidance of injury or loss of life should be of prime consideration and given top priority in all cases. If the incident is of such magnitude, or at such location as to create a hazardous situation, local authorities will be requested to assist in the evacuation and roadblocks of the designated area until the situation can be returned to normal.

Note: Bilingual employees may be needed to assist in notification of residents.

 Evacuation Procedures – Evacuation will proceed upwind from the source of the release of H₂S. Extreme caution should be exercised in order to avoid any depressions or low-lying areas in the terrain. The public area within the radius of exposure should be evacuated in a southwesterly and southeasterly direction so as to avoid the prevailing southern wind direction.

Roadblocks and the staging area should be established as necessary for current wind conditions.

Note: In all situations, consideration should be given to wind direction and weather conditions. H_2S is heavier than air and can settle in low spots. Shifts in wind direction can also change the location of possible hazardous areas.

VIII. FORMS & REPORTS

- I. Incident Log
- II. Preliminary Emergency Information Sheet
- III. Emergency Drill Report
- IV. Onshore Hazardous Material Spill/Release Report Form
- V. Immediate Report of Occupational Injury or Illness Report of Accident-Public Contractor Report of Loss or Damage to Company Property Report of Automotive Incident



ConocoPhillips MCBU -Permian-Panhandle Gold Data

Planning - NM East State Zone - 3001 ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H

ZIA HILLS 2032 BS 6H

Plan: ZIA HILLS 2032 BS 6H_WP1

Standard Planning Report

03 July, 2019

ConocoPhillips

Planning Report

Database: Company: Project: Site: Well: Well: Wellbore: Design:	EDT 14 Ce ConocoPh Gold Data Planning - ZIA HILLS ZIA HILLS ZIA HILLS ZIA HILLS	entral Planning illips MCBU - F NM East State 2032 BS 6H 2032 BS 6H 2032 BS 6H 2032 BS 6H_V	Permian-Panhandle 2 Zone - 3001 VP1	Local Co-ordi TVD Reference MD Reference North Referen Survey Calcul	nate Reference e: : ce: ation Method:	: Site ZIA HILLS 20 RKB @ 3171.25ft RKB @ 3171.25ft Grid Minimum Curvatu	32 BS 6H		
Project	Project Planning - NM East State Zone - 3001, Permian Basin - New Mexico - East/South East, Planning Project for Permian wells in NM								
Map System: Geo Datum: Map Zone:	US State Pla NAD 1927 (N New Mexico	US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS) New Mexico East 3001			System Datum: Mean Sea Level Using geodetic scale factor				
Site	ZIA HILLS 2	2032 BS 6H							
Site Position: From: Position Uncert	Map tainty:	0.00 ft	Northing: Easting: Slot Radius:	374,495.793 698,661.627 13-3	usft Latitude / usft Longitu /16 " Grid Co	e: de: nvergence:	32° 1' 40.739 N 103° 41' 32.242 W 0.34 °		
Well	ZIA HILLS 2	2032 BS 6H							
Well Position Position Uncert	+N/-S +E/-W tainty	0.00 ft 0.00 ft 2.00 ft	Northing: Easting: Wellhead Eleva	374,4 698,6 ttion:	95.793 usft 61.627 usft	Latitude: Longitude: Ground Level:	32° 1' 40.739 N 103° 41' 32.242 W 3,145.25 ft		
Wellbore	ZIA HILLS	2032 BS 6H							
Magnetics	Model N	lame	Sample Date	Declination (°)	C)ip Angle (°)	Field Strength (nT)		
	BGG	GM2018	2/25/2019		6.90	59.78	47,666.96099100		
Design	ZIA HILLS 2	2032 BS 6H W	/P1						
Audit Notes: Version:			Phase: Pl	_AN	Tie On Der	o th: 0.0	00		
Vertical Section	n:	Depth F	rom (TVD)	+N/-S	+E/-W	Direct	ion		
			(ft)	(ft)	(ft)	(°)			
		<u>^</u>	00	0.00	0.00	354.3	36		
		0							
Plan Survey To	ool Program	Date 7/3/2	019						
Plan Survey To Depth Froi	ool Program m Depth To	Date 7/3/2	019						
Plan Survey To Depth From (ft)	ool Program m Depth To (ft)	Date 7/3/2 Survey (Well	019 Ibore)	Tool Name	Rema	rks			
Plan Survey To Depth From (ft) 1 0.0	ool Program m Depth To (ft) 00 1,200.00	Date 7/3/2 Survey (Well ZIA HILLS 20	019 I bore) 32 BS 6H_WP1 (ZI N	Tool Name NS-GYRO-MS North sensing gyro	Rema	rks			
Plan Survey To Depth From (ft) 1 0.0 2 1,200.0	Del Program m Depth To (ft) D0 1,200.00 D0 17,568.73	Date 7/3/2 Survey (Well ZIA HILLS 20 ZIA HILLS 20	019 Ibore) 32 BS 6H_WP1 (ZI N N 32 BS 6H_WP1 (ZI N F	Tool Name NS-GYRO-MS North sensing gyro MWD+IFR1+MS_ Fixed:v2:Eagleford	Rema ocompass CoP I, crustal (rks			

