LIMITED STATES

OCD - HOBBS

FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018

UNITED STATE	20	- A				
DEPARTMENT OF THE BUREAU OF LAND MAN	INTERIOR			5. Lease Serial No.		
APPLICATION FOR PERMIT TO	DRILL OR	REENTER		6. If Indian, Allotee	or Tribe Name	
1a. Type of work: DRILL	REENTER			7. If Unit or CA Ag	reement, Name	and No.
1b. Type of Well: Oil Well Gas Well	Other			8. Lease Name and	Well No	
1c. Type of Completion: Hydraulic Fracturing	Single Zone	Multiple Zone		o. Lease Ivame and	Well IVO.	
					[326534]	
2. I taine of Operator	ERATING LL Form 3160-5	.C [229137]		9. API Well No.	30-025-479	931
3a. Address	3b. Phone	No. (include area co	ode)	10. Field and Pool,	or Exploratory	[96340]
Location of Well (Report location clearly and in accordance At surface At proposed prod. zone	with any Stat	e requirements.*)		11. Sec., T. R. M. o	r Blk. and Surve	ey or Area
14. Distance in miles and direction from nearest town or post or	ffice*			12. County or Paris	h 13. S	State
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of a	acres in lease	17. Space	ing Unit dedicated to	this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Propos	ed Depth	20. BLM	/BIA Bond No. in file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approx	ximate date work wi	ll start*	23. Estimated durat	ion	
	24. Atta	chments				
The following, completed in accordance with the requirements (as applicable)	of Onshore O	il and Gas Order No	. 1, and the	Hydraulic Fracturing	rule 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 Syst SUPO must be filed with the appropriate Forest Service Office 		Item 20 above 5. Operator certi). fication.	ns unless covered by a	C	`
25. Signature	Nam	e (Printed/Typed)			Date	
Title						
Approved by (Signature)	Nam	e (Printed/Typed)			Date	
Title	Offic	ce			1	
Application approval does not warrant or certify that the application applicant to conduct operations thereon.	ant holds legal	l or equitable title to	those rights	s in the subject lease w	which would enti	itle the

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 10/26/2020

SL



*(Instructions on page 2)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | ENERGEN RESOURCES CORPORATION

LEASE NO.: NMNM136223

WELL NAME & NO.: | 354H – PITCHBLENDE FED 24-25

SURFACE HOLE FOOTAGE: 450/N & 610'/E **BOTTOM HOLE FOOTAGE** 100'/S & 330'/E

LOCATION: | SECTION 24, T25S, R34E, NMPM

COUNTY: LEA

COA

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

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Wolfcamp** formation. 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

Primary Casing Design:

- 1. The 13-3/8 inch surface casing shall be set at approximately 1010 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.

Page 1 of 9

Approval Date: 07/11/2019

- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

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 calculates to 0% - 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.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Single Stage):

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

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 should tie-back at least 200 feet into previous casing string.
 Operator shall provide method of verification. Excess calculates to 2% additional cement might be required.

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.

Option 2:

- 1. 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 **5000** (**5M**) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

e.	Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

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)
 - Chaves and Roosevelt Counties
 Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
 During office hours call (575) 627-0272.
 After office hours call (575)
 - 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.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
- 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: 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.
- 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.

NMK712019

Page 9 of 9



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

Operator Certification Data Report

Operator Certification

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

NAME: Jenifer Sorley Signed on: 06/07/2018

Title: Regulatory Analyst

Street Address: 1101 17th Street, Suite 1800

City: Denver State: CO Zip: 80202

Phone: (432)315-0138

Email address: Jenifer.Sorley@cdevinc.com

Field Representative

Representative Name:

Street Address: 3510 North A Street Bldg A & B

City: Midland State: TX Zip: 79705

Phone: (432)818-1732

Email address: jenifer.sorley@energen.com



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

Application Data Report

06/24/2020

APD ID: 10400036329 **Submission Date:** 11/15/2018

Operator Name: ENERGEN RESOURCES CORPORATION

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - General

BLM Office: CARLSBAD User: Jenifer Sorley Title: Regulatory Analyst

Federal/Indian APD: FED Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM136223 Lease Acres: 2160.08

Surface access agreement in place? Allotted? Reservation:

Agreement in place? NO Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? NO

Permitting Agent? NO APD Operator: ENERGEN RESOURCES CORPORATION

Operator letter of designation:

Operator Info

Operator Organization Name: ENERGEN RESOURCES CORPORATION

Operator Address: 3510 North A Street Bldg A & B
Zip: 79705

Operator PO Box:

Operator City: Midland State: TX

Operator Phone: (432)687-1155

Operator Internet Address: midlandrrc@energen.com

Section 2 - Well Information

Well in Master Development Plan? NO Master Development Plan name:

Well in Master SUPO? NO Master SUPO name:

Well in Master Drilling Plan? NO Master Drilling Plan name:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H Well API Number:

Field/Pool or Exploratory? Exploratory Field Name: MALAGA Pool Name: DOGIE

DRAW;DELAWARE

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

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

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

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: MULTIPLE WELL Multiple Well Pad Name: PAD Number: 4

OL- - - LIODIZONTAL

Well Class: HORIZONTAL Number of Legs: 1

Well Work Type: Drill
Well Type: OIL WELL
Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 8.6 Miles Distance to nearest well: 50 FT Distance to lease line: 100 FT

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat: Google_Map_from_Jal_to_Pitchblende_location_entrance_20180531075625.pdf

Pitchblende_Fed_24_25__354H_Revised_5_7_19_20190508065700.pdf

Well work start Date: 01/01/2019 Duration: 60 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 Vertical Datum: NAVD88

Survey number: 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 Leg #1	450	FNL	610	FEL	25S	34E	24	Lot A	32.12195 28	- 103.4171 077	LEA	NEW MEXI CO	–	F	NMNM 136223	334 9	0	0	
KOP Leg #1	450	FNL	610	FEL	25S	34E	24	Lot A	32.12195 28	- 103.4171 077	LEA	NEW MEXI CO	–	F	NMNM 136223		900 0	900 0	

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

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?
PPP	100	FNL	330	FEL	25S	34E	24	Lot	32.12204	-	LEA	NEW	NEW	F	NMNM	-	113	110	
Leg								Α	05	103.2831		MEXI			136223	768	98	30	
#1-1										763		CO	CO			1			
EXIT	100	FSL	330	FEL	25S	34E	25	Lot	32.09442	-	LEA	NEW	NEW	F	NMNM	-	212	110	
Leg								Р	41	103.4162		MEXI	MEXI		136223	768	64	30	
#1										1		CO	CO			1			
BHL	100	FSL	330	FEL	25S	34E	25	Lot	32.09442	-	LEA	NEW	NEW	F	NMNM	-	212	110	
Leg								Р	41	103.4162		MEXI	MEXI		136223	768	64	30	
#1										1		CO	CO			1			



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

Drilling Plan Data Report

06/24/2020

APD ID: 10400036329 **Submission Date:** 11/15/2018

Operator Name: ENERGEN RESOURCES CORPORATION

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
342284	QUATERNARY	3353	0	0	SANDSTONE	NONE	N
342285	RUSTLER	2354	975	975	LIMESTONE, SANDSTONE, SHALE	NONE	N
342286	BASE OF SALT	-1826	5155	5155	ANHYDRITE	NONE	N
342287	BELL CANYON	-2111	5440	5440	LIMESTONE, SANDSTONE, SHALE	NONE	N
342288	CHERRY CANYON	-3101	6430	6430	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	N
342289	BRUSHY CANYON	-4801	8130	8130	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 13000

Equipment: • A BOP consisting of 3 rams with 2 pipe rams, 1 blind ram and one annular preventer. The BOP will be utilized below surface casing to TD. Also present will be an accumulator that meets the requirements of Onshore Order #2 for the pressure rating on the BOP stack. A rotating head will also be installed as needed. BOP will be inspected and operated as recommended in Onshore Order #2. A Kelly cock and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position.

Requesting Variance? YES

Variance request: Energen requests a variance to have the option of running a speed head for the setting of intermediate 1. If running a speed head with landing mandrel for the 9-5/8" casing, then a minimum 5M BOPE system will be installed after surface casing is set. BOP test pressures will be 250 psi low and 5000 psi high. Annular will be tested to 250 psi low and 3500 psi high before drilling below the intermediate shoe. A diagram of the speed head is attached. Energen requests a variance to drill this well using a co-flex line between the BOP and Choke manifold. Certification for the proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. If the specific hose is not available, then one of equal or higher rating will be used.

Testing Procedure: Pressure tests will be conducted before drilling out from under all casing strings. BOP will be inspected and operated as required by Onshore Order #2. Kelly cock sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position. A third-party company will test the BOP's. After setting the surface casing, and before drilling the surface casing shoe, a minimum 5M BOPE system will be installed and tested to 250 psi low and 5000 psi high. Annular will be tested to 250 psi low and 3500 psi high. After setting intermediate 1 casing, a 5M system will installed and tested to 250 psi low and 5000 psi high with the annular being tested to 250 psi low and 3500 psi high. The 13-3/8" 5M flange on the wellhead will also be be tested to 5000 psi at this time.

