

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
APPLICATION FOR PERMIT TO DRILL OR REENTER

**HOBBS OGD**  
JUL 02 2019  
**RECEIVED**

5. Lease Serial No. NMMN137469	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. NANDINA FED COM 25 36 31 071H (722 647) FED COM	
9. API Well No. 30-025-46191 (97088)	
10. Field and Pool, or Exploratory WC-025 0-06-6263622F / BONE SPRING	
11. Sec., T. R. M. or Blk. and Survey or Area SEC 31 / T25S / R36E / NMP	
12. County or Parish LEA	
13. State NM	
14. Distance in miles and direction from nearest town or post office* 7 miles	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 230 feet	16. No of acres in lease 600.28
17. Spacing Unit dedicated to this well 320	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2594 feet
19. Proposed Depth 10184 feet / 20310 feet	20. BLM/BIA Bond No. in file FED: NMB001478
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3024 feet	22. Approximate date work will start* 05/01/2019
23. Estimated duration 90 days	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM.            |

25. Signature (Electronic Submission)	Name (Printed/Typed) Christie Hanna / Ph: (737)300-4723	Date 12/03/2018
Title Senior Engineering Technician		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 06/28/2019
Title Assistant Field Manager Lands & Minerals		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ECP Rec 07/02/19

**APPROVED WITH CONDITIONS**  
Approval Date: 06/28/2019

KZ  
07/08/19

(Continued on page 2)

\*(Instructions on page 2)

at  
DTE  
6/20/19

## 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 I:** 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.

**ITEM 24:** If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## 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 connects this information to a new 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 Connection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

## **Additional Operator Remarks**

### **Location of Well**

1. SHL: LOT 4 / 230 FSL / 940 FWL / TWSP: 25S / RANGE: 36E / SECTION: 31 / LAT: 32.080206 / LONG: -103.3096875 ( TVD: 0 feet, MD: 0 feet )

PPP: SWSW / 0 FSL / 663 FWL / TWSP: 25S / RANGE: 36E / SECTION: 30 / LAT: 32.094075 / LONG: -103.3105993 ( TVD: 10184 feet, MD: 15071 feet )

BHL: LOT 1 / 50 FNL / 660 FWL / TWSP: 25S / RANGE: 36E / SECTION: 30 / LAT: 32.108475 / LONG: -103.3106034 ( TVD: 10184 feet, MD: 20310 feet )

### **BLM Point of Contact**

Name: Deborah Ham

Title: Legal Landlaw Examiner

Phone: 5752345965

Email: dham@blm.gov

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(Form 3160-3, page 3)

**Approval Date: 06/28/2019**

## **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.

**PECOS DISTRICT  
DRILLING CONDITIONS OF APPROVAL**

<b>OPERATOR'S NAME:</b>	AMEREDEV OPERATING LLC
<b>LEASE NO.:</b>	NMNM137469
<b>WELL NAME &amp; NO.:</b>	071H – NANDINA FED COM 25 36 31
<b>SURFACE HOLE FOOTAGE:</b>	230'/S & 940'/W
<b>BOTTOM HOLE FOOTAGE:</b>	50'/N & 660'/W
<b>LOCATION:</b>	SECTION 31, T25S, R36E, NMPM
<b>COUNTY:</b>	LEA

COA

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input checked="" type="radio"/> Low	<input type="radio"/> Medium	<input type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input checked="" type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP

**A. HYDROGEN SULFIDE**

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

**B. CASING**

**Primary Casing Design:**

1. The 13-3/8 inch surface casing shall be set at approximately **1109** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **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.

❖ **Special Capitan Reef requirements.** If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:

- Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
- Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

**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 1<sup>st</sup> intermediate casing is:

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. **Excess calculates to 21% - additional cement might be required.**

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

- Cement should tie-back at least 50 feet on top of Capitan Reef Top. Operator shall provide method of verification. **Excess calculates to 16% - additional cement might be required.**

**Alternate Casing Design:**

**2<sup>nd</sup> Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.**

3. The minimum required fill of cement behind the 7-5/8 inch 2<sup>nd</sup> intermediate casing is:
- Cement to surface. If cement does not circulate see B.1.a, c-d above. Excess calculates to 14% - additional cement might be required.

**In the case of lost circulation, operator has proposed to pump down 9 5/8" X 7 5/8" annulus. Operator must run a CBL from TD of the 7 5/8" casing to surface. Submit results to the BLM.**

**Pilot hole is required to have a plug at the bottom of the hole. If two plugs are set, the BLM is to be contacted (575-361-2822) prior to tag of bottom plug, which must be a minimum of 200' in length. Operator can set one plug from bottom of pilot hole to kick-off point and save the WOC time for tagging the first plug. Note plug tops on subsequent drilling report.**

4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
- Cement should tie-back at least 50 feet on top of Capitan Reef Top. Operator shall provide method of verification.

**C. PRESSURE CONTROL**

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2.

**Option 1:**

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

**Option 2:**

**Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 10,000 (10M) psi.**

- 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.

**Variance approved to use a 5M annular. The annular must be tested to full working pressure (5000 psi.)**

#### **D. SPECIAL REQUIREMENT(S)**

##### **Communitization Agreement**

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

## 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 2<sup>nd</sup> 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 (one log per well pad is acceptable) run from TD to surface (horizontal well – vertical portion of hole) shall

be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

#### A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

#### B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. 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.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

- a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug. The results of the test shall be reported to the appropriate BLM office.
- 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. 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.
- f. 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. This test shall be performed prior to the test at full stack pressure.
- g. 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.

#### **Waste Minimization Plan (WMP)**

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

**NMK6242019**

**PECOS DISTRICT  
SURFACE USE  
CONDITIONS OF APPROVAL**

**Environmental Assessment DOI-BLM- NM-P020-2019-0838-EA**

**Ameredev Operating LLC  
Nandina Fed Com 25 36 31 071H  
Nandina Fed Com 25 36 31 081H  
Nandina Fed Com 25 36 31 091H  
Nandina Fed Com 25 36 31 102H  
Nandina Fed Com 25 36 31 112H  
Nandina Fed Com 25 36 31 122H**

**Lease No. NMNM137469**

**TABLE OF CONTENTS**

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- General Provisions**
- Permit Expiration**
- Archaeology, Paleontology, and Historical Sites**
- Noxious Weeds**
- Special Requirements**
  - Lesser Prairie-Chicken Timing Stipulations
  - Ground-level Abandoned Well Marker
  - Hydrology
  
- Construction**
  - Notification
  - Topsoil
  - Closed Loop System
  - Federal Mineral Material Pits
  - Well Pads
  - Roads
- Road Section Diagram**
- Production (Post Drilling)**
  - Well Structures & Facilities
  
- Interim Reclamation**
- Final Abandonment & Reclamation**

## **I. GENERAL PROVISIONS**

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

## **II. PERMIT EXPIRATION**

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

## **III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES**

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

## **IV. NOXIOUS WEEDS**

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

## V. SPECIAL REQUIREMENT(S)

### **Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:**

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

**Ground-level Abandoned Well Marker to avoid raptor perching:** Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

### **Hydrology:**

The entire well pad(s) will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.

Page 4 of 12

**Approval Date: 06/28/2019**

## **VI. CONSTRUCTION**

### **A. NOTIFICATION**

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

### **B. TOPSOIL**

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

### **C. CLOSED LOOP SYSTEM**

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

### **D. FEDERAL MINERAL MATERIALS PIT**

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

### **E. WELL PAD SURFACING**

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

### **F. EXCLOSURE FENCING (CELLARS & PITS)**

**Exclosure Fencing**

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

**G. ON LEASE ACCESS ROADS****Road Width**

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

**Surfacing**

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

**Crowning**

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

**Ditching**

Ditching shall be required on both sides of the road.

**Turnouts**

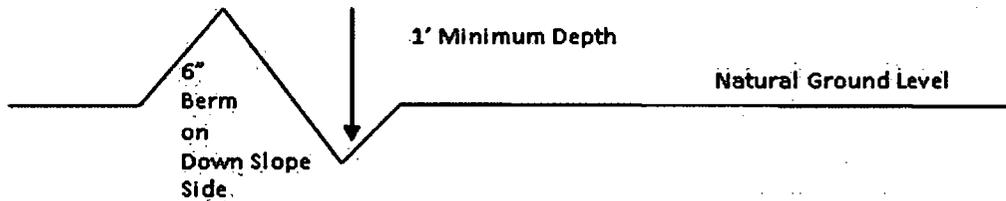
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

**Drainage**

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

#### Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

#### Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

#### Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

#### Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

#### Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

**Construction Steps**

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

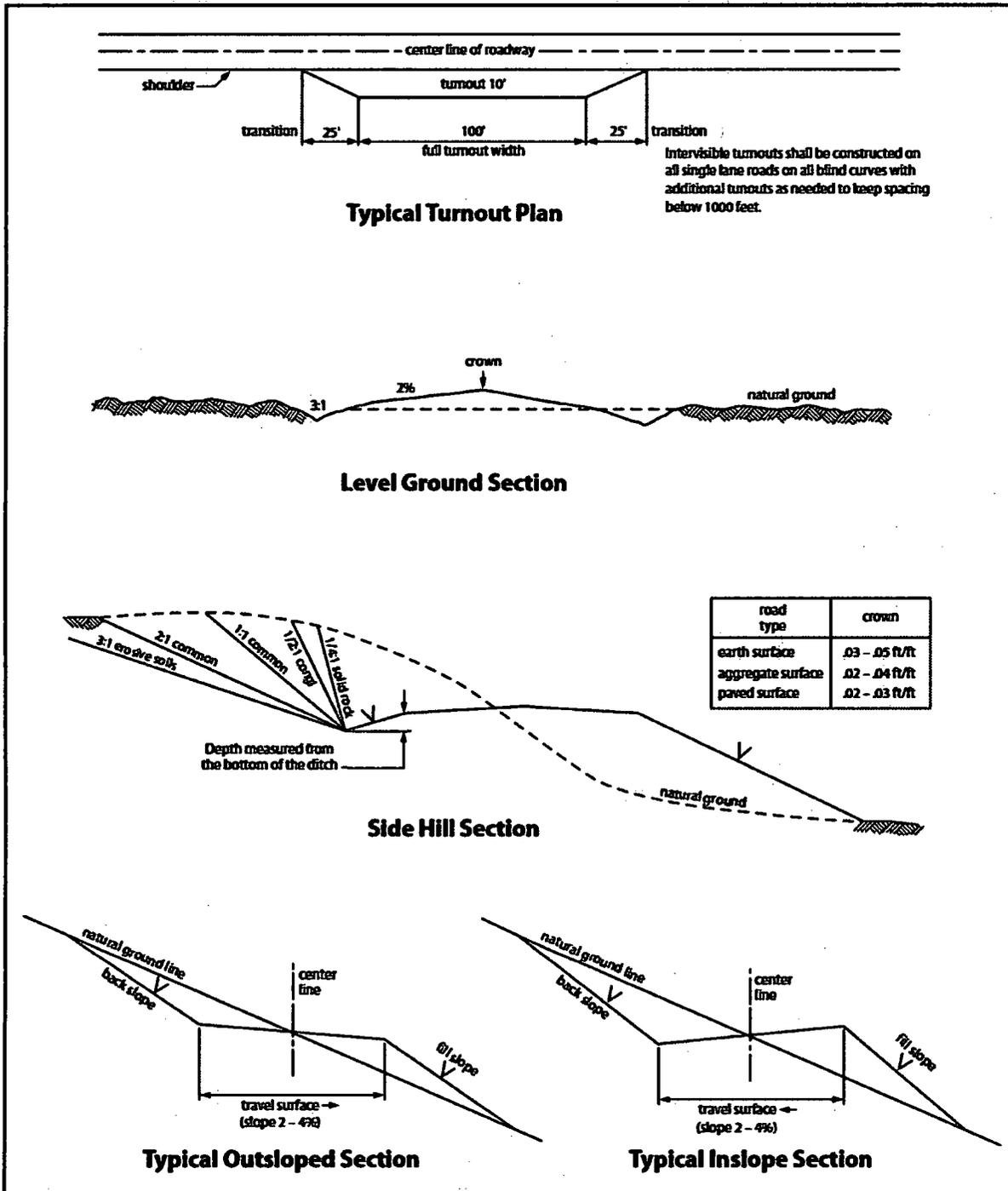


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

## **VII. PRODUCTION (POST DRILLING)**

### **A. WELL STRUCTURES & FACILITIES**

#### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

#### **Exclosure Netting (Open-top Tanks)**

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

#### **Chemical and Fuel Secondary Containment and Exclosure Screening**

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

#### **Open-Vent Exhaust Stack Exclosures**

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

#### **Containment Structures**

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

#### **Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

### **VIII. INTERIM RECLAMATION**

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

### **IX. FINAL ABANDONMENT & RECLAMATION**

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

### Seed Mixture for LPC Sand/Shinnery Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed



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

## Operator Certification Data Report

06/28/2019

### 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:** Christie Hanna

**Signed on:** 05/23/2019

**Title:** Senior Engineering Technician

**Street Address:** 5707 Southwest Parkway, Building 1, Suite 275

**City:** Austin

**State:** TX

**Zip:** 78735

**Phone:** (737)300-4723

**Email address:** channa@ameredev.com

### Field Representative

**Representative Name:** ZACHARY BOYD

**Street Address:** 5707 SOUTHWEST PARKWAY, BLDG 1, STE. 275

**City:** AUSTIN

**State:** TX

**Zip:** 78735

**Phone:** (737)300-4700

**Email address:** zboyd@ameredev.com



APD ID: 10400036902	Submission Date: 12/03/2018	 <a href="#">Show Final Text</a>
Operator Name: AMEREDEV OPERATING LLC		
Well Name: NANDINA FED COM 25 36 31	Well Number: 071H	
Well Type: OIL WELL	Well Work Type: Drill	

**Section 1 - General**

APD ID: 10400036902	Tie to previous NOS?	Submission Date: 12/03/2018
BLM Office: CARLSBAD	User: Christie Hanna	Title: Senior Engineering Technician
Federal/Indian APD: FED	Is the first lease penetrated for production Federal or Indian? FED	
Lease number: NMNM137469	Lease Acres: 600.28	
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: AMEREDEV OPERATING LLC	
Operator letter of designation:		

**Operator Info**

Operator Organization Name: AMEREDEV OPERATING LLC	
Operator Address: 5707 Southwest Parkway, Building 1, Suite 275	Zip: 78735
Operator PO Box:	
Operator City: Austin	State: TX
Operator Phone: (737)300-4700	
Operator Internet Address:	

**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: NANDINA FED COM 25 36 31	Well Number: 071H	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: WC-025 G-06 S263622F	Pool Name: BONE SPRING
Is the proposed well in an area containing other mineral resources? USEABLE WATER,NATURAL GAS,CO2,OIL		

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

Describe other minerals:

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

Type of Well Pad: MULTIPLE WELL

Well Class: HORIZONTAL

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: 7 Miles

Distance to nearest well: 2594 FT

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat: NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_BLM\_LEASE\_MAP\_REV\_20181203085105.pdf  
NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_C\_102\_REV\_\_SIG\_20181203085106.pdf  
NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_EXH\_2A\_2B\_REV\_20181203085106.pdf  
NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_VICINITY\_MAP\_REV\_20181203085107.pdf  
NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_GAS\_CAPTURE\_PLAN\_20181203085137.pdf  
WELLSITE\_20190523152306.pdf

Well work start Date: 05/01/2019

Duration: 90 DAYS

**Section 3 - Well Location Table**

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 18329

	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
SHL Leg #1	230	FSL	940	FWL	25S	36E	31	Lot 4	32.08020 6	- 103.3096 875	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 137469	302 4	0	0

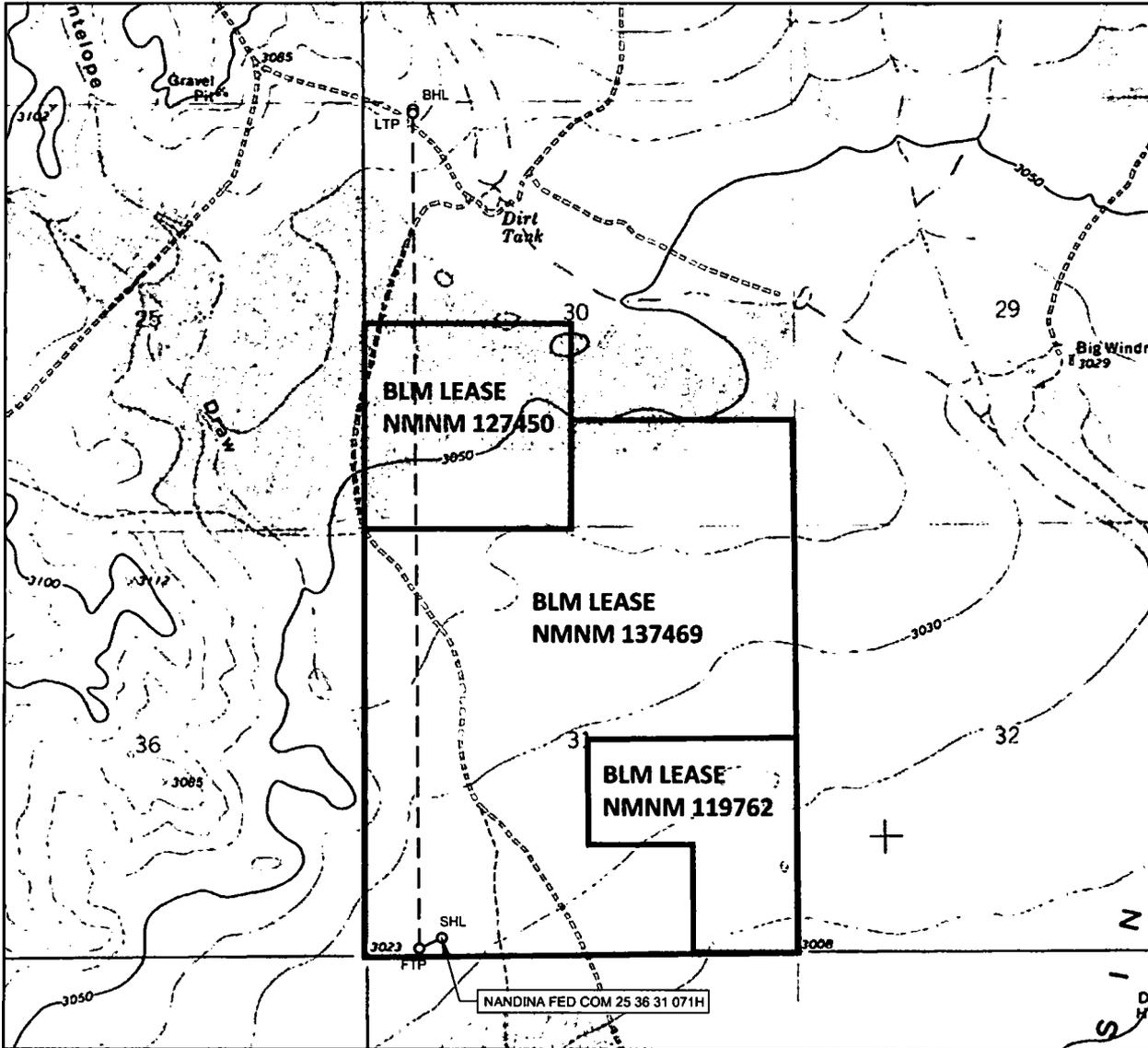
Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

	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
KOP Leg #1	157	FSL	719	FWL	25S	36E	31	Aliquot SWS W 45	32.08000 45	- 103.3104 012	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 137469	- 658 7	962 2	961 1
PPP Leg #1	0	FSL	663	FWL	25S	36E	30	Aliquot SWS W 5	32.09407 5	- 103.3105 993	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 127450	- 716 0	150 71	101 84
EXIT Leg #1	50	FNL	660	FWL	25S	36E	30	Lot 1	32.10847 5	- 103.3106 034	LEA	NEW MEXI CO	NEW MEXI CO	F	FEE	- 716 0	203 10	101 84
BHL Leg #1	50	FNL	660	FWL	25S	36E	30	Lot 1	32.10847 5	- 103.3106 034	LEA	NEW MEXI CO	NEW MEXI CO	F	FEE	- 716 0	203 10	101 84

# LOCATION & ELEVATION VERIFICATION MAP



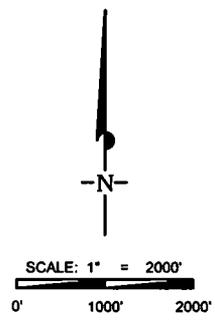
## AMEREDEV

AMEREDEV OPERATING, LLC

LEASE NAME & WELL NO.: NANDINA FED COM 25 36 31 071H

SECTION 31 TWP 25-S RGE 36-E SURVEY N.M.P.M.  
 COUNTY LEA STATE NM ELEVATION 3024'  
 DESCRIPTION 230' FSL & 940' FWL

LATITUDE N 32.0802060 LONGITUDE W 103.3096875



THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY AMEREDEV OPERATING LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.