ConocoPhillips

Planning Report

Database: Company:	EDT 14 Central Planning ConocoPhillips MCBU - Permian-Panhandle Gold Data	Local Co-ordinate Reference: TVD Reference:	Site ZIA HILLS 2032 BS 6H RKB @ 3171.25ft
Project: Site: Well: Wellbore: Desian:	Planning - NM East State Zone - 3001 ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H WP1	MD Reference: North Reference: Survey Calculation Method:	RKB @ 3171.25ft Grid Minimum Curvature

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	
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,548.77	8.23	240.57	3,546.88	-19.34	-34.27	1.50	1.50	0.00	240.57	
8,078.61	8.23	240.57	8,030.05	-338.04	-599.11	0.00	0.00	0.00	0.00	
8,627.37	0.00	0.00	8,576.93	-357.38	-633.39	1.50	-1.50	0.00	180.00	
8,827.37	0.00	0.00	8,776.93	-357.38	-633.39	0.00	0.00	0.00	0.00	ZIA HILLS 20 FEDE
8,827.38	0.00	0.00	8,776.94	-357.38	-633.39	0.00	0.00	0.00	0.00	
9,952.38	90.00	358.94	9,493.14	358.70	-646.68	8.00	8.00	0.00	358.94	
17,568.86	90.00	358.94	9,493.14	7,973.86	-788.11	0.00	0.00	0.00	0.00	ZIA HILLS 20 FEDE

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)	
0.00	0.00	0.00	0.00	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	
3,548.77	8.23	240.57	3,546.88	-19.34	-34.27	-15.87	1.50	1.50	0.00	
8,078.61	8.23	240.57	8,030.05	-338.04	-599.11	-277.48	0.00	0.00	0.00	
8,627.37	0.00	0.00	8,576.93	-357.38	-633.39	-293.35	1.50	-1.50	0.00	
8,827.37	0.00	0.00	8,776.93	-357.38	-633.39	-293.35	0.00	0.00	0.00	
8,827.38	0.00	0.00	8,776.94	-357.38	-633.39	-293.35	0.00	0.00	0.00	
9,952.38	90.00	358.94	9,493.14	358.70	-646.68	420.56	8.00	8.00	0.00	
17,568.86	90.00	358.94	9,493.14	7,973.86	-788.11	8,012.71	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
ZIA HILLS 20 FEDER - plan misses targ - Point	0.00 et center by	0.00 465.46ft at	5,448.69 5537.52ft I	-354.74 MD (5515.15	-699.42 TVD, -159.2	374,141.065 26 N, -282.26 E)	697,962.243	32° 1' 37.269 N	103° 41' 40.391 W
ZIA HILLS 20 FEDER - plan hits target o - Point	0.00 enter	0.00	8,776.93	-357.38	-633.39	374,138.432	698,028.271	32° 1' 37.240 N	103° 41' 39.624 W
ZIA HILLS 20 FEDER - plan misses targ - Point	0.00 et center by	0.00 51.91ft at 1	9,493.13 7568.86ft I	7,975.05 MD (9493.14	-736.21 TVD, 7973.8	382,470.466 36 N, -788.11 E)	697,925.449	32° 2' 59.700 N	103° 41' 40.246 W
ZIA HILLS 20 FEDER - plan misses targ - Point	0.00 et center by	0.00 0.01ft at 17	9,493.13 7568.86ft M	7,973.86 D (9493.14 T	-788.11 VD, 7973.86	382,469.269 5 N, -788.11 E)	697,873.555	32° 2' 59.691 N	103° 41' 40.849 W