Choke Diagram Attachment:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

CHOKE_HOSE_M12395_20180508112518.pdf

3rd_Choke_Drawing_20180508111615.PDF

BOP Diagram Attachment:

BOP_drawing_20180508112533.pdf

ENERGEN_STACK_UP_3_string_20181114145716.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	1010	0	1010	3329	2319	1010	J-55	61	BUTT	3.49 1	7.00 4		16.6 37	DRY	15.6 14
	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	5300	0	5300	3329	-1971	5300	L-80	40	BUTT	1.15 6	2.15 1	DRY	4.46 7	DRY	4.32 1
	PRODUCTI ON	8.75	5.5	NEW	API	N	0	21264	0	11030			21264	OTH ER		OTHER - DQXHT	2.88 1	2.87 9	DRY	2.73 2	DRY	2.87 4

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

13_Pipe_Body_and_API_Connections_Performance_Data_13.3750_61.0000_0.4300__J..._20180604092821.pdf

Casing_1_20181114142520.pdf

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

9_Pipe_Body_and_API_Connections_Performance_Data_9.6250_40.0000_0.3950__L8..._20180604092841.pdf
Casing_1_20181114142528.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

5.5_Technical_Data_Sheet_TMK_UP_DQXHT_5.5_x_20_P110_CY_20180604092857.PDF Casing_1_20181114142536.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	610	605	1.75	13.5	1059	150	100% Class C	4% gel, + 2% CaCl2 + .25 #/sx cello flake + .75 Gal/100sxs CF-41L
SURFACE	Tail		610	1010	514	1.35	14.8	694	150	100% Class C	2% CaCl2 + .75 Gal/100 sx CF-41L
INTERMEDIATE	Lead		0	4100	585	2.47	11.8	1441	100	50% Class C + 50% Poz	10% Gel + .25# cello flake + 3#/sx kolseal + Salt + .75 Gal/100 sxs

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
											CR-41L
INTERMEDIATE	Tail		4100	5300	200	1.33	14.8	249	25	100% Class C	.15% O-Tx20 + .75 gal/100-sxs Cf-41
PRODUCTION	Lead		4000	8000	562	2	10.3	1124	150	100% TXI lite	10% Gel + .5% C-16A + .2% SMS + .2% C-49 + .3% Citric Acid + 10#/sx CSE-2 + 5#/sx Plexcrete STE + 5#/sxs Gilsonite C + .25 #/SX Plexfiber-A + .75 - Gal/100 sx CF-41L + .1 GPS C-20L
PRODUCTION	Tail		8000	2126 4	2520	1.33	13.2	3350	25	100% TXI Lite	.5% OTX47A + .75 - Gal/100 sx CF-41L + .1 GPS C-20L

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: All necessary mud products (barite, bentonite, LCM) for weight addition and fluid loss control will be on location at all times. Mud program is subject to change due to hole conditions.

Describe the mud monitoring system utilized: An Electronic MD Totco mud monitoring system complying with Onshore Order 1 will be used.

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1010	OTHER : Fresh water	8.4	8.5			8.4				

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
1010	5300	OTHER : Brine	9.7	10			10				
5300	1103 0	OIL-BASED MUD	8.8	9							

Section 6 - Test, Logging, Coring

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

No production test will take place.

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

CBL,DS,MWD,MUDLOG

Coring operation description for the well:

none

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5162 Anticipated Surface Pressure: 2735.4

Anticipated Bottom Hole Temperature(F): 145

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

Hydrogen sulfide drilling operations plan:

Location_Drawing_Pad_1_20180601090204.pdf

Contacts_20180511090014.pdf

Hydrogen_Sulfide_Drilling_Operations_Plan_20180511085957.pdf

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

 $Energen \underline{\hspace{0.5cm}} Pitchblende \underline{\hspace{0.5cm}} Fed \underline{\hspace{0.5cm}} 24 \underline{\hspace{0.5cm}} 25 \underline{\hspace{0.5cm}} 354 H \underline{\hspace{0.5cm}} Lateral \underline{\hspace{0.5cm}} Wall \underline{\hspace{0.5cm}} p1 \underline{\hspace{0.5cm}} 20181114142812.pdf$

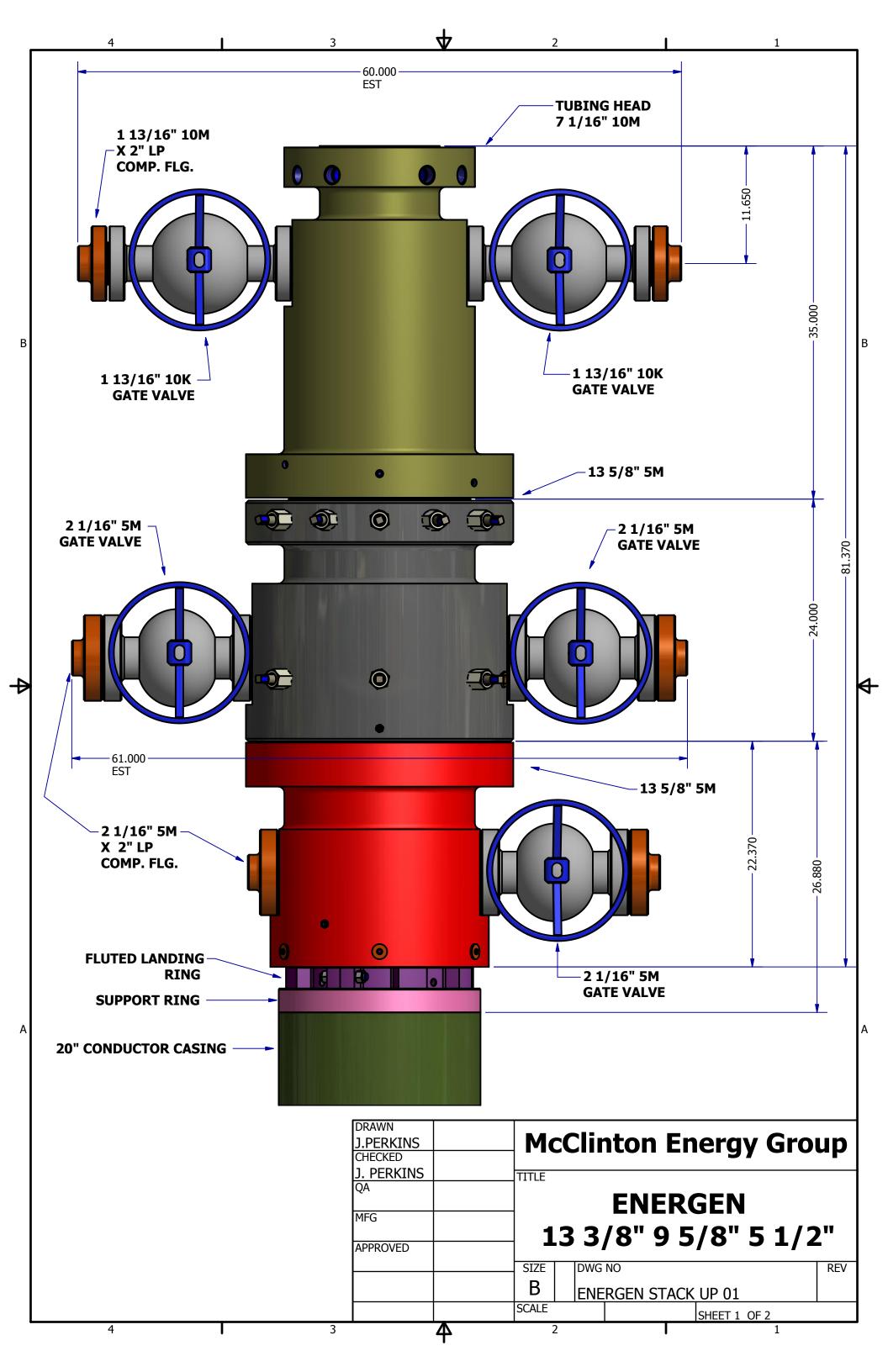
Energen___Pitchblende_Fed_24_25_354H_Lateral_Plan_Data_p1_20181114142819.pdf

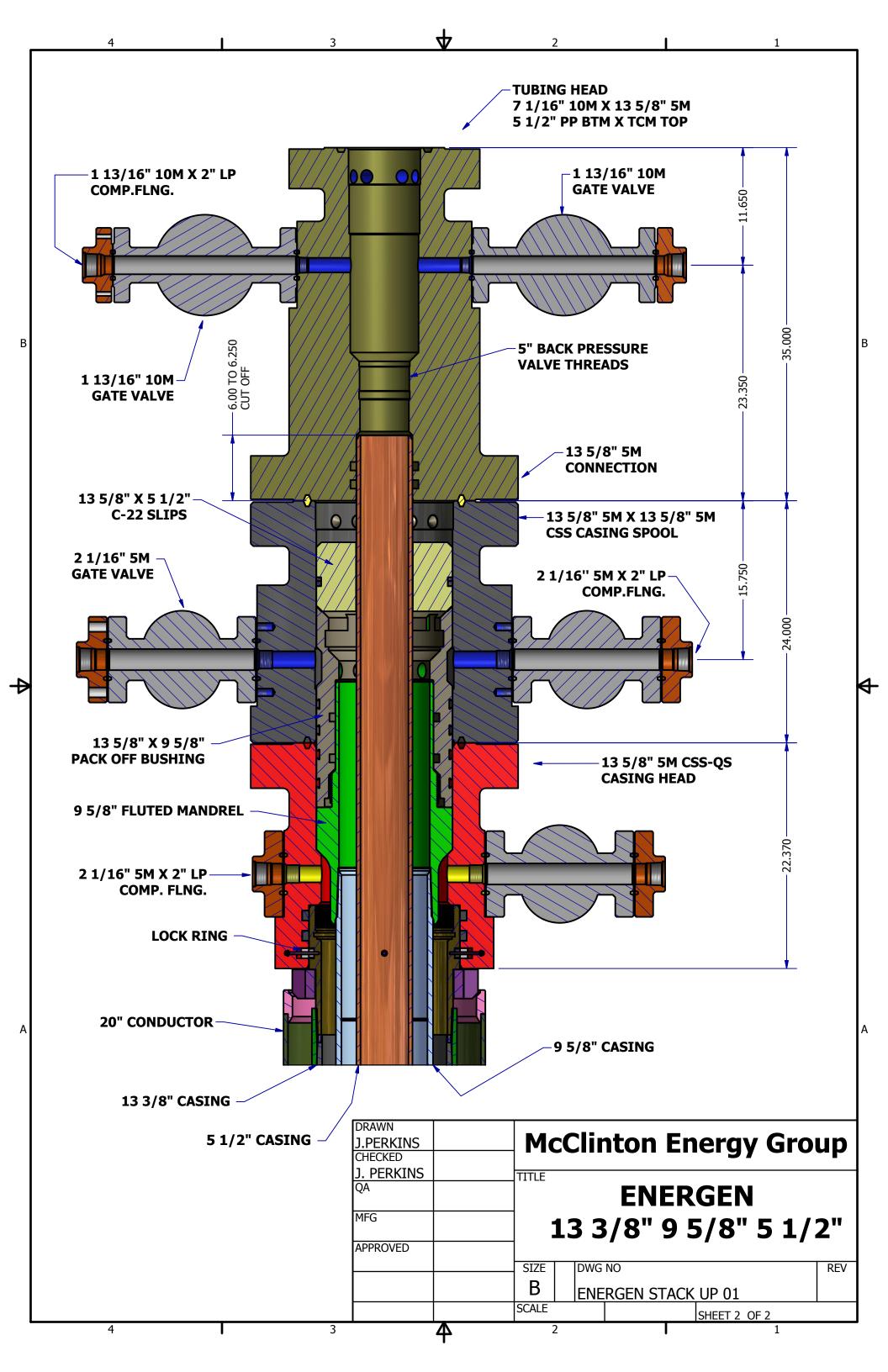
Other proposed operations facets description:

Other proposed operations facets attachment:

Gas_Capture_354H_20181115054629.pdf

Other Variance attachment:







Contact Information

In at this time the supervising person determines the release of H2S cannot be contained to the site loction and the general public is in harm's way he will take the necessary steps to protect the workers and the public.

Key Personnel	Title	Office	Mobile
Richard Adams	Drilling Manager	432-818-1747	432-557-1864
Manny Heald	Drilling Supt.	432-688-3330	432-967-5016
Santos Moroles	Drilling Supt.	432-818-1722	432-238-0031
Andy Cobb	Dir EH&S	432-686-3599	432-557-3145
Callie Marsh	Sr. Cood E&S	432-688-3337	432-634-3752

Callle Marsh	31. C000 E&3	432-000-3337	452-054-5	7732
Lea County				Contact
Ambulance				911
Nor Lea General Hospital (Hol	obs)			575-397-0560
State Police (Hobbs)				575-392-5580
City Police (Hobbs)				575-397-9625
Sheriff's Office (Lovington)				575-396-3611
Fire Marshall (Lovington)				575-391-2983
Volunteer Fire Dept. (Jal)				575-395-2221
Emergency Management (Lov	rington)			575-391-2983
New Mexico Oil Conservation	Division (Hobbls)			575-393-6161
BLM (Hobbs)				575-393-3612
Hobbs Animal Clinic				575-392-5563
Dal Paso Animal Hospital (Hol	obs)			575-397-2286
Mountain States Equine (Hob	bs)			575-392-7488
Carlsbad				
BLM				575-234-5972
Santa Fe				
New Mexico Emergency Resp	onse Commission			505-476-9600
New Mexico Emergency Resp	onse Commission (24 h	nrs)		505-827-9126
New Mexico State Emergency	Operations Center			505-476-9635
National				
National Emergency Response	Center (Washington,	D.C.)		800-424-8802
Medical				
Flight for Life - 4000 24th Lub	bock, Tx			806-743-9911
Aerocare - R3, Box 49F; Lubbo	ock, Tx			806-747-8923
Med Flight Air Amb - 2301 Ya	e Blvd SD, D3; Albuque	rque, NM		505-842-4433
SB Air Med Service - 2505 Cla	rk Carr Loop SE; Albuqu	ierque, NM		505-842-4949
Other				
Boots & Coots IWC				800-256-9688
Cudd Pressure Control				432-699-0139
NM Dept. of Transportation (Roswell)			575-637-7200
<u> </u>				



Hydrogen Sulfide Drilling Operations Plan

1. Hydrogen Sulfide Training

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

- The hazards and characteristics of hydrogen sulfide (H2S).
- The proper use and maintenance of personal protective equipment and life support systems.
- The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- The proper techniques for first aid and rescue procedures.

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

- The effects of H2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- The contents and requirements of the H2S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500') and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

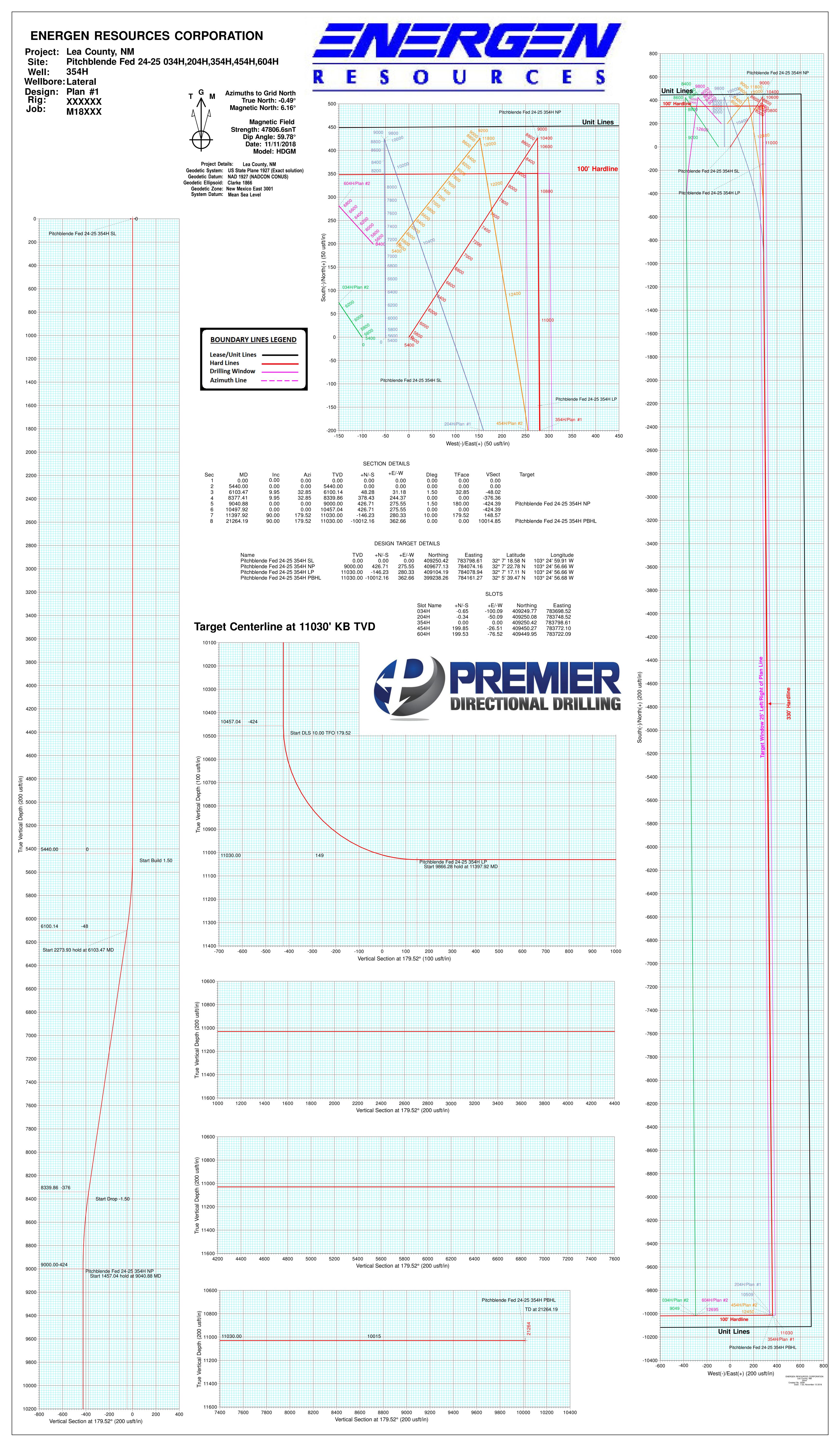
2. H2S Safety Equipment and systems

Note: All H2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500' above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S. If H2S greater than 100 ppm is encountered in the gas stream, we will shut in the install H2S equipment.

- Well Control Equipment:
 - o Flare Line.

- o Choke manifold with remotely operated choke.
- Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
- Auxiliary equipment to include: annular preventer, mud-gas, separator, rotating head.
- Protective equipment for essential personnel:
 - Mark II Surviveair 30 minute units located in the dog house and at briefing areas.
- H2S detection and monitoring equipment:
 - 2 portable H2S monitors positioned on location for best coverage and response.
 These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- Visual warning systems:
 - Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a 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 the surface.

Energen has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal.



