| | | | | | | 1 A 1 1 |
|--|--|---------------------------------------|---|-------------------|--|---|
| | | \checkmark | - Y | | | MIN SURF |
| | | od T | ield O | ffice | cD | |
| Form 3160 -3 (March 2012) | val isi | | Tahha | BSV | - FORM A OMB No Expires Of | APPROVED 0. 1004-0137 ctober 31, 2014 |
| DEPA | UNITED STATE RTMENT OF THE IN | TERIOR | TONOR | NAY OT | Lease Serial No. | |
| | EAU OF LAND MANAG | | Ň | NAX V. | NMNM0001747 | or Tribe Name |
| APPLICATION | FOR PERMIT TO DE | RILL OR R | EENTER | -60 | A standard Anotec | or moe wane |
| a. Type of work: 🖌 DRILL | | | · | RE | 7 If Unit or CA Agree LEA / NMNM07097 | |
| lb. Type of Well: 🔽 Oil Well 🔲 🕻 | Gas Well Other | ✓ Single | Zone 🗌 Mult | iple Zone | 8. Lease Name and W LEA UNIT 41H | Vell No. (30280 |
| 2. Name of Operator LEGACY RESE | | (2409 | 74) | | 9. API Well No. | 44733 |
| Ba. Address 303 West Wall St., Ste 7 | | . Phone No. (ind 432)689-5287 | · · · · · | | 10. Field and Pool, or E LEA / BONE SPRIN | 27676 |
| 4. Location of Well (Report location clea. | rly and in accordance with any S | tate requirements." | *) | | 11. Sec., T. R. M. or Bl | k. and Survey or Area |
| At surface NESW / 2270 FSL / 15 | | | | | SEC 24 / T20S / R3 | 34E / NMP |
| At proposed prod. zone NENW / 33 | | 2.5794555 / | LONG -103.51 | 51538 | 12. County or Parish | 13. State |
| 4. Distance in miles and direction from nea 26 miles | aresi town of posi office" | | | | LEA | NM |
| Distance from proposed* location to nearest 260 feet property or lease line, ft. (Also to nearest drig, unit line, if any) | | 6. No. of acres 360 | in lease | 17. Spacin 240 | ng Unit dedicated to this w | vell . |
| 8. Distance from proposed location* to nearest well, drilling, completed, 50 | | 19. Proposed De | oth | 20. BLM/ | BIA Bond No. on file | |
| applied for, on this lease, ft. | g | 9800 feet / 17 | 531 feet | FED: N | MB001015 | |
| Elevations (Show whether DF, KDB, 3676 feet | | 2 Approximate 01/01/2018 | date work will st | art* | 23. Estimated duration 45 days | 1 |
| | | 24. Attachm | ents | ····· | | |
| Well plat certified by a registered surveyor A Drilling Plan. A Surface Use Plan (if the location is of SUPO must be filed with the appropriate | on National Forest System La | | Item 20 above) Operator certif | ication | ormation and/or plans as | may be required by the |
| 5. Signature (Electronic Submission | | | nted/Typed) od / Ph: (505) | 466-8120 | | Date 12/15/2017 |
| lle | ·/· | Bharry | | | | |
| President | | Name (D | | | | |
| proved by (Signature) (Electronic Submission) | | 1 . | i <i>nted/Typed)</i> ton / Ph: (575) |)234-5959 | | Date 04/16/2018 |
| le Supervisor Multiple Resources | · | Office CARLSE | AD | | | |
| plication approval does not warrant or ce aduct operations thereon. Inditions of approval, if any, are attached. | | | | hts in the sub | oject lease which would er | ntitle the applicant to |
| tle 18 U.S.C. Section 1001 and Title 43 U.S. ates any false, fictitious or fraudulent state | C. Section 1212, make it a crim ements or representations as to a | e for any person any matter within | h knowingly and h its jurisdiction. | willfully to r | nake to any department of | r agency of the United |
| itele 18 U.S.C. Section 1001 and Title 43 U.S. itates any false, fictitious or fraudulent state (Continued on page 2) | ements or representations as to a | any matter within | n its jurisdiction. | A CONTRACTOR OF | Va ^{*(Instr} | r agency of the United |
| | APPROVE | D WITH I Date: 04 | CONDIT 1/16/2018 | IONS | 04/09 | 118 |
| | | | | | | x Doll |

INSTRUCTIONS

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

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

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

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

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

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

NOTICES

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

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

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts. ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

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

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

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

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

(Continued on page 3)

(Form 3160-3, page 2)

Approval Date: 04/16/2018

Additional Operator Remarks

Location of Well

SHL: NESW / 2270 FSL / 1580 FWL / TWSP: 20S / RANGE: 34E / SECTION: 24 / LAT: 32.557598 / LONG: -103.5171983 (TVD: 0 feet, MD: 0 feet)
 PPP: NESW / 1320 FSL / 1929 FWL / TWSP: 20S / RANGE: 34E / SECTION: 13 / LAT: 32.569492 / LONG: -103.516087 (TVD: 9800 feet, MD: 13902 feet)
 PPP: SESW / 2640 FSL / 2022 FWL / TWSP: 20S / RANGE: 34E / SECTION: 13 / LAT: 32.573151 / LONG: -103.515741 (TVD: 9800 feet, MD: 15251 feet)
 PPP: SESW / 0 FSL / 1827 FWL / TWSP: 20S / RANGE: 34E / SECTION: 13 / LAT: 32.565852 / LONG: -103.516417 (TVD: 9800 feet, MD: 12590 feet)
 PPP: NESW / 2270 FSL / 1827 FWL / TWSP: 20S / RANGE: 34E / SECTION: 24 / LAT: 32.557598 / LONG: -103.5171983 (TVD: 0 feet, MD: 0 feet)
 PPP: NESW / 2640 FSL / 1614 FWL / TWSP: 20S / RANGE: 34E / SECTION: 24 / LAT: 32.5586 / LONG: -103.517101 (TVD: 9800 feet, MD: 9954 feet)
 PPP: SENW / 2640 FSL / 1614 FWL / TWSP: 20S / RANGE: 34E / SECTION: 13 / LAT: 32.55794 / LONG: -103.517101 (TVD: 9800 feet, MD: 0 feet)
 PPP: NENW / 2640 FSL / 1614 FWL / TWSP: 20S / RANGE: 34E / SECTION: 24 / LAT: 32.5576 / LONG: -103.517101 (TVD: 9800 feet, MD: 9954 feet)
 BHL: NENW / 330 FNL / 2210 FWL / TWSP: 20S / RANGE: 34E / SECTION: 13 / LAT: 32.5794555 / LONG: -103.5151538 (TVD: 9800 feet, MD: 17531 feet)

BLM Point of Contact

Name: Priscilla Perez Title: Legal Instruments Examiner Phone: 5752345934 Email: pperez@blm.gov

Approval Date: 04/16/2018

(Form 3160-3, page 3)

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Approval Date: 04/16/2018

(Form 3160-3, page 4)

FMSS

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

<u>04/</u>23/2018

APD ID: 10400025420

Operator Name: LEGACY RESERVES OPERATING LP Well Name: LEA UNIT Well Type: OIL WELL Submission Date: 12/15/2017