ConocoPhillips

Planning Report

Database: Company:	EDT 14 Central Planning ConocoPhillips MCBU - Permian-Panhandle Cold Data	Local Co-ordinate Reference: TVD Reference:	Site ZIA HILLS 2032 BS 6H RKB @ 3171.25ft
Project: Site: Well: Wellbore: Design:	Planning - NM East State Zone - 3001 ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H ZIA HILLS 2032 BS 6H	MD Reference: North Reference: Survey Calculation Method:	RKB @ 3171.25ft Grid Minimum Curvature
200.9			

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Na	me	Casing Diameter (")	Hole Diameter ('')
1,060.00	1,060.00	9 5/8"		9-5/8	12-1/4
1,200.00	1,200.00	13 3/8"		13-3/8	17-1/2
17,574.00		5 1/2"		5-1/2	8-1/2

	¥					WELL P	LAN S	UMMA	RY					V	Date: Jul 08, 201 ersion: 1	9
Cor	nocoPhil	lips			1280 E	xtended	l Reac	h Sing	le La	teral				Prepa	red by: M. Callaha	an
sı	WELL: JRFACE LOC: BH LOC:	ZHU 2032 BS Sec 20 T26S R32 Sec 17 T26S R32	6H 2E 2E	2640' FSL 50' FNL	1291' FEL 2030' FEL		COUNTY TRRC BLN	,STATE: I API No.: Permit: I Permit:	ea, Co, I	NM			D	rilling Netw Invoice Har <u>COS</u>	AFE: WAF.OND. ork No.: ndler ID: VENNECP T ESTIMATE	
E	ELEVATIONS:	GL KB	3,143.3' +30.5'				WH (NAE	Coord.: 0-27)	LAT LON	32° 103°	1' 41'	40.74" N 32.24" W	CON F	MPLETION ACILITIES TOTAL		
17-1/2" x	13-3/8" 13-9/8"	FORMATIO Quaterman Base of Fres Rustle Top of S Castill Delaware Bas Cherry Ca Bone Spr Avalou Bone Springs Bone Springs Wolfcar Wolfcar	N TOP: y Fill h Water or Balt e e of Salt nyon nyon nyon nyon ings n 1st Sand 2nd Sand 3rd Carb mp p A	TVD 0 300 1,174 2,334 4,331 5,254 6,785 8,672 9,332 10,057 10,542 11,557 11,778	SUBSEA 3,182 2,879 2,012 1,842 852 (1,145) (2,069) (3,599) (4,990) (5,487) (6,147) (6,872) (7,357) (8,372) (8,593)	Fresh Water Fresh Water Salt Gas / Oil Gas / Oil Gas / Oil Gas / Oil Gas / Oil Gas / Oil Gas / Oil	Objecti This well The objec casing. <u>Notes</u> 1.) Refer 2.) The p 3.) Surfar 4.) Int: 90 5.) Losse Delaware	to drilling (rimary reg e: 2° max., 8° s to be exp	filled with frill a 128 procedure latory ag , 1°/ 100 / 100'; sv pected in	safety and 0 single la e for additi gency is th ' DLS; svy y every 90 Cherry ar	d protect ateral we ional det ie BLM. / every 5 ' (svy ev id Brush	ion of the envii ill in the Bone S ail and informa 00' rery 30' in build y Canyon form	ronment as th Springs forma tion. I and drop, 3(ations. Overp	tion and co (ition and co)' in curve) ressure ma	objectives. ompleted with 5-1/2"cr ay be encountered thr	emented