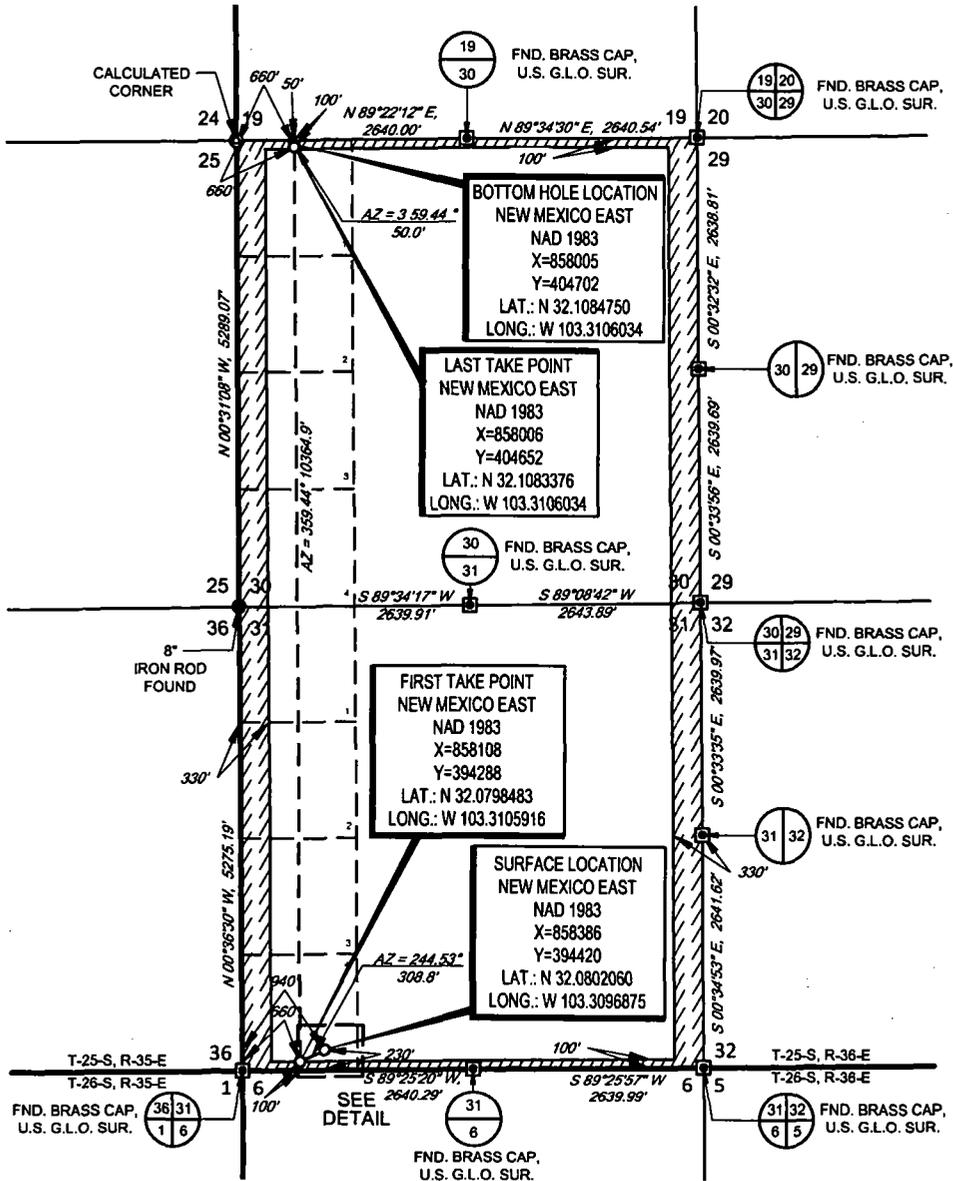
**TOPOGRAPHIC**  
 LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140  
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
 TELEPHONE: (432) 682-1653 OR (800) 787-1653 • FAX (432) 682-1743  
 WWW.TOPOGRAPHIC.COM

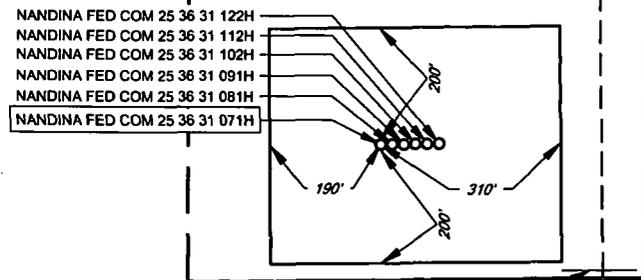
# AMEREDEV

## AMEREDEV OPERATING, LLC EXHIBIT 2A

SECTION 31, TOWNSHIP 25-S, RANGE 36-E, N.M.P.M.  
LEA COUNTY, NEW MEXICO



SCALE: 1" = 2000'  
0' 1000' 2000'



LEASE NAME & WELL NO.: NANDINA FED COM 25 36 31 071H

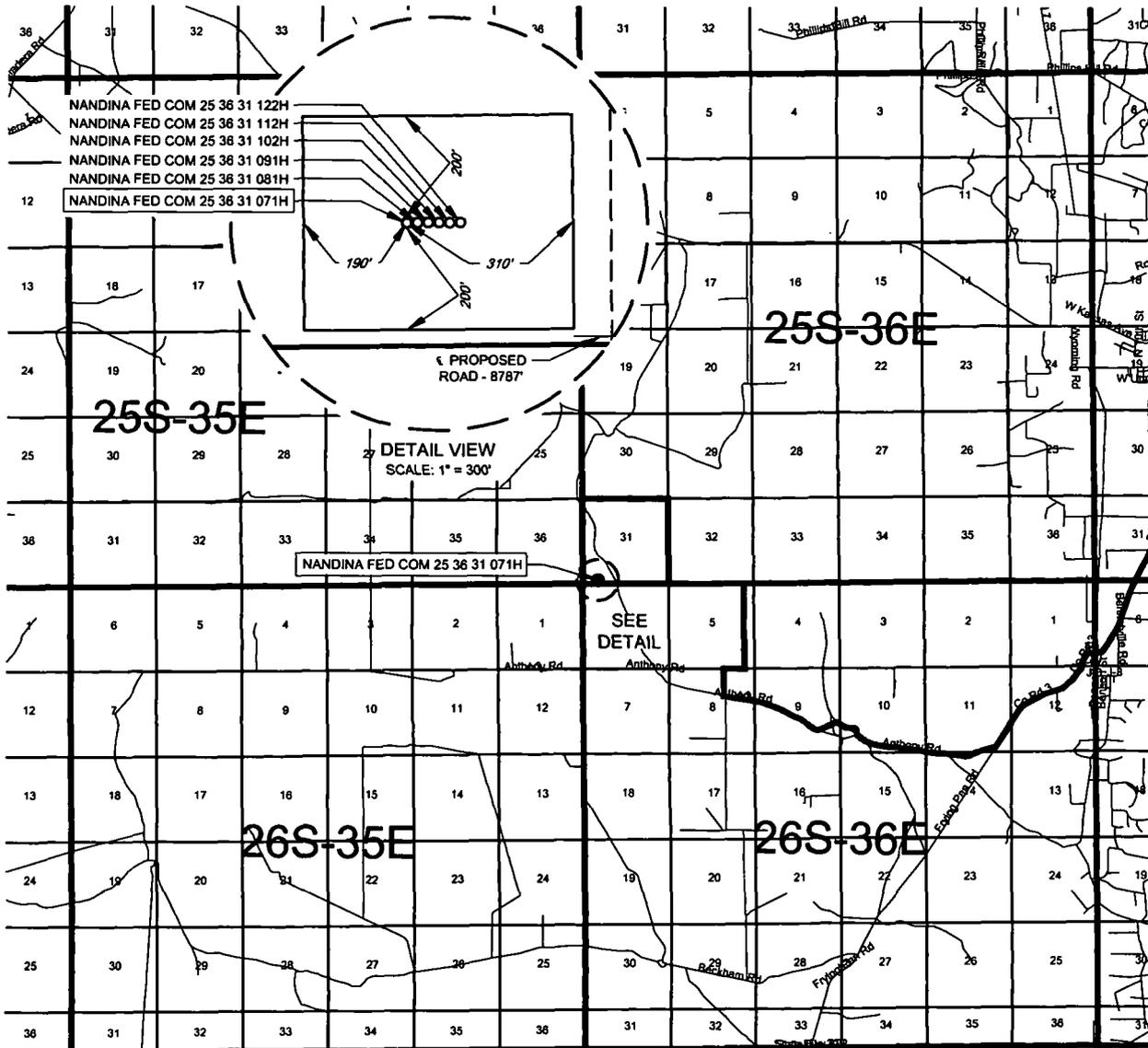
SECTION 31 TWP 25-S RGE 36-E SURVEY N.M.P.M.  
 COUNTY LEA STATE NM  
 DESCRIPTION 230' FSL & 940' FWL

DISTANCE & DIRECTION  
 FROM INT. OF 3RD ST. NML205/ERVING PAN RD. & NML128 HEAD SOUTH ON





EXHIBIT 2  
VICINITY MAP



**AMEREDEV**

AMEREDEV OPERATING, LLC

LEASE NAME & WELL NO.: NANDINA FED COM 25 36 31 071H

SECTION 31 TWP 25-S RGE 36-E SURVEY N.M.P.M.

COUNTY LEA STATE NM

DESCRIPTION 230' FSL & 940' FWL

**DISTANCE & DIRECTION**

FROM INT. OF 3RD ST./NM-205/FRYING PAN RD. & NM-128, HEAD SOUTH ON  
3RD ST./NM-205/FRYING PAN RD. ±5.6 MILES, THENCE WEST (RIGHT) ON  
ANTHONY RD. ±3.4 MILES, THENCE NORTH (RIGHT) TO CONTINUE ON  
ANTHONY RD. ±0.3 MILES, THENCE EAST (RIGHT) ON PIPELINE RD. ±0.3  
MILES, THENCE NORTH (LEFT) ON A LEASE RD. ±1.0 MILES, THENCE WEST  
(LEFT) ON A LEASE RD. ±8787 FEET TO A POINT ±378 FEET SOUTHEAST OF  
THE LOCATION.

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY AMEREDEV OPERATING LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

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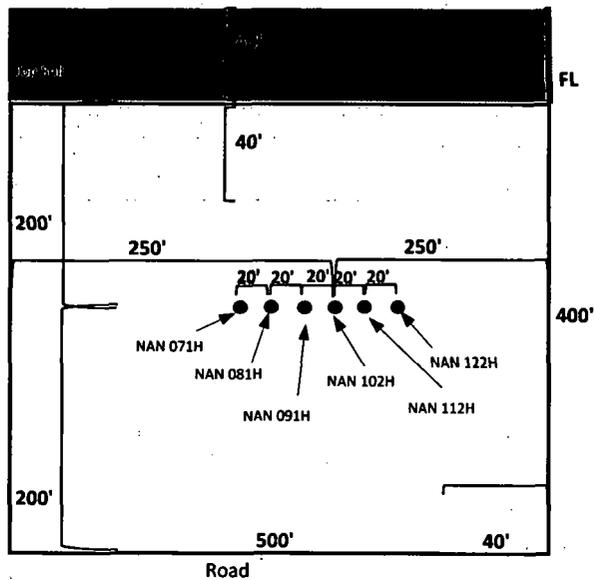
SCALE: 1" = 10000'  
 0' 5000' 10000'



**TOPOGRAPHIC**  
 LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 148 • FT. WORTH, TEXAS 76140  
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 WWW.TOPOGRAPHIC.COM

Ameredev Operating, LLC  
 Nandina Fed Com 25 36 31 071H  
 Section 31, Township 25S, Range 36E  
 Lea County, New Mexico



- Flowline
- Reclaimed Area
- Road
- Top Soil

Nandina Fed Com 25 36 31 071H	SHL: 25S 36E	230'	FSL	940'	FWL
Nandina Fed Com 25 36 31 081H	SHL: 25S 36E	230'	FSL	960'	FWL
Nandina Fed Com 25 36 31 091H	SHL: 25S 36E	230'	FSL	980'	FWL
Nandina Fed Com 25 36 31 102H	SHL: 25S 36E	230'	FSL	1000'	FWL
Nandina Fed Com 25 36 31 112H	SHL: 25S 36E	230'	FSL	1020'	FWL
Nandina Fed Com 25 36 31 122H	SHL: 25S 36E	230'	FSL	1040'	FWL

**Exhibit 3 – Well Site Diagram**



APD ID: 10400036902

Submission Date: 12/03/2018

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

**Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	RUSTLER ANHYDRITE	3024	984	984	ANHYDRITE	NONE	No
2	SALADO	1610	1413	1413	SALT	NONE	No
3	TANSILL	-359	3382	3382	LIMESTONE	NONE	No
4	CAPITAN REEF	-732	3755	3755	LIMESTONE	USEABLE WATER	No
5	LAMAR	-2004	5027	5027	LIMESTONE	NONE	No
6	BELL CANYON	-2093	5116	5116	SANDSTONE	NATURAL GAS,OIL	No
7	BRUSHY CANYON	-4276	7299	7299	SANDSTONE	NATURAL GAS,OIL	No
8	BONE SPRING LIME	-5418	8441	8441	LIMESTONE	NONE	No
9	BONE SPRING 1ST	-6776	9799	9799	SANDSTONE	NATURAL GAS,OIL	Yes

**Section 2 - Blowout Prevention**

Pressure Rating (PSI): 10M

Rating Depth: 15000

Requesting Variance? YES

Choke Diagram Attachment:

10M\_Choke\_Manifold\_REV\_20190523153251.pdf

BOP Diagram Attachment:

5M\_Annular\_Preventer\_Variance\_and\_Well\_Control\_Plan\_20190523153339.pdf

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

10M\_Choke\_Manifold\_REV\_20190523153251.pdf

5M\_BOP\_System\_20190523153340.pdf

Pressure\_Control\_Plan\_Single\_Well\_MB4\_3String\_Big\_Hole\_BLM\_20190523153342.pdf

4\_String\_MB\_Ameredev\_Wellhead\_Drawing\_net\_REV\_20190523153441.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			NEW	API	N	0		0		3024					OTHER - BTC			DRY		DRY	
2	INTERMEDIATE			NEW	API	N	0		0		3024					OTHER - BTC			DRY		DRY	
3	PRODUCTION			NEW	API	N	0		0		3024					OTHER - BTC			DRY		DRY	

### Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

13.375\_68.00\_J55\_BTC\_20190523153629.pdf

Nandina\_Fed\_Com\_25\_36\_31\_071H\_Wellbore\_Diagram\_and\_CDA\_20190523153710.pdf

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Nandina\_Fed\_Com\_25\_36\_31\_071H\_\_Wellbore\_Diagram\_and\_CDA\_20190523153835.pdf

9.625\_40\_SeAH80HC\_4100\_Collapse\_20190523153843.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

5.50\_20\_USS\_P110\_HC\_BTC\_API\_20190523153944.pdf

Nandina\_Fed\_Com\_25\_36\_31\_071H\_\_Wellbore\_Diagram\_and\_CDA\_20190523153952.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					1.76					
SURFACE	Tail										
INTERMEDIATE	Lead					2.47					

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Tail										
INTERMEDIATE	Lead					2.47					
INTERMEDIATE	Tail										
PRODUCTION	Lead					1.34					

### 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 supplies (e.g. bentonite, cedar bark) for fluid control will be on site.

Describe the mud monitoring system utilized: An electronic pit volume totalizer (PVT) will be utilized on the circulating system to monitor pit volume, flow rate, pump pressure, and pump rate.

### 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)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
9275	1018 4	OIL-BASED MUD	10.5	12.5							

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	PH	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1109	WATER-BASED MUD	8.4	8.6							
1109	9275	OTHER : Diesel Brine Emulsion	8.5	9.4							

### Section 6 - Test, Logging, Coring

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

A directional survey, measurement while drilling and a mudlog/geologic lithology log will all be run from surface to TD.

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

DS,MWD,MUDLOG

**Coring operation description for the well:**

No coring will be done on this well.

### Section 7 - Pressure

**Anticipated Bottom Hole Temperature(F):** 160

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

**Describe:**

**Contingency Plans geohazards description:**

**Contingency Plans geohazards attachment:**

**Hydrogen Sulfide drilling operations plan required?** YES

**Hydrogen sulfide drilling operations plan:**

H2S\_Plan\_20181203092537.pdf

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**Section 8 - Other Information**

**Proposed horizontal/directional/multi-lateral plan submission:**

Amerdev\_Nandina\_Fed\_Com\_25\_36\_31\_Well\_No.\_071H\_rev1\_20190523154600.pdf

5M\_Annular\_Preventer\_Variance\_and\_Well\_Control\_Plan\_20190523154612.pdf

Pressure\_Control\_Plan\_Single\_Well\_MB4\_3String\_Big\_Hole\_BLM\_20190523154612.pdf

**Other proposed operations facets description:**



**Other proposed operations facets attachment:**

CAPITAN\_PROTECTION\_CONTINGENCY\_PLAN\_20190523154628.pdf

**Other Variance attachment:**

Requested\_Exceptions\_\_3\_String\_Revised\_01312019\_20190523154657.pdf

R616\_\_CoC\_for\_hoses\_12\_18\_17\_20190523154656.pdf





American Resource Development LLC

# 5M Annular Preventer Variance Request and Well Control Procedures

Note: A copy of the Well Control Plan must be available at multiple locations on the rig for review by rig personnel, as well as review by the BLM PET/PE, and a copy must be maintained on the rig floor.

## Dual Isolation Design for 5M Annular Exception

Ameredev will utilize 13-5/8" 10M (5M Annular) BOPE System consisting of:

- 13-5/8" 5M Annular
- 13-5/8" 10M Upper Pipe Rams
  - 3-1/2" – 5-1/2" Variable Bore Ram
- 13-5/8" 10M Blind Rams
- 13-5/8" 10M Drilling Spool /w 2 - 4" 10M Outlets Double 10M Isolation Valves
- 13-5/8" 10M Lower Blind Rams
  - 3-1/2" – 5-1/2" Variable Bore Ram

All drilling components and casing associated to exposure > 5000 psi BHP requiring a 10M system will have a double isolation (secondary barrier) below the 5M Annular that would provide a barrier to flow. The mud system will always be primary barrier, it will be maintained by adjusting values based on tourly mud tests and monitoring a PVT System to maintain static wellbore conditions, displacement procedures will be followed and recorded on daily drilling reports during tripping operations. Surge and swab pressure values will be calculated and maintained and static flow check will be monitored at previous casing shoe and verified static well conditions prior to tripping out of hole and again prior to pulling last joint of drill pipe through BOPE. The below table, documents that two barriers to flow can be maintained at all times, independent of the rating of the annular preventer.

Drill Components	Size	Primary Barrier	Secondary Barrier	Third Barrier
Drillpipe	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
HWDP Drillpipe	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
Drill Collars	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
Production Casing	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
Open Hole	13-5/8	Drilling Fluid	Blind Rams	

All Drilling Components in 10M Environment will have OD that will allow full Operational RATED WORKING PRESSURE for system design. Kill line with minimum 2" ID will be available outside substructure with 10M Check Valve for OOH Kill Operations

# Well Control Procedures

Proper well control procedures are dependent to differentiating well conditions, to cover the basic well control operations there are will be standard drilling ahead, tripping pipe, tripping BHA, running casing, and pipe out of the hole/open hole scenarios that will be defined by procedures below. Initial Shut In Pressure can be taken against the Uppermost BOPE component the 5M Annular, pressure control can be transferred from the lesser 5M Annular to the 10M Upper Pipe Rams if needed. Shut In Pressures may be equal to or less than the Rated Working Pressure but at no time will the pressure on the annular preventer exceed the Rated Working Pressure of the annular. The annular will be tested to 5,000 psi. This will be the Rated Working Pressure of the annular preventer. All scenarios will be written such as shut in will be performed by closing the 10,000 psi Upper Pipe Rams for faster Accumulator pressure recovery to allow safer reaction to controlling wellbore pressure.

## Shutting In While Drilling

1. Sound alarm signaling well control event to Rig Crew
2. Space out drill string to allow FOSV installation
3. Shut down pumps
4. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
5. Install open, full open safety valve and close valve, Close Chokes
6. Verify well is shut-in and flow has stopped
7. Notify supervisory personnel
8. Record data (SIDP, SICP, Pit Gain, and Time)
9. Hold pre-job safety meeting and discuss kill procedure

## Shutting In While Tripping

1. Sound alarm signaling well control event to Rig Crew
2. Space out drill string to allow FOSV installation
3. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
4. Install open, full open safety valve and close valve, Close Chokes
5. Verify well is shut-in and flow has stopped
6. Notify supervisory personnel
7. Record data (SIDP, SICP, Pit Gain, and Time)
8. Hold pre-job safety meeting and discuss kill procedure

### **Shutting In While Running Casing**

1. Sound alarm signaling well control event to Rig Crew
2. Space out casing to allow circulating swedge installation
3. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
4. Install circulating swedge, Close high pressure, low torque valves, Close Chokes
5. Verify well is shut-in and flow has stopped
6. Notify supervisory personnel
7. Record data (SIDP, SICP, Pit Gain, and Time)
8. Hold Pre-job safety meeting and discuss kill procedure

### **Shutting in while out of hole**

1. Sound alarm signaling well control event to Rig Crew
2. Shut-in well: close blind rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
3. Close Chokes, Verify well is shut-in and monitor pressures
4. Notify supervisory personnel
5. Record data (SIDP, SICP, Pit Gain, and Time)
6. Hold Pre-job safety meeting and discuss kill procedure

### **Shutting in prior to pulling BHA through stack**

Prior to pulling last joint of drill pipe thru the stack space out and check flow  
If flowing see steps below.