Well Number: 41H Well Work Type: Drill Highlighted data reflects the most recent changes

Show Final Text

Section 1 - General

| APD ID: | 10400025420 | Tie to previous NOS | ? Submission Date: 12/15/2017 |
|-------------|--------------------------|------------------------|---|
| BLM Office | : CARLSBAD | User: Brian Wood | Title: President |
| Federal/Ind | ian APD: FED | Is the first lease pen | etrated for production Federal or Indian? FED |
| Lease num | ber: NMNM0001747 | Lease Acres: 360 | |
| Surface acc | cess agreement in place? | Allotted? | Reservation: |
| Agreement | in place? YES | Federal or Indian ag | reement: FEDERAL |
| Agreement | number: NMNM070976X | | |
| Agreement | name: LEA | | |
| Keep appli | cation confidential? NO | | |
| Permitting | Agent? YES | APD Operator: LEGA | ACY RESERVES OPERATING LP |
| Operator le | tter of designation: | | |

Operator Info

| Operator Organization Name: LEGACY RESERVES OPERATING LP | | |
|--|-------------------|--|
| Operator Address: 303 West Wall St., Ste 1800 | 7 | |
| Operator PO Box: | Zip: 79701 | |
| Operator City: Midland · State: TX | | |
| Operator Phone: (432)689-5287 | | |
| Operator Internet Address: | | |

Section 2 - Well Information

| Well in Master Development Plan? EXISTING | Mater Development Plan name: Lea Unit Master Dev Plan | | | | | | |
|---|---|------------------------|--|--|--|--|--|
| Well in Master SUPO? NO | Master SUPO name: | | | | | | |
| Well in Master Drilling Plan? NO | Master Drilling Plan name: | | | | | | |
| Well Name: LEA UNIT | Well Number: 41H | Well API Number: | | | | | |
| Field/Pool or Exploratory? Field and Pool | Field Name: LEA | Pool Name: BONE SPRING | | | | | |
| | | | | | | | |

Is the proposed well in an area containing other mineral resources? USEABLE WATER, POTASH

Well Number: 41H

| Describe other minerals: | | | |
|--|----------------|-----------------------------|----------------------------|
| Is the proposed well in a Helium produ | uction area? N | Use Existing Well Pad? YES | New surface disturbance? N |
| Type of Well Pad: MULTIPLE WELL | | Multiple Well Pad Name: LEA | Number: 36H |
| Well Class: HORIZONTAL | | UNIT Number of Legs: 1 | |
| Well Work Type: Drill | | | |
| Well Type: OIL WELL | | | |
| Describe Well Type: | | | |
| Well sub-Type: INFILL | | | |
| Describe sub-type: | | | |
| Distance to town: 26 Miles | Distance to ne | arest well: 50 FT Distant | ce to lease line: 260 FT |
| Reservoir well spacing assigned acres | s Measurement: | 240 Acres | |
| Well plat: lea_41h_plat_2017121515 | 51417.pdf | | |
| Well work start Date: 01/01/2018 | | Duration: 45 DAYS | |

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Survey number: 23263

Aliquot/Lot/Tract Lease Number EW Indicator NS Indicator -ongitude ease Type Elevation EW-Foot Meridian NS-Foot Latitude Section County Range Twsp State Į QМ SHL 227 FSL 158 FWL 20S 34E 24 Aliquot 32.55759 LEA NEW NEW IF NMNM 367 0 0 MEXI MEXI 020979 0 0 NESW 8 103.5171 6 Leg 983 CO CO #1 кор 227 Aliquot NEW F FSL 158 FWL 20S 34E 24 32.55759 LEA NEW NMNM 922 922 NESW 8 103.5171 MEXI MEXI 020979 555 0 0 7 7 Leg 983 CO CO 1 #1 PPP 264 FSL 161 FWL 20S 34E 24 Aliquot 32.5586 LEA NEW NEW F NMNM 995 980 103.5171 000174 612 **MEXI** MEXI 4 0 0 4 Leg SENW 01 CO CO 7 4 #1

Vertical Datum: NAVD88

ł

Well Name: LEA UNIT

Well Number: 41H

Testing Procedure: The BOPs will be tested by an independent service company to 250 psi low and 5000 psi high.

Choke Diagram Attachment:

lea_41h_choke_20171215160847.pdf

BOP Diagram Attachment:

lea_41h_bop_20171215161233.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 | 1800 | 0 | 1800 | -6137 | -7937 | 1800 | J-55 | 54.5 | STC | 1.42 | 3.86 | DRY | 2.59 | DRY | 2.59 |
| 1 | INTERMED IATE | 12.2 5 | 9.625 | NEW | API | N | 0 | 3901 | 0 | 3900 | | | 3901 | J-55 | 40 | LTC | 1.25 | 2.56 | DRY | 1.6 | DRY | 1.6 |
| | INTERMED IATE | 12.2 5 | 9.625 | NEW | API | N | 3900 | 5600 | 3900 | 5600 | | | 1700 | НСК -55 | 40 | LTC | 1.45 | 2.54 | DRY | 4.23 | DRY | 4.23 |
| 1.1 | PRODUCTI ON | 8.75 | 5.5 | NEW | API | N | 0 | 17532 | 0 | 9800 | | | 17532 | P- 110 | | OTHER - BTC | 4.98 | 1.26 | DRY | 1.63 | DRY | 1.63 |

Casing Attachments

Casing ID: 1

String Type:SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

lea_41h_casing_surf_20171215161452.pdf

Well Name: LEA UNIT

Well Number: 41H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

lea_41h_casing_interm_20171215161705.pdf

Casing ID: 3 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

lea_41h_casing_interm_20171215161721.pdf

Casing ID: 4 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

lea_41h_casing_prod_20171215161832.pdf

Section 4 - Cement

Well Name: LEA UNIT

ç

Well Number: 41H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|---------------------------------|---|
| SURFACE | Lead | | 0 | 1800 | 1100 | 1.93 | 13.5 | 2123 | | Class C cement | 4% bwoc bentonite II + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.005% bwoc Static Free + 0.005 gps FP-6L |
| SURFACE | Tail | | | | 200 | 1.34 | 14.8 | 268 | | C cement | 1.5% bwoc Calcium Chloride + 0.005 Ibs/sack Static Free + 0.005 gps FP-6L |
| INTERMEDIATE | Lead | | 0 | 3901 | 400 | 2.13 | 12.5 | 852 | | Paz (fly ash) Class C | 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL- 52 + 5 Ibs/sack LCM-1 +0.125 Ibs/sk cello flake + 0.005 Ibs/sk defoamer + 0.005 gpsFP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride |
| INTERMEDIATE | Tail | | | | 200 | 1.33 | 14.8 | 266 | | Class C cement | none |
| INTERMEDIATE | Lead | | 3901 | 5600 | 1100 | 2.13 | 12.5 | 2343 | | Poz (fly ash) Class C cement | 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL- 52 + 5 Ibs/sack LCM-1 +0.125 Ibs/sk cello flake+ 0.005 Ibs/sk defoamer + 0.005 gpsFP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride |
| INTERMEDIATE | Tail | | | | 200 | 1.33 | 14.8 | 266 | | Class C cement | none |
| PRODUCTION | Lead | | 0 | 1753 2 | 1600 | 2.38 | 11.9 | 3808 | | Poz (fly ash) Class H cement | 10% bwoc bentonite II + 5% bwow sodium chloride + 5 pps LCM-1 + 0.005 lbs/sk Static Free + 0.005 gps FP-6L |
| PRODUCTION | Tail | | | e. | 1700 | 1.62 | 13.2 | 2754 | | Class H | CSE-2 + 4% bwow sodium chloride + 3 pps LCM- 1 + 0.6% bwoc FL-25 + 0.005 gps FP- 6L + 0.005% bwoc Static Free |

Well Number: 41H

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials will be kept on location at all times in order to combat lost circulation or unexpected kicks. Mud logging program: 2 man unit from approximately after setting intermediate casing. No open hole logs, DSTs, or cores are planned.

Describe the mud monitoring system utilized: A Pason PVT system will be rigged up prior to spudding this well. A volume monitoring system that measures, calculates, and displays readings from the mud system on the rig to alert the rig crew of impending gas kicks and lost circulation. In order to effectively run casing, the mud viscosity and fluid loss properties may be adjusted.

Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type | Min Weight (Ibs/gal) | Max Weight (Ibs/gal) | Density (Ibs/cu ft) | Gel Strength (lbs/100 sqft) | На | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|------------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 5600 | 9800 | OTHER : Fresh water/brine | 8.4 | 8.6 | | | | | | | |
| 1800 | 5600 | OTHER : Brine water | 9.8 | 10 | | | | | | | |
| 0 | 1800 | SPUD MUD | 8.4 | 8.9 | | | | | | 1 | |
| 9800 | 1753 2 | OTHER : Fresh water/brine | 8.9 | 9.1 | | | | | | | |

Well Name: LEA UNIT

Well Number: 41H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures: Mud logging, H2S plan, BOP and choke plans all in place for testing, equipment, safety

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

Coring operation description for the well:

No coring planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4312

Anticipated Surface Pressure: 2156

Anticipated Bottom Hole Temperature(F): 162

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:

lea_41h_h2s_plan_20171215162936.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

lea_41h_horiz_drill_plan_20171215162635.pdf

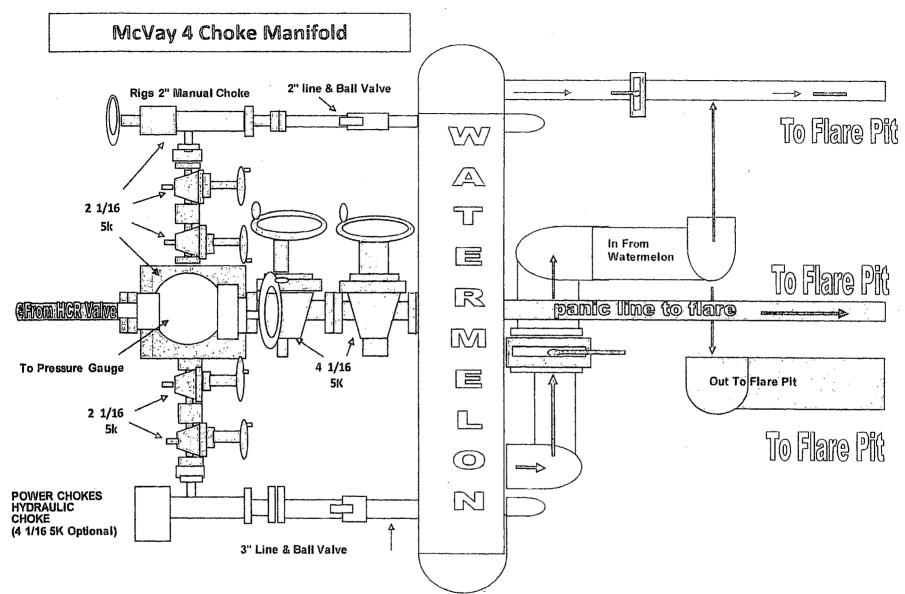
Other proposed operations facets description:

Have filled out cementing program assuming use of one (1) DV tool; see general drill plan for contingency plans, using no DV tools or two (2) DV tools

Other proposed operations facets attachment:

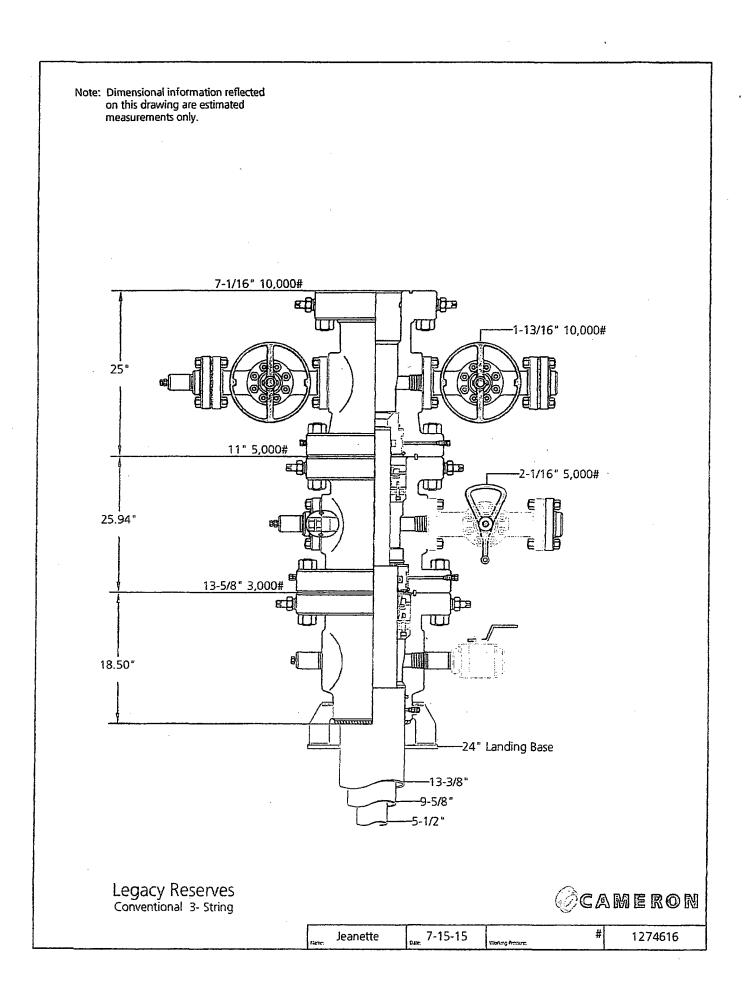
lea 41h general drill plan 20171215162347.pdf

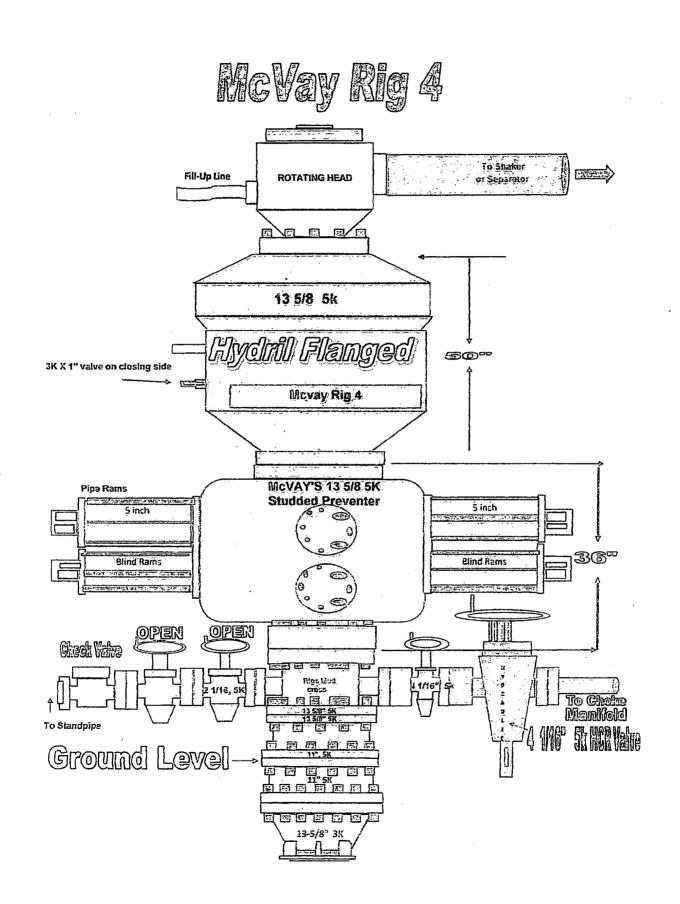
Other Variance attachment:

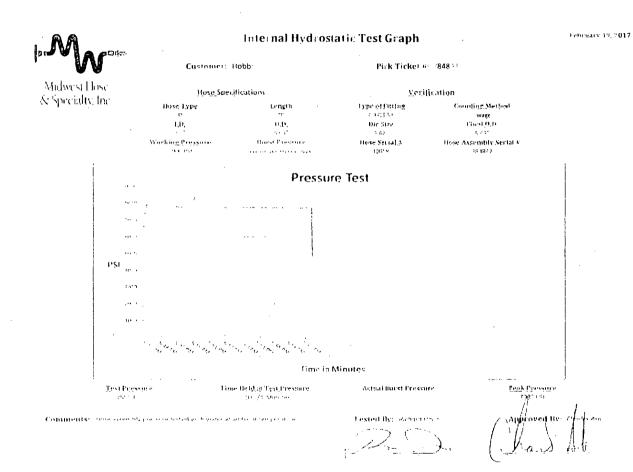


"We use the same choke manifolds for all aspects of our operations & all are rated to 10K;

* All connections downstream from BOP thru chokes Are Flanged, All connections downstream from chokes are Flanged







| | | rest Hose | |
|---------------------------------------|---------------------------------------|-------------------------------|----------------------|
| | & Spec | cialty, Inc. | |
| | | | |
| | | atic Test Certificate | |
| General Inform | · · · · · · · · · · · · · · · · · · · | Hose Specif | |
| Customer | HOBBS | Hose Assembly Type | Rotary/Vibrator |
| MWH Sales Representative | CHARLES ASH | Certification | API 7K/FSL LEVEL2 |
| Date Assembled | 2/19/2017 | Hose Grade | D |
| Location Assembled | OKC | Hose Working Pressure | 5000 |
| Sales Order # | 318810 | Hose Lot # and Date Code | 10958-08/13 |
| Customer Purchase Order # | 356945 | Hose I.D. (Inches) | 3.5" |
| Assembly Serial # (Pick Ticket #) | 384842 | Hose O.D. (inches) | 5.45" |
| Hose Assembly Length | 20FT | Armor (yes/no) | NO |
| | Fit | tings | |
| End A | | End E | 3 |
| Stem (Part and Revision #) | R3.5X64WB | Stem (Part and Revision #) | R3.5X64WB |
| Stem (Heat #) | 13105653 | Stem (Heat #) | 13105653 |
| Ferrule (Part and Revision #) | RF3.5X5330 | Ferrule (Part and Revision #) | RF3.5X5330 |
| Ferrule (Heat #) | 34038185 | Ferrule (Heat #) | 3403818 |
| Connection . Flange Hammer Union Part | 4-1/16 5K | Connection (Part #) | 4-1/16 5K |
| Connection (Heat #) | | Connection (Heat #) | |
| Nut (Part #) | | Nut (Pari#) | |
| Nut (Heat#) | | NUt (Heal #) | |
| Dies Used | 5.62" | Dies Used | 5.53" |
| | Hydrostatic Te | est Requirements | |
| Test Pressure (psi) | 7,500 | Hose assembly was tested | l with ambient water |
| Test Pressure Hold Time (minutes) | 10 1/2 | tempera | ture. |
| | | | |
| Date Tested | Teste | | Approved By |
| 2/19/2017 | \mathcal{O}_{-} | rate Dan - 24 | 1-5 |

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MHSI-008 Rev. 0.0 Proprietary

| | ₽.V | | |
|--|------------------------|---|------------------------|
| | | est Hose | |
| | · | sialty, Inc. | · |
| | Cértificate | of Conformity | |
| Customer: HOBBS | | Customer P.O.# 356945 | |
| Sales Order # 318810 | | Date Assembled: 2/19/2017 | |
| <u></u> | Speci | lications | · · · · · · |
| Hose Assembly Type: | Rotary/Vibrator | Rig # | |
| Assembly Serial # | 384842 | Hose Lot # and Date Code | 10958-08/13 |
| Hose Working Pressure (psi) | 5000 | Test Pressure (psi) | 7500 |
| Hose Assembly Description. | | TRH56D-645KH-645KH-20.00 | ' FT |
| | e material supplied fo | or the referenced purchase orde t industry standards | r to be true according |
| Ve hereby certify that the abov o the requirements of the purc upplier: Aidwest Hose & Specialty, Inc. 1312 S I-35 Service Rd Oklahoma City, OK 73129 | hase order and currer | | |
| o the requirements of the purc upplier: Aidwest Hose & Specialty, Inc. 1312 S I-35 Service Rd | hase order and currer | | |
| o the requirements of the purc upplier: Aidwest Hose & Specialty, Inc. 1312 S I-35 Service Rd Oklahoma City, OK 73129 | hase order and currer | | |

MHSI-009 Rev.0.0 Proprietary

Surface Casing

| | | | | Burst | | | | Dry | Mud |
|---------|-------|------|----------|------------------|----------|----------|--------|--------|---------|
| Size | Grade | #/ft | Collapse | (Internal Yield) | Tensile | Coupling | Length | Weight | Weight |
| | | | | | | | | 98,100 | |
| 13.375" | J-55 | 54.5 | 1130 psi | 2730 psi | 514 kips | STC | 1800' | lbs | 8.5 ppg |

Collapse: $DF_c = 1.25$

Base Assumptions

- Complete internal evacuation of the casing, utilizing a collapse force equivalent to the mud gradient (0.44 psi/ft) in which the casing will be ran.
- Cementing operations in which, utilizes a collapse force equivalent to the gradient of the planned cement slurry (0.77 psi/ft) and an internal force equivalent to the fresh water displacement fluid (0.433 psi/ft).

Collapse Calculations: Collapse Rating / Collapse Force

Complete Evacuation: 1,130psi / [(0.44psi/ft)(1,800')] = **1.42**

Cementing Operations: 1,130psi / [(0.77psi/ft - 0.433psi/ft)(1800')] = **1.86**

Burst: $DF_B = 1.25$

Base Assumption

• Casing pressure test as per Onshore Oil and Gas Order No. 2 (0.22 psi/ft or 1500 psi), utilizing an external force equivalent to the mud gradient (0.44 psi/ft) in which the casing will be ran.

Burst Calculations: Internal Yield Rating / Internal Force

Casing Pressure Test: 2,730psi / [(1500psi)-(0.44 psi/ft)(1,800')] = **3.86**

Tensile: $DF_T = 1.6$

Base Assumption

• A downward force of 100,000 lb. overpull is applied at the base of the casing along with the weight and not considering the effects of buoyancy.

Tensile Calculations: Joint Strength / Axial Load

Overpull: 514 kips / (100,000 lbs. + 98,100 lbs.) = **2.59**

Intermediate Casing

| | | | | Burst | | | | Dry | |
|--------|--------|------|----------|------------------|----------|----------|--------|------------|------------|
| Size | Grade | #/ft | Collapse | (Internal Yield) | Tensile | Coupling | Length | Weight | Mud Weight |
| 9.625" | J-55 | 40 | 2570 psi | 3950 psi | 520 kips | LTC | 4000' | 160,000 lb | 10.0 ppg |
| 9.625" | HCK-55 | 40 | 4230 psi | 3950 psi | 694 kips | LTC | 1600' | 64,000 lb | 10.0 ppg |

Collapse: $DF_c = 1.25$

Base Assumptions

- Complete internal evacuation of the casing, utilizing a collapse force equivalent to the mud gradient (0.52 psi/ft) in which the casing will be ran.
- Cementing operations in which, utilizes a collapse force equivalent to the gradient of the planned cement slurry (0.77 psi/ft) and an internal back-up force equivalent to the fresh water displacement fluid (0.433 psi/ft).

Collapse Calculations: Collapse Rating / Collapse Force

Complete Evacuation: J-55: 2570psi / [(0.52psi/ft)(4,000')] = **1.25** HCK-55: 4230psi / [(0.52psi/ft)(5,600')] = **1.45**

Cementing Operations: J-55: 2570psi / [(0.77psi/ft - 0.433psi/ft)(4000')] = **1.91** HCK-55: 4230psi / [(0.77psi/ft - 0.433psi/ft)(5600')] = **2.24**

Burst: $DF_B = 1.25$

Base Assumption

- Casing pressure test as per Onshore Oil and Gas Order No. 2 (0.22 psi/ft or 1500 psi), utilizing an internal force equivalent to the displacement fluid of 8.6 ppg and external force equivalent to 8.4 ppg.
- Gas kick at the casing shoe, in which a 0.7 psi/ft shoe test is assumed, and 0.2 psi/ft gas gradient is assumed.

Burst Calculations: Internal Yield Rating / Burst Force

Casing Pressure Test:

J-55: 3950psi / [(1500psi +1789 psi) - (1747psi)] = **2.56** HCK-55: 3950psi / [(1500psi +2504 psi) - (2446psi)] = **2.54**

Gas Kick:

J-55: 3950psi / [(0.7psi/ft)(5600')-(0.2psi/ft)(5600')] = **1.41** HCK-55: 3950psi / [(0.7psi/ft)(5600')-(0.2psi/ft)(4000')] = **1.27**

Tensile: $DF_T = 1.6$

Base Assumption

• A downward force of 100,000 lb. overpull is applied at the base of the casing along with the weight of the string and not considering the effects of buoyancy.

Tensile Calculations: Joint Strength / Axial Load

Overpull: J-55: 520 kips / (100,000 lbs. + 224,00 lbs.) = **1.6** HCK-55: 694 kips / (100,000 lbs. + 64,100 lbs.) = **4.23**

Intermediate Casing

| | | | | Burst | | , | | Dry | |
|--------|--------|------|----------|------------------|----------|----------|--------|------------|------------|
| Size | Grade | #/ft | Collapse | (Internal Yield) | Tensile | Coupling | Length | Weight | Mud Weight |
| 9.625" | J-55 | 40 | 2570 psi | 3950 psi | 520 kips | LTC | 4000' | 160,000 lb | 10.0 ppg |
| 9.625" | HCK-55 | 40 | 4230 psi | 3950 psi | 694 kips | LTC | 1600' | 64,000 lb | 10.0 ppg |

Collapse: $DF_c = 1.25$

Base Assumptions

- Complete internal evacuation of the casing, utilizing a collapse force equivalent to the mud gradient (0.52 psi/ft) in which the casing will be ran.
- Cementing operations in which, utilizes a collapse force equivalent to the gradient of the planned cement slurry (0.77 psi/ft) and an internal back-up force equivalent to the fresh water displacement fluid (0.433 psi/ft).

Collapse Calculations: Collapse Rating / Collapse Force

Complete Evacuation: J-55: 2570psi / [(0.52psi/ft)(4,000')] = **1.25** HCK-55: 4230psi / [(0.52psi/ft)(5,600')] = **1.45**

Cementing Operations: J-55: 2570psi / [(0.77psi/ft - 0.433psi/ft)(4000')] = **1.91** HCK-55: 4230psi / [(0.77psi/ft - 0.433psi/ft)(5600')] = **2.24**

Burst: $DF_B = 1.25$

Base Assumption

- Casing pressure test as per Onshore Oil and Gas Order No. 2 (0.22 psi/ft or 1500 psi), utilizing an internal force equivalent to the displacement fluid of 8.6 ppg and external force equivalent to 8.4 ppg.
- Gas kick at the casing shoe, in which a 0.7 psi/ft shoe test is assumed, and 0.2 psi/ft gas gradient is assumed.

Burst Calculations: Internal Yield Rating / Burst Force

Casing Pressure Test:

J-55: 3950psi / [(1500psi +1789 psi) - (1747psi)] = **2.56** HCK-55: 3950psi / [(1500psi +2504 psi) - (2446psi)] = **2.54**

Gas Kick:

J-55: 3950psi / [(0.7psi/ft)(5600')-(0.2psi/ft)(5600')] = **1.41** HCK-55: 3950psi / [(0.7psi/ft)(5600')-(0.2psi/ft)(4000')] = **1.27**

Tensile: $DF_T = 1.6$

Base Assumption

• A downward force of 100,000 lb. overpull is applied at the base of the casing along with the weight of the string and not considering the effects of buoyancy.

Tensile Calculations: Joint Strength / Axial Load

Overpull:

J-55: 520 kips / (100,000 lbs. + 224,00 lbs.) = **1.6** HCK-55: 694 kips / (100,000 lbs. + 64,100 lbs.) = **4.23**

Production Casing

| | | | | Burst | | | | Dry | |
|------|-------|------|-----------|------------------|----------|----------|---------|------------|------------|
| Size | Grade | #/ft | Collapse | (Internal Yield) | Tensile | Coupling | Length | Weight | Mud Weight |
| 5.5" | P-110 | 20 | 11080 psi | 12360 psi | 641 kips | BTC | 17,500' | 350,000 lb | 9.1 ppg |

Collapse: $DF_c = 1.25$

Base Assumptions

- Cementing operations in which utilizes a collapse force equivalent to the gradient of the planned cement slurry (0.77 psi/ft) and an internal back-up force equivalent to the fresh water displacement fluid (0.433 psi/ft).
- Production operations in which the pipe is completely evacuated with an external force equivalent to the pore pressure gradient (0.52 psi/ft).

Collapse Calculations: Collapse Rating / Collapse Force

Cementing Operations: 11,080psi / [(0.66psi/ft-0.433 psi/ft)(9,800'TVD)] = **4.98**

Production Operations: 11080psi / (9,800' TVD)(0.52psi/ft) = **2.17**

Burst: $DF_B = 1.25$

Base Assumption

- Frac pressure utilizing an internal force of 9500 psi along with a frac fluid gradient equivalent to 0.468 psi/ft and an external force equal to the minimum fluid gradient (0.433 psi/ft) in which the casing will be ran.
- Production operations in which the casing is completely filled with a gas equivalent gradient of 0.2 psi/ft and an external force equivalent to pore pressure of 0.5 psi/ft.

Burst Calculations: Internal Yield Rating / Burst Force

Frac Pressure: 12,360psi / [(9500 psi)+ (0.468 – 0.433psi/ft)(9,800'TVD)] = **1.26**

Production Operations: 12,360psi / [(0.5 psi/ft – 0.2 psi/ft)(9,800'TVD)] = **4.2**

Tensile: $DF_T = 1.6$

Base Assumption

• A downward force of 100,000 lb. overpull is applied at the base of the casing along with the weight of the string and considering the effects of buoyancy (factor =0.86).

Tensile Calculations: Joint Strength / Axial Load

Overpull: 641,000 lbs /[(100,000 lbs.) + (350,000 lbs.)(0.86)] = **1.66**

| Depth | Mud Wt. | Vise Fluid Loss | Type Mud |
|-------------------|---------|-----------------|----------------------------|
| 0' to 1800' | 8.4-8.9 | 30-32NC | Fresh water gel spud mud |
| 1800' to 5600' | 9.8-10 | 28-29NC | Brine water |
| 5600' to 9,800' | 8.4-8.6 | 28-29NC | Fresh water/brine, use hi- |
| | | | Weeps to clean hole |
| 9,800' to 17,532' | 8.9-9.1 | 28-2918-20 | Fresh water/brine |

9. <u>Proposed Drilling Plan:</u>

Set surface and intermediate casing and cement to surface. Drill 8-3/4" to ~9,800', Kick off and drill 8-3/4" hole to TD of ~17,532'. Set 5-1/2" casing from surface to TD (~ 17,532'). Cement 5-1/2" production casing back to surface.

10. Casing Information:

| String | Hole size | Deoth | Casing OD | Colla Weight | Grade |
|--------------|-----------|------------|-------------|--------------|---------------|
| Surface | 17-1/2" | 1800' MD | New 13-3/8" | STC 54.5# | J-55 |
| Intermediate | 12-1/4" | 3901' MD | New 9-5/8" | LTC 40# | J-55 |
| Intermediate | 12-1/4" | 5600' MD | New 9-5/8" | LTC 40# | HCK-55 |
| Production | 8-3/4" | 17,532' MD | New 5-1/2" | BTC 20# | P-1 10 |

See Casings assumptions attachment for further information

11. Cementing Information:

<u>Surface Casing</u> (75% excess on lead & 75% excess on tail to design for cement top at surface): <u>Lead:</u> 1100 sxs class C cement + 4% bwoc bentonite II + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake +

0.005% bwoc Static Free + 0.005 gps FP-6L (13.50 ppg, 1.93 cfps, 9.71 gps wtr).

<u>Tail:</u> 200 sxs class C cement + 1.5% bwoc Calcium Chloride + 0.005 lbs/sack Static Free + 0.005 gps FP-6L

(14.80 ppg, 1.34 cfps, 6.35 gps wtr).

Intermediate Casing

In the event that circulation is lost (> 50%) while drilling the 12-1/4" intermediate hole in the Capitan Reef at +/-4000', we will plan to install a DV tool and external casing packer within 200 of the top depth where lost circulation occurred and will pump a two-stage cement job with the potential to add an additional DV tool for a three-stage cement job. If there is no lost circulation a single stage cementing procedure will be followed. Legacy plans to cement to surface regardless of whether a single stage, 2-stage or 3-stage procedure is implemented.

No DV tool (80% excess on lead & 80% excess on tail to design for cement top at surface)

<u>Lead:</u> 1400 sx (35:65) poz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL- 52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81

gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

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With (1) DV Tool (100% excess on lead & 100% excess on tail to design for cement top at surface)

Assuming DV tool set at 3950[°] but if the setting depth changes, cement volumes will be adjusted proportionately.

Stage 1

<u>Lead:</u> 400 sx (35:65) paz (fly ash) class C cement+ 4% bwoc Bentonite II+ 5% bwoc MPA-5 + 0,25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

<u>Tail:</u> 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

Stage 2

Lead: 1100 sx (35:65) paz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0,25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk Cello Flake+ 0.005 lbs/sk Static Free+ 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

<u>Tail:</u> 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

With (2) DV Tools (100% excess on lead & 100% excess on tail to design for cement top at surface)

Assuming one DV tool set at 3950' and one DV tool set at 1800' but if the setting depths change, cement volumes will be adjusted proportionately.

Stage 1

Lead: 400 sx (35:65) paz (fly ash) class C cement+ 4% bwoc Bentonite II+ 5% bwoc MPA-5 + 0,25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

Stage 2

Lead: 600 sx (35:65) paz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk Cello Flake+ 0.005 lbs/sk Static Free+ 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

<u>Tail:</u> 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

Stage 3

<u>Lead</u>: 600 sx (35:65) paz (fly ash) class C cement+ 4% bwoc bentonite II + 5% bwoc MPA-5 + 0,25% bwoc FL-52 + 5 lbs/sack LCM-1 + 0.125 lbs/sk Cello Flake+ 0.005 lbs/sk Static Free+ 0.005 gps FP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride (12.5 ppg, 2.13 cfps, 8.81 gps wtr)

Tail: 200 sx class C cement (14.80 ppg, 1.33 cfps, 6.35 gps wtr)

<u>Production Casing</u> (80% excess on lead & 20% excess on tail to design for cement top at surface): <u>Lead:</u> 1600 sxs (50:50) poz (fly ash) class H cement + 10% bwoc bentonite II + 5% bwow sodium chloride + 5

pps LCM-1 + 0.005 lbs/sk Static Free + 0.005 gps FP-6L (11.90 ppg, 2.38 cf/sx, 13.22 gps wtr). <u>Tail:</u> 1700 sxs Class H (15:61:11) poz (fly ash): class H cement: CSE-2 + 4% bwow sodium chloride + 3 pps LCM-

1 + 0.6% bwoc FL-25 + 0.005 gps FP-6L + 0.005% bwoc Static Free (13.20 ppg, 1.62 cf/sx, 9.45 gps wtr).

12. Pressure Control Eqpt/BOP:

Legacy Reserves plans to use a 13-5/8" 5000-psi working pressure BOP system consisting of a double ram BOP with one ram being pipe and one ram being blind, a 5000-psi annular type preventer, a 5000-psi choke manifold and 80 gallon accumulator with floor, five remote operating stations and an auxiliary power system. A rotating head will be utilized as needed. A drill string safety valve in the open position will be available on the rig floor. A mud gas separator will be available for use if needed.

A 3M BOP will be used to drill from the surface casing shoe (\sim 1800') to the intermediate casing shoe (\sim 5600'). The BOP will be a 5M system, however the "A" section wellhead will be a 3M wellhead (see . attached BOP Diagram).

The BOP unit will be hydraulically operated. The BOP will be operated at least once per day while drilling and the blind rams will be operated when out of hole during trips. No abnormal pressure or temperature is expected while drilling.

The BOPs will be tested by an independent service company to 250 psi low and 5000 psi high.

13. Testing, Logging, and Coring Program:

- A. Mud logging program: 2 man unit from approximately after setting intermediate casing.
- B. No open hole logs, DST's or cores are planned.

14. Potential Hazards

No abnormal pressures or temperatures are expected during the drilling of this well. If H2S is encountered the operator will comply with provisions of Onshore Order 6. Since there will be an H2S Safety package on location, attached is an "H2S Drilling Operations Plan". Adequate flare lines will be installed on the mud/gas separator so gas may be flared safely. All personnel will be familiar with all aspects of safe operations of equipment being used. Lost circulation may occur and a cement contingency plan is included in this plan along with mud materials to be kept on location at all times in order to combat lost circulation or unexpected kicks. Estimated BHP: 4312 psi, estimated BHT: 162°F.

15. Road and Location

Road and location construction will begin after BLM approval of the APD. Drilling is expected to take 30-35 days and an additional 10 days for the completion.

16. Additional Requirements of Project:

Completion: The targeted Bone Spring pay zone will be perforated and stimulated in multiple stages using acid and hydraulic fracturing treatments. Fresh water used in the drilling and completion of this well will be transferred from off-site via temporary flowlines and stored in frac tanks on the location.

WAFMSS

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

APD ID: 10400025420

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Type: OIL WELL

Submission Date: 12/15/2017

Well Number: 41H Well Work Type: Drill

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

lea_41h_road_map_20171215163403.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

Row(s) Exist? NO

DE S

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

lea_41h_well_map_20171215163810.pdf

SUPO Data Report

Highlighted data reflects the most

recent changes

Show Final Text

Well Name: LEA UNIT

Well Number: 41H

Existing Wells description:

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: In the event the well is found productive, a 4" surface poly flowline (125 psi with oil/gas/water) will be laid along the existing roadway, for 3680.9' to the satellite battery located in the SW/4NE/4 of section 24, T. 20S, R. 34E. All permanent (six months or longer) aboveground structures constructed or intalled on location and not subject to safety requirements will be painted to BLM specifications. **Production Facilities map:**

lea_41h_prod_facilities_20171215164227.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING Describe type:

Source latitude:

Source datum:

Water source permit type: WATER WELL

Source land ownership: PRIVATE

Water source transport method: TRUCKING

Source transportation land ownership: FEDERAL

Water source volume (barrels): 20000

Source volume (gal): 840000

Water source and transportation map:

lea_41h_water_source_map_20171215165334.PDF

Water source comments:

New water well? NO

New Water Well Info

Well latitude:Well Longitude:Well datum:Well target aquifer:Est thickness of aquifer:Est. depth to top of aquifer(ft):Est thickness of aquifer:Aquifer comments:Aquifer documentation:

Water source type: GW WELL

Source longitude:

Source volume (acre-feet): 2.577862

Well Name: LEA UNIT

Well Number: 41H

| 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

Construction Materials description: CONSTRUCTION MATERIALS: CALICHE WILL BE USED TO CONSTRUCT THISWELL PAD Any construction material that may be required for surfacing of the drill pad will be from a contractor having a permitted source of materials within the general area. No construction materials will be removed from Federal lands without prior approval from the appropriate surface management agency. See attached for source information. **Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling fluids (flowback, water, cuttings)

Amount of waste: 20000 barrels

Waste disposal frequency : Daily

Safe containment description: Drilling fluids will be contained in steel mud tanks.

Safe containmant attachment:

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

Disposal location description: NMOCD approved disposal site in Halfway, NM.

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?

Well Name: LEA UNIT Well Number: 41H

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Drill cuttings will be held in roll-off style mud boxes and taken to an NMOCD approved disposal site in Halfway, NM. Cuttings area length (ft.)

Cuttings area depth (ft.)

Cuttings area width (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

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO **Ancillary Facilities attachment:**

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

lea 41h well site layout 20171215170438.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: No New Surface Disturbance

Multiple Well Pad Name: LEA UNIT

Multiple Well Pad Number: 36H

Recontouring attachment:

lea_41h_recontour_plat_20171215170736.pdf

Drainage/Erosion control construction: Access road and well pad already exist - no construction needed. Any maintenance or improvement necessary will be according to BLM standards.

Drainage/Erosion control reclamation: • The original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors. • A self-sustaining, vigorous, diverse, native (or otherwise approved) plant community will be established on the site, with a density sufficient to control erosion and invasion by non-

Well Name: LEA UNIT

Well Number: 41H

native plants and to re-establish wildlife habitat or forage production. At a minimum, the established plant community will consist of species included in the seed mix and/or desirable species occurring in the surrounding natural vegetation. • Erosion features are equal to or less than surrounding area and erosion control is sufficient so that water naturally infiltrates into the soil and gullying, headcutting, slumping, and deep or excessive rills (greater than 3 inches) are not observed. • The site will be free of State- or county-listed noxious weeds, oil field debris and equipment, and contaminated soil. Invasive and non-native weeds are controlled.

| Well pad proposed disturbance | Well pad interim reclamation (acres): | Well pad long term disturbance |
|--|--|---|
| (acres): 0 Road proposed disturbance (acres): 0 | | (acres): Road long term disturbance (acres): |
| Powerline proposed disturbance (acres): 0 | Powerline interim reclamation (acres): 0 Pipeline interim reclamation (acres): | (acres): 0 |
| Pipeline proposed disturbance (acres): 0 | Other interim reclamation (acres): | Pipeline long term disturbance (acres): |
| Other proposed disturbance (acres): (| | Other long term disturbance (acres): |
| Total proposed disturbance: 0 | | Total long term disturbance: |

Reconstruction method: Final reclamation to achieve restoration of the original landform and a natural vegetative community. The original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors.

Topsoil redistribution: Evenly

Soil treatment: Erosion features are equal to or less than surrounding area and erosion control is sufficient so that water naturally infiltrates into the soil and gullying, headcutting, slumping, and deep or excessive rills (greater than 3 inches) are not observed. The site will be free of state- or county-listed noxious weeds, oil field debris and equipment, and contaminated soil. Invasive and non-native weeds are controlled.

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?

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project?

Seedling transplant description attachment:

Well Name: LEA UNIT

Well Number: 41H

Will seed be harvested for use in site reclamation? Seed harvest description: Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed name:

Source name:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Seed Summary

Seed source:

Source address:

Proposed seeding season:

Seed Type

Total pounds/Acre:

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

Pounds/Acre

First Name:

Phone:

Last Name: 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: Noxious weeds will be controlled

Weed treatment plan attachment:

Monitoring plan description: On pumper visits

Monitoring plan attachment:

Success standards: To BLM standards

Operator Name: LEGACY RESERVES OPERATING LP Well Name: LEA UNIT

Well Number: 41H

Pit closure description: N/A (closed loop) Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: EXISTING ACCESS ROAD 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:

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:

Well Name: LEA UNIT

Well Number: 41H

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

Disturbance type: PIPELINE

USFS Ranger District:

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: USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NO ROW Type(s):

ROW Applications

SUPO Additional Information:

Use APD as ROW?

Page 8 of 9

Well Name: LEA UNIT

Well Number: 41H

Use a previously conducted onsite? YES

Previous Onsite information: ON-SITE PERFORMED ON 6/16/15 RESULTED IN PROPOSED LOCATION BEING OK WHERE STAKED. IT WAS AGREED TO TURN THE LOCATION TO A V-DOOR EAST. IT WAS ALSO AGREED TO MOVE AND PLACE THE TOP SOIL TO THE NORTH, AND THE INTERIM RECLAMATION WILL BE THE NORTH, EAST, SOUTH, AND WEST PORTION OF THIS PAD (ALL CONSTRUCTION PREVIOUSLY COMPLETED FOR LEA UNIT 36H WELL) PRESENT AT ON-SITE: CRAIG SPARKMAN-LEGACY RESERVES OPERATING, L.P. TRISH BADBEAR-BLM CASSANDRA BROOKS-BLM CHRISTOPHER FREEMAN-CEHMM DOUG BURGER-LEGACY LAND & ENVIRONMENTAL SOLUTIONS KELLY POINDEXTER-WEST COMPANY OF MIDLAND-SURVEYORS

Other SUPO Attachment

lea_41h_general_supo_20171215171736.pdf



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

PWD Data Report

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: 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:

PWD disturbance (acres):

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

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?

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:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type: Injection well number: Assigned 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: Surface discharge PWD discharge volume (bbl/day): Surface Discharge NPDES Permit? Surface Discharge NPDES Permit attachment: Surface Discharge site facilities information: Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment: Have other regulatory requirements been met? Other regulatory requirements attachment: Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):

FMSS

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

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001015

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Bond Info Data Report

04/23/2018

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:

Well Name: LEA UNIT

Well Number: 41H

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| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type 🥠 | Lease Number | Elevation | DM | TVD |
|-------------------|----------|--------------|----------|--------------|------|-------|---------|-------------------|----------------|----------------------|--------|-------------------|-------------------|--------------|---------------------|---------------|-----------|----------|
| PPP Leg #1 | 227 0 | FSL | 158 0 | FWL | 20S | 34E | 24 | Aliquot NESW | 32.55759 8 | - 103.5171 983 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 020979 | 367 6 | 0 | 0 |
| PPP Leg #1 | 0 | FSL | 182 7 | FWL | 20S | 34E | 13 | Aliquot SESW | 32.56585 2 | - 103.5164 17 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 005343 4 | - 612 4 | | 980 0 |
| PPP Leg #1 | 264 0 | FSL | 202 2 | FWL | 20S | 34E | 13 | Aliquot SESW | 32.57315 1 | - 103.5157 41 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 005343 4 | - 612 4 | 152 51 | 980 0 |
| PPP Leg #1 | 132 0 | FSL | 192 9 | FWL | 20S | 34E | 13 | Aliquot NESW | 32.56949 2 | - 103.5160 87 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 000308 5 | - 612 4 | 139 02 | 980 0 |
| EXIT Leg #1 | 330 | FNL | 221 0 | FWL | 20S | 34E | 13 | Aliquot NENW | 32.57945 55 | - 103.5151 538 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 005343 4 | - 612 4 | 175 31 | 980 0 |
| BHL Leg #1 | 330 | FNL | 221 0 | FWL | 205 | 34E | 13 | Aliquot NENW | 32.57945 55 | - 103.5151 538 | LEA | NEW MĖXI CO | NEW MEXI CO | F | NMNM 005343 4 | - 612 4 | 175 31 | 980 0 |



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

Drilling Plan Data Report

04/23/2018

APD ID: 10400025420

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Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Type: OIL WELL

Well Number: 41H

Submission Date: 12/15/2017

Highlighted data reflects the most recent changes

Show Final Text

Well Work Type: Drill

Section 1 - Geologic Formations

| Formation | | | True Vertical | Measured | | | Producing |
|-----------|------------------|-----------|---------------|----------|----------------|------------------------|-----------|
| ID | Formation Name | Elevation | Depth | Depth | Lithologies | Mineral Resources | Formation |
| 1 | QUATERNARY | 3676 | 0 | Ô | | USEABLE WATER | No |
| 2 | RUSTLER | -1680 | 1680 | 1680 | OTHER | USEABLE WATER | No |
| 3 | TOP SALT | -1720 | 1720 | 1720 | | NONE | No |
| 4 | BOTTOM SALT | -3150 | 3150 | 3150 | | NONE | No |
| 5 | 5 CAPITAN REEF | | 3150 | 3150 | OTHER : TOP | NONE | No |
| 6 | CAPITAN REEF | -4710 | 4710 | 4710 | OTHER : BOTTOM | NONE | No |
| 7 | SAN ANDRES | -4710 | 4710 | 4710 | | NONE | No |
| 8 | DELAWARE | -5666 | 5666 | 5666 | | OIL | No |
| 9 | BONE SPRING LIME | -8205 | 8205 | 8205 | | NONE | No |
| 10 | 10 AVALON SAND | | 8760 | 8760 | | OIL | No |
| 11 | BONE SPRING 1ST | -9501 | 9501 | 9511 | | NATURAL GAS,CO2,OIL | Yes |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 11000

Equipment: Legacy Reserves plans to use a 13-5/8" 5000-psi working pressure BOP system consisting of a double ram BOP with one ram being pipe and one ram being blind, a 5000-psi annular type preventer, a 5000-psi choke manifold and 80 gallon accumulator with floor, five remote operating stations and an auxiliary power system. A rotating head will be utilized as needed. A drill string safety valve in the open position will be available on the rig floor. A mud gas separator will be available for use if needed. A 3M BOP will be used to drill from the surface casing shoe (~1800') to the intermediate casing shoe (~5600'). The BOP will be a 5M system, however the "A" section wellhead will be a 3M wellhead (see attached BOP Diagram). The BOP unit will be hydraulically operated. The BOP will be operated at least once per day while drilling and the blind rams will be operated when out of hole during trips. No abnormal pressure or temperature is expected while drilling. Requesting Variance? YES

Variance request: Co-flex hose, diagrams and certifications included in the BOP attachment