							Goals Have no Have no Have no Avoid los Maintain Obtain go Deliver us	lost time o spills or ad stuck pipe t circulatio well contro bod mud lo sable wellb	r recorda verse en incidents n inciden ol and foll g data. pore to pr	ble accide vironment s. ts. ow Conoc oduction o	ents. tal impac toPhillips departme	st. s well control po ent.	blicy.			
		8-1/2" X 5-1/2"	Toe	Sleeve MD: 1	7518.86, 10	0' FNL	CONTA	CTS					Off	ice	Cell	
9 5/8 in. s MD 29	hoe 10052.38' 998.7'FSL	TARGE Formati PBTE	ET on Dip Rate:)	17,569 est 90.1° 17,569	9,493 (up dip) 9,493	Gas / Oil Gas / Oil		Drilling E G	Engineer: eologist:	Mike Ca Josh Da	allahan ay	l	832-48 281-20	6-2480 6-5620	907- <u>231-</u> 2176 423-512-0347	
Estimated Max. Antic	BH Static Temp ipated BH Pres	perature (°F): sure:	165 0.520 psi/ft	4,936 psi	10	. ppg		Field Drilli	ng Supt.:	Manny James Patrick	Castillo Taylor Wellm	o an	830-58	3-4828	956-229-1393 432-215-7079	
Max Antici DRILLING	pated Surface F FLUID:	Pressure: <u>Type</u>	<u>!</u>	1,515 psi Inte	rval	Density	Vis	Drilli. <u>PV</u>	ng Supt.: <u>YP</u>	Iroy Mo pH	cGinn <u>FL</u>	LGS	832-48 <u>NaCl</u>	6-2575 <u>Remarks</u>	346-242-4551	
l Reference	Surface: ntermediate 1: Production: Drilling Fluids F	Fresh W Brine OBM Program	ater	(M) Surface 1224' - 10052' -	D) - 1,224' 10052' - 17569'	ррд 8.6 9.5 10.5	sec/qt 28-50 28-50 50-70	сР 1-5 1-5 18-25	#/100ft2 2-6 2-6 8-14	7.5-8.5 7.5-8.5 9.5-10	mL NC NC < 8	% by vol < 5.0 < 5.0 < 8.0	ppb sol 10,000 150,000 400 - 00	Rig Tanks Rig Tanks Rig Tanks		
CASING:	Surface:	Hole 17-1/2" 12-1/4"	<u>TOP (MD)</u> 31' 31'	BTM (MD) 1,224' 10,052'	Length 1,193' 10,022'	<u>Size</u> 13 3/8 9 5/8	<u>Wt</u> 54.50 40.00	<u>Grade</u> J-55 L80-IC	Conne BT BT	C C		BOP: Minimum - Rig - Stackup -	COP Class 13-5/8"x10 Rotating He	3 Well Cor)M psi Ram ad, Annula	ntrol Requirements ns / 4-1/16"x10M psi M ar Preventer,	Manifold
CENTRAL Surface Ca Intermedia	IZATION: asing: te Casing:	8-1/2 1 per 4 joints. Shoe joint 1 per joi	3 I	7,800'. 1 per 2	17,538	5 1/2 o 2.300'. 1 per	20.00 F	2-110 ICY	.e	Υ.		Waste Handling: Mud Pit:	Pipe Ram, Mud Cross Pipe Ram Closed loop approved fa Float Based Gravity Trip	Choke & P cuttings d acility. Electronic Tank, Alar	Kill Valves), isposal system with h PVT with Flow Sens rms +/- 10 BBLS	naul off to sor and
Production CEMENT:	Liner:	Rigid body 1 per 2 j Hole	oints TD to Int MD	Shoe. Bow Spi TVD	ring 1 per 2 jo Sp	bints Int shoe to	100' above	KOP. 1 per Lea	4 joints to	o surface		Wellhead: Tail	13-5/8" x 10	M psi (Cas COMM	sing Head - "A" Sectio	on)