ENERGEN RESOURCES CORPORATION

Lea County, NM Pitchblende Fed 24-25 034H,204H,354H,454H,604H 354H - Slot 354H

Lateral

Plan: Plan #1

Standard Planning Report

12 November, 2018

EDM 5000.14 Multi User Database:

Company: **ENERGEN RESOURCES CORPORATION**

Project: Lea County, NM Site: Pitchblende Fed 24-25

034H,204H,354H,454H,604H

Well: Wellbore: Lateral Plan #1 Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference: 3349+25 @ 3374.00usft (EST) 3349+25 @ 3374.00usft (EST)

Grid

Mean Sea Level

Survey Calculation Method:

Minimum Curvature

Well 354H - Slot 354H

Project Lea County, NM

Map System: US State Plane 1927 (Exact solution) NAD 1927 (NADCON CONUS) Geo Datum:

New Mexico East 3001 Map Zone:

System Datum:

Site Pitchblende Fed 24-25 034H,204H,354H,454H,604H, centered on 034H

Northing: 409,249.77 usft 32° 7' 18.58 N Site Position: Latitude: 783,698.52 usft 103° 25' 1.07 W From: Мар Easting: Longitude: **Position Uncertainty:** 0.00 usft Slot Radius: 13.200 in **Grid Convergence:** 0.49°

Well 354H - Slot 354H

32° 7' 18 58 N +N/-S 0.65 usft 409.250.42 usft Well Position Northing: Latitude:

+E/-W 100.09 usft Easting: 783,798.61 usft Longitude: 103° 24' 59.91 W **Position Uncertainty** 0.00 usft Wellhead Elevation: **Ground Level:** 3.349.00 usft

Lateral Wellbore Magnetics **Model Name** Sample Date Declination **Dip Angle** Field Strength (°) (°) (nT) **HDGM** 11/11/2018 6.65 59.78 47,807

Design Plan #1 Audit Notes: PLAN 0.00 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.00 0.00 179.52 0.00

Plan Survey Tool Program 11/12/2018 Date

Depth From Depth To

(usft) (usft)

Survey (Wellbore)

Tool Name Remarks

0.00 21,264.19 MWD+HRGM Plan #1 (Lateral)

OWSG MWD + HRGM

Plan Sections Dogleg Vertical Build Turn Measured Depth Inclination Azimuth Depth +N/-S +E/-W Rate Rate Rate TFO (°/100ft) (°/100ft) (°/100ft) (usft) (°) (°) (usft) (usft) (usft) (°) Target 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 5,440.00 0.00 5,440.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 6,103.47 9.95 32.85 6,100.14 48.28 31.18 1.50 1.50 0.00 32.85 8,377.41 32.85 0.00 9 95 8,339.86 378 43 244 37 0.00 0.00 0.00 9,040.88 0.00 9,000.00 426.71 275.55 180.00 Pitchblende Fed 24-2 0.00 1.50 -1.500.00 10,497.92 0.00 0.00 10,457.04 426.71 275.55 0.00 0.00 0.00 0.00 11,397.92 90.00 179.52 11,030.00 -146.23 280.33 10.00 10.00 19.95 179.52 11,030.00 -10,012.16 362.66 21,264.19 90.00 179.52 0.00 0.00 0.00 0.00 Pitchblende Fed 24-2

Database: EDM 5000.14 Multi User

Company: ENERGEN RESOURCES CORPORATION

Project: Lea County, NM Site: Pitchblende Fed

Pitchblende Fed 24-25 034H,204H,354H,454H,604H

Well: 354H
Wellbore: Lateral
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 354H - Slot 354H

3349+25 @ 3374.00usft (EST) 3349+25 @ 3374.00usft (EST)

Grid

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

Database: EDM 5000.14 Multi User Company:

ENERGEN RESOURCES CORPORATION

Project: Site:

Lea County, NM Pitchblende Fed 24-25 034H,204H,354H,454H,604H

Well: 354H Wellbore: Lateral Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 354H - Slot 354H

3349+25 @ 3374.00usft (EST) 3349+25 @ 3374.00usft (EST)

nned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,300.00 5,400.00		0.00 0.00	5,300.00 5,400.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
5,440.00	0.00	0.00	5,440.00	0.00	0.00	0.00	0.00	0.00	0.00
5,500.00		32.85	5,500.00	0.40	0.26	-0.39	1.50	1.50	0.00
5,600.00		32.85	5,599.95	2.81	1.82	-2.80	1.50	1.50	0.00
5,700.00		32.85	5,699.80	7.43	4.80	-7.39	1.50	1.50	0.00
5,800.00	5.40	32.85	5,799.47	14.24	9.20	-14.16	1.50	1.50	0.00
5,900.00		32.85	5,898.89	23.24	15.01	-23.11	1.50	1.50	0.00
6,000.00		32.85	5,998.00	34.42	22.23	-34.24	1.50	1.50	0.00
6,103.47		32.85	6,100.14	48.28	31.18	-48.02	1.50	1.50	0.00
6,200.00		32.85	6,195.22	62.30	40.23	-61.96	0.00	0.00	0.00
6,300.00		32.85	6,293.71	76.82	49.61	-76.40	0.00	0.00	0.00
6,400.00		32.85	6,392.21	91.34	58.98	-90.84	0.00	0.00	0.00
6,500.00		32.85	6,490.70	105.85	68.36	-105.28	0.00	0.00	0.00
6,600.00		32.85	6,589.20	120.37	77.73	-119.72	0.00	0.00	0.00
6,700.00		32.85	6,687.69	134.89	87.11	-134.16	0.00	0.00	0.00
6,800.00		32.85	6,786.19	149.41	96.48	-148.60	0.00	0.00	0.00
6,900.00		32.85	6,884.68	163.93	105.86	-163.04	0.00	0.00	0.00
7,000.00		32.85	6,983.18	178.45	115.23	-177.48	0.00	0.00	0.00
7,100.00		32.85	7,081.67 7,180.17	192.97	124.61	-191.91 -206.35	0.00	0.00 0.00	0.00 0.00
7,200.00 7,300.00		32.85 32.85	7,160.17	207.48 222.00	133.98 143.36	-206.35 -220.79	0.00 0.00	0.00	0.00
7,400.00		32.85	7,377.16	236.52	152.73	-235.23	0.00	0.00	0.00
7,500.00		32.85	7,475.65	251.04	162.11	-249.67	0.00	0.00	0.00
7,600.00 7,700.00		32.85 32.85	7,574.15 7,672.65	265.56 280.08	171.49 180.86	-264.11 -278.55	0.00 0.00	0.00 0.00	0.00 0.00
7,800.00		32.85	7,072.03	294.59	190.24	-270.33	0.00	0.00	0.00
7,900.00	9.95	32.85	7,869.64	309.11	199.61	-307.43	0.00	0.00	0.00
8,000.00		32.85	7,968.13	323.63	208.99	-321.87	0.00	0.00	0.00
8,100.00		32.85	8,066.63	338.15	218.36	-336.31	0.00	0.00	0.00
8,200.00		32.85	8,165.12	352.67	227.74	-350.75	0.00	0.00	0.00
8,300.00	9.95	32.85	8,263.62	367.19	237.11	-365.19	0.00	0.00	0.00
8,377.41	9.95	32.85	8,339.86	378.43	244.37	-376.37	0.00	0.00	0.00
8,400.00		32.85	8,362.12	381.65	246.45	-379.57	1.50	-1.50	0.00
8,500.00		32.85	8,460.93	394.59	254.81	-392.44	1.50	-1.50	0.00
8,600.00		32.85	8,560.10	405.36	261.76	-403.15	1.50	-1.50	0.00
8,700.00	5.11	32.85	8,659.57	413.94	267.30	-411.69	1.50	-1.50	0.00
8,800.00		32.85	8,759.28	420.33	271.43	-418.04	1.50	-1.50	0.00
8,900.00		32.85	8,859.15	424.53	274.14	-422.22	1.50	-1.50	0.00
9,000.00		32.85	8,959.12	426.53	275.43	-424.20	1.50	-1.50	0.00
9,040.88		0.00	9,000.00	426.71	275.55	-424.39	1.50	-1.50	0.00
9,100.00	0.00	0.00	9,059.12	426.71	275.55	-424.39	0.00	0.00	0.00
9,200.00		0.00	9,159.12	426.71	275.55	-424.39	0.00	0.00	0.00
9,300.00		0.00	9,259.12	426.71	275.55	-424.39	0.00	0.00	0.00
9,400.00		0.00	9,359.12	426.71	275.55	-424.39	0.00	0.00	0.00
9,500.00 9,600.00		0.00 0.00	9,459.12 9,559.12	426.71 426.71	275.55 275.55	-424.39 -424.39	0.00 0.00	0.00 0.00	0.00 0.00
9,700.00		0.00	9,659.12	426.71	275.55	-424.39	0.00	0.00	0.00
9,800.00		0.00	9,759.12	426.71	275.55	-424.39	0.00	0.00	0.00
9,900.00 10,000.00	0.00 0.00	0.00	9,859.12 9,959.12	426.71 426.71	275.55 275.55	-424.39 -424.39	0.00	0.00	0.00
10,000.00		0.00 0.00	10,059.12	426.71 426.71	275.55 275.55	-424.39 -424.39	0.00 0.00	0.00 0.00	0.00 0.00
10,200.00	0.00	0.00	10,159.12	426.71	275.55	-424.39	0.00	0.00	0.00

Database: EDM 5000.14 Multi User

Company: ENERGEN RESOURCES CORPORATION

Project: Lea County, NM
Site: Pitchblende Fed 24-25

034H,204H,354H,454H,604H

Well: 354H
Wellbore: Lateral
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well 354H - Slot 354H

3349+25 @ 3374.00usft (EST) 3349+25 @ 3374.00usft (EST)