1. Sound alarm signaling well control event to Rig Crew
2. Shut in upper pipe ram and open HCR against Open Chokes and Valves Open  
to working pressure gauge
3. Install open, full open safety valve and close valve, Close Chokes
4. Verify well is shut-in and flow has stopped
5. Notify supervisory personnel
6. Record data (SIDP, SICP, Pit Gain, and Time)
7. Hold pre-job safety meeting and discuss kill procedure

**Shutting in while BHA is in the stack and ram preventer and combo immediately available**

1. Sound alarm signaling well control event to Rig Crew
2. Space out BHA with upset just beneath the compatible pipe ram
3. Shut in upper compatible pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
4. Install open, full open safety valve and close valve, Close Chokes
5. Verify well is shut-in and flow has stopped
6. Notify supervisory personnel
7. Record data (SIDP, SICP, Pit Gain, and Time)
8. Hold pre-job safety meeting and discuss kill procedure

\*FOSV will be on rig floor in open position with operating handle for each type of connection utilized and tested to 10,000 psi

**Shutting in while BHA is in the stack and no ram preventer or combo immediately available**

1. Sound alarm signaling well control event to Rig Crew
2. If possible pick up high enough, to pull string clear and follow "Open Hole" scenario

If not possible to pick up high enough:

3. Stab Crossover, make up one joint/stand of drill pipe, and install open, full open safety valve (Leave Open)
4. Space out drill string with upset just beneath the compatible pipe ram.
5. Shut in upper compatible pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
6. Close FOSV, Close Chokes, Verify well is shut-in and flow has stopped
7. Notify supervisory personnel
8. Record data (SIDP, SICP, Pit Gain, and Time)
9. Hold pre-job safety meeting and discuss kill procedure

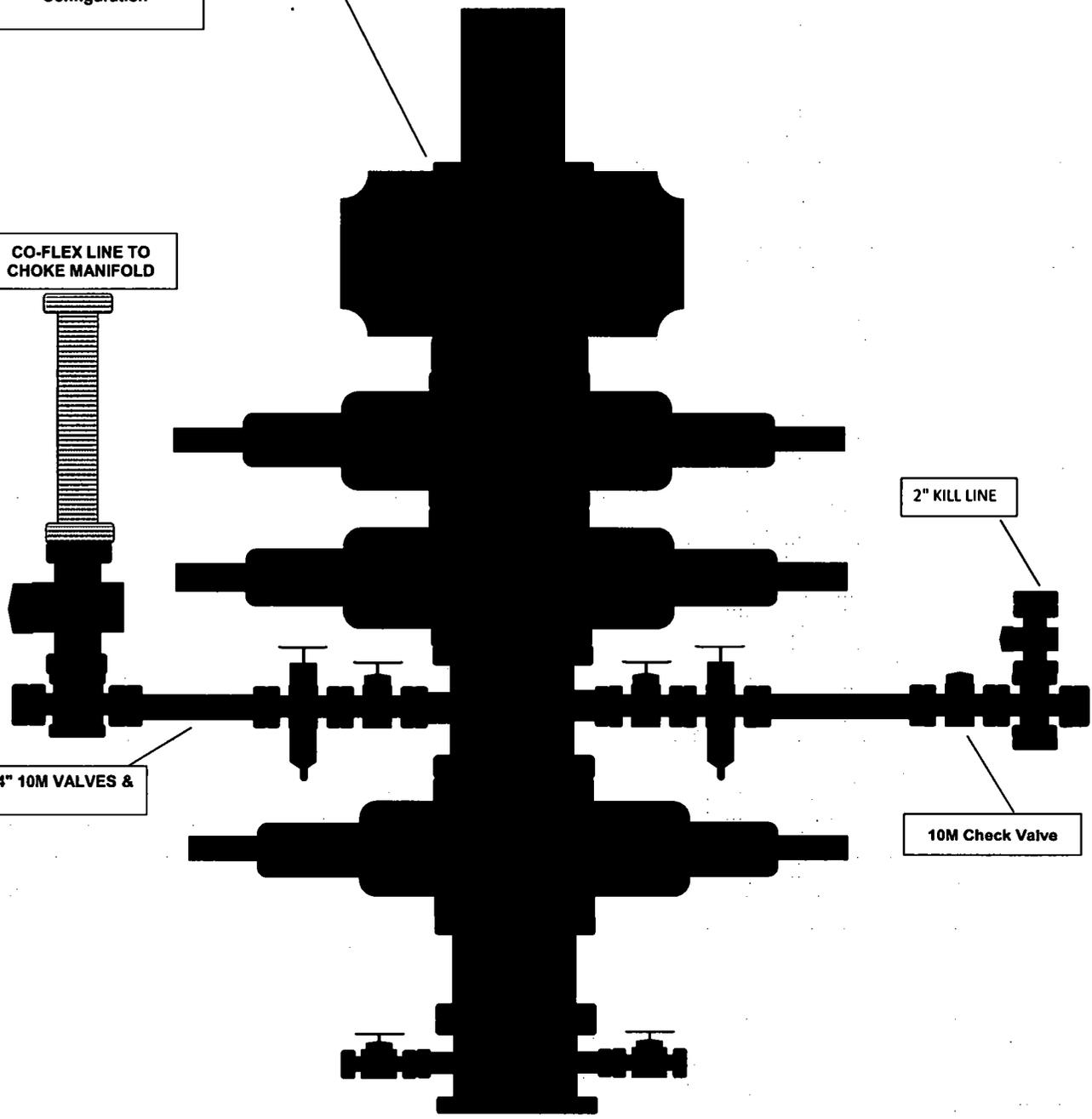
13 5/8" 5M BOP  
Configuration

CO-FLEX LINE TO  
CHOKE MANIFOLD

2" KILL LINE

4" 10M VALVES &

10M Check Valve



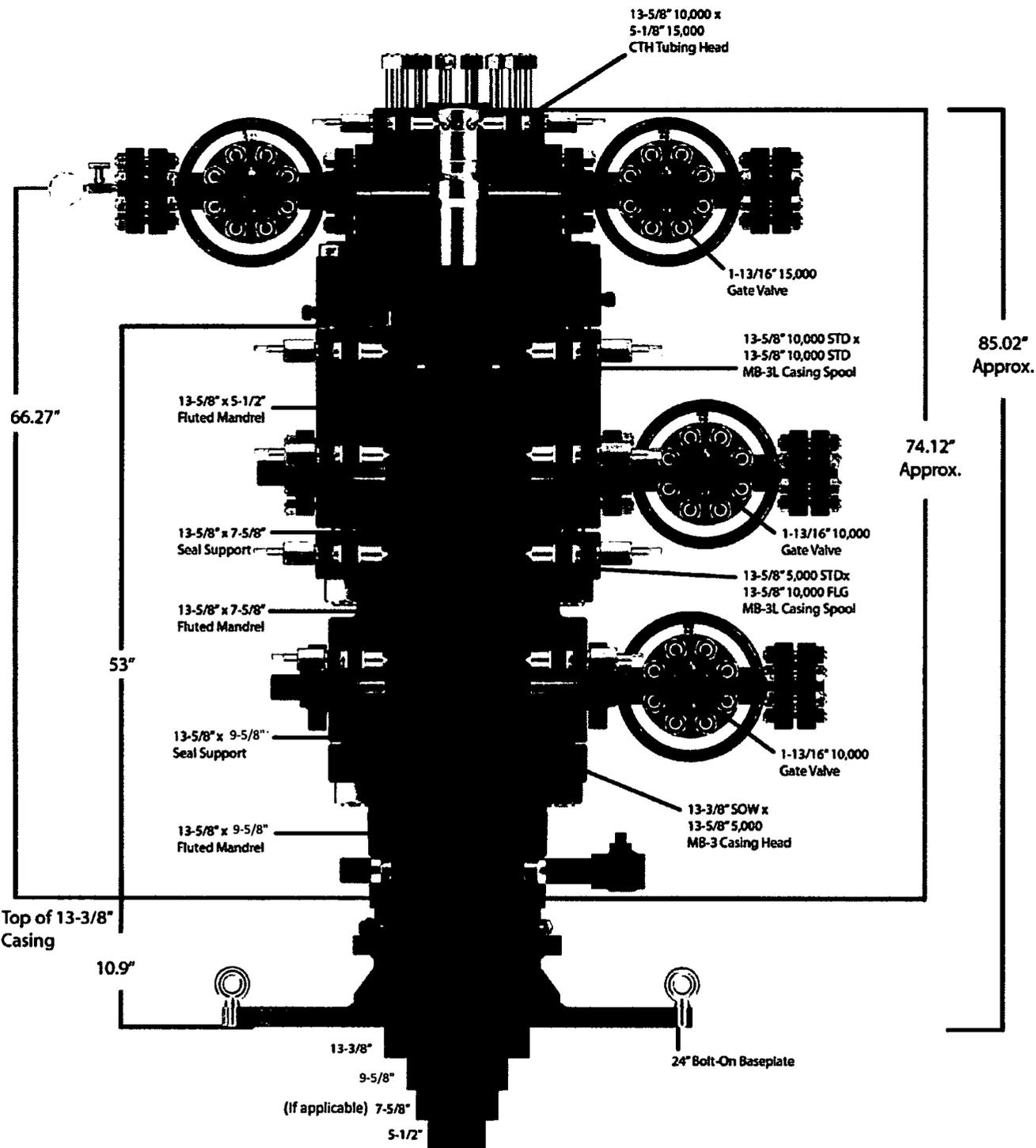
## Pressure Control Plan

### Pressure Control Equipment

- Following setting of 13-3/8" Surface Casing Ameredev will install 13-5/8 MB4 Multi Bowl Casing Head by welding on a 13-5/8 SOW x 13-5/8" 5M in combination with 13-5/8 5M x 13-5/8 10M B-Sec to Land Intm #1 and a 13-5/8 10M x 13-5/8 10M shouldered to land C-Sec to Land Intm #2 (Installation procedure witnessed and verified by a manufacturer's representative).
- Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Ameredev will install a 5M System Blowout Preventer (BOPE) with a 5M Annular Preventer and related equipment (BOPE). Full testing will be performed utilizing a full isolation test plug and limited to 5,000 psi MOP of MB4 Multi Bowl Casing Head. Pressure will be held for 10 min or until provisions of test are met on all valves and rams. The 5M Annular Preventer will be tested to 50% of approved working pressure (2,500 psi). Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Setting of 9-5/8" Intermediate will be done by landing a wellhead hanger in the 13-5/8" 5M Bowl, Cementing and setting Well Head Packing seals and testing same. (Installation procedure witnessed and verified by a manufacturer's representative) Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Full testing will be performed utilizing a full isolation test plug to 10,000 psi MOP of MB4 Multi Bowl B-Section. Pressure will be held for 10 min or until provisions of test are met on all valves and rams. The 5M Annular Preventer will be tested to 100% of approved working pressure (5,000 psi).
- Before drilling >20ft of new formation under the 9-5/8" Casing Shoe a pressure integrity test of the Casing Shoe will be performed to minimum of the MWE anticipated to control formation pressure to the next casing depth.
- Following setting of 5-1/2" Production Casing and adequate WOC time Ameredev will break 10M System Blowout Preventer (BOP) from 10M DOL-2 Casing Head, install annulus casing slips and test same (Installation procedure witnessed and verified by a manufacturer's representative) and install 11" 10M x 5-1/8" 15M Tubing Head (Installation procedure witnessed and verified by a manufacturer's representative). Ameredev will test head to 70% casing design and install Dry Hole cap with needle valve and pressure gauge to monitor well awaiting completion.

## Pressure Control Plan

- Slow pump speeds will be taken daily by each crew and recorded on Daily Drilling Report after mudding up.
- A choke manifold and accumulator with floor and remote operating stations will be functional and in place after installation of BOPE, as well as full functioning mud gas separator.
- Weekly BOPE pit level drills will be conducted by each crew and recorded on Daily Drilling Report.
- BOP will be fully operated when out of hole and will be documented on the daily drilling log.
- All B.O.P.s and associated equipment will be tested in accordance with Onshore Order #2
- All B.O.P. testing will be done by an independent service company.
- The B.O.P. will be tested within 21 days of the original test if drilling takes more time than planned.
- Ameredev requests a variance to connect the B.O.P. choke outlet to the choke manifold using a co-flex hose with a 10,000 psi working pressure that has been tested to 15,000psi and is built to API Spec 16C. Once the flex line is installed it will be tied down with safety clamps. (certifications will be sent to Carlsbad BLM Office prior to install)
- Ameredev requests a variance to install a 5M Annular Preventer on the 10M System to drill the Production Hole below the 9-5/8" Intermediate Section. 5M Annular will be tested to 100% working pressure (5,000 psi). A full well control procedure will be included to isolate well bore.



**Quotation**

**Downing Wellhead Equipment**

Oklahoma City,  
Oklahoma - USA

Reference Data:

16925 AMEREDEV

**Proprietary and Confidential**

The information contained in this drawing is the sole property of Downing Wellhead Equipment, any reproduction in part or in whole without the written permission of Downing Wellhead Equipment is prohibited.

TITLE:

AMEREDEV

DRAWN		SIZE	DWG. NO.	REV
CHECKED		<b>A</b>		
APPROVED		Scale:	Weight:	Sheet:

# PERFORMANCE DATA

**API BTC**  
**Technical Data Sheet**

**13.375 in      68.00 lbs/ft      J-55**

## Tubular Parameters

Size	13.375	in	Minimum Yield	55,000	psi
Nominal Weight	68.00	lbs/ft	Minimum Tensile	75,000	psi
Grade	J-55		Yield Load	1,069,000	lbs
PE Weight	66.10	lbs/ft	Tensile Load	1,458,000	lbs
Wall Thickness	0.480	in	Min. Internal Yield Pressure	3,500	psi
Nominal ID	12.415	in	Collapse Pressure	1,950	psi
Drift Diameter	12.259	in			
Nom. Pipe Body Area	19.445	in <sup>2</sup>			

## Connection Parameters

Connection OD	14.375	in
Coupling Length	10.625	in
Threads Per Inch	5.000	in
Standoff Thread Turns	1.000	
Make-Up Loss	4.513	in
Yield Load In Tension	—	lbs
Min. Internal Yield Pressure	3,500	psi

**Printed on: February-13-2015**

**NOTE:**

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# Wellbore Schematic

**Well:** Nandina Fed Com 25-36-31 071H  
**SHL:** Sec. 31 25S-36E 230' FSL & 940' FWL  
**BHL:** Sec. 30 25S-36E 50' FNL & 660' FWL  
 Lea, NM  
**Wellhead:** A - 13-5/8" 10M x 13-5/8" SOW  
 B - 13-5/8" 10M x 13-5/8" 10M  
 C - 13-5/8" 10M x 13-5/8" 10M  
 Tubing Spool - 5-1/8" 15M x 13-3/8" 10M  
**Xmas Tree:** 2-9/16" 10M  
**Tubing:** 2-7/8" L-80 6.5# 8rd EUE

**Co. Well ID:** xxxxxx  
**AFE No.:** xxxx-xxx  
**API No.:** xxxxxxxxxxxx  
**GL:** 3,024'  
**Field:** Delaware  
**Objective:** First Bone Spring  
**TVD:** 10,184'  
**MD:** 20,310'  
**Rig:** Diagr KB: 27'  
**E-Mail:** Wellsite2@ameredev.com

Hole Size	Formation Tops	Logs Cement	Mud Weight
17.5"	Rustler 984'	704 Sacks TOC 0' 100% Excess	8.4-8.6 ppg WBM
	13.375" 68# J-55 BTC 1,109'		
12.25"	Salado 1,413'	896 Sacks TOC 0' 50% Excess	8.5 - 9.4 ppg Diesel Brine Emulsion
	Tansill 3,382'		
	Capitan Reef 3,755'		
	Lamar 5,027'		
	DV Tool 5,077'		
	9.625" 40# L-80HC BTC 9,275'		
8.5"	First Bone Spring 9,799'	1,723 Sacks TOC 0' 50% Excess	8.5 - 12.5 ppg OBM
	5.5" 20# P-110CYHP BTC 20,310'		
	Target First Bone Spring 10184 TVD // 20310 MD		

12° Build  
 @  
 9,275' MD  
 thru  
 10,318' MD

## Casing Design and Safety Factor Check

<b>Casing Specifications</b>						
<b>Segment</b>	<b>Hole ID</b>	<b>Depth</b>	<b>OD</b>	<b>Weight</b>	<b>Grade</b>	<b>Coupling</b>
Surface	17.5	1,109'	13.375	68	J-55	BTC
Intermediate	12.25	9,275'	9.625	40	HCL-80	BTC
Prod Segment A	8.5	9,275'	5.5	20	CYHP-110	BTC
Prod Segment B	8.5	20,310'	5.5	20	CYHP-110	BTC

<b>Check Surface Casing</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
14.375	1,069	915	4,100	3,450
<b>Safety Factors</b>				
1.56	14.18	12.13	8.28	0.76
<b>Check Intermediate Casing</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
7.625	940	558	6700	9460
<b>Safety Factors</b>				
2.31	2.53	2.58	1.48	1.43
<b>Check Prod Casing, Segment A</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
1.36	3.57	3.22	2.12	2.17
<b>Check Prod Casing, Segment B</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
1.36	40.04	36.03	1.93	2.17

## Wellbore Schematic

**Well:** Nandina Fed Com 25-36-31 071H  
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**Wellhead:** A - 13-5/8" 10M x 13-5/8" SOW  
 B - 13-5/8" 10M x 13-5/8" 10M  
 C - 13-5/8" 10M x 13-5/8" 10M  
 Tubing Spool - 5-1/8" 15M x 13-3/8" 10M  
**Xmas Tree:** 2-9/16" 10M  
**Tubing:** 2-7/8" L-80 6.5# 8rd EUE

**Co. Well ID:** xxxxxx  
**AFE No.:** xxxx-xxx  
**API No.:** xxxxxxxxxxxx  
**GL:** 3,024'  
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**TVD:** 10,184'  
**MD:** 20,310'  
**Rig:** Diagr KB: 27'  
**E-Mail:** [Wellsite2@ameredev.com](mailto:Wellsite2@ameredev.com)

Hole Size	Formation Tops	Logs Cement	Mud Weight
17.5"	Rustler 984'	704 Sacks TOC 0' 100% Excess	8.4-8.6 ppg WBM
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12.25"	Salado 1,413'	896 Sacks TOC 0' 50% Excess	8.5 - 9.4 ppg Diesel Brine Emulsion
	Tansill 3,382'		
	Capitan Reef 3,755'		
	Lamar 5,027'		
	DV Tool 5,077'		
12.25"	Bell Canyon 5,116'	1,723 Sacks TOC 0' 50% Excess	8.5 - 9.4 ppg Diesel Brine Emulsion
	Brushy Canyon 7,299'		
	Bone Spring Lime 8,441'		
	9.625" 40# L-80HC BTC 9,275'		
8.5"	First Bone Spring 9,799'	4,337 Sacks TOC 0' 25% Excess	10.5 - 12.5 ppg OBM
	5.5" 20# P-110CYHP BTC 20,310' Target First Bone Spring 10184 TVD // 20310 MD		

## Casing Design and Safety Factor Check

<b>Casing Specifications</b>						
<b>Segment</b>	<b>Hole ID</b>	<b>Depth</b>	<b>OD</b>	<b>Weight</b>	<b>Grade</b>	<b>Coupling</b>
Surface	17.5	1,109'	13.375	68	J-55	BTC
Intermediate	12.25	9,275'	9.625	40	HCL-80	BTC
Prod Segment A	8.5	9,275'	5.5	20	CYHP-110	BTC
Prod Segment B	8.5	20,310'	5.5	20	CYHP-110	BTC

<b>Check Surface Casing</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
14.375	1,069	915	4,100	3,450
<b>Safety Factors</b>				
1.56	14.18	12.13	8.28	0.76
<b>Check Intermediate Casing</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
7.625	940	558	6700	9460
<b>Safety Factors</b>				
2.31	2.53	2.58	1.48	1.43
<b>Check Prod Casing, Segment A</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
1.36	3.57	3.22	2.12	2.17
<b>Check Prod Casing, Segment B</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
1.36	40.04	36.03	1.93	2.17

# SeAH

9.625"

40#

.395"

SEAH-80 HIGH COLLAPSE

(SEAH-80 IS A NON HEAT TREATED PRODUCT)

## Dimensions (Nominal)

Outside Diameter	9.625	in.
Wall	0.395	in.
Inside Diameter	8.835	in.
Drift	8.750	in.
Weight, T&C	40.000	lbs./ft.
Weight, PE	38.970	lbs./ft.

## Performance Properties

Collapse	4100	psi
Internal Yield Pressure at Minimum Yield		
PE	5750	psi
LTC	5750	psi
BTC	5750	psi
Yield Strength, Pipe Body	916	1000 lbs.
Joint Strength		
LTC	717	1000 lbs.
BTC	915	1000 lbs.

Note: SeAH Steel has produced this specification sheet for general information only. SeAH does not assume liability or responsibility for any loss or injury resulting from the use of information or data contained herein. All applications for the material described are at the customer's own risk and responsibility.

**U.S. Steel Tubular Products**  
**Product Information**  
**5.5 in. 20 lb/ft (0.361 in. wall) P-110 HC Casing**  
**STAR SEAL - CDC™**

<b>Grade(s)</b>	<b>P-110 HC</b>		
<b>MECHANICAL PROPERTIES</b>			
	Yield Strength		
	Minimum	110	ksi
	Maximum	140	ksi
	Tensile Strength		
	Minimum	125	ksi
<b>PIPE PROPERTIES</b>			
<b>Dimensions, Nominal</b>	Pipe Outside Diameter	5.500	in.
	Wall	0.361	in.
	Pipe Inside Diameter	4.778	in.
	Pipe Drift		
	API	4.653	in.
	Special (If Applicable)	N/A	in.
	Weight, T&C	20.00	lbs/ft
	Weight, Plain End	19.83	lbs/ft
	Pipe Cross Sectional Area	5.828	sq. in.
	<b>Performance Properties</b>	Minimum Pipe Body Yield Strength	641
Minimum Collapse Pressure		12,200	psi
Minimum Internal Yield Pressure		12,640	psi
<b>CONNECTION PROPERTIES</b>			
<b>Dimensions, Nominal</b>	Connection Outside Diameter	6.050	in.
	Connection Inside Diameter	4.778	in.
	Connection Drift		
	API	4.653	in.
	Special (If Applicable)	N/A	in.
	Makeup Loss	4.63	in.
	Critical Area	5.828	in.
	Joint Efficiency	100	%
<b>Performance Properties</b>	Joint Strength	667	1,000 lbs
	Compression Rating	400	1,000 lbs
	API Collapse Pressure Rating	12,200	psi
	API Internal Pressure Resistance	12,360	psi
	Maximum Uniaxial Bend Rating	57.2	deg/100 ft
<b>Recommended Torque Values</b>	Minimum Shoulder Torque	5,000	ft-lbs
	Maximum Shoulder Torque	7,500	ft-lbs
	Connection Yield Torque	16,100	ft-lbs

\* STAR SEAL - CDC (Casing Drilling Connection) is a Modified API Buttress threaded and coupled connection designed for field proven in drilling with casing applications. Star Seal is a registered trademark of U. S. Steel Corporation. All material contained in this publication is for general information only. This material should not therefore, be used or relied upon for any specific application without independent competent professional examination and verification of its accuracy, suitability and applicability. Anyone making use of this material does so at their own risk and assumes any and all liability resulting from such use. U. S. Steel disclaims any and all expressed or implied warranties of fitness for any general or particular application.



**U.S. Steel Tubular Products, Inc.**  
**600 Grant Street**  
**Pittsburgh, PA 15219**

6/9/2009



# Wellbore Schematic

**Well:** Nandina Fed Com 25-36-31 071H  
**SHL:** Sec. 31 25S-36E 230' FSL & 940' FWL  
**BHL:** Sec. 30 25S-36E 50' FNL & 660' FWL  
 Lea, NM  
**Wellhead:** A - 13-5/8" 10M x 13-5/8" SOW  
 B - 13-5/8" 10M x 13-5/8" 10M  
 C - 13-5/8" 10M x 13-5/8" 10M  
 Tubing Spool - 5-1/8" 15M x 13-3/8" 10M  
**Xmas Tree:** 2-9/16" 10M  
**Tubing:** 2-7/8" L-80 6.5# 8rd EUE

**Co. Well ID:** xxxxxx  
**AFE No.:** xxxxx-xxx  
**API No.:** xxxxxxxxxxxxx  
**GL:** 3,024'  
**Field:** Delaware  
**Objective:** First Bone Spring  
**TVD:** 10,184'  
**MD:** 20,310'  
**Rig:** Diagr KB: 27'  
**E-Mail:** [Wellsite2@ameredev.com](mailto:Wellsite2@ameredev.com)

Hole Size	Formation Tops	Logs Cement	Mud Weight
17.5"	Rustler 984'	704 Sacks TOC 0'	8.4-8.6 ppg WBM
	13.375" 68# J-55 BTC 1,109'		
12.25"	Salado 1,413'	896 Sacks TOC 0'	8.5 - 9.4 ppg Diesel Brine Emulsion
	Tansill 3,382'		
	Capitan Reef 3,755'		
	Lamar 5,027'		
	DV Tool 5,077'		
	Bell Canyon 5,116'	1,723 Sacks TOC 0'	8.5 - 9.4 ppg Diesel Brine Emulsion
	Brushy Canyon 7,299'		
	Bone Spring Lime 8,441'		
	9.625" 40# L-80HC BTC 9,275'		
8.5"	First Bone Spring 9,799'	4,337 Sacks TOC 0'	10.5 - 12.5 ppg OBM
12° Build @ 9,275' MD thru 10,318' MD	5.5" 20# P-110CYHP BTC 20,310'		
	Target First Bone Spring 10184 TVD // 20310 MD		

## Casing Design and Safety Factor Check

<b>Casing Specifications</b>						
<b>Segment</b>	<b>Hole ID</b>	<b>Depth</b>	<b>OD</b>	<b>Weight</b>	<b>Grade</b>	<b>Coupling</b>
Surface	17.5	1,109'	13.375	68	J-55	BTC
Intermediate	12.25	9,275'	9.625	40	HCL-80	BTC
Prod Segment A	8.5	9,275'	5.5	20	CYHP-110	BTC
Prod Segment B	8.5	20,310'	5.5	20	CYHP-110	BTC

<b>Check Surface Casing</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
14.375	1,069	915	4,100	3,450
<b>Safety Factors</b>				
1.56	14.18	12.13	8.28	0.76
<b>Check Intermediate Casing</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
7.625	940	558	6700	9460
<b>Safety Factors</b>				
2.31	2.53	2.58	1.48	1.43
<b>Check Prod Casing, Segment A</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
1.36	3.57	3.22	2.12	2.17
<b>Check Prod Casing, Segment B</b>				
OD Cplg	Body	Joint	Collapse	Burst
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
1.36	40.04	36.03	1.93	2.17

## H<sub>2</sub>S Drilling Operation Plan

1. **All Company and Contract personnel admitted on location must be trained by a qualified H<sub>2</sub>S safety instructor to the following:**
  - a. Characteristics of H<sub>2</sub>S
  - b. Physical effects and hazards
  - c. Principal and operation of H<sub>2</sub>S detectors, warning system and briefing areas
  - d. Evacuation procedure, routes and first aid
  - e. Proper use of safety equipment and life support systems
  - f. Essential personnel meeting Medical Evaluation criteria will receive additional training on the proper use of 30 minute pressure demand air packs.
  
2. **Briefing Area:**
  - a. Two perpendicular areas will be designated by signs and readily accessible.
  - b. Upon location entry there will be a designated area to establish all safety compliance criteria (1.) has been met.
  
3. **H<sub>2</sub>S Detection and Alarm Systems:**
  - a. H<sub>2</sub>S sensors/detectors shall be located on the drilling rig floor, in the base of the sub structure/cellar area, and on the mud pits in the shale shaker area. Additional H<sub>2</sub>S detectors may be placed as deemed necessary. All detectors will be set to initiate visual alarm at 10 ppm and visual with audible at 14 ppm and all equipment will be calibrated every 30 days or as needed.
  - b. An audio alarm will be installed on the derrick floor and in the top doghouse.
  
4. **Protective Equipment for Essential Personnel:**
  - a. **Breathing Apparatus:**
    - i. Rescue Packs (SCBA) - 1 Unit shall be placed at each briefing area.
    - ii. Two (SCBA) Units will be stored in safety trailer on location.
    - iii. Work/Escapes packs - 1 Unit will be available on rig floor in doghouse for emergency evacuation for driller.
  - b. **Auxiliary Rescue Equipment:**
    - i. Stretcher
    - ii. 2 - OSHA full body harnesses
    - iii. 100 ft. 5/8" OSHA approved rope
    - iv. 1 - 20# class ABC fire extinguisher
  
5. **Windsock and/or Wind Streamers:**
  - a. Windsock at mud pit area should be high enough to be visible.
  - b. Windsock on the rig floor should be high enough to be visible.
  
6. **Communication:**
  - a. While working under mask scripting boards will be used for communication where applicable.
  - b. Hand signals will be used when script boards are not applicable.

## H<sub>2</sub>S Drilling Operation Plan

- c. Two way radios will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at Drilling Foreman's Office.

7. **Drill Stem Testing:** - No Planned DST at this time.

8. **Mud program:**

- a. If H<sub>2</sub>S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H<sub>2</sub>S scavengers if necessary.

9. **Metallurgy:**

- a. All drill strings, casing, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H<sub>2</sub>S service.
- b. Drilling Contractor supervisor will be required to be familiar with the effect H<sub>2</sub>S has on tubular goods and other mechanical equipment provided through contractor.



## H<sub>2</sub>S Contingency Plan

### Emergency Procedures

In the event of a release of H<sub>2</sub>S, the first responder(s) must:

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H<sub>2</sub>S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response.
- Take precautions to avoid personal injury during this operation.
- Contact Operator and/or local officials the aid in operation. See list of phone numbers attached.
- Have received training in the:
  - Detection of H<sub>2</sub>S and
  - Measures for protection against the gas,
  - Equipment used for protection and emergency response.

### Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

### Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air=1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air=1	2 ppm	N/A	1000 ppm

### Contacting Authorities

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



## H<sub>2</sub>S Contingency Plan

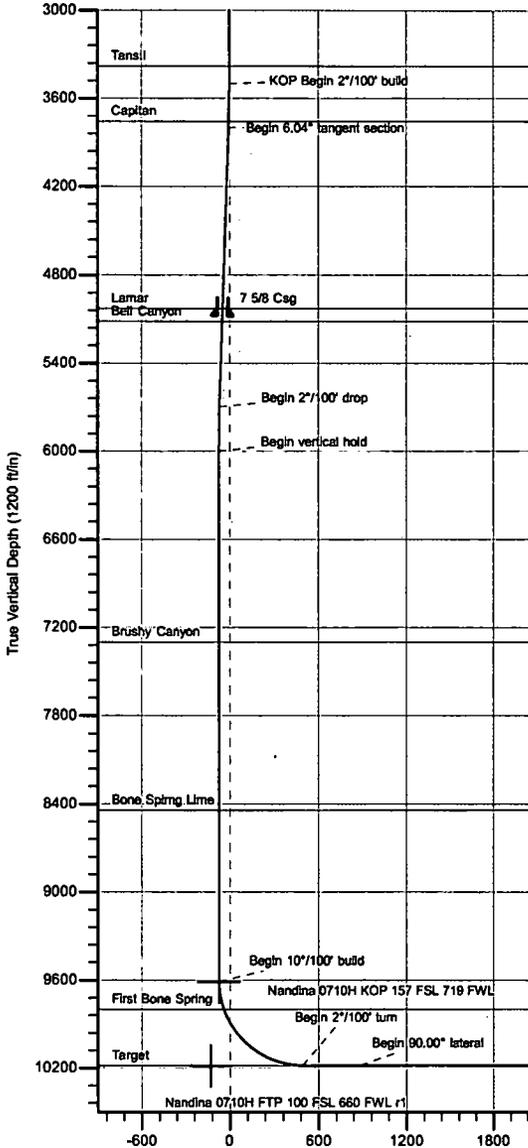
<b>Ameredev Operating LLC – Emergency Phone 737-300-4799</b>			
Key Personnel:			
Name	Title	Office	Mobile
Floyd Hammond	Chief Operating officer	737-300-4724	512-783-6810
Zachary Boyd	Operations Superintendent	737-300-4725	432-385-6996
Blake Estrada	Construction Foreman		432-385-5831

<b>Artesia</b>			
Ambulance			911
State Police			575-746-2703
City Police			575-746-2703
Sheriff's Office			575-746-9888
Fire Department			575-746-2701
Local Emergency Planning Committee			575-746-2122
New Mexico Oil Conservation Division			575-748-1283
<b>Carlsbad</b>			
Ambulance			911
State Police			575-885-3137
City Police			575-885-2111
Sheriff's Office			575-887-7551
Fire Department			575-887-3798
Local Emergency Planning Committee			575-887-6544
US Bureau of Land Management			575-887-6544
<b>Santa Fe</b>			
New Mexico Emergency Response Commission (Santa Fe)			505-476-9600
New Mexico Emergency Response Commission (Santa Fe) 24 Hrs			505-827-9126
New Mexico State Emergency Operations Center			505-476-9635
<b>National</b>			
National Emergency Response Center (Washington, D.C.)			800-424-8802
<b>Medical</b>			
Flight for Life - 4000 24th St.; Lubbock, TX			806-743-9911
Aerocare - R3, Box 49F; Lubbock, TX			806-747-8923
Med Flight Air Amb - 2301 Yale Blvd S.E., #D3; Albuquerque, NM			505-842-4433
SB Air Med Service - 2505 Clark Carr Loop S.E.; Albuquerque, NM			505-842-4949

Well: Nandina Fed Com 25 36 31 Well No. 071H  
 Site: Section 31-T25S-R36E  
 Project: Lea County, New Mexico NAD83 NM E  
 Design: rev1  
 Rig:

Section Details										
Sec	MD	Inc	Azi	TVD	+N-S	+E-W	Dleg	TFace	Vsect	Annotation
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	3500.00	0.00	0.00	3500.00	0.00	0.00	0.00	0.00	0.00	KOP Begin 2'/100' build
3	3801.84	6.04	251.18	3801.28	-5.13	-15.04	2.00	251.18	-4.98	Begin 6.04° tangent section
4	5709.88	6.04	251.18	5698.72	-69.87	-204.96	0.00	0.00	-67.87	Begin 2'/100' drop
5	6011.70	0.00	0.00	6000.00	-75.00	-220.00	2.00	180.00	-72.85	Begin vertical hold
6	9622.74	0.00	0.00	9611.04	-75.00	-220.00	0.00	0.00	-72.85	Begin 10'/100' build
7	10522.74	90.00	354.50	10184.00	495.32	-274.92	10.00	354.50	497.98	
8	10769.80	90.00	359.44	10184.00	741.96	-287.97	2.00	80.00	744.74	
9	20310.31	90.00	359.44	10184.00	0282.02	-381.00	0.00	0.00	0285.25	

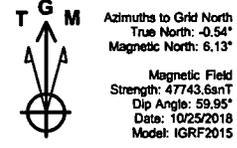
DESIGN TARGET DETAILS							
Name	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude
Nandina 0710H KOP 157 FSL 719 FWL	9611.04	-75.00	-220.00	394345.00	858166.00	32.08000453	-103.31040119
Nandina 0710H 2640 FSL 663 FWL	10184.00	7683.14	-355.66	402103.12	858030.34	32.10133147	-103.31060160
Nandina 0710H Cr 30/31 0 FSL 663 FWL	10184.00	5043.25	-329.91	399463.24	858056.09	32.09407501	-103.31059831
Nandina 0710H FTP 100 FSL 660 FWL r1	10184.00	-132.00	-278.00	394288.00	858108.00	32.07984937	-103.31059017
Nandina 0710H PBHL 50 FNL 660 FWL r1	10184.00	10282.02	-381.00	404702.00	858005.00	32.10847519	-103.31060381



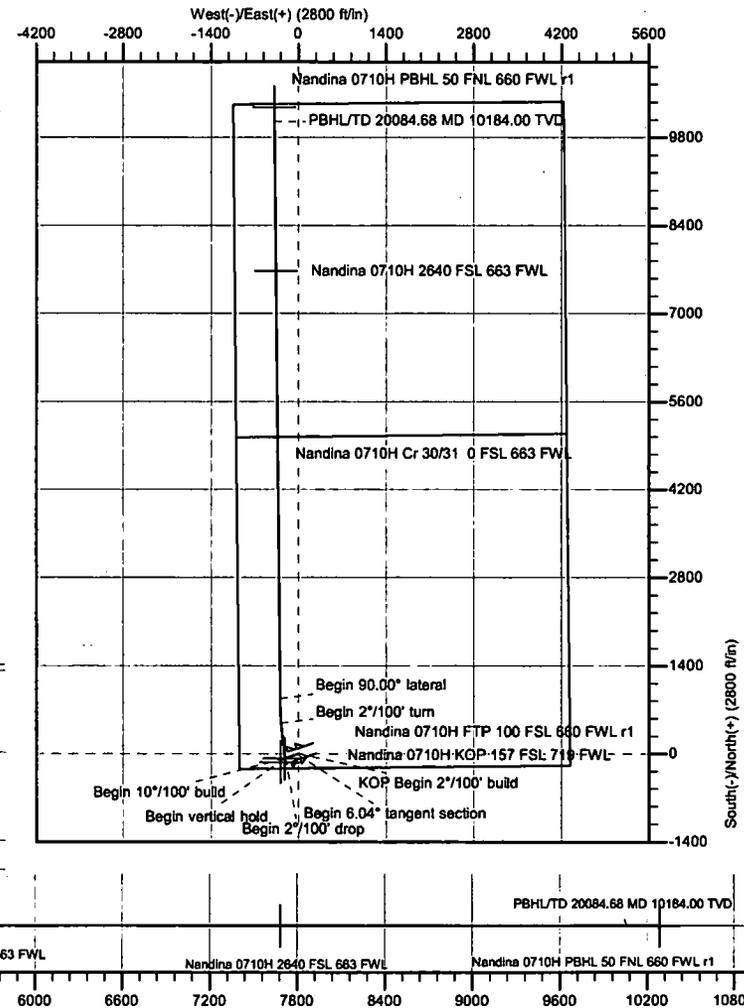
Geodetic System: US State Plane 1983  
 Datum: North American Datum 1983  
 Ellipsoid: GRS 1980  
 Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level  
 Depth Reference: GL @ 3024.00ft  
 Surf loc: 230 FSL 940 FWL Section 31-T25S-R36E

Northing	Easting	Latitude	Longitude
394420.00	858386.00	32.08020493	-103.30968868



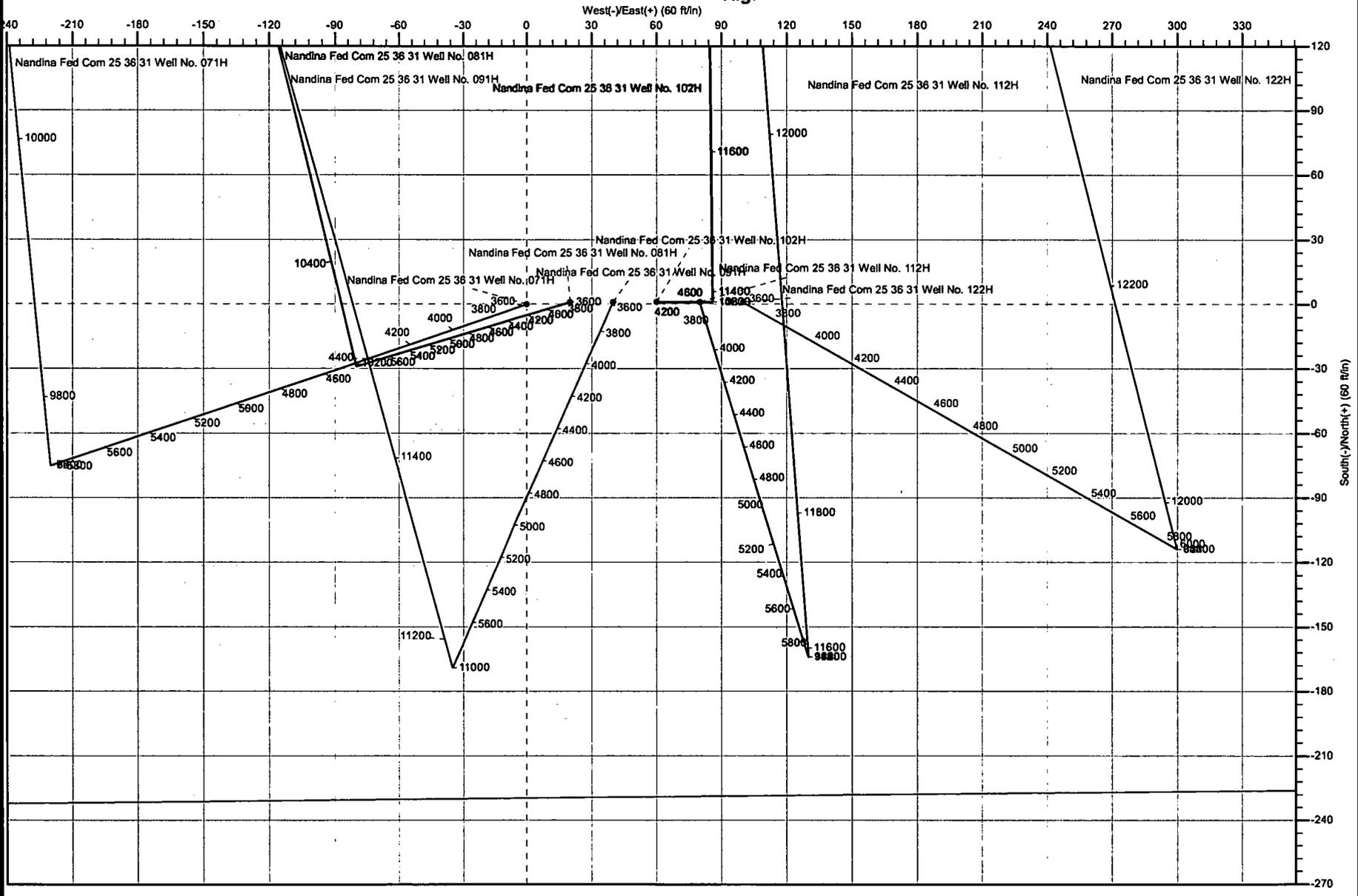
FORMATION TOP DETAILS		
TVDPPath	MDPath	Formation
984.00	984.00	Rustler
1413.00	1413.00	Salado
3382.00	3382.00	Tansil
3755.00	3755.34	Capitan
5027.00	5034.39	Lamar
5116.00	5123.89	Bell Canyon
7299.00	7310.70	Brushy Canyon
8441.00	8452.70	Bone Spring Lime
9799.00	9814.24	First Bone Spring
10184.00	10522.74	Target



Vertical Section at 359.44° (1200 ft/in)

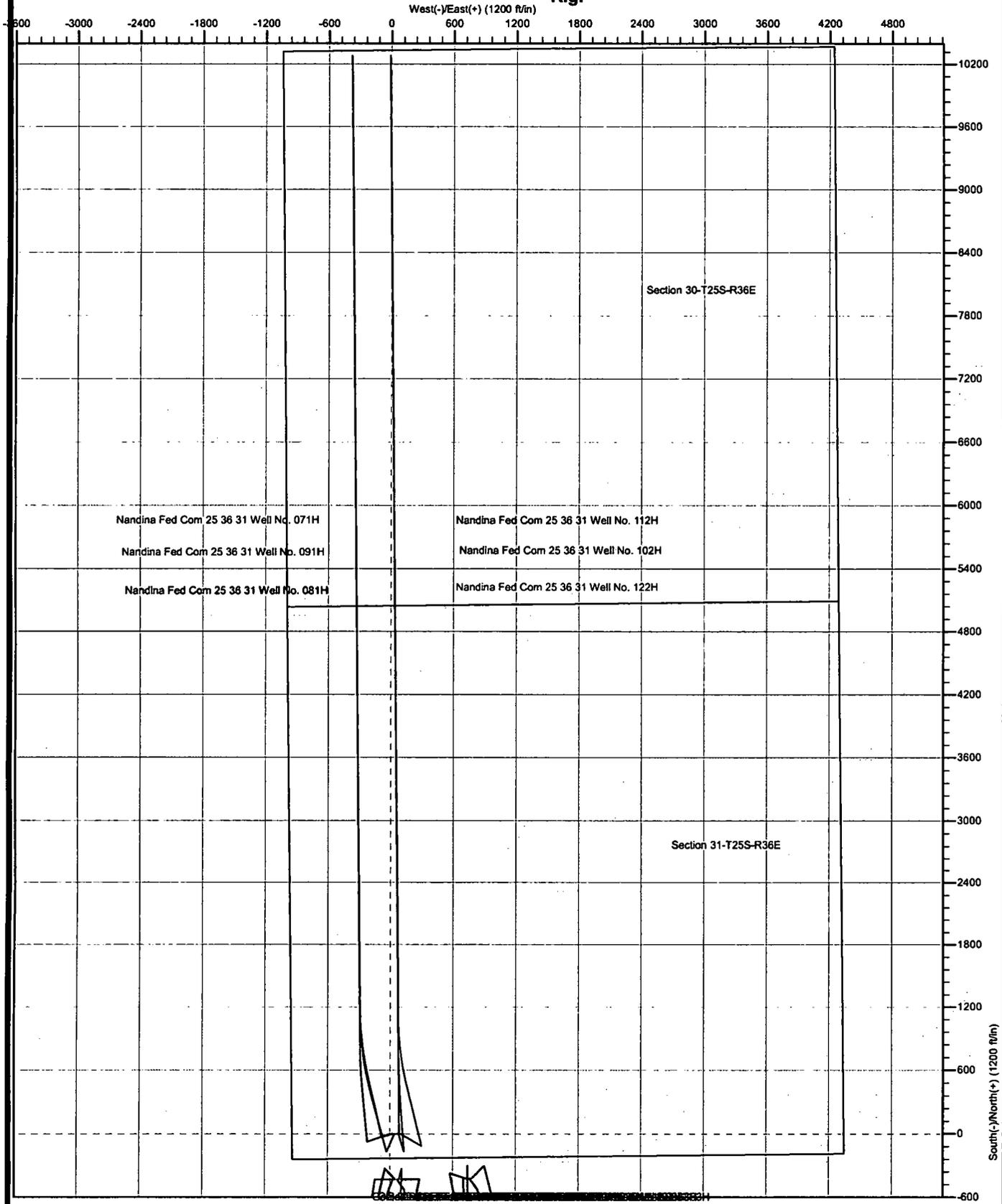


Well: Nandina Fed Com 25 36 31 Well No. 071H  
Site: Section 31-T25S-R36E  
Project: Lea County, New Mexico NAD83 NM E  
Design: rev1  
Rig:



**AMEREDEV**

Well: Nandina Fed Com 25 36 31 Well No. 071H  
Site: Section 31-T25S-R36E  
Project: Lea County, New Mexico NAD83 NM E  
Design: rev1  
Rig:



<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

<b>Project</b>	Lea County, New Mexico NAD83 NM E		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		
<b>Map Zone:</b>	New Mexico Eastern Zone		

<b>Site</b>	Section 31-T25S-R36E				
<b>Site Position:</b>		<b>Northing:</b>	396,845.47 usft	<b>Latitude:</b>	32.08682761
<b>From:</b>	Map	<b>Easting:</b>	860,060.12 usft	<b>Longitude:</b>	-103.30420954
<b>Position Uncertainty:</b>	0.00 ft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	0.55 °

<b>Well</b>	Nandina Fed Com 25 36 31 Well No. 071H, Surf loc: 230 FSL 940 FWL Section 31-T25S-R36E					
<b>Well Position</b>	<b>+N/-S</b>	-2,425.47 ft	<b>Northing:</b>	394,420.00 usft	<b>Latitude:</b>	32.08020494
	<b>+E/-W</b>	-1,674.12 ft	<b>Easting:</b>	858,386.00 usft	<b>Longitude:</b>	-103.30968868
<b>Position Uncertainty</b>		0.00 ft	<b>Wellhead Elevation:</b>		<b>Ground Level:</b>	3,024.00 ft

<b>Wellbore</b>	Original Hole				
-----------------	---------------	--	--	--	--

<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2015	10/25/2018	6.67	59.95	47,743.59736114

<b>Design</b>	rev1				
---------------	------	--	--	--	--

<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.00
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.00	0.00	0.00	359.44

<b>Plan Survey Tool Program</b>	<b>Date</b>	11/21/2018		
<b>Depth From (ft)</b>	<b>Depth To (ft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>
1	0.00	20,309.82 rev1 (Original Hole)	MWD OWSG MWD - Standard	

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

Plan Sections											
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00		
3,801.84	6.04	251.18	3,801.28	-5.13	-15.04	2.00	2.00	0.00	0.00	251.18	
5,709.86	6.04	251.18	5,698.72	-69.87	-204.96	0.00	0.00	0.00	0.00	0.00	
6,011.70	0.00	0.00	6,000.00	-75.00	-220.00	2.00	-2.00	0.00	0.00	180.00	
9,622.74	0.00	0.00	9,611.04	-75.00	-220.00	0.00	0.00	0.00	0.00	0.00	
10,522.74	90.00	354.50	10,184.00	495.32	-274.92	10.00	10.00	0.00	0.00	354.50	
10,769.80	90.00	359.44	10,184.00	741.96	-287.97	2.00	0.00	2.00	0.00	90.00	
20,310.31	90.00	359.44	10,184.00	10,282.02	-381.00	0.00	0.00	0.00	0.00	0.00	Nandina 0710H PBHL

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TYD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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
984.00	0.00	0.00	984.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Rustler</b>									
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
1,109.00	0.00	0.00	1,109.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>9 5/8 Csg</b>									
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
1,413.00	0.00	0.00	1,413.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Salado</b>									
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
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,382.00	0.00	0.00	3,382.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Tansil</b>									
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>KOP Begin 2°/100' build</b>									
3,600.00	2.00	251.18	3,599.98	-0.58	-1.65	-0.55	2.00	2.00	0.00
3,700.00	4.00	251.18	3,699.84	-2.25	-6.61	-2.19	2.00	2.00	0.00
3,755.34	5.11	251.18	3,755.00	-3.67	-10.78	-3.56	2.00	2.00	0.00
<b>Capitan</b>									
3,800.00	6.00	251.18	3,799.45	-5.08	-14.85	-4.92	2.00	2.00	0.00
3,801.84	6.04	251.18	3,801.28	-5.13	-15.04	-4.88	2.00	2.00	0.00
<b>Begin 6.04° tangent section</b>									

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,900.00	6.04	251.18	3,898.90	-8.46	-24.81	-8.21	0.00	0.00	0.00
4,000.00	6.04	251.18	3,998.34	-11.85	-34.78	-11.51	0.00	0.00	0.00
4,100.00	6.04	251.18	4,097.79	-15.24	-44.72	-14.81	0.00	0.00	0.00
4,200.00	6.04	251.18	4,197.23	-18.64	-54.67	-18.10	0.00	0.00	0.00
4,300.00	6.04	251.18	4,296.68	-22.03	-64.62	-21.40	0.00	0.00	0.00
4,400.00	6.04	251.18	4,396.12	-25.42	-74.58	-24.69	0.00	0.00	0.00
4,500.00	6.04	251.18	4,495.57	-28.82	-84.53	-27.99	0.00	0.00	0.00
4,600.00	6.04	251.18	4,595.02	-32.21	-94.49	-31.29	0.00	0.00	0.00
4,700.00	6.04	251.18	4,694.46	-35.60	-104.44	-34.58	0.00	0.00	0.00
4,800.00	6.04	251.18	4,793.91	-39.00	-114.39	-37.88	0.00	0.00	0.00
4,900.00	6.04	251.18	4,893.35	-42.39	-124.35	-41.17	0.00	0.00	0.00
5,000.00	6.04	251.18	4,992.80	-45.79	-134.30	-44.47	0.00	0.00	0.00
5,034.39	6.04	251.18	5,027.00	-46.95	-137.73	-45.60	0.00	0.00	0.00
<b>Lamar</b>									
5,084.67	6.04	251.18	5,077.00	-48.66	-142.73	-47.26	0.00	0.00	0.00
<b>7 5/8 Ceg</b>									
5,100.00	6.04	251.18	5,092.24	-49.18	-144.26	-47.77	0.00	0.00	0.00
5,123.89	6.04	251.18	5,116.00	-49.99	-146.64	-48.55	0.00	0.00	0.00
<b>Bell Canyon</b>									
5,200.00	6.04	251.18	5,191.69	-52.57	-154.21	-51.08	0.00	0.00	0.00
5,300.00	6.04	251.18	5,291.13	-55.97	-164.17	-54.36	0.00	0.00	0.00
5,400.00	6.04	251.18	5,390.58	-59.36	-174.12	-57.65	0.00	0.00	0.00
5,500.00	6.04	251.18	5,490.03	-62.75	-184.07	-60.95	0.00	0.00	0.00
5,600.00	6.04	251.18	5,589.47	-66.15	-194.03	-64.25	0.00	0.00	0.00
5,700.00	6.04	251.18	5,688.92	-69.54	-203.98	-67.54	0.00	0.00	0.00
5,709.86	6.04	251.18	5,698.72	-69.87	-204.96	-67.87	0.00	0.00	0.00
<b>Begin 2°/100' drop</b>									
5,800.00	4.23	251.18	5,788.50	-72.48	-212.60	-70.40	2.00	-2.00	0.00
5,900.00	2.23	251.18	5,888.33	-74.30	-217.94	-72.16	2.00	-2.00	0.00
6,000.00	0.23	251.18	5,988.30	-74.99	-219.98	-72.84	2.00	-2.00	0.00
6,011.70	0.00	0.00	6,000.00	-75.00	-220.00	-72.85	2.00	-2.00	0.00
<b>Begin vertical hold</b>									
6,100.00	0.00	0.00	6,088.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,200.00	0.00	0.00	6,188.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,300.00	0.00	0.00	6,288.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,400.00	0.00	0.00	6,388.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,500.00	0.00	0.00	6,488.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,600.00	0.00	0.00	6,588.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,700.00	0.00	0.00	6,688.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,800.00	0.00	0.00	6,788.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
6,900.00	0.00	0.00	6,888.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,000.00	0.00	0.00	6,988.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,100.00	0.00	0.00	7,088.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,200.00	0.00	0.00	7,188.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,300.00	0.00	0.00	7,288.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,310.70	0.00	0.00	7,299.00	-75.00	-220.00	-72.85	0.00	0.00	0.00
<b>Brushy Canyon</b>									
7,400.00	0.00	0.00	7,388.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,500.00	0.00	0.00	7,488.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,600.00	0.00	0.00	7,588.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,700.00	0.00	0.00	7,688.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
7,800.00	0.00	0.00	7,788.30	-75.00	-220.00	-72.85	0.00	0.00	0.00

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,900.00	0.00	0.00	7,888.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,000.00	0.00	0.00	7,988.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,100.00	0.00	0.00	8,088.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,200.00	0.00	0.00	8,188.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,300.00	0.00	0.00	8,288.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,400.00	0.00	0.00	8,388.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,452.70	0.00	0.00	8,441.00	-75.00	-220.00	-72.85	0.00	0.00	0.00
<b>Bone Spring Lime</b>									
8,500.00	0.00	0.00	8,488.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,600.00	0.00	0.00	8,588.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,700.00	0.00	0.00	8,688.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,800.00	0.00	0.00	8,788.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
8,900.00	0.00	0.00	8,888.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,000.00	0.00	0.00	8,988.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,100.00	0.00	0.00	9,088.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,200.00	0.00	0.00	9,188.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,300.00	0.00	0.00	9,288.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,400.00	0.00	0.00	9,388.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,500.00	0.00	0.00	9,488.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,600.00	0.00	0.00	9,588.30	-75.00	-220.00	-72.85	0.00	0.00	0.00
9,622.74	0.00	0.00	9,611.04	-75.00	-220.00	-72.85	0.00	0.00	0.00
<b>Begin 10°/100' build - Nandina 0710H KOP 157 FSL 719 FWL</b>									
9,700.00	7.73	354.50	9,688.07	-69.82	-220.50	-67.66	10.00	10.00	0.00
9,800.00	17.73	354.50	9,785.49	-47.92	-222.61	-45.74	10.00	10.00	0.00
9,814.24	19.15	354.50	9,799.00	-43.44	-223.04	-41.26	10.00	10.00	0.00
<b>First Bone Spring</b>									
9,900.00	27.73	354.50	9,877.61	-9.52	-226.31	-7.30	10.00	10.00	0.00
10,000.00	37.73	354.50	9,961.63	44.23	-231.48	48.49	10.00	10.00	0.00
10,047.42	42.47	354.50	9,997.89	74.62	-234.41	76.91	10.00	10.00	0.00
<b>Nandina 0710H FTP 100 FSL 660 FWL r1</b>									
10,100.00	47.73	354.50	10,034.99	111.68	-237.98	114.00	10.00	10.00	0.00
10,182.79	56.01	354.50	10,086.07	176.45	-244.21	178.82	10.00	10.00	0.00
<b>Nandina 0710H FTP 330 FSL 660 FWL</b>									
10,200.00	57.73	354.50	10,095.48	190.79	-245.59	193.18	10.00	10.00	0.00
10,300.00	67.73	354.50	10,141.25	279.15	-254.10	281.62	10.00	10.00	0.00
10,400.00	77.73	354.50	10,170.90	374.08	-263.24	376.64	10.00	10.00	0.00
10,500.00	87.73	354.50	10,183.55	472.69	-272.74	475.34	10.00	10.00	0.00
10,517.53	89.48	354.50	10,183.97	490.14	-274.42	492.80	10.00	10.00	0.00
<b>Begin 2°/100' turn</b>									
10,522.74	90.00	354.50	10,184.00	495.32	-274.92	497.98	10.00	10.00	0.00
<b>Target</b>									
10,600.00	90.00	356.05	10,184.00	572.32	-281.28	575.04	2.00	0.00	2.00
10,700.00	90.00	358.05	10,184.00	672.18	-286.44	674.95	2.00	0.00	2.00
10,769.80	90.00	359.44	10,184.00	741.96	-287.97	744.74	2.00	0.00	2.00
10,800.00	90.00	359.44	10,184.00	772.16	-288.26	774.94	0.00	0.00	0.00
10,900.00	90.00	359.44	10,184.00	872.16	-289.24	874.94	0.00	0.00	0.00
10,909.52	90.00	359.44	10,184.00	881.68	-289.33	884.46	0.00	0.00	0.00
<b>Begin 90.00° lateral</b>									
11,000.00	90.00	359.44	10,184.00	972.15	-290.21	974.94	0.00	0.00	0.00
11,100.00	90.00	359.44	10,184.00	1,072.15	-291.19	1,074.94	0.00	0.00	0.00
11,200.00	90.00	359.44	10,184.00	1,172.14	-292.18	1,174.94	0.00	0.00	0.00
11,300.00	90.00	359.44	10,184.00	1,272.14	-293.14	1,274.94	0.00	0.00	0.00

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TV D Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
11,400.00	90.00	359.44	10,184.00	1,372.13	-294.11	1,374.94	0.00	0.00	0.00
11,500.00	90.00	359.44	10,184.00	1,472.13	-295.09	1,474.94	0.00	0.00	0.00
11,600.00	90.00	359.44	10,184.00	1,572.12	-296.06	1,574.94	0.00	0.00	0.00
11,700.00	90.00	359.44	10,184.00	1,672.12	-297.04	1,674.94	0.00	0.00	0.00
11,800.00	90.00	359.44	10,184.00	1,772.11	-298.01	1,774.94	0.00	0.00	0.00
11,900.00	90.00	359.44	10,184.00	1,872.11	-298.99	1,874.94	0.00	0.00	0.00
12,000.00	90.00	359.44	10,184.00	1,972.10	-299.98	1,974.94	0.00	0.00	0.00
12,100.00	90.00	359.44	10,184.00	2,072.10	-300.94	2,074.94	0.00	0.00	0.00
12,200.00	90.00	359.44	10,184.00	2,172.09	-301.91	2,174.94	0.00	0.00	0.00
12,300.00	90.00	359.44	10,184.00	2,272.09	-302.89	2,274.94	0.00	0.00	0.00
12,400.00	90.00	359.44	10,184.00	2,372.08	-303.86	2,374.94	0.00	0.00	0.00
12,500.00	90.00	359.44	10,184.00	2,472.08	-304.84	2,474.94	0.00	0.00	0.00
12,600.00	90.00	359.44	10,184.00	2,572.07	-305.82	2,574.94	0.00	0.00	0.00
12,700.00	90.00	359.44	10,184.00	2,672.07	-306.79	2,674.94	0.00	0.00	0.00
12,800.00	90.00	359.44	10,184.00	2,772.06	-307.77	2,774.94	0.00	0.00	0.00
12,900.00	90.00	359.44	10,184.00	2,872.06	-308.74	2,874.94	0.00	0.00	0.00
13,000.00	90.00	359.44	10,184.00	2,972.06	-309.72	2,974.94	0.00	0.00	0.00
13,100.00	90.00	359.44	10,184.00	3,072.05	-310.69	3,074.94	0.00	0.00	0.00
13,200.00	90.00	359.44	10,184.00	3,172.05	-311.67	3,174.94	0.00	0.00	0.00
13,300.00	90.00	359.44	10,184.00	3,272.04	-312.64	3,274.94	0.00	0.00	0.00
13,400.00	90.00	359.44	10,184.00	3,372.04	-313.62	3,374.94	0.00	0.00	0.00
13,500.00	90.00	359.44	10,184.00	3,472.03	-314.59	3,474.94	0.00	0.00	0.00
13,600.00	90.00	359.44	10,184.00	3,572.03	-315.57	3,574.94	0.00	0.00	0.00
13,700.00	90.00	359.44	10,184.00	3,672.02	-316.54	3,674.94	0.00	0.00	0.00
13,800.00	90.00	359.44	10,184.00	3,772.02	-317.52	3,774.94	0.00	0.00	0.00
13,900.00	90.00	359.44	10,184.00	3,872.01	-318.49	3,874.94	0.00	0.00	0.00
14,000.00	90.00	359.44	10,184.00	3,972.01	-319.47	3,974.94	0.00	0.00	0.00
14,100.00	90.00	359.44	10,184.00	4,072.00	-320.44	4,074.94	0.00	0.00	0.00
14,200.00	90.00	359.44	10,184.00	4,172.00	-321.42	4,174.94	0.00	0.00	0.00
14,300.00	90.00	359.44	10,184.00	4,271.99	-322.39	4,274.94	0.00	0.00	0.00
14,400.00	90.00	359.44	10,184.00	4,371.99	-323.37	4,374.94	0.00	0.00	0.00
14,500.00	90.00	359.44	10,184.00	4,471.98	-324.34	4,474.94	0.00	0.00	0.00
14,600.00	90.00	359.44	10,184.00	4,571.98	-325.32	4,574.94	0.00	0.00	0.00
14,700.00	90.00	359.44	10,184.00	4,671.97	-326.29	4,674.94	0.00	0.00	0.00
14,800.00	90.00	359.44	10,184.00	4,771.97	-327.27	4,774.94	0.00	0.00	0.00
14,900.00	90.00	359.44	10,184.00	4,871.97	-328.24	4,874.94	0.00	0.00	0.00
15,000.00	90.00	359.44	10,184.00	4,971.96	-329.22	4,974.94	0.00	0.00	0.00
15,071.29	90.00	359.44	10,184.00	5,043.25	-329.91	5,046.23	0.00	0.00	0.00
<b>Nandina 0710H Cr 30/31 0 FSL 683 FWL</b>									
15,100.00	90.00	359.44	10,184.00	5,071.96	-330.19	5,074.94	0.00	0.00	0.00
15,200.00	90.00	359.44	10,184.00	5,171.95	-331.17	5,174.94	0.00	0.00	0.00
15,300.00	90.00	359.44	10,184.00	5,271.95	-332.14	5,274.94	0.00	0.00	0.00
15,400.00	90.00	359.44	10,184.00	5,371.94	-333.12	5,374.94	0.00	0.00	0.00
15,500.00	90.00	359.44	10,184.00	5,471.94	-334.09	5,474.94	0.00	0.00	0.00
15,600.00	90.00	359.44	10,184.00	5,571.93	-335.07	5,574.94	0.00	0.00	0.00
15,700.00	90.00	359.44	10,184.00	5,671.93	-336.04	5,674.94	0.00	0.00	0.00
15,800.00	90.00	359.44	10,184.00	5,771.92	-337.02	5,774.94	0.00	0.00	0.00
15,900.00	90.00	359.44	10,184.00	5,871.92	-337.99	5,874.94	0.00	0.00	0.00
16,000.00	90.00	359.44	10,184.00	5,971.91	-338.97	5,974.94	0.00	0.00	0.00
16,100.00	90.00	359.44	10,184.00	6,071.91	-339.94	6,074.94	0.00	0.00	0.00
16,200.00	90.00	359.44	10,184.00	6,171.90	-340.92	6,174.94	0.00	0.00	0.00
16,300.00	90.00	359.44	10,184.00	6,271.90	-341.89	6,274.94	0.00	0.00	0.00
16,400.00	90.00	359.44	10,184.00	6,371.89	-342.87	6,374.94	0.00	0.00	0.00

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 38 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 38 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
16,500.00	90.00	359.44	10,184.00	6,471.89	-343.85	6,474.94	0.00	0.00	0.00
16,600.00	90.00	359.44	10,184.00	6,571.88	-344.82	6,574.94	0.00	0.00	0.00
16,700.00	90.00	359.44	10,184.00	6,671.88	-345.80	6,674.94	0.00	0.00	0.00
16,800.00	90.00	359.44	10,184.00	6,771.87	-346.77	6,774.94	0.00	0.00	0.00
16,900.00	90.00	359.44	10,184.00	6,871.87	-347.75	6,874.94	0.00	0.00	0.00
17,000.00	90.00	359.44	10,184.00	6,971.87	-348.72	6,974.94	0.00	0.00	0.00
17,100.00	90.00	359.44	10,184.00	7,071.86	-349.70	7,074.94	0.00	0.00	0.00
17,200.00	90.00	359.44	10,184.00	7,171.86	-350.67	7,174.94	0.00	0.00	0.00
17,300.00	90.00	359.44	10,184.00	7,271.85	-351.65	7,274.94	0.00	0.00	0.00
17,400.00	90.00	359.44	10,184.00	7,371.85	-352.62	7,374.94	0.00	0.00	0.00
17,500.00	90.00	359.44	10,184.00	7,471.84	-353.60	7,474.94	0.00	0.00	0.00
17,600.00	90.00	359.44	10,184.00	7,571.84	-354.57	7,574.94	0.00	0.00	0.00
17,700.00	90.00	359.44	10,184.00	7,671.83	-355.55	7,674.94	0.00	0.00	0.00
17,711.31	90.00	359.44	10,184.00	7,683.14	-355.66	7,686.25	0.00	0.00	0.00
<b>Nandina 0710H 2640 FSL 663 FWL</b>									
17,800.00	90.00	359.44	10,184.00	7,771.83	-356.52	7,774.94	0.00	0.00	0.00
17,900.00	90.00	359.44	10,184.00	7,871.82	-357.50	7,874.94	0.00	0.00	0.00
18,000.00	90.00	359.44	10,184.00	7,971.82	-358.47	7,974.94	0.00	0.00	0.00
18,100.00	90.00	359.44	10,184.00	8,071.81	-359.45	8,074.94	0.00	0.00	0.00
18,200.00	90.00	359.44	10,184.00	8,171.81	-360.42	8,174.94	0.00	0.00	0.00
18,300.00	90.00	359.44	10,184.00	8,271.80	-361.40	8,274.94	0.00	0.00	0.00
18,400.00	90.00	359.44	10,184.00	8,371.80	-362.37	8,374.94	0.00	0.00	0.00
18,500.00	90.00	359.44	10,184.00	8,471.79	-363.35	8,474.94	0.00	0.00	0.00
18,600.00	90.00	359.44	10,184.00	8,571.79	-364.32	8,574.94	0.00	0.00	0.00
18,700.00	90.00	359.44	10,184.00	8,671.78	-365.30	8,674.94	0.00	0.00	0.00
18,800.00	90.00	359.44	10,184.00	8,771.78	-366.27	8,774.94	0.00	0.00	0.00
18,900.00	90.00	359.44	10,184.00	8,871.77	-367.25	8,874.94	0.00	0.00	0.00
19,000.00	90.00	359.44	10,184.00	8,971.77	-368.22	8,974.94	0.00	0.00	0.00
19,100.00	90.00	359.44	10,184.00	9,071.77	-369.20	9,074.94	0.00	0.00	0.00
19,200.00	90.00	359.44	10,184.00	9,171.76	-370.17	9,174.94	0.00	0.00	0.00
19,300.00	90.00	359.44	10,184.00	9,271.76	-371.15	9,274.94	0.00	0.00	0.00
19,400.00	90.00	359.44	10,184.00	9,371.75	-372.12	9,374.94	0.00	0.00	0.00
19,500.00	90.00	359.44	10,184.00	9,471.75	-373.10	9,474.94	0.00	0.00	0.00
19,600.00	90.00	359.44	10,184.00	9,571.74	-374.07	9,574.94	0.00	0.00	0.00
19,700.00	90.00	359.44	10,184.00	9,671.74	-375.05	9,674.94	0.00	0.00	0.00
19,800.00	90.00	359.44	10,184.00	9,771.73	-376.02	9,774.94	0.00	0.00	0.00
19,900.00	90.00	359.44	10,184.00	9,871.73	-377.00	9,874.94	0.00	0.00	0.00
20,000.00	90.00	359.44	10,184.00	9,971.72	-377.97	9,974.94	0.00	0.00	0.00
20,084.68	90.00	359.44	10,184.00	10,056.40	-378.80	10,059.62	0.00	0.00	0.00
<b>PBHL/TD 20084.68 MD 10184.00 TVD</b>									
20,100.00	90.00	359.44	10,184.00	10,071.72	-378.95	10,074.94	0.00	0.00	0.00
20,160.30	90.00	359.44	10,184.00	10,132.02	-379.54	10,135.24	0.00	0.00	0.00
<b>Nandina 0710H PBHL 200 FNL 660 FWL</b>									
20,200.00	90.00	359.44	10,184.00	10,171.71	-379.93	10,174.94	0.00	0.00	0.00
20,300.00	90.00	359.44	10,184.00	10,271.71	-380.90	10,274.94	0.00	0.00	0.00
20,310.31	90.00	359.44	10,184.00	10,282.02	-381.00	10,285.25	0.00	0.00	0.00
<b>Nandina 0710H PBHL 50 FNL 660 FWL r1</b>									

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Nandina 0710H KOP 15 - plan hits target center - Point	0.00	0.01	9,611.04	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
Nandina 0710H 2640 F5 - plan hits target center - Point	0.00	0.01	10,184.00	7,683.14	-355.66	402,103.12	858,030.34	32.10133146	-103.31060160
Nandina 0710H Cr 30/3' - plan hits target center - Point	0.00	0.01	10,184.00	5,043.25	-329.91	399,463.24	858,056.09	32.09407500	-103.31059931
Nandina 0710H PBHL 5' - plan hits target center - Point	0.00	0.00	10,184.00	10,282.02	-381.00	404,702.00	858,005.00	32.10847518	-103.31060380
Nandina 0710H FTP 10' - plan misses target center by 281.48ft at 10047.42ft MD (9997.89 TVD, 74.62 N, -234.41 E) - Point	0.00	0.00	10,184.00	-132.00	-278.00	394,288.00	858,108.00	32.07984938	-103.31059017

Casing Points						
Measured Depth (ft)	Vertical Depth (ft)		Name	Casing Diameter (")	Hole Diameter (")	
1,109.00	1,109.00	9 5/8 Csg		9-5/8	12-1/4	
5,084.67	5,077.00	7 5/8 Csg		7-5/8	8-3/4	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
984.00	984.00	Rustler		0.00		
1,413.00	1,413.00	Salado		0.00		
3,382.00	3,382.00	Tansil		0.00		
3,755.34	3,755.00	Capitan		0.00		
5,034.39	5,027.00	Lamar		0.00		
5,123.89	5,116.00	Bell Canyon		0.00		
7,310.70	7,299.00	Brushy Canyon		0.00		
8,452.70	8,441.00	Bone Spring Lime		0.00		
9,814.24	9,799.00	First Bone Spring		0.00		
10,522.74	10,184.00	Target		0.00		

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,500.00	3,500.00	0.00	0.00	KOP Begin 2°/100' build
3,801.84	3,801.28	-5.13	-15.04	Begin 6.04° tangent section
5,709.86	5,698.72	-69.87	-204.96	Begin 2°/100' drop
6,011.70	6,000.00	-75.00	-220.00	Begin vertical hold
9,622.74	9,611.04	-75.00	-220.00	Begin 10°/100' build
10,517.53	10,183.97	490.14	-274.42	Begin 2°/100' turn
10,909.52	10,184.00	881.68	-289.33	Begin 90.00° lateral
20,084.68	10,184.00	10,056.40	-378.80	PBHL/TD 20084.68 MD 10184.00 TVD

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

<b>Project</b>	Lea County, New Mexico NAD83 NM E		
<b>Map System:</b>	US State Plane 1983	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	North American Datum 1983		
<b>Map Zone:</b>	New Mexico Eastern Zone		

<b>Site</b>	Section 31-T25S-R36E				
<b>Site Position:</b>		<b>Northing:</b>	396,845.47 usft	<b>Latitude:</b>	32.08682761
<b>From:</b>	Map	<b>Eastng:</b>	860,060.12 usft	<b>Longitude:</b>	-103.30420954
<b>Position Uncertainty:</b>	0.00 ft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	0.55 °

<b>Well</b>	Nandina Fed Com 25 36 31 Well No. 071H, Surf loc: 230 FSL 940 FWL Section 31-T25S-R36E					
<b>Well Position</b>	<b>+N-S</b>	0.00 ft	<b>Northing:</b>	394,420.00 usft	<b>Latitude:</b>	32.08020494
	<b>+E-W</b>	0.00 ft	<b>Eastng:</b>	858,386.00 usft	<b>Longitude:</b>	-103.30968868
<b>Position Uncertainty</b>		0.00 ft	<b>Wellhead Elevation:</b>		<b>Ground Level:</b>	3,024.00 ft

<b>Wellbore</b>	Original Hole					
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>	
	IGRF2015	10/25/2018	6.67	59.95	47,743.59736114	

<b>Design</b>	rev1				
<b>Audit Notes:</b>					
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.00	
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>	
	0.00	0.00	0.00	359.44	

<b>Plan Survey Tool Program</b>	<b>Date</b>	11/21/2018			
<b>Depth From (ft)</b>	<b>Depth To (ft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>	
1	0.00	20,309.82 rev1 (Original Hole)	MWD OWSG MWD - Standard		

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,801.84	6.04	251.18	3,801.28	-5.13	-15.04	2.00	2.00	0.00	0.00	251.18
5,709.86	6.04	251.18	5,698.72	-69.87	-204.96	0.00	0.00	0.00	0.00	0.00
6,011.70	0.00	0.00	6,000.00	-75.00	-220.00	2.00	-2.00	0.00	0.00	180.00
9,622.74	0.00	0.00	9,611.04	-75.00	-220.00	0.00	0.00	0.00	0.00	0.00
10,522.74	90.00	354.50	10,184.00	495.32	-274.92	10.00	10.00	0.00	0.00	354.50
10,769.80	90.00	359.44	10,184.00	741.96	-287.97	2.00	0.00	2.00	0.00	90.00
20,310.31	90.00	359.44	10,184.00	10,282.02	-381.00	0.00	0.00	0.00	0.00	0.00 Nandina 0710H PBHL

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
0.00	0.00	0.00	0.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
100.00	0.00	0.00	100.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
200.00	0.00	0.00	200.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
300.00	0.00	0.00	300.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
400.00	0.00	0.00	400.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
500.00	0.00	0.00	500.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
600.00	0.00	0.00	600.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
700.00	0.00	0.00	700.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
800.00	0.00	0.00	800.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
900.00	0.00	0.00	900.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
984.00	0.00	0.00	984.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
<b>Rustler</b>										
1,000.00	0.00	0.00	1,000.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,109.00	0.00	0.00	1,109.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
<b>9 5/8 Csg</b>										
1,200.00	0.00	0.00	1,200.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,300.00	0.00	0.00	1,300.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,400.00	0.00	0.00	1,400.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,413.00	0.00	0.00	1,413.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
<b>Salado</b>										
1,500.00	0.00	0.00	1,500.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,600.00	0.00	0.00	1,600.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,700.00	0.00	0.00	1,700.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,800.00	0.00	0.00	1,800.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
1,900.00	0.00	0.00	1,900.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,100.00	0.00	0.00	2,100.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,200.00	0.00	0.00	2,200.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,300.00	0.00	0.00	2,300.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,400.00	0.00	0.00	2,400.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,500.00	0.00	0.00	2,500.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,600.00	0.00	0.00	2,600.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,700.00	0.00	0.00	2,700.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,800.00	0.00	0.00	2,800.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
2,900.00	0.00	0.00	2,900.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
3,000.00	0.00	0.00	3,000.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
3,100.00	0.00	0.00	3,100.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
3,200.00	0.00	0.00	3,200.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
3,300.00	0.00	0.00	3,300.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
3,382.00	0.00	0.00	3,382.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
<b>Tansil</b>										
3,400.00	0.00	0.00	3,400.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
3,500.00	0.00	0.00	3,500.00	0.00	0.00	394,420.00	858,386.00	32.08020494	-103.30968868	
<b>KOP Begin 2°/100' build</b>										
3,600.00	2.00	251.18	3,599.98	-0.56	-1.65	394,419.44	858,384.35	32.08020343	-103.30969403	
3,700.00	4.00	251.18	3,699.84	-2.25	-6.61	394,417.75	858,379.39	32.08019892	-103.30971007	
3,755.34	5.11	251.18	3,755.00	-3.67	-10.76	394,416.33	858,375.24	32.08019513	-103.30972354	
<b>Capitan</b>										
3,800.00	6.00	251.18	3,799.45	-5.06	-14.85	394,414.93	858,371.15	32.08019141	-103.30973679	
3,801.84	6.04	251.18	3,801.28	-5.13	-15.04	394,414.87	858,370.98	32.08019124	-103.30973738	
<b>Begin 6.04° tangent section</b>										
3,900.00	6.04	251.18	3,898.90	-8.46	-24.81	394,411.54	858,361.19	32.08018234	-103.30976902	

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Corn 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Corn 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/S (ft)	+E/W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
4,000.00	6.04	251.18	3,998.34	-11.85	-34.76	394,408.15	858,351.24	32.08017327	-103.30980126
4,100.00	6.04	251.18	4,097.79	-15.24	-44.72	394,404.75	858,341.28	32.08016420	-103.30983350
4,200.00	6.04	251.18	4,197.23	-18.64	-54.67	394,401.36	858,331.33	32.08015514	-103.30986574
4,300.00	6.04	251.18	4,296.68	-22.03	-64.62	394,397.97	858,321.38	32.08014607	-103.30989798
4,400.00	6.04	251.18	4,396.12	-25.42	-74.58	394,394.57	858,311.42	32.08013700	-103.30993021
4,500.00	6.04	251.18	4,495.57	-28.82	-84.53	394,391.18	858,301.47	32.08012793	-103.30996245
4,600.00	6.04	251.18	4,595.02	-32.21	-94.49	394,387.79	858,291.51	32.08011887	-103.30999469
4,700.00	6.04	251.18	4,694.46	-35.60	-104.44	394,384.39	858,281.56	32.08010980	-103.31002693
4,800.00	6.04	251.18	4,793.91	-39.00	-114.39	394,381.00	858,271.60	32.08010073	-103.31005917
4,900.00	6.04	251.18	4,893.35	-42.39	-124.35	394,377.61	858,261.65	32.08009166	-103.31009140
5,000.00	6.04	251.18	4,992.80	-45.79	-134.30	394,374.21	858,251.70	32.08008260	-103.31012364
5,034.39	6.04	251.18	5,027.00	-48.95	-137.73	394,373.05	858,248.27	32.08007948	-103.31013473
<b>Lamar</b>									
5,084.67	6.04	251.18	5,077.00	-48.66	-142.73	394,371.34	858,243.27	32.08007492	-103.31015094
<b>7 5/8 Csg</b>									
5,100.00	6.04	251.18	5,092.24	-49.18	-144.26	394,370.82	858,241.74	32.08007353	-103.31015588
5,123.89	6.04	251.18	5,116.00	-49.99	-146.64	394,370.01	858,239.36	32.08007136	-103.31016358
<b>Bell Canyon</b>									
5,200.00	6.04	251.18	5,191.69	-52.57	-154.21	394,367.43	858,231.79	32.08006446	-103.31018812
5,300.00	6.04	251.18	5,291.13	-55.97	-164.17	394,364.03	858,221.83	32.08005539	-103.31022036
5,400.00	6.04	251.18	5,390.58	-59.36	-174.12	394,360.64	858,211.88	32.08004633	-103.31025259
5,500.00	6.04	251.18	5,490.03	-62.75	-184.07	394,357.25	858,201.93	32.08003726	-103.31028483
5,600.00	6.04	251.18	5,589.47	-66.15	-194.03	394,353.85	858,191.97	32.08002819	-103.31031707
5,700.00	6.04	251.18	5,688.92	-69.54	-203.98	394,350.46	858,182.02	32.08001912	-103.31034931
5,709.88	6.04	251.18	5,698.72	-69.87	-204.96	394,350.13	858,181.04	32.08001823	-103.31035249
<b>Begin 2"/100' drop</b>									
5,800.00	4.23	251.18	5,788.50	-72.48	-212.60	394,347.52	858,173.40	32.08001127	-103.31037722
5,900.00	2.23	251.18	5,888.33	-74.30	-217.94	394,345.70	858,168.06	32.08000841	-103.31039451
6,000.00	0.23	251.18	5,988.30	-74.99	-219.98	394,345.01	858,166.02	32.08000455	-103.31040111
6,011.70	0.00	0.00	6,000.00	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
<b>Begin vertical hold</b>									
6,100.00	0.00	0.00	6,088.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,200.00	0.00	0.00	6,188.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,300.00	0.00	0.00	6,288.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,400.00	0.00	0.00	6,388.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,500.00	0.00	0.00	6,488.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,600.00	0.00	0.00	6,588.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,700.00	0.00	0.00	6,688.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,800.00	0.00	0.00	6,788.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
6,900.00	0.00	0.00	6,888.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,000.00	0.00	0.00	6,988.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,100.00	0.00	0.00	7,088.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,200.00	0.00	0.00	7,188.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,300.00	0.00	0.00	7,288.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,310.70	0.00	0.00	7,299.00	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
<b>Brushy Canyon</b>									
7,400.00	0.00	0.00	7,388.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,500.00	0.00	0.00	7,488.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,600.00	0.00	0.00	7,588.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,700.00	0.00	0.00	7,688.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,800.00	0.00	0.00	7,788.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
7,900.00	0.00	0.00	7,888.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,000.00	0.00	0.00	7,988.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118

<b>Database:</b>	DB_Aug0118_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Corn 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Corn 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Deslgn:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
8,100.00	0.00	0.00	8,088.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,200.00	0.00	0.00	8,188.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,300.00	0.00	0.00	8,288.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,400.00	0.00	0.00	8,388.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,452.70	0.00	0.00	8,441.00	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
<b>Bone Spring Lime</b>									
8,500.00	0.00	0.00	8,488.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,600.00	0.00	0.00	8,588.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,700.00	0.00	0.00	8,688.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,800.00	0.00	0.00	8,788.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
8,900.00	0.00	0.00	8,888.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,000.00	0.00	0.00	8,988.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,100.00	0.00	0.00	9,088.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,200.00	0.00	0.00	9,188.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,300.00	0.00	0.00	9,288.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,400.00	0.00	0.00	9,388.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,500.00	0.00	0.00	9,488.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
9,600.00	0.00	0.00	9,588.30	-75.00	-220.00	394,345.00	858,166.00	32.08000453	-103.31040118
<b>9,700.00</b>									
9,700.00	7.73	354.50	9,688.07	-69.82	-220.50	394,350.18	858,165.50	32.08001878	-103.31040264
9,800.00	17.73	354.50	9,785.49	-47.92	-222.61	394,372.08	858,163.39	32.08007903	-103.31040877
9,814.24	19.15	354.50	9,799.00	-43.44	-223.04	394,376.56	858,162.96	32.08009136	-103.31041003
<b>First Bone Spring</b>									
9,900.00	27.73	354.50	9,877.61	-9.52	-226.31	394,410.48	858,159.69	32.08018468	-103.31041954
10,000.00	37.73	354.50	9,961.63	44.23	-231.48	394,464.23	858,154.52	32.08033254	-103.31043460
10,047.42	42.47	354.50	9,997.89	74.62	-234.41	394,494.62	858,151.59	32.08041615	-103.31044311
<b>Nandina 0710H FTP 100 FSL 660 FWL r1</b>									
10,100.00	47.73	354.50	10,034.99	111.68	-237.98	394,531.68	858,148.02	32.08051810	-103.31045350
10,182.79	56.01	354.50	10,086.07	176.45	-244.21	394,596.44	858,141.79	32.08069627	-103.31047165
<b>Nandina 0710H FTP 330 FSL 660 FWL</b>									
10,200.00	57.73	354.50	10,095.48	190.79	-245.59	394,610.79	858,140.41	32.08073573	-103.31047567
10,300.00	67.73	354.50	10,141.25	279.15	-254.10	394,699.15	858,131.90	32.08097881	-103.31050043
10,400.00	77.73	354.50	10,170.90	374.08	-263.24	394,794.08	858,122.76	32.08123997	-103.31052703
10,500.00	87.73	354.50	10,183.55	472.69	-272.74	394,892.69	858,113.26	32.08151126	-103.31055467
10,517.53	89.48	354.50	10,183.97	490.14	-274.42	394,910.13	858,111.58	32.08155924	-103.31055955
<b>Begin 2°/100' turn</b>									
10,522.74	90.00	354.50	10,184.00	495.32	-274.92	394,915.32	858,111.08	32.08157350	-103.31058101
<b>Target</b>									
10,600.00	90.00	358.05	10,184.00	572.32	-281.28	394,992.32	858,104.72	32.08178530	-103.31057921
10,700.00	90.00	358.05	10,184.00	672.18	-286.44	395,092.18	858,099.56	32.08205991	-103.31059279
10,769.80	90.00	359.44	10,184.00	741.96	-287.97	395,161.96	858,098.03	32.08225175	-103.31059559
10,800.00	90.00	359.44	10,184.00	772.16	-288.26	395,192.16	858,097.74	32.08233475	-103.31059562
10,900.00	90.00	359.44	10,184.00	872.16	-289.24	395,292.15	858,096.76	32.08260962	-103.31059571
10,909.52	90.00	359.44	10,184.00	881.68	-289.33	395,301.67	858,096.67	32.08263579	-103.31059572
<b>Begin 90.00° lateral</b>									
11,000.00	90.00	359.44	10,184.00	972.15	-290.21	395,392.15	858,095.79	32.08288448	-103.31059580
11,100.00	90.00	359.44	10,184.00	1,072.15	-291.19	395,492.14	858,094.81	32.08315935	-103.31059588
11,200.00	90.00	359.44	10,184.00	1,172.14	-292.16	395,592.14	858,093.84	32.08343421	-103.31059597
11,300.00	90.00	359.44	10,184.00	1,272.14	-293.14	395,692.13	858,092.86	32.08370908	-103.31059606
11,400.00	90.00	359.44	10,184.00	1,372.13	-294.11	395,792.13	858,091.89	32.08398394	-103.31059614
11,500.00	90.00	359.44	10,184.00	1,472.13	-295.09	395,892.12	858,090.91	32.08425880	-103.31059623
11,600.00	90.00	359.44	10,184.00	1,572.12	-296.06	395,992.12	858,089.94	32.08453367	-103.31059632

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
11,700.00	90.00	359.44	10,184.00	1,672.12	-297.04	396,092.11	858,088.96	32.08480853	-103.31059640
11,800.00	90.00	359.44	10,184.00	1,772.11	-298.01	396,192.11	858,087.99	32.08508340	-103.31059649
11,900.00	90.00	359.44	10,184.00	1,872.11	-298.99	396,292.10	858,087.01	32.08535826	-103.31059658
12,000.00	90.00	359.44	10,184.00	1,972.10	-299.96	396,392.10	858,086.04	32.08563313	-103.31059666
12,100.00	90.00	359.44	10,184.00	2,072.10	-300.94	396,492.09	858,085.06	32.08590798	-103.31059675
12,200.00	90.00	359.44	10,184.00	2,172.09	-301.91	396,592.09	858,084.09	32.08618285	-103.31059684
12,300.00	90.00	359.44	10,184.00	2,272.09	-302.89	396,692.08	858,083.11	32.08645771	-103.31059693
12,400.00	90.00	359.44	10,184.00	2,372.08	-303.86	396,792.08	858,082.13	32.08673258	-103.31059701
12,500.00	90.00	359.44	10,184.00	2,472.08	-304.84	396,892.07	858,081.16	32.08700744	-103.31059710
12,600.00	90.00	359.44	10,184.00	2,572.07	-305.82	396,992.07	858,080.18	32.08728230	-103.31059719
12,700.00	90.00	359.44	10,184.00	2,672.07	-306.79	397,092.06	858,079.21	32.08755717	-103.31059727
12,800.00	90.00	359.44	10,184.00	2,772.06	-307.77	397,192.06	858,078.23	32.08783203	-103.31059736
12,900.00	90.00	359.44	10,184.00	2,872.06	-308.74	397,292.05	858,077.26	32.08810690	-103.31059745
13,000.00	90.00	359.44	10,184.00	2,972.06	-309.72	397,392.05	858,076.28	32.08838176	-103.31059753
13,100.00	90.00	359.44	10,184.00	3,072.05	-310.69	397,492.04	858,075.31	32.08865663	-103.31059762
13,200.00	90.00	359.44	10,184.00	3,172.05	-311.67	397,592.04	858,074.33	32.08893149	-103.31059771
13,300.00	90.00	359.44	10,184.00	3,272.04	-312.64	397,692.03	858,073.36	32.08920636	-103.31059779
13,400.00	90.00	359.44	10,184.00	3,372.04	-313.62	397,792.03	858,072.38	32.08948122	-103.31059788
13,500.00	90.00	359.44	10,184.00	3,472.03	-314.59	397,892.02	858,071.41	32.08975608	-103.31059797
13,600.00	90.00	359.44	10,184.00	3,572.03	-315.57	397,992.02	858,070.43	32.09003095	-103.31059805
13,700.00	90.00	359.44	10,184.00	3,672.02	-316.54	398,092.01	858,069.46	32.09030581	-103.31059814
13,800.00	90.00	359.44	10,184.00	3,772.02	-317.52	398,192.01	858,068.48	32.09058068	-103.31059822
13,900.00	90.00	359.44	10,184.00	3,872.01	-318.49	398,292.00	858,067.51	32.09085554	-103.31059831
14,000.00	90.00	359.44	10,184.00	3,972.01	-319.47	398,392.00	858,066.53	32.09113041	-103.31059840
14,100.00	90.00	359.44	10,184.00	4,072.00	-320.44	398,491.99	858,065.56	32.09140527	-103.31059848
14,200.00	90.00	359.44	10,184.00	4,172.00	-321.42	398,591.99	858,064.58	32.09168014	-103.31059857
14,300.00	90.00	359.44	10,184.00	4,271.99	-322.39	398,691.98	858,063.61	32.09195500	-103.31059866
14,400.00	90.00	359.44	10,184.00	4,371.99	-323.37	398,791.98	858,062.63	32.09222986	-103.31059874
14,500.00	90.00	359.44	10,184.00	4,471.98	-324.34	398,891.97	858,061.66	32.09250473	-103.31059883
14,600.00	90.00	359.44	10,184.00	4,571.98	-325.32	398,991.97	858,060.68	32.09277959	-103.31059892
14,700.00	90.00	359.44	10,184.00	4,671.97	-326.29	399,091.96	858,059.71	32.09305446	-103.31059900
14,800.00	90.00	359.44	10,184.00	4,771.97	-327.27	399,191.96	858,058.73	32.09332932	-103.31059909
14,900.00	90.00	359.44	10,184.00	4,871.97	-328.24	399,291.95	858,057.76	32.09360418	-103.31059917
15,000.00	90.00	359.44	10,184.00	4,971.96	-329.22	399,391.95	858,056.78	32.09387905	-103.31059926
15,100.00	90.00	359.44	10,184.00	5,071.96	-330.19	399,491.94	858,055.81	32.09415391	-103.31059935
15,200.00	90.00	359.44	10,184.00	5,171.95	-331.17	399,591.94	858,054.83	32.09442878	-103.31059943
15,300.00	90.00	359.44	10,184.00	5,271.95	-332.14	399,691.93	858,053.86	32.09470364	-103.31059952
15,400.00	90.00	359.44	10,184.00	5,371.94	-333.12	399,791.93	858,052.88	32.09497851	-103.31059960
15,500.00	90.00	359.44	10,184.00	5,471.94	-334.09	399,891.92	858,051.91	32.09525337	-103.31059969
15,600.00	90.00	359.44	10,184.00	5,571.93	-335.07	399,991.92	858,050.93	32.09552823	-103.31059978
15,700.00	90.00	359.44	10,184.00	5,671.93	-336.04	400,091.91	858,049.96	32.09580310	-103.31059986
15,800.00	90.00	359.44	10,184.00	5,771.92	-337.02	400,191.91	858,048.98	32.09607796	-103.31059995
15,900.00	90.00	359.44	10,184.00	5,871.92	-337.99	400,291.90	858,048.01	32.09635283	-103.31060003
16,000.00	90.00	359.44	10,184.00	5,971.91	-338.97	400,391.90	858,047.03	32.09662769	-103.31060012
16,100.00	90.00	359.44	10,184.00	6,071.91	-339.94	400,491.89	858,046.06	32.09690255	-103.31060021
16,200.00	90.00	359.44	10,184.00	6,171.90	-340.92	400,591.89	858,045.08	32.09717742	-103.31060029
16,300.00	90.00	359.44	10,184.00	6,271.90	-341.89	400,691.88	858,044.10	32.09745228	-103.31060038
16,400.00	90.00	359.44	10,184.00	6,371.89	-342.87	400,791.88	858,043.13	32.09772715	-103.31060046
16,500.00	90.00	359.44	10,184.00	6,471.89	-343.85	400,891.87	858,042.15	32.09800201	-103.31060055
16,600.00	90.00	359.44	10,184.00	6,571.88	-344.82	400,991.87	858,041.18	32.09827688	-103.31060064
16,700.00	90.00	359.44	10,184.00	6,671.88	-345.80	401,091.86	858,040.20	32.09855174	-103.31060072

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
16,800.00	90.00	359.44	10,184.00	6,771.87	-346.77	401,191.86	858,039.23	32.09882660	-103.31060081
16,900.00	90.00	359.44	10,184.00	6,871.87	-347.75	401,291.86	858,038.25	32.09910147	-103.31060089
17,000.00	90.00	359.44	10,184.00	6,971.87	-348.72	401,391.85	858,037.28	32.09937633	-103.31060098
17,100.00	90.00	359.44	10,184.00	7,071.86	-349.70	401,491.85	858,036.30	32.09965120	-103.31060106
17,200.00	90.00	359.44	10,184.00	7,171.86	-350.67	401,591.84	858,035.33	32.09992606	-103.31060115
17,300.00	90.00	359.44	10,184.00	7,271.85	-351.65	401,691.84	858,034.35	32.10020092	-103.31060124
17,400.00	90.00	359.44	10,184.00	7,371.85	-352.62	401,791.83	858,033.38	32.10047579	-103.31060132
17,500.00	90.00	359.44	10,184.00	7,471.84	-353.60	401,891.83	858,032.40	32.10075065	-103.31060141
17,600.00	90.00	359.44	10,184.00	7,571.84	-354.57	401,991.82	858,031.43	32.10102551	-103.31060149
17,700.00	90.00	359.44	10,184.00	7,671.83	-355.55	402,091.82	858,030.45	32.10130038	-103.31060158
17,711.31	90.00	359.44	10,184.00	7,683.14	-355.66	402,103.12	858,030.34	32.10133146	-103.31060159
<b>Nandina 0710H 2640 FSL 663 FWL</b>									
17,800.00	90.00	359.44	10,184.00	7,771.83	-356.52	402,191.81	858,029.48	32.10157524	-103.31060166
17,900.00	90.00	359.44	10,184.00	7,871.82	-357.50	402,291.81	858,028.50	32.10185011	-103.31060175
18,000.00	90.00	359.44	10,184.00	7,971.82	-358.47	402,391.80	858,027.53	32.10212497	-103.31060183
18,100.00	90.00	359.44	10,184.00	8,071.81	-359.45	402,491.80	858,026.55	32.10239983	-103.31060192
18,200.00	90.00	359.44	10,184.00	8,171.81	-360.42	402,591.79	858,025.58	32.10267470	-103.31060201
18,300.00	90.00	359.44	10,184.00	8,271.80	-361.40	402,691.79	858,024.60	32.10294956	-103.31060209
18,400.00	90.00	359.44	10,184.00	8,371.80	-362.37	402,791.78	858,023.63	32.10322443	-103.31060218
18,500.00	90.00	359.44	10,184.00	8,471.79	-363.35	402,891.78	858,022.65	32.10349929	-103.31060226
18,600.00	90.00	359.44	10,184.00	8,571.79	-364.32	402,991.77	858,021.68	32.10377415	-103.31060235
18,700.00	90.00	359.44	10,184.00	8,671.78	-365.30	403,091.77	858,020.70	32.10404902	-103.31060243
18,800.00	90.00	359.44	10,184.00	8,771.78	-366.27	403,191.76	858,019.73	32.10432388	-103.31060252
18,900.00	90.00	359.44	10,184.00	8,871.77	-367.25	403,291.76	858,018.75	32.10459874	-103.31060260
19,000.00	90.00	359.44	10,184.00	8,971.77	-368.22	403,391.75	858,017.78	32.10487361	-103.31060269
19,100.00	90.00	359.44	10,184.00	9,071.77	-369.20	403,491.75	858,016.80	32.10514847	-103.31060277
19,200.00	90.00	359.44	10,184.00	9,171.76	-370.17	403,591.74	858,015.83	32.10542334	-103.31060286
19,300.00	90.00	359.44	10,184.00	9,271.76	-371.15	403,691.74	858,014.85	32.10569820	-103.31060294
19,400.00	90.00	359.44	10,184.00	9,371.75	-372.12	403,791.73	858,013.88	32.10597306	-103.31060303
19,500.00	90.00	359.44	10,184.00	9,471.75	-373.10	403,891.73	858,012.90	32.10624793	-103.31060311
19,600.00	90.00	359.44	10,184.00	9,571.74	-374.07	403,991.72	858,011.93	32.10652279	-103.31060320
19,700.00	90.00	359.44	10,184.00	9,671.74	-375.05	404,091.72	858,010.95	32.10679765	-103.31060328
19,800.00	90.00	359.44	10,184.00	9,771.73	-376.02	404,191.71	858,009.98	32.10707252	-103.31060337
19,900.00	90.00	359.44	10,184.00	9,871.73	-377.00	404,291.71	858,009.00	32.10734738	-103.31060345
20,000.00	90.00	359.44	10,184.00	9,971.72	-377.97	404,391.70	858,008.03	32.10762225	-103.31060354
20,084.68	90.00	359.44	10,184.00	10,056.40	-378.80	404,476.38	858,007.20	32.10785500	-103.31060361
<b>PBHL/TD 20084.68 MD 10184.00 TVD</b>									
20,100.00	90.00	359.44	10,184.00	10,071.72	-378.95	404,491.70	858,007.05	32.10789711	-103.31060362
20,160.30	90.00	359.44	10,184.00	10,132.02	-379.54	404,551.99	858,006.48	32.10806285	-103.31060368
<b>Nandina 0710H PBHL 200 FNL 660 FWL</b>									
20,200.00	90.00	359.44	10,184.00	10,171.71	-379.93	404,591.69	858,006.07	32.10817197	-103.31060371
20,300.00	90.00	359.44	10,184.00	10,271.71	-380.90	404,691.69	858,005.10	32.10844684	-103.31060379

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 36 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 36 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

Design Targets										
Target Name	Dip Angle	Dip Dir.	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude	
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(usft)	(usft)			
- Shape										
Nandina 0710H KOP 15 - plan hits target center - Point	0.00	0.01	9,611.04	-75.00	-220.00	394,345.00	858,168.00	32.08000453	-103.31040118	
Nandina 0710H 2640 FS - plan hits target center - Point	0.00	0.01	10,184.00	7,683.14	-355.66	402,103.12	858,030.34	32.10133146	-103.31060160	
Nandina 0710H Cr 30/3' - plan hits target center - Point	0.00	0.01	10,184.00	5,043.25	-329.91	399,483.24	858,056.09	32.09407500	-103.31059931	
Nandina 0710H PBHL 5' - plan hits target center - Point	0.00	0.00	10,184.00	10,282.02	-381.00	404,702.00	858,005.00	32.10847518	-103.31060380	
Nandina 0710H FTP 10' - plan misses target center by 281.48ft at 10047.42ft MD (9997.89 TVD, 74.82 N, -234.41 E) - Point	0.00	0.00	10,184.00	-132.00	-278.00	394,288.00	858,108.00	32.07984938	-103.31059017	

Casing Points						
Measured Depth	Vertical Depth	Name	Casing Diameter	Hole Diameter		
(ft)	(ft)		(")	(")		
1,109.00	1,109.00	9 5/8 Csg	9-5/8	12-1/4		
5,084.67	5,077.00	7 5/8 Csg	7-5/8	8-3/4		

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(ft)	(ft)			(°)	(°)	
984.00	984.00	Rustler		0.00		
1,413.00	1,413.00	Salado		0.00		
3,382.00	3,382.00	Tansil		0.00		
3,755.34	3,755.00	Capitan		0.00		
5,034.39	5,027.00	Lamar		0.00		
5,123.89	5,116.00	Bell Canyon		0.00		
7,310.70	7,299.00	Brushy Canyon		0.00		
8,452.70	8,441.00	Bone Spring Lime		0.00		
9,814.24	9,799.00	First Bone Spring		0.00		
10,522.74	10,184.00	Target		0.00		

<b>Database:</b>	DB_Aug0116_LT_v14	<b>Local Co-ordinate Reference:</b>	Well Nandina Fed Com 25 38 31 Well No. 071H
<b>Company:</b>	American Resource Development LLC	<b>TVD Reference:</b>	GL @ 3024.00ft
<b>Project:</b>	Lea County, New Mexico NAD83 NM E	<b>MD Reference:</b>	GL @ 3024.00ft
<b>Site:</b>	Section 31-T25S-R36E	<b>North Reference:</b>	Grid
<b>Well:</b>	Nandina Fed Com 25 38 31 Well No. 071H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Original Hole		
<b>Design:</b>	rev1		

### Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,500.00	3,500.00	0.00	0.00	KOP Begin 2"/100' build
3,801.84	3,801.28	-5.13	-15.04	Begin 6.04" tangent section
5,709.86	5,698.72	-69.87	-204.96	Begin 2"/100' drop
6,011.70	6,000.00	-75.00	-220.00	Begin vertical hold
9,622.74	9,611.04	-75.00	-220.00	Begin 10"/100' build
10,517.53	10,183.97	490.14	-274.42	Begin 2"/100' turn
10,909.52	10,184.00	881.68	-289.33	Begin 90.00° lateral
20,084.68	10,184.00	10,056.40	-378.80	PBHL/TD 20084.68 MD 10184.00 TVD

# 5M Annular Preventer Variance Request and Well Control Procedures

Note: A copy of the Well Control Plan must be available at multiple locations on the rig for review by rig personnel, as well as review by the BLM PET/PE, and a copy must be maintained on the rig floor.

## Dual Isolation Design for 5M Annular Exception

Ameredeve will utilize 13-5/8" 10M (5M Annular) BOPE System consisting of:

- 13-5/8" 5M Annular
- 13-5/8" 10M Upper Pipe Rams
  - 3-1/2" – 5-1/2" Variable Bore Ram
- 13-5/8" 10M Blind Rams
- 13-5/8" 10M Drilling Spool /w 2 - 4" 10M Outlets Double 10M Isolation Valves
- 13-5/8" 10M Lower Blind Rams
  - 3-1/2" – 5-1/2" Variable Bore Ram

All drilling components and casing associated to exposure > 5000 psi BHP requiring a 10M system will have a double isolation (secondary barrier) below the 5M Annular that would provide a barrier to flow. The mud system will always be primary barrier, it will be maintained by adjusting values based on tourly mud tests and monitoring a PVT System to maintain static wellbore conditions, displacement procedures will be followed and recorded on daily drilling reports during tripping operations. Surge and swab pressure values will be calculated and maintained and static flow check will be monitored at previous casing shoe and verified static well conditions prior to tripping out of hole and again prior to pulling last joint of drill pipe through BOPE. The below table, documents that two barriers to flow can be maintained at all times, independent of the rating of the annular preventer.

Drill Components	Size	Primary Barrier	Secondary Barrier	Third Barrier
Drillpipe	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
HWDP Drillpipe	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
Drill Collars	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
Production Casing	3-1/2"-5-1/2"	Drilling Fluid	Upper Pipe Rams	Lower Pipe Rams
Open Hole	13-5/8	Drilling Fluid	Blind Rams	
All Drilling Components in 10M Environment will have OD that will allow full Operational RATED WORKING PRESSURE for system design. Kill line with minimum 2" ID will be available outside substructure with 10M Check Valve for OOH Kill Operations				

# Well Control Procedures

Proper well control procedures are dependent to differentiating well conditions, to cover the basic well control operations there are will be standard drilling ahead, tripping pipe, tripping BHA, running casing, and pipe out of the hole/open hole scenarios that will be defined by procedures below. Initial Shut In Pressure can be taken against the Uppermost BOPE component the 5M Annular, pressure control can be transferred from the lesser 5M Annular to the 10M Upper Pipe Rams if needed. Shut In Pressures may be equal to or less than the Rated Working Pressure but at no time will the pressure on the annular preventer exceed the Rated Working Pressure of the annular. The annular will be tested to 5,000 psi. This will be the Rated Working Pressure of the annular preventer. All scenarios will be written such as shut in will be performed by closing the 10,000 psi Upper Pipe Rams for faster Accumulator pressure recovery to allow safer reaction to controlling wellbore pressure.

## Shutting In While Drilling

1. Sound alarm signaling well control event to Rig Crew
2. Space out drill string to allow FOSV installation
3. Shut down pumps
4. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
5. Install open, full open safety valve and close valve, Close Chokes
6. Verify well is shut-in and flow has stopped
7. Notify supervisory personnel
8. Record data (SIDP, SICP, Pit Gain, and Time)
9. Hold pre-job safety meeting and discuss kill procedure

## Shutting In While Tripping

1. Sound alarm signaling well control event to Rig Crew
2. Space out drill string to allow FOSV installation
3. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
4. Install open, full open safety valve and close valve, Close Chokes
5. Verify well is shut-in and flow has stopped
6. Notify supervisory personnel
7. Record data (SIDP, SICP, Pit Gain, and Time)
8. Hold pre-job safety meeting and discuss kill procedure

### **Shutting In While Running Casing**

1. Sound alarm signaling well control event to Rig Crew
2. Space out casing to allow circulating swedge installation
3. Shut in Upper Pipe Rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
4. Install circulating swedge, Close high pressure, low torque valves, Close Chokes
5. Verify well is shut-in and flow has stopped
6. Notify supervisory personnel
7. Record data (SIDP, SICP, Pit Gain, and Time)
8. Hold Pre-job safety meeting and discuss kill procedure

### **Shutting in while out of hole**

1. Sound alarm signaling well control event to Rig Crew
2. Shut-in well: close blind rams and open HCR against Open Chokes and Valves  
Open to working pressure gauge
3. Close Chokes, Verify well is shut-in and monitor pressures
4. Notify supervisory personnel
5. Record data (SIDP, SICP, Pit Gain, and Time)
6. Hold Pre-job safety meeting and discuss kill procedure

### **Shutting in prior to pulling BHA through stack**

Prior to pulling last joint of drill pipe thru the stack space out and check flow  
If flowing see steps below.

1. Sound alarm signaling well control event to Rig Crew
2. Shut in upper pipe ram and open HCR against Open Chokes and Valves Open  
to working pressure gauge
3. Install open, full open safety valve and close valve, Close Chokes
4. Verify well is shut-in and flow has stopped
5. Notify supervisory personnel
6. Record data (SIDP, SICP, Pit Gain, and Time)
7. Hold pre-job safety meeting and discuss kill procedure

**Shutting in while BHA is in the stack and ram preventer and combo immediately available**

1. Sound alarm signaling well control event to Rig Crew
2. Space out BHA with upset just beneath the compatible pipe ram
3. Shut in upper compatible pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
4. Install open, full open safety valve and close valve, Close Chokes
5. Verify well is shut-in and flow has stopped
6. Notify supervisory personnel
7. Record data (SIDP, SICP, Pit Gain, and Time)
8. Hold pre-job safety meeting and discuss kill procedure

\*FOSV will be on rig floor in open position with operating handle for each type of connection utilized and tested to 10,000 psi

**Shutting in while BHA is in the stack and no ram preventer or combo immediately available**

1. Sound alarm signaling well control event to Rig Crew
2. If possible pick up high enough, to pull string clear and follow "Open Hole" scenario

If not possible to pick up high enough:

3. Stab Crossover, make up one joint/stand of drill pipe, and install open, full open safety valve (Leave Open)
4. Space out drill string with upset just beneath the compatible pipe ram.
5. Shut in upper compatible pipe ram and open HCR against Open Chokes and Valves Open to working pressure gauge
6. Close FOSV, Close Chokes, Verify well is shut-in and flow has stopped
7. Notify supervisory personnel
8. Record data (SIDP, SICP, Pit Gain, and Time)
9. Hold pre-job safety meeting and discuss kill procedure

## Pressure Control Plan

### Pressure Control Equipment

- Following setting of 13-3/8" Surface Casing Ameredev will install 13-5/8 MB4 Multi Bowl Casing Head by welding on a 13-5/8 SOW x 13-5/8" 5M in combination with 13-5/8 5M x 13-5/8 10M B-Sec to Land Intm #1 and a 13-5/8 10M x 13-5/8 10M shouldered to land C-Sec to Land Intm #2 (Installation procedure witnessed and verified by a manufacturer's representative).
- Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Ameredev will install a 5M System Blowout Preventer (BOPE) with a 5M Annular Preventer and related equipment (BOPE). Full testing will be performed utilizing a full isolation test plug and limited to 5,000 psi MOP of MB4 Multi Bowl Casing Head. Pressure will be held for 10 min or until provisions of test are met on all valves and rams. The 5M Annular Preventer will be tested to 50% of approved working pressure (2,500 psi). Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Setting of 9-5/8" Intermediate will be done by landing a wellhead hanger in the 13-5/8" 5M Bowl, Cementing and setting Well Head Packing seals and testing same. (Installation procedure witnessed and verified by a manufacturer's representative) Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
- Full testing will be performed utilizing a full isolation test plug to 10,000 psi MOP of MB4 Multi Bowl B-Section. Pressure will be held for 10 min or until provisions of test are met on all valves and rams. The 5M Annular Preventer will be tested to 100% of approved working pressure (5,000 psi).
- Before drilling >20ft of new formation under the 9-5/8" Casing Shoe a pressure integrity test of the Casing Shoe will be performed to minimum of the MWE anticipated to control formation pressure to the next casing depth.
- Following setting of 5-1/2" Production Casing and adequate WOC time Ameredev will break 10M System Blowout Preventer (BOP) from 10M DOL-2 Casing Head, install annulus casing slips and test same (Installation procedure witnessed and verified by a manufacturer's representative) and install 11" 10M x 5-1/8" 15M Tubing Head (Installation procedure witnessed and verified by a manufacturer's representative). Ameredev will test head to 70% casing design and install Dry Hole cap with needle valve and pressure gauge to monitor well awaiting completion.

## Pressure Control Plan

- Slow pump speeds will be taken daily by each crew and recorded on Daily Drilling Report after mudding up.
- A choke manifold and accumulator with floor and remote operating stations will be functional and in place after installation of BOPE, as well as full functioning mud gas separator.
- Weekly BOPE pit level drills will be conducted by each crew and recorded on Daily Drilling Report.
- BOP will be fully operated when out of hole and will be documented on the daily drilling log.
- All B.O.P.s and associated equipment will be tested in accordance with Onshore Order #2
- All B.O.P. testing will be done by an independent service company.
- The B.O.P. will be tested within 21 days of the original test if drilling takes more time than planned.
- Ameredev requests a variance to connect the B.O.P. choke outlet to the choke manifold using a co-flex hose with a 10,000 psi working pressure that has been tested to 15,000psi and is built to API Spec 16C. Once the flex line is installed it will be tied down with safety clamps. (certifications will be sent to Carlsbad BLM Office prior to install)
- Ameredev requests a variance to install a 5M Annular Preventer on the 10M System to drill the Production Hole below the 9-5/8" Intermediate Section. 5M Annular will be tested to 100% working pressure (5,000 psi). A full well control procedure will be included to isolate well bore.

## Ameredev Drilling Plan: 3 String with 4 String Contingency

- Contingency Plan If Losses Exceed 50% in Intermediate Interval
  - We will utilize a MB4 wellhead that will enable us to convert a 3 string design to a 4 string design. (Schematic Attached)
  - We will displace well with FW and drill or condition to run 9-5/8" Casing at the Lamar Limestone, we will utilize DV Tool w/ ACP @ the Tansill to Isolate Capitan Reef and cement to surface.
  - Casing will be tested to 1500 psi or .22 psi/ft whichever is greater for 30 minutes with <10% leak off, but will not exceed 70% of the burst rating per Onshore Order No. 2.
  
- 7.625 Casing will be Additional 4<sup>th</sup> String
  - Drill remaining hole section to 10,670'
  - Run 7.625 29.7# HCL80 FJM Casing

## 4-String Contingency Wellbore Schematic

<b>Well:</b>	(Well Name)	<b>Co. Well ID:</b>	xxxxxx
<b>SHL:</b>	(SHL)	<b>AFE No.:</b>	xxxx-xxx
<b>BHL:</b>	(BHL)	<b>API No.:</b>	xxxxxxxxxxx
	Lea, NM	<b>GL:</b>	(Elevation)'
<b>Wellhead:</b>	A - 13-5/8" 10M x 13-5/8" SOW	<b>Field:</b>	Delaware
	B - 13-5/8" 10M x 13-5/8" 10M	<b>Objective:</b>	Wolfcamp B
	C - 13-5/8" 10M x 13-5/8" 10M	<b>TVD:</b>	(TVD)'
	Tubing Spool - 5-1/8" 15M x 13-3/8" 10M	<b>MD:</b>	(MD)'
<b>Xmas Tree:</b>	2-9/16" 10M	<b>Rig:</b>	TBD KB 27'
<b>Tubing:</b>	2-7/8" L-80 6.5# 8rd EUE	<b>E-Mail:</b>	Wellsite2@ameredev.com

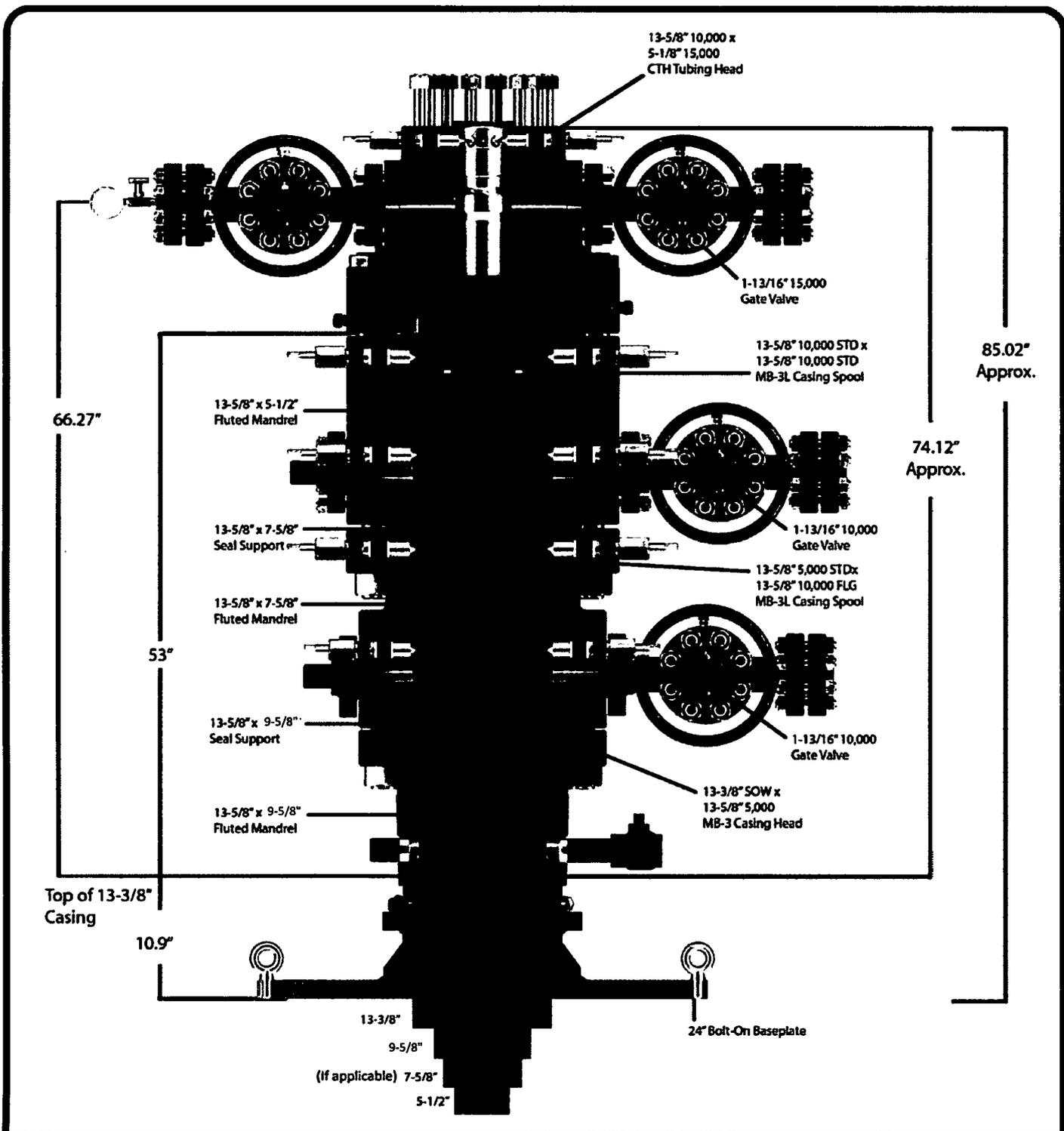
Hole Size	Formation Tops	Logs	Cement	Mud Weight
17.5"	Rustler 125' below Rustler 13.375" 54.5# J-55 BTC		TOC 0' 100% Excess	8.4-8.6 ppg WBM
12.25"	Salado DV Tool with ACP At Tansill Tansill Capitan Reef Lamar 50' below Lamar 9.625" 40# L-80HC BTC		TOC 0' 50% Excess TOC 0' 50% Excess	8.3-10.2 Fresh Water
8.75"	Bell Canyon Brushy Canyon Bone Spring Lime First Bone Spring Second Bone Spring Third Bone Spring Upper 125' below TBSG Upper 7.625" 29.7# L-80HC FJM		TOC 0' 25% Excess	8.5-9.4 Diesel Brine Emulsion
6.75" 12° Build @ KOP	Third Bone Spring Wolfcamp Wolfcamp B (If Applicable) 5.5" 20# P-110CYHP TMK UP SF TORQ (MD) Target Wolfcamp B TVD // MD		TOC 0' 25% Excess	10.5-14 ppg OBM

**\*\*EXAMPLE ONLY - NOT FOR CONSTRUCTION\*\***

**Contingency Casing Design and Safety Factor Check**

<b>Casing Specifications</b>						
<b>Segment</b>	<b>Hole ID</b>	<b>Depth</b>	<b>OD</b>	<b>Weight</b>	<b>Grade</b>	<b>Coupling</b>
Surface	17.5	1,888'	13.375	54.5	J-55	BTC
Int #1	12.25	5,013'	9.625	40	HCL-80	BTC
Int #2	8.75	11,147'	7.625	29.7	HCL-80	FJM
Prod Segment A	6.75	11,147'	5.5	20	CYHP-110	TMK UPSF
Prod Segment B	6.75	22,496'	5.5	20	CYHP-110	TMK UPSF

<b>Check Surface Casing</b>				
<b>OD Cplg</b>	<b>Body</b>	<b>Joint</b>	<b>Collapse</b>	<b>Burst</b>
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
14.38	853	909	1,130	2,730
<b>Safety Factors</b>				
1.56	8.29	8.83	1.15	0.91
<b>Check Int #1 Casing</b>				
<b>OD Cplg</b>	<b>Body</b>	<b>Joint</b>	<b>Collapse</b>	<b>Burst</b>
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
10.625	916	1042	4230	5750
<b>Safety Factors</b>				
0.81	4.57	5.20	1.41	0.95
<b>Check Int #2 Casing</b>				
<b>OD Cplg</b>	<b>Body</b>	<b>Joint</b>	<b>Collapse</b>	<b>Burst</b>
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
7.625	940	558	6700	9460
<b>Safety Factors</b>				
0.56	2.84	1.96	1.10	1.24
<b>Check Prod Casing, Segment A</b>				
<b>OD Cplg</b>	<b>Body</b>	<b>Joint</b>	<b>Collapse</b>	<b>Burst</b>
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
0.49	3.11	2.79	1.77	1.89
<b>Check Prod Casing, Segment B</b>				
<b>OD Cplg</b>	<b>Body</b>	<b>Joint</b>	<b>Collapse</b>	<b>Burst</b>
<i>inches</i>	<i>1000 lbs</i>	<i>1000 lbs</i>	<i>psi</i>	<i>psi</i>
5.777	728	655	12780	14360
<b>Safety Factors</b>				
0.49	63.53	57.16	1.68	1.89



<b>Quotation</b>		<b>Downing Wellhead Equipment</b>		Oklahoma City, Oklahoma - USA	
Reference Data: 16925 AMEREDEV		<b>Proprietary and Confidential</b> The information contained in this drawing is the sole property of Downing Wellhead Equipment, any reproduction in part or in whole without the written permission of Downing Wellhead Equipment is prohibited.		TITLE: AMEREDEV	
DRAWN		SIZE	DWG. NO.	REV.	
CHECKED		<b>A</b>			
APPROVED		Scale:	Weight:	Sheet:	







**\*\*EXAMPLE ONLY - NOT FOR CONSTRUCTION\*\***

Stage 1 Lead	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Hole Size</th> <th>Casing Size</th> <th>Depth</th> <th>Sacks</th> <th>Yield</th> <th>Density</th> </tr> <tr> <td align="center">8.75</td> <td align="center">7.625</td> <td align="center">10670</td> <td align="center">[REDACTED]</td> <td align="center">2.47</td> <td align="center">9</td> </tr> </table>						Hole Size	Casing Size	Depth	Sacks	Yield	Density	8.75	7.625	10670	[REDACTED]	2.47	9
	Hole Size	Casing Size	Depth	Sacks	Yield	Density												
	8.75	7.625	10670	[REDACTED]	2.47	9												
	Bbl/Sk			0.440285205														
	bbbs			168.6309595														
	Stage Tool Depth			N/A														
	Top MD of Segment			0														
	Bottom MD of Segment			6755														
	Cement Type			H														
	Additives			Bentonite, Retarder, Koseal, Defoamer, Celloflake, Anti-Settling														
	Expansion Additive																	
	Quantity (sks)			383														
	Yield (cu ft/sk)			2.47														
	Density (lbs/gal)			9														
	Volume (cu ft)			946.02														
Percent Excess			25%	Target %	25%													
Column Height			9,422.97															
Target TOC			0															
Calc TOC			-2667.5	bbl	25% Excess													
calc vol			0.01789574	190.9475483	238.6844354													
				238.6844354	238.6844354													
Stage 1 Tail	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Hole Size</th> <th>Casing Size</th> <th>Depth</th> <th>Sacks</th> <th>Yield</th> <th>Density</th> </tr> <tr> <td align="center">8.75</td> <td align="center">7.625</td> <td align="center">10670</td> <td align="center">[REDACTED]</td> <td align="center">1.31</td> <td align="center">14.2</td> </tr> </table>						Hole Size	Casing Size	Depth	Sacks	Yield	Density	8.75	7.625	10670	[REDACTED]	1.31	14.2
	Hole Size	Casing Size	Depth	Sacks	Yield	Density												
	8.75	7.625	10670	[REDACTED]	1.31	14.2												
	Bbl/Sk			0.233511586														
	bbbs			70.05347594														
	Top MD of Segment			6755														
	Bottom MD of Segment			10670														
	Cement Type			H														
	Additives			Salt, Bentonite, Retarder, Dispersant, Fluid Loss														
	Expansion Additive																	
	Quantity (sks)			300														
	Yield (cu ft/sk)			1.31														
	Density (lbs/gal)			14.2														
	Volume (cu ft)			393														
	Percent Excess			25%														
Column Height			3914.533571															

INTERMEDIATE 2 CEMENT

**\*\*EXAMPLE ONLY - NOT FOR CONSTRUCTION\*\***

Stage 1 Lead	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Hole Size</th> <th>Casing Size</th> <th>Depth</th> <th>Sacks</th> <th>Yield</th> <th>Density</th> </tr> <tr> <td align="center">6.75</td> <td align="center">5.5</td> <td align="center">22496</td> <td align="center">[REDACTED]</td> <td align="center">1.34</td> <td align="center">14.2</td> </tr> </table>						Hole Size	Casing Size	Depth	Sacks	Yield	Density	6.75	5.5	22496	[REDACTED]	1.34	14.2						
	Hole Size	Casing Size	Depth	Sacks	Yield	Density																		
	6.75	5.5	22496	[REDACTED]	1.34	14.2																		
	Bbl/Sk	0.23885918																						
	bbls	418.2897805																						
	Stage Tool Depth	N/A																						
	Top MD of Segment	0																						
	Bottom MD of Segment	22496																						
	Cement Type	H																						
	Additives	Salt, Bentonite, Fluid Loss, Dispersant, Retarder, Defoamer																						
	Quantity (sks)	1,751																						
	Yield (cu ft/sk)	1.34																						
	Density (lbs/gal)	14.2																						
	Volume (cu ft)	2,346.61																						
	Percent Excess	25%	Target %	25%	[REDACTED]																			
	Column Height	28,120.00																						
	<table border="0" style="width:100%;"> <tr> <td><b>Target TOC</b></td> <td align="right">0</td> <td colspan="4"></td> </tr> <tr> <td>Calc TOC</td> <td align="right">-5624</td> <td align="center">bbl</td> <td align="right">25% Excess</td> <td align="right">25%</td> <td></td> </tr> <tr> <td>calc vol</td> <td align="right">0.01487517</td> <td align="right">334.6318244</td> <td align="right">418.2897805</td> <td align="right">418.2897805</td> <td></td> </tr> </table>						<b>Target TOC</b>	0					Calc TOC	-5624	bbl	25% Excess	25%		calc vol	0.01487517	334.6318244	418.2897805	418.2897805	
	<b>Target TOC</b>	0																						
	Calc TOC	-5624	bbl	25% Excess	25%																			
calc vol	0.01487517	334.6318244	418.2897805	418.2897805																				
Stage 1 Tail	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Hole Size</th> <th>Casing Size</th> <th>Depth</th> <th>Sacks</th> <th>Yield</th> <th>Density</th> </tr> <tr> <td align="center">6.75</td> <td align="center">5.5</td> <td align="center">22496</td> <td align="center">0</td> <td align="center">0</td> <td align="center">0</td> </tr> </table>						Hole Size	Casing Size	Depth	Sacks	Yield	Density	6.75	5.5	22496	0	0	0						
	Hole Size	Casing Size	Depth	Sacks	Yield	Density																		
	6.75	5.5	22496	0	0	0																		
	Bbl/Sk	0																						
	bbls	0																						
	Top MD of Segment	22496																						
	Bottom MD of Segment	22496																						
	Cement Type	H																						
	Additives																							
	Quantity (sks)	0																						
	Yield (cu ft/sk)	0																						
	Density (lbs/gal)	0																						
	Volume (cu ft)	0																						
Percent Excess																								
Column Height	0																							

PRODUCTION CEMENT

# HALLIBURTON

Permian Basin, Ft Stockton

Lab Results- Lead

## Job Information

Request/Slurry	2488456/2	Rig Name		Date	18/DEC/2018
Submitted By	Dillon Briers	Job Type	Intermediate Casing	Bulk Plant	
Customer	Ameredev	Location	Lea	Well	

## Well Information

Casing/Liner Size	7.625 in	Depth MD	5013 ft	BHST	165°F
Hole Size	8.75 in	Depth TVD	5013 ft	BHCT	130°F

## Cement Information - Lead Design

Conc	UOM	Cement/Additive	Cement Properties		
100	% BWO	NeoCem	Slurry Density	9	lbm/gal
14.68	gal/sack	Heated Fresh Water	Slurry Yield	3.5	ft <sup>3</sup> /sack
			Water Requirement	14.68	gal/sack

## Pilot Test Results Request ID 2488456/1

### API Rheology, Request Test ID:35665340

Temp (degF)	300	200	100	60	30	6	3	Cond Time (min)
-------------	-----	-----	-----	----	----	---	---	-----------------

80 (up)	82	67	49	42	39	36	28	0
80 (down)	82	59	35	26	18	10	9	0
80 (avg.)	82	63	42	34	29	23	19	0

PV (cP) & YP (lbs/100ft<sup>2</sup>): 61.73 22.32 (Least-squares method)

PV (cP) & YP (lbs/100ft<sup>2</sup>): 60 22 (Traditional method (300 & 100 rpm based))

Generalized Herschel-Bulkley 4: YP(lbf/100ft<sup>2</sup>)=20.33 MuInf(cP)=52.39 m=0.81 n=0.81

### API Rheology, Request Test ID:35665341

Temp (degF)	300	200	100	60	30	6	3	Cond Time (min)	Cond Temp (degF)
-------------	-----	-----	-----	----	----	---	---	-----------------	------------------

134 (up)	63	47	29	21	15	7	6	30	134
134 (down)	63	46	29	21	14	7	4	30	134
134 (avg.)	63	47	29	21	15	7	5	30	134

PV (cP) & YP (lbs/100ft<sup>2</sup>): 57.12 7.98 (Least-squares method)

PV (cP) & YP (lbs/100ft<sup>2</sup>): 51 12 (Traditional method (300 & 100 rpm based))

Generalized Herschel-Bulkley 4: YP(lbf/100ft<sup>2</sup>)=2.26 MuInf(cP)=30.64 m=0.41 n=0.41

### API Fluid Loss, Request Test ID:35665342

Test Temp (degF)	Test Pressure (psi)	Test Time (min)	Meas. Vol.	Calculated FL (<30 min)	Conditioning time (min)	Conditioning Temp (degF)
134	1000	9.12	52	189	30	134

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**Free Fluid API 10B-2, Request Test ID:35665343**

Con. Temp (degF)	Cond. Time (min)	Static T. (F)	Static time (min)	Incl. (deg)	% Fluid
134	30	80	120	0	0

**Pilot Test Results Request ID 2504116/5****Thickening Time - ON-OFF-ON, Request Test ID:35852392**

Test Temp (degF)	Pressure (psi)	Reached in (min)	70 Bc (hh:mm)	Start Bc
126	5800	40	6:18	16

**UCA Comp. Strength, Request Test ID:35852394**

End Temp (degF)	Pressure (psi)	50 psi (hh:mm)	500 psi (hh:mm)	12 hr CS (psi)	24 hr CS (psi)	48 hr CS (psi)
159	4000	8:55	12:23	456	749	681

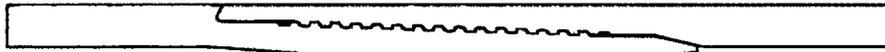
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# U. S. Steel Tubular Products

6/6/2017 6:18:53 PM

## 7.625" 29.70lbs/ft (0.375" Wall) HCL80 USS-LIBERTY FJM®



MECHANICAL PROPERTIES	Pipe	USS-LIBERTY FJM®	
Minimum Yield Strength	110,000	--	psi
Maximum Yield Strength	140,000	--	psi
Minimum Tensile Strength	125,000	--	psi

DIMENSIONS	Pipe	USS-LIBERTY FJM®	
Outside Diameter	7.625	7.625	in.
Wall Thickness	0.375	--	in.
Inside Diameter	6.875	6.789	in.
Standard Drift	6.750	6.750	in.
Alternate Drift	--	--	in.
Nominal Linear Weight, T&C	29.70	--	lbs/ft
Plain End Weight	29.06	--	lbs/ft

SECTION AREA	Pipe	USS-LIBERTY FJM®	
Critical Area	8.541	5.074	sq. in.
Joint Efficiency	--	59.4	%

PERFORMANCE	Pipe	USS-LIBERTY FJM®	
Minimum Collapse Pressure	6,700	6,700	psi
Minimum Internal Yield Pressure	9,460	9,460	psi
Minimum Pipe Body Yield Strength	940,000	--	lbs
Joint Strength	--	558,000	lbs
Compression Rating	--	558,000	lbs
Reference Length	--	12,810	ft
Maximum Uniaxial Bend Rating	--	39.3	deg/100 ft

Make-Up Loss	--	3.92	in.
Minimum Make-Up Torque	--	10,800	ft-lbs
Maximum Make-Up Torque	--	15,250	ft-lbs

- Other than proprietary collapse and connection values, performance properties have been calculated using standard equations defined by API 5C3 and do not incorporate any additional design or safety factors. Calculations assume nominal pipe OD, nominal wall thickness and Specified Minimum Yield Strength (SMYS).
- Compressive & Tensile Connection Efficiencies are calculated by dividing the connection critical area by the pipe body area.
- Uniaxial bending rating shown is structural only, and equal to compression efficiency.
- USS-LIBERTY FJM™ connections are optimized for each combination of OD and wall thickness and cannot be Interchanged.
- Torques have been calculated assuming a thread compound friction factor of 1.0 and are recommended only. Field make-up torques may require adjustment based on actual field conditions (e.g. make-up speed, temperature, thread compound, etc.).
- Reference length is calculated by joint strength divided by nominal plain end weight with 1.5 safety factor.
- Connection external pressure leak resistance has been verified to 100% API pipe body collapse pressure following the guidelines of API 5C5 Cal III.

### Legal Notice

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U. S. Steel Tubular Products  
10343 Sam Houston Park Dr., #120  
Houston, TX 77064

1-877-893-9461  
connections@uss.com  
www.usstubular.com



## U. S. Steel Tubular Products

5 1/2 20.00 lb (0.361) P110 HP

USS-EAGLE SFH™

	PIPE	CONNECTION	
<b>MECHANICAL PROPERTIES</b>			
Minimum Yield Strength	125,000	125,000	psi
Maximum Yield Strength	140,000	140,000	psi
Minimum Tensile Strength	130,000	130,000	psi
<b>DIMENSIONS</b>			
Outside Diameter	5.500	5.830	in.
Wall Thickness	0.361		in.
Inside Diameter	4.778	4.693	in.
Drift - API	4.653	4.653	in.
Nominal Linear Weight, T&C	19.83		lbs/ft
Plain End Weight	19.83	19.83	lbs/ft
<b>SECTION AREA</b>			
Cross Sectional Area   Critical Area	5.828	5.054	sq. in.
Joint Efficiency		86.25	%
<b>PERFORMANCE</b>			
Minimum Collapse Pressure	13,150	13,150	psi
External Pressure Leak Resistance		10,000	psi
Minimum Internal Yield Pressure	14,360	14,360	psi
Minimum Pipe Body Yield Strength	729,000		lbs
Joint Strength		631,750	lbs
Compression Rating		631,750	lbs
Reference Length		21,240	ft
Maximum Uniaxial Bend Rating		89.9	deg/100 ft
Minimum Make-Up Torque		14,000	ft-lbs
Maximum Make-Up Torque		16,900	ft-lbs
Maximum Operating Torque		25,000	ft-lbs
Make-Up Loss		5.92	in.

## Notes:

- Other than proprietary collapse and connection values, performance properties have been calculated using standard equations defined by API 5C3 and do not incorporate any additional design or safety factors. Calculations assume nominal pipe OD, nominal wall thickness, and Specified Minimum Yield Strength (SMYS).
- Compressive & Tensile Connection Efficiencies are calculated by dividing the connection critical area by the pipe body area.
- Uniaxial bending rating shown is structural only, and equal to compression efficiency.
- Torques have been calculated assuming a thread compound friction factor of 1.0 and are recommended only. Field make-up torques may require adjustment based on actual field conditions (e.g. make-up speed, temperature, thread compound, etc.).
- Reference length is calculated by joint strength divided by plain end weight with 1.5 safety factor.
- Connection external pressure resistance has been verified to 10,000 psi (Application specific testing).

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 Manual USS Product Data Sheet 2017 rev25 (April)

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 Houston, TX 77064

1-877-893-9461  
 connections@uss.com  
 www.usstubular.com

## Requested Exceptions

- Variance is requested to connect the BOP choke outlet to the choke manifold using a co-flex line (instead of using a 4" OD steel line) with a 10,000 psi working pressure that has been tested to 15,000 psi and is built to API Spec 16C. Once the flex line is installed it will be tied down with safety clamps.
- Variance is requested to allow Option of rig not capable of reaching TD presetting Surface, Drilling Plan will be same using Fresh Water fluid system.
- Variance is requested to wave any centralizer requirements on the 5-1/2" casing. Ameredev will utilize cement expansion additives in the cement slurry to maximize cement bond and zonal isolation.
- Variance is requested to wave any centralizer requirements on the 9-5/8" casing. Ameredev will utilize cement expansion additives in the cement slurry to maximize cement bond and zonal isolation.
- Variance is requested to allow Temporary Postponement of Operations on well to skid to adjacent well if multiple wells on drilling pad are drilled.
- Variance is requested to allow use of Multi-Bowl Well Head System.
- Variance is requested to allow adjustment of Casing Design Safety Factor on conditions that Ameredev keeps minimum of 1/3 casing capacity filled with OMW