	Surface: Intermediate:	17-1/2"X13-3/8" 12-1/4"X9-5/8"	1,224' 10,052'	1,224' 9,493	20 b 40 bbl In + 100	bbl FW vert Spacer bbl SW	1000	sx Control 11.5ppg 2. 310 sx WB 11.5ppg 1.	Set 'C' + 66 ft3/sk L + adds 77 ft3/sk	adds	47	660 sx Type 'III 13ppg 1.34 70 sx Thermal 15ppg 1.63	l' + adds ft3/sk 35 + adds ft3/sk	Cemer Add Fi TOC 5 w/ 70%	nted to surface w/ 200 berBlock 00' into previous casii 6L / 30%T XS calc'd c	0%XS ing shoe on 12.25"
	Production:	8-1/2"X5-1/2"	17,569'	9,493'	40 bbl	Visweep	2080 sx 1 Flour + 8	l:1:0 'Poz:l % Silica Fi	_afarge (ume + ad	G' + 20% S ds	Silica			Cemer on 8.5	berBlock ited to TOL w/ 10% X ' hole, Displ. = volume	(S calc'd e to float
Reference DIRECTIO	Cementing Red	commendation						15.6 ppg 1	.19ft3/sk					collar +	-/- half shoe track	
	Comment	<u>s</u>	<u>MD</u> (ft)	INC (deg)	<u>AZI</u> (deg)	<u>TVD</u> (ft)	<u>NS</u> (ft)	<u>EW</u> (ft)	<u>DLS</u> (°/100')	<u>VS</u> (ft)	5	SEC-T-R	Section	Line Dista	ance	
	Build @ 1.5°/ End Build @	(100') 8°	3,000' 3,549'	0 8	0 241	3,000' 3,547'	0 -19	0 -34	0 1.5	0 -16	Sec 2 Sec 2	0 T26S R32E 0 T26S R32E	2640' FS 2621' FS	L 1291 L 1325	I' FEL 5' FEL	
Cor	Drop @ 1.5°/ nplete Drop, Ho	100' old to KOP	8,079' 8,627'	8	241 0	8,030' 8,577'	-338 -357	-599 -633	0.0 1.5	-277 -293	Sec 2 Sec 2	0 T26S R32E 0 T26S R32E	2302' FS 2283' FS	L 1890 L 1924)' FEL 4' FEL	
	KOP Build @ 8 Curve LP	3°/100'	8,827' 9,952'	0 90	0 359	8,777' 9,493'	-357 359	-633 -647	0 8	-293 421	Sec 2 Sec 2	0 T26S R32E 0 T26S R32E	2283' FS 2999' FS	L 1924 L 1938	FEL	
	Toe Sleeve Toe Sleeve PRHI /TD	e∠ e 1	17,469' 17,519' 17,569'	90 90	0 0 350	9,493' 9,493' 9,493'	8074 8024 7974	-788 -788 -788	0 0	7,913 7,963 8,013	Sec 1 Sec 1	7 T26S R32E 7 T26S R32E 7 T26S R32E	150' FNL 100' FNL 50' FNI	2030 2030 2030) FEL)' FEL)' FEI	
Reference	Directional Plai	n n	67,008	MWD Survey	ys will be tak	en at 90' inte	rval below	surface ca	using, 30'	while buil	ding cur	ve, and every 9	90' while drilling	ng lateral.		
	Mud Logging - Mud Logging - Open Hole -	One-Man: Two-Man: PEX	First surface Intermediate None	hole to TD. F Casing Poin	First interme t to TD	diate hole to	TD					с	orrelation W	ell:		
	- MWD -	GR/CBL/USIT	NA 200' above l	KOP to TD	11005	00 11/20				07.7.0		TIME TO -	0/7 0/ ==			
1		OUR	wurk is i	VER 30	UKGENI	OK IMPOR	τΙΑΝΙ Ι	RAIWE	CANN	ΟΙ ΙΑΚ	E I HE	TIME TO D	UTI SAFE	L ¥!		