Grid

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,300.00	0.00	0.00	10,259.12	426.71	275.55	-424.39	0.00	0.00	0.00
10,400.00	0.00	0.00	10,359.12	426.71	275.55	-424.39	0.00	0.00	0.00
10,497.92	0.00	0.00	10,457.04	426.71	275.55	-424.39	0.00	0.00	0.00
10,500.00	0.21	179.52	10,459.12	426.71	275.55	-424.38	10.00	10.00	0.00
10,550.00	5.21	179.52	10,509.05	424.34	275.57	-422.02	10.00	10.00	0.00
10,600.00	10.21	179.52	10,558.58	417.64	275.63	-415.32	10.00	10.00	0.00
10,650.00	15.21	179.52	10,607.34	406.65	275.72	-404.32	10.00	10.00	0.00
10,700.00	20.21	179.52	10,654.96	391.44	275.84	-389.12	10.00	10.00	0.00
10,750.00	25.21	179.52	10,701.07	372.15	276.01	-369.82	10.00	10.00	0.00
10,800.00	30.21	179.52	10,745.32	348.91	276.20	-346.58	10.00	10.00	0.00
10,850.00	35.21	179.52	10,787.38	321.90	276.42	-319.57	10.00	10.00	0.00
10,900.00	40.21	179.52	10,826.92	291.33	276.68	-289.00	10.00	10.00	0.00
10,950.00	45.21	179.52	10,863.65	257.43	276.96	-255.10	10.00	10.00	0.00
11,000.00	50.21	179.52	10,897.29	220.45	277.27	-218.12	10.00	10.00	0.00
11,050.00	55.21	179.52	10.927.57	180.69	277.60	-178.36	10.00	10.00	0.00
11,100.00	60.21	179.52	10,954.27	138.44	277.96	-136.10	10.00	10.00	0.00
11,150.00	65.21	179.52	10,977.19	94.02	278.33	-91.68	10.00	10.00	0.00
11,200.00	70.21	179.52	10,996.15	47.77	278.71	-45.43	10.00	10.00	0.00
11,250.00	75.21	179.52	11,011.01	0.05	279.11	2.29	10.00	10.00	0.00
11,300.00	80.21	179.52	11,021.65	-48.79	279.52	51.13	10.00	10.00	0.00
11,350.00	85.21	179.52	11,027.99	-98.37	279.93	100.71	10.00	10.00	0.00
11,397.92	90.00	179.52	11,030.00	-146.23	280.33	148.57	10.00	10.00	0.00
11,400.00	90.00	179.52	11,030.00	-148.31	280.35	150.65	0.00	0.00	0.00
11,500.00	90.00	179.52	11,030.00	-248.31	281.18	250.65	0.00	0.00	0.00
-									
11,600.00	90.00	179.52	11,030.00	-348.30	282.02	350.65	0.00	0.00	0.00
11,700.00 11,800.00	90.00 90.00	179.52 179.52	11,030.00 11,030.00	-448.30 -548.30	282.85 283.69	450.65 550.65	0.00 0.00	0.00 0.00	0.00 0.00
11,900.00	90.00	179.52	11,030.00	-648.29	284.52	650.65	0.00	0.00	0.00
12,000.00	90.00	179.52	11,030.00	-748.29	285.36	750.65	0.00	0.00	0.00
-									
12,100.00	90.00	179.52	11,030.00	-848.28	286.19	850.65	0.00	0.00	0.00
12,200.00	90.00	179.52	11,030.00	-948.28	287.02	950.65	0.00	0.00	0.00
12,300.00	90.00	179.52	11,030.00	-1,048.28	287.86	1,050.65	0.00	0.00	0.00
12,400.00	90.00	179.52	11,030.00	-1,148.27	288.69	1,150.65	0.00	0.00	0.00
12,500.00	90.00	179.52	11,030.00	-1,248.27	289.53	1,250.65	0.00	0.00	0.00
12,600.00	90.00	179.52	11,030.00	-1,348.27	290.36	1,350.65	0.00	0.00	0.00
12,700.00	90.00	179.52	11,030.00	-1,448.26	291.20	1,450.65	0.00	0.00	0.00
12,800.00	90.00	179.52	11,030.00	-1,548.26	292.03	1,550.65	0.00	0.00	0.00
12,900.00	90.00	179.52	11,030.00	-1,648.26	292.87	1,650.65	0.00	0.00	0.00
13,000.00	90.00	179.52	11,030.00	-1,748.25	293.70	1,750.65	0.00	0.00	0.00
13,100.00	90.00	179.52	11,030.00	-1,848.25	294.53	1,850.65	0.00	0.00	0.00
13,200.00	90.00	179.52	11,030.00	-1,948.25	295.37	1,950.65	0.00	0.00	0.00
13,300.00	90.00	179.52	11,030.00	-2,048.24	296.20	2,050.65	0.00	0.00	0.00
13,400.00	90.00	179.52	11,030.00	-2,148.24	297.04	2,150.65	0.00	0.00	0.00
13,500.00	90.00	179.52	11,030.00	-2,248.24	297.87	2,250.65	0.00	0.00	0.00
13,600.00	90.00	179.52	11,030.00	-2,348.23	298.71	2,350.65	0.00	0.00	0.00
13,700.00	90.00	179.52	11,030.00	-2,448.23	299.54	2,450.65	0.00	0.00	0.00
13,800.00	90.00	179.52	11,030.00	-2,548.23	300.38	2,550.65	0.00	0.00	0.00
13,900.00	90.00	179.52	11,030.00	-2,648.22	301.21	2,650.65	0.00	0.00	0.00
14,000.00	90.00	179.52	11,030.00	-2,748.22	302.04	2,750.65	0.00	0.00	0.00
14,100.00	90.00	179.52	11,030.00	-2,848.22	302.88	2,850.65	0.00	0.00	0.00
14,200.00	90.00	179.52	11,030.00	-2,948.21	303.71	2,950.65	0.00	0.00	0.00
14,300.00	90.00	179.52	11,030.00	-3,048.21	304.55	3,050.65	0.00	0.00	0.00
14,400.00	90.00	179.52	11,030.00	-3,148.20	305.38	3,150.65	0.00	0.00	0.00

Database: EDM 5000.14 Multi User

Company: ENERGEN RESOURCES CORPORATION

Project: Lea County, NM
Site: Pitchblende Fed 24-25

034H,204H,354H,454H,604H

Well: 354H
Wellbore: Lateral
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 354H - Slot 354H

3349+25 @ 3374.00usft (EST) 3349+25 @ 3374.00usft (EST)

Grid

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
14,500.00	90.00	179.52	11,030.00	-3,248.20	306.22	3,250.65	0.00	0.00	0.00
14,600.00	90.00	179.52	11,030.00	-3,348.20	307.05	3,350.65	0.00	0.00	0.00
14,700.00	90.00	179.52	11,030.00	-3,448.19	307.89	3,450.65	0.00	0.00	0.00
14,800.00	90.00	179.52	11,030.00	-3,548.19	308.72	3,550.65	0.00	0.00	0.00
14,900.00	90.00	179.52	11,030.00	-3,648.19	309.55	3,650.65	0.00	0.00	0.00
15,000.00	90.00	179.52	11,030.00	-3,748.18	310.39	3,750.65	0.00	0.00	0.00
15,100.00	90.00	179.52	11,030.00	-3,848.18	311.22	3,850.65	0.00	0.00	0.00
15,200.00	90.00	179.52	11,030.00	-3,948.18	312.06	3,950.65	0.00	0.00	0.00
15,300.00	90.00	179.52	11,030.00	-4,048.17	312.89	4,050.65	0.00	0.00	0.00
15,400.00	90.00	179.52	11,030.00	-4,148.17	313.73	4,150.65	0.00	0.00	0.00
15,500.00	90.00	179.52	11,030.00	-4,248.17	314.56	4,250.65	0.00	0.00	0.00
15,600.00	90.00	179.52	11,030.00	-4,348.16	315.40	4,350.65	0.00	0.00	0.00
15,700.00	90.00	179.52	11,030.00	-4,448.16	316.23	4,450.65	0.00	0.00	0.00
15,800.00	90.00	179.52	11,030.00	-4,548.16	317.06	4,550.65	0.00	0.00	0.00
15,900.00	90.00	179.52	11,030.00	-4,648.15	317.90	4,650.65	0.00	0.00	0.00
16,000.00	90.00	179.52	11,030.00	-4,748.15	318.73	4,750.65	0.00	0.00	0.00
16,100.00	90.00	179.52	11,030.00	-4,848.15	319.57	4,850.65	0.00	0.00	0.00
16,200.00	90.00	179.52	11,030.00	-4,948.14	320.40	4,950.65	0.00	0.00	0.00
16,300.00	90.00	179.52	11,030.00	-5,048.14	321.24	5,050.65	0.00	0.00	0.00
16,400.00	90.00	179.52	11,030.00	-5,148.14	322.07	5,150.65	0.00	0.00	0.00
16,500.00	90.00	179.52	11,030.00	-5,248.13	322.91	5,250.65	0.00	0.00	0.00
16,600.00	90.00	179.52	11,030.00	-5,348.13	323.74	5,350.65	0.00	0.00	0.00
16,700.00	90.00	179.52	11,030.00	-5,448.12	324.57	5,450.65	0.00	0.00	0.00
16,800.00	90.00	179.52	11,030.00	-5,548.12	325.41	5,550.65	0.00	0.00	0.00
16,900.00	90.00	179.52	11,030.00	-5,648.12	326.24	5,650.65	0.00	0.00	0.00
17,000.00	90.00	179.52	11,030.00	-5,748.11	327.08	5,750.65	0.00	0.00	0.00
17,100.00	90.00	179.52	11,030.00	-5,848.11	327.91	5,850.65	0.00	0.00	0.00
17,200.00	90.00	179.52	11,030.00	-5,948.11	328.75	5,950.65	0.00	0.00	0.00
17,300.00	90.00	179.52	11,030.00	-6,048.10	329.58	6,050.65	0.00	0.00	0.00
17,400.00	90.00	179.52	11,030.00	-6,148.10	330.42	6,150.65	0.00	0.00	0.00
17,500.00	90.00	179.52	11,030.00	-6,248.10	331.25	6,250.65	0.00	0.00	0.00
17,600.00	90.00	179.52	11,030.00	-6,348.09	332.08	6,350.65	0.00	0.00	0.00
17,700.00	90.00	179.52	11,030.00	-6,448.09	332.92	6,450.65	0.00	0.00	0.00
17,800.00	90.00	179.52	11,030.00	-6,548.09	333.75	6,550.65	0.00	0.00	0.00
17,900.00	90.00	179.52	11,030.00	-6,648.08	334.59	6,650.65	0.00	0.00	0.00
18,000.00	90.00	179.52	11,030.00	-6,748.08	335.42	6,750.65	0.00	0.00	0.00
18,100.00	90.00	179.52	11,030.00	-6,848.08	336.26	6,850.65	0.00	0.00	0.00
18,200.00	90.00	179.52	11,030.00	-6,948.07	337.09	6,950.65	0.00	0.00	0.00
18,300.00	90.00	179.52	11,030.00	-7,048.07	337.93	7,050.65	0.00	0.00	0.00
18,400.00	90.00	179.52	11,030.00	-7,148.07	338.76	7,150.65	0.00	0.00	0.00
18,500.00	90.00	179.52	11,030.00	-7,248.06	339.59	7,250.65	0.00	0.00	0.00
18,600.00	90.00	179.52	11,030.00	-7,348.06	340.43	7,350.65	0.00	0.00	0.00
18,700.00	90.00	179.52	11,030.00	-7,448.06	341.26	7,450.65	0.00	0.00	0.00
18,800.00	90.00	179.52	11,030.00	-7,548.05	342.10	7,550.65	0.00	0.00	0.00
18,900.00	90.00	179.52	11,030.00	-7,648.05	342.93	7,650.65	0.00	0.00	0.00
19,000.00	90.00	179.52	11,030.00	-7,748.04	343.77	7,750.65	0.00	0.00	0.00
19,100.00	90.00	179.52	11,030.00	-7,848.04	344.60	7,850.65	0.00	0.00	0.00
19,200.00	90.00	179.52	11,030.00	-7,948.04	345.44	7,950.65	0.00	0.00	0.00
19,300.00	90.00	179.52	11,030.00	-8,048.03	346.27	8,050.65	0.00	0.00	0.00
19,400.00	90.00	179.52	11,030.00	-8,148.03	347.10	8,150.65	0.00	0.00	0.00
19,500.00	90.00	179.52	11,030.00	-8,248.03	347.94	8,250.65	0.00	0.00	0.00
19,600.00	90.00	179.52	11,030.00	-8,348.02	348.77	8,350.65	0.00	0.00	0.00
19,700.00	90.00	179.52	11,030.00	-8,448.02	349.61	8,450.65	0.00	0.00	0.00

Database: EDM 5000.14 Multi User

Company: ENERGEN RESOURCES CORPORATION

Project: Site: Lea County, NM Pitchblende Fed 24-25

034H,204H,354H,454H,604H

Well: 354H
Wellbore: Lateral
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 354H - Slot 354H

3349+25 @ 3374.00usft (EST) 3349+25 @ 3374.00usft (EST)

Grid

lanned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
19,800.00	90.00	179.52	11,030.00	-8,548.02	350.44	8,550.65	0.00	0.00	0.00
19,900.00	90.00	179.52	11,030.00	-8,648.01	351.28	8,650.65	0.00	0.00	0.00
20,000.00	90.00	179.52	11,030.00	-8,748.01	352.11	8,750.65	0.00	0.00	0.00
20,100.00	90.00	179.52	11,030.00	-8,848.01	352.95	8,850.65	0.00	0.00	0.00
20,200.00	90.00	179.52	11,030.00	-8,948.00	353.78	8,950.65	0.00	0.00	0.00
20,300.00	90.00	179.52	11,030.00	-9,048.00	354.61	9,050.65	0.00	0.00	0.00
20,400.00	90.00	179.52	11,030.00	-9,148.00	355.45	9,150.65	0.00	0.00	0.00
20,500.00	90.00	179.52	11,030.00	-9,247.99	356.28	9,250.65	0.00	0.00	0.00
20,600.00	90.00	179.52	11,030.00	-9,347.99	357.12	9,350.65	0.00	0.00	0.00
20,700.00	90.00	179.52	11,030.00	-9,447.99	357.95	9,450.65	0.00	0.00	0.00
20,800.00	90.00	179.52	11,030.00	-9,547.98	358.79	9,550.65	0.00	0.00	0.00
20,900.00	90.00	179.52	11,030.00	-9,647.98	359.62	9,650.65	0.00	0.00	0.00
21,000.00	90.00	179.52	11,030.00	-9,747.98	360.46	9,750.65	0.00	0.00	0.00
21,100.00	90.00	179.52	11,030.00	-9,847.97	361.29	9,850.65	0.00	0.00	0.00
21,200.00	90.00	179.52	11,030.00	-9,947.97	362.12	9,950.65	0.00	0.00	0.00
21,264.19	90.00	179.52	11,030.00	-10,012.16	362.66	10,014.85	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Pitchblende Fed 24-25 3 - plan hits target cent - Point	0.00 ter	0.00	0.00	0.00	0.00	409,250.42	783,798.61	32° 7′ 18.58 N	103° 24' 59.91 W
Pitchblende Fed 24-25 3 - plan hits target cent - Point	0.00 ter	0.00	9,000.00	426.71	275.55	409,677.13	784,074.16	32° 7' 22.78 N	103° 24' 56.66 W
Pitchblende Fed 24-25 3 - plan hits target cent - Point	0.00 ter	0.00	11,030.00	-146.23	280.33	409,104.19	784,078.94	32° 7' 17.11 N	103° 24' 56.66 W
Pitchblende Fed 24-25 3 - plan hits target cent - Point	0.00 ter	0.00	11,030.00	-10,012.16	362.66	399,238.26	784,161.27	32° 5′ 39.47 N	103° 24' 56.68 W

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

10/30/18

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

Date	e: 10/30/18								
\boxtimes (Original		Operator	& OGRID	No.:	Energ	en Resources	S Corporation	162928
\Box A	Amended - Reason for A	Amendment:							
		1	Brenda F. Rathjei	n Energen Re	egulat	ory Ana	lyst 432-688-3	3323 brathjen@en	ergen.com
new <i>Note</i>	Gas Capture Plan out completion (new drill, Form C-129 must be sub	recomplete to r	new zone, re-fra	c) activity. ding 60 days o	allowe	d by Rul	e (Subsection A	of 19.15.18.12 NM	IAC).
The	well(s) that will be loca	ated at the produ	uction facility a	re shown in	the ta	able bel	ow.		
	Well Name	API	Well	Footages		ected	Flared or	Comments	
			Location		MC	F/D	Vented		
	SEE ATTACHED F	OR WELLS C	ON LEASE						

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 to Lucid Energy Delaware, LLC and will be connected to Lucid Energy Delaware, LLC low/high pressure gathering system located in Lea County, New Mexico. It will require ~12,290' of pipeline to connect the facility to low/high pressure gathering system. Energen Resources Corporation provides (periodically) to Lucid Energy Delaware, LLC (Gas Transporter) a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Energen Resources Corporation (Operator) and Lucid Energy Delaware, LLC (Gas Transporter) have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Lucid's Red Hills Processing Plant located in Sec.13, Twn. 24S, Rng.33E, Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on 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

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN page 3

Energen Resources Corporation 162928

Well(s)/Production Facility - Pitchblende Fed CTB facility on Pad #3, Lea County NM

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
Pitchblended Fed 24-25 #202H	30-025-	K, 24-25S-34E	2192 FSL 1980 FWL	1,900	As needed	pad 2
Pitchblended Fed 24-25 #352H	30-025-	K, 24-25S-34E	2192 FSL 2030 FWL	1,900	As needed	pad 2
Pitchblended Fed 24-25 #203H	30-025-	G, 24-25S-34E	1772 FNL 1980 FEL	2,200	As needed	pad 3
Pitchblended Fed 24-25 #353H	30-025-	G, 24-25S-34E	1772 FNL 1930 FEL	2,200	As needed	pad 3
Pitchblended Fed 24-25 #034H	30-025-	A, 24-25S-34E	450 FNL 710 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #204H	30-025-	A, 24-25S-34E	450 FNL 660 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #354H	30-025-	A, 24-25S-34E	450 FNL 610 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #454H	30-025-	A, 24-25S-34E	250 FNL 635 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #604H	30-025-	A, 24-25S-34E	250 FNL 685 FEL	2,500	As needed	pad 4
Pitchblended Fed 19-30 #035H	30-025-	D, 19-25S-35E	450 FNL 610 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #205H	30-025-	D, 19-25S-35E	450 FNL 660 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #355H	30-025-	D, 19-25S-35E	450 FNL 710 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #455H	30-025-	D, 19-25S-35E	250 FNL 685 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #605H	30-025-	D, 19-25S-35E	250 FNL 635 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #036H	30-025-	C, 19-25S-35E	450 FNL 1930 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #206H	30-025-	C, 19-25S-35E	450 FNL 1980 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #356H	30-025-	C, 19-25S-35E	450 FNL 2030 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #456H	30-025-	C, 19-25S-35E	250 FNL 2005 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #606H	30-025-	C, 19-25S-35E	250 FNL 1955 FWL	2,200	As needed	pad 6



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

SUPO Data Report

APD ID: 10400036329 **Submission Date:** 11/15/2018

Operator Name: ENERGEN RESOURCES CORPORATION

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

PITCHBLENDE_ROAD_SKETCH_EXISTING_REVISED_20181029094117.pdf

Existing Road Purpose: ACCESS Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: Existing road will be improved/re-routed in certain areas per BLM specifications as outlined during onsite conducted on 3/29/18.

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

PITCHBLENDE_ROAD_SKETCH_STAKED_REVISED_20181029094654.pdf PITCHBLENDE_ROAD_SKETCH_TOTAL_REVISED_20181029094724.pdf

New road type: LOCAL

Length: 1334.69 Feet **Width (ft.):** 25

Max slope (%): 2 Max grade (%): 4

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s): New road travel width: 14

New road access erosion control: Roads will be constructed with compacted caliche to prevent erosion.

New road access plan or profile prepared? NO

New road access plan attachment:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Access road engineering design? NO

Access road engineering design attachment:

Turnout? N

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Compacted Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Topsoil will be staged on the east and west sides of the drilling pad and it will be used for reclamation purposes. This material shall not be used for burms.

Access other construction information:

Access miscellaneous information:

Number of access turnouts: Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: The compacted caliche access road will have a 3' ditch on each side of it. No turnouts will be constructed on the proposed road. No cattleguards will be installed on the access road. No culverts will be constructed for the access road. No low water crossings will be constructed for the access road. No bridges will be constructed for the access road. Since the road is on level ground, no lead-off ditches will be constructed for the proposed access road.

Road Drainage Control Structures (DCS) description: Road construction will include ditching, draining, crowning, capping, and sloping of the roadbed as necessary to provide a well constructed safe road.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

1_mile_radius_PAD_4_with_well_names_20181115054806.pdf

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Each well will have a 6' x 15' test separator for the measurement of Natural Gas, Produced Water, and Crude Oil. All Crude Oil, Produced Water, and Natural Gas will be transported in 2 - 12" SDR 7 poly pipelines to the Pitchblende Facility which is located on Pad 3. The attached plot plan identifies specific equipment that will be installed on pad 3. Note: If hydrogen sulfide occurs and the Natural Gas needs to be treated, an amine skid will be installed

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

as shown. All equipment will be painted Shale Green in accordance to current BLM standards. Each pad will also have a 4" steel high pressure gas line and a 4" SDR 7 instrument airline running to it from the facility. The high pressure gas line is for future gas lift services. The instrument air line is for operating all control valves on each pad in an environmentally friendly manner. The 12" SDR 7 and 4" pipelines will follow the roadways to the facility as shown on the attached map. Pipelines will be buried with a minimum of 36" of cover in the Right of Way. Electric power will be brought to pad 3 from the East as shown on the attached Map.

Production Facilities map:

PltPIn_Pitchblend_BATT_Layout2_20181029100250.pdf
PITCHBLENDE_PIPELINE_SKETCH_REVISED__003__20181029101155.pdf
PITCHBLENDE_UTILITY_SKETCH_REVISED_20181029100230.pdf
PITCHBLENDE_ELECTRIC_LINE_SKETCH_REVISED_20181029100311.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Pressure_data_from_Darrell_20181029101220.pdf

Water source type: GW WELL

Water source use type: SURFACE CASING

STIMULATION

DUST CONTROL

CAMP USE

INTERMEDIATE/PRODUCTION

CASING

Source latitude: Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Water source transport method: PIPELINE

TRUCKING

Source land ownership: PRIVATE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 25000 Source volume (acre-feet): 3.2223275

Source volume (gal): 1050000

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Water source and transportation map:

Pitchblende Water Source Map 20180517111633 20180531081017.pdf

Water source comments: Water will be utilized pursuant to a private contract with a local landowner. The attached map indicates the frac pond we intend to use.

New water well? NO

New Water Well Info

Well latitude: Well Longitude: Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft): Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft): Well casing type:

Well casing outside diameter (in.): Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method: Drill material:

Grout material: Grout depth:

Casing length (ft.): Casing top depth (ft.):

Well Production type: Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Using any construction materials: YES

Construction Materials description: Caliche will be used from an existing approved mineral pit or by flipping the well location. A mineral permit will be obtained from the BLM prior to excavation any caliche on Federal Lands. Amounts will vary for each pad. The procedure for "flipping" a well location is as follows: An adequate amount of topsoil (usually 6") will be stripped from the location and stockpiled beside each location as shown. An area will be used within the proposed well site to excavate caliche. The subsoil will then be removed and stockpiled within the footages of the well location. Once caliche/surfacing material is found, the material will be excavated and stock piled within the entire well pad/road. The subsoil will then be placed back in the excavated hole. The caliche material will then be placed over the entire pad/road to be compacted. In the event that no caliche is found onsite, or if additional caliche is required, caliche will be hauled from Dinwiddie Cattle Company LLC's pit per the attached map.

Construction Materials source location attachment:

Pitchblende_caliche_pit_20181029101646.jpg

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Cuttings, mud, salts, and other chemicals.

Amount of waste: 3000 barrels

Waste disposal frequency: Daily

Safe containment description: Steel tanks

Safe containment attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: PRIVATE

FACILITY

Disposal type description:

Disposal location description: R360's (NM-01-0006) disposal site at Halfway, NM. Sun Dance Services, 42 Sundance

Lane (5 miles east of Eunice, NM) Eunice, NM 88231

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

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

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

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

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

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

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

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

WCuttings area liner

Cuttings area liner specifications and installation description

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Location Drawing Pad 4 20181115054944.pdf PITCHBLENDE_PAD_4_BNDY_PLAT_20181115054956.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance Multiple Well Pad Name: PAD #4

Multiple Well Pad Number: 4

Recontouring attachment:

PITCHBLENDE_PAD_4_BNDY_PLAT_20181115055015.pdf

Pad 4 Cut and Fill volumes 20181115055030.pdf

Drainage/Erosion control construction: Crowned and ditched.

Drainage/Erosion control reclamation: Harrowed on the contour.

Well pad proposed disturbance

(acres): 8.264

Road proposed disturbance (acres):

Powerline proposed disturbance

(acres): 0

Pipeline proposed disturbance

(acres): 0

Other proposed disturbance (acres): 0

Total proposed disturbance: 9.034

Well pad interim reclamation (acres):

(acres): 4.133

Road interim reclamation (acres): 0.34 Road long term disturbance (acres):

Powerline interim reclamation (acres):

Pipeline interim reclamation (acres): 0

Other interim reclamation (acres): 0

Total interim reclamation: 4.471

Well pad long term disturbance

Powerline long term disturbance

(acres): 0

Pipeline long term disturbance

(acres): 0

Other long term disturbance (acres): 0

Total long term disturbance: 4.563

Disturbance Comments:

Reconstruction method: Interim reclamation will be completed within 6 months of completing the last well on the pad. Interim reclamation will consist of shrinking the pad by 100' on the North, West and East and 50' on the South. On the South end of pad there will be 5 Test Skids (one for each well) measuring 8' wide X 20' long. Disturbed areas will be contoured to match pre-construction grades. Soil and brush will be evenly spread over disturbed areas and harrowed on the contour. Disturbed areas will be seeded in accordance with BLM requirements.

Topsoil redistribution: Enough stockpiled topsoil will be retained to cover the remainder of the pad when the last well is plugged. Once the last well is plugged, then the rest of the pad will be similarly reclaimed within 6 months of plugging.

Operator Name: ENERGEN RESOURCES CORPORATION
Well Name: PITCHBLENDE FED 24-25
Well Number: 354H

Noxious weeds will be controlled
Soil treatment: None
Existing Vegetation at the well pad:
Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road:

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline:

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances:

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed Summary
Seed Type Pounds/Acre

Total pounds/Acre:

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Last Name:

Operator Name: ENERGEN RESOURCES CORPORATION Well Name: PITCHBLENDE FED 24-25 Well Number: 354H Phone: Email: Seedbed prep: Seed BMP: Seed method: Existing invasive species? NO Existing invasive species treatment description: **Existing invasive species treatment attachment:** Weed treatment plan description: BLM standards Weed treatment plan attachment: Monitoring plan description: BLM standards Monitoring plan attachment: Success standards: BLM satisfaction Pit closure description: No pit Pit closure attachment: **Section 11 - Surface Ownership** Disturbance type: WELL PAD Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: **BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: Military Local Office: USFWS Local Office:**

Other Local Office:

USFS Forest/Grassland:

USFS Region:

USFS Ranger District:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT, PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: USFS Ranger District:

Fee Owner: Rubert F. Madera

Fee Owner Address:

Phone: (575)631-4444

Email:

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: Mr. Madera owns lands we need to cross in order to access our drillsite location. We are currently negotiating a road ROW agreement with him.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Fee Owner: Pitchfork Cattle Company, LLC Fee Owner Address:

Phone: (575)631-4444 **Email:**

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: Pitchfork Cattle Company owns lands we need to cross in order to access our drillsite location. We are currently negotiating a road ROW agreement with them.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Disturbance type: PIPELINE

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: USFS Ranger District:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT, PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: USFS Ranger District:

Fee Owner: Dinwiddie Cattle Company, LLC

Fee Owner Address:

Phone: (432)218-5400

Email: jtdinwiddie@gmail.com

Surface use plan certification: NO

Surface use plan certification document:

Surface access agreement or bond: Agreement

Surface Access Agreement Need description: Negotiating with surface owner at this time. They have already approved our proposed new road as it pertains to their lands.

Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS

ROW Applications

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: Onsite inspection was held with Aaron Chastain on 3/29/18. Arc participation in PA.

Other SUPO Attachment

PITCHBLENDE_ROAD_SKETCH_TOTAL_REVISED_20181029102853.pdf Landowner_Letter_9_17_18_20181029102905.pdf



September 17, 2018

ATTN: Cody Layton - Assistant Field Manager **Bureau of Land Management** Carlsbad Field Office 620 E. Greene St. Carlsbad, NM 88220

Re: Energen Resources Pitchblende Federal Wells, Lea County NM

Dear Mr. Layton,

This letter is in response to the deficiency letter received by Energen Resources dated September 5, 2018. Energen has been, and remains in, good-faith negotiations with the surface owner of the private tract located in Section 24, Township 25 South, Range 34 East.

In addition to owning this private tract, the same surface owner is the lessee of BLM owned surface also located in Section 24, Township 25 South, Range 34 East and all of Section 19, Township 25 South, Range 35 East. The agreement is quite lengthy and contains numerous development provisions that we are working through with the landowner. It's our anticipation this will be resolved well in advance of the permits being approved.

An email from the surface owner is included supporting our good-faith negotiations. Please let us know if you have any questions.

Tyler Humphries

Land - Permian Development **Energen Resources Corporation** 3510 North "A" Street, Bldg. B

Midland,TX 79705 Office: 432.818.1731

Email: tyler.humphries@energen.com

Tyler Humphries

From:

Tommy Dinwiddie <jtdinwiddie@gmail.com>

Sent:

Monday, September 17, 2018 11:05 AM

To:

Tyler Humphries

Subject:

[EXTERNAL] Re: Energen/Pitchblende SUA

Yes

We are in negotiations at this time.

TD

On Sep 17, 2018, at 10:03 AM, Tyler Humphries < Tyler.Humphries@energen.com> wrote:

Mr. Dinwiddie,

As part of our permitting process with the BLM, they have requested a status update on the surface use agreement regarding the wells that will be drilled on your private land. I am going to let them know we have been in good-faith negotiations with you and are working towards a finalized agreement by the time the permits will be approved.

Would you mind replying and confirming such so that I can include this email with my letter?

Best, Tyler

Thanks, Tyler Humphries Land - Permian Development Energen Resources Corporation 3510 North "A" Street, Bldg. B Midland,TX 79705

Office: 432.818.1731 Cell: 432.557.4245

Email: tyler.humphries@energen.com

<image001.jpg>



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

PWD Data Report

PWD disturbance (acres):

APD ID: 10400036329 **Submission Date:** 11/15/2018

Operator Name: ENERGEN RESOURCES CORPORATION

Well Name: PITCHBLENDE FED 24-25

Well Number: 354H

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - General

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

Section 2 - Lined 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:

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

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 Name: PITCHBLENDE FED 24-25 Well Number: 354H

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

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

Would you like to utilize Surface Discharge PWD options? NO

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: PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



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

Bond Info Data Report

06/24/2020

APD ID: 10400036329 **Submission Date:** 11/15/2018

Operator Name: ENERGEN RESOURCES CORPORATION

Well Name: PITCHBLENDE FED 24-25 Well Number: 354H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

Show Final Text

Bond Information

Federal/Indian APD: FED

BLM Bond number: NM2707

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 DISTRICT II 811 South First, Artesia, NM 88210

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

Form C-102 Revised August 1, 2011

Submit one copy to Appropriate

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

District Office

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505 Santa Fe, New Mexico 87505

OCD - HOBBS 10|26|2020

2040 South Pacheco, Santa Fe, NM 87505	Santa re, N	ew Mexico 87505 (10 26 2020 10 26 VED = AMENDED REPOR PLAT Pool Name HORE SPRING, SAND
	WELL LOCATION AND	ACREAGE DEDICATION	PLAT
API Number 30-025-47931	Pool Code 96340	Pool Name IONE SPRING SAND ILLS:BONE SPRING	
Property Code 326534 -	To the second se	erty Name DE FED 24-25	Well Number 354H
OGRID No. 162928		ator Name IRCES CORPORATION	Elevation 3349'

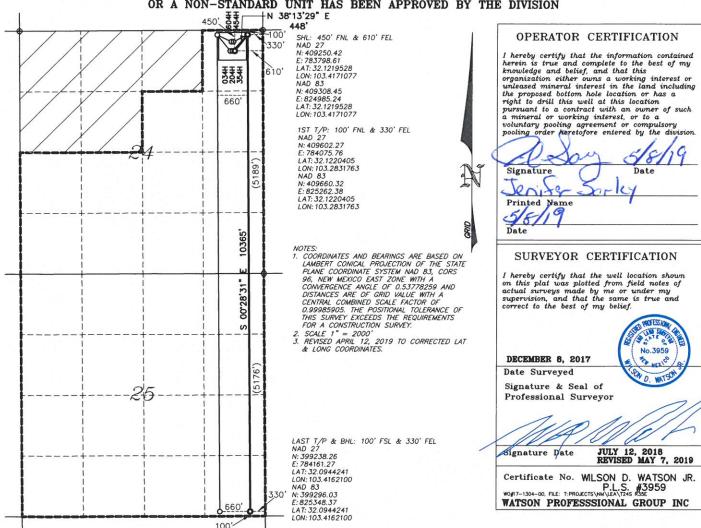
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	24	25-S	34-E	A	450	NORTH	610	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	25	25-S	34-E	P	100	SOUTH	330	EAST	LEA
Dedicated Acres	Joint o	r Infill Co	nsolidation	Code Or	der No.				

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



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

State of New Mexico Energy, Minerals and Natural Resources Department

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

OCD HOBBS

Submit Original to Appropriate District Office

GAS CAPTURE PLAN

Date	e: 10/30/18								
\boxtimes (Original		Operator	& O	GRID 1	No.: Ener	gen Resource	s Corporation	162928
\Box A	Amended - Reason for A	Amendment:							
		1	Brenda F. Rathjei	n En	ergen Re	gulatory Ar	alyst 432-688	3323 brathjen@ene	ergen.com
new <i>Note</i>	Gas Capture Plan out completion (new drill, Form C-129 must be sub	recomplete to r	new zone, re-fra	c) ac	tivity. 60 days a	llowed by Ri	ıle (Subsection A	of 19.15.18.12 NM	4 <i>C)</i> .
The	well(s) that will be loca	ated at the prod	uction facility a	re sh	own in	the table be	elow.		
	Well Name	API	Well		tages	Expected		Comments	
			Location		Ü	MCF/D	Vented		
	SEE ATTACHED F	OR WELLS C	ON LEASE						
									-

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 to <u>Lucid Energy Delaware</u>, <u>LLC</u> low/high pressure gathering system located in <u>Lea County</u>, New Mexico. It will require <a href="\frac{12,290'}{2,290'} of pipeline to connect the facility to low/high pressure gathering system. <u>Energen Resources Corporation</u> provides (periodically) to <u>Lucid Energy Delaware</u>, <u>LLC</u> (Gas Transporter) a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Energen Resources Corporation</u> (Operator) and <u>Lucid Energy Delaware</u>, <u>LLC</u> (Gas Transporter) have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Lucid's Red Hills Processing Plant</u> located in <u>Sec.13, Twn. 24S, Rng.33E, <u>Lea County, New Mexico</u>. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.</u>

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>Gas Transporter</u> 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
 - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN page 3

Energen Resources Corporation 162928

Well(s)/Production Facility - Pitchblende Fed CTB facility on Pad #3, Lea County NM

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
Pitchblended Fed 24-25 #202H	30-025-	K, 24-25S-34E	2192 FSL 1980 FWL	1,900	As needed	pad 2
Pitchblended Fed 24-25 #352H	30-025-	K, 24-25S-34E	2192 FSL 2030 FWL	1,900	As needed	pad 2
Pitchblended Fed 24-25 #203H	30-025-	G, 24-25S-34E	1772 FNL 1980 FEL	2,200	As needed	pad 3
Pitchblended Fed 24-25 #353H	30-025-	G, 24-25S-34E	1772 FNL 1930 FEL	2,200	As needed	pad 3
Pitchblended Fed 24-25 #034H	30-025-	A, 24-25S-34E	450 FNL 710 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #204H	30-025-	A, 24-25S-34E	450 FNL 660 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #354H 364	30-025- -025-47931	A, 24-25S-34E	450 FNL 610 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #454H	30-025-	A, 24-25S-34E	250 FNL 635 FEL	2,500	As needed	pad 4
Pitchblended Fed 24-25 #604H	30-025-	A, 24-25S-34E	250 FNL 685 FEL	2,500	As needed	pad 4
Pitchblended Fed 19-30 #035H	30-025-	D, 19-25S-35E	450 FNL 610 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #205H	30-025-	D, 19-25S-35E	450 FNL 660 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #355H	30-025-	D, 19-25S-35E	450 FNL 710 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #455H	30-025-	D, 19-25S-35E	250 FNL 685 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #605H	30-025-	D, 19-25S-35E	250 FNL 635 FWL	2,500	As needed	pad 5
Pitchblended Fed 19-30 #036H	30-025-	C, 19-25S-35E	450 FNL 1930 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #206H	30-025-	C, 19-25S-35E	450 FNL 1980 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #356H	30-025-	C, 19-25S-35E	450 FNL 2030 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #456H	30-025-	C, 19-25S-35E	250 FNL 2005 FWL	2,200	As needed	pad 6
Pitchblended Fed 19-30 #606H	30-025-	C, 19-25S-35E	250 FNL 1955 FWL	2,200	As needed	pad 6