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT PWD Data Report

APD ID: 10400043592

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: ZHU 2032 BS

Well Type: OIL WELL

Submission Date: 07/17/2019

Well Number: 6H Well Work Type: Drill

Section 1 - General

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

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO Produced Water Disposal (PWD) Location: **PWD surface owner:** Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: Pit liner description: Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment:

PWD disturbance (acres):

Operator Name: CONOCOPHILLIPS COMPANY Well Name: ZHU 2032 BS

Well Number: 6H

Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount: Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD disturbance (acres): PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

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

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

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

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

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

Well Number: 6H

Is the reclamation bond a rider under the BLM bond?	
Unlined pit bond number:	
Unlined pit bond amount:	
Additional bond information attachment:	
Section 4 Injection	
Section 4 - Injection	
Would you like to utilize Injection PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Injection PWD discharge volume (bbl/day):	
Injection well mineral owner:	
Injection well type:	
Injection well number:	Injection well name:
Assigned injection well API number?	Injection well API number:
Injection well new surface disturbance (acres):	
Minerals protection information:	
Mineral protection attachment:	
Underground Injection Control (UIC) Permit?	
UIC Permit attachment:	
Section 5 - Surface Discharge	
Section 5 - Surface Discharge	10
Would you like to utilize Surface Discharge PWD options? N	10
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Surface discharge PWD discharge volume (bbl/day):	
Surface Discharge NPDES Permit?	
Surface Discharge NPDES Permit attachment:	
Surface Discharge site facilities information:	
Surface discharge site facilities map:	

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

PWD disturbance (acres):

Operator Name: CONOCOPHILLIPS COMPANY

Well Name: ZHU 2032 BS

Well Number: 6H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Info Data Report

06/09/2020

APD ID: 10400043592

Operator Name: CONOCOPHILLIPS COMPANY Well Name: ZHU 2032 BS Well Type: OIL WELL

Submission Date: 07/17/2019

all and the

Well Number: 6H Well Work Type: Drill Highlighted data reflects the most recent changes

Show Final Text

Bond Information

Federal/Indian APD: FED BLM Bond number: ES0085 BIA Bond number: Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

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 Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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

AMENDED REPORT

OCD-HOBBS 06/09/2020 RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT 30-025-47304 ² Pool Code ³ Pool Name 98009 Zia Hills; Bone Spring Pool ⁴ Property Code 328111 Property Name Well Number ZHU 2032 BS 6H ⁷ OGRID No. ⁸ Operator Name ⁹Elevation 3,143.3' (NAVD88) ConocoPhillips Company 217817 ¹⁰ Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County LEA COUNTY 20 26 S 32 E 2,640' SOUTH EAST 1.291' Bottom Hole Location If Different From Surface Section Township UL or lot no. Lot Idn Feet from the North/South line Feet from the East/West line County Range 17 26 S 32 E NORTH EAST LEA COUNTY 50' 2,030' В ¹² Dedicated Acres ³Joint or Infill Consolidation Code Order No. 240

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.



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

06/09/2020

RECEIVED

GAS CAPTURE PLAN

X Original	Operator & OGRID No.: ConocoPhillips Company/ 217817
□ Amended	Date: 6/19/19
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: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule 19.15.18.12.A

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
ZHU 2032 BS 5H, 6H, 7H, 8H	Pending	Sec. 20, T26S, 32E	Various		Flared	Flaring is expected to be sporadic
#006H 3	0-025-473	04				

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 Enterprise and will be connected to Enterprise place. The gas produced from production facility is dedicated to low/high pressure gathering system located in Lea County, New Mexico. It will require 568' of pipeline to connect the facility to low/high pressure gathering system. Conocophillips provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Enterprise and Conocophillips have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise Processing Plant located in Oral, Texas Reeves County,

Texas. 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 Gas Transporter system at that time. Based on current information, it is Operator'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 •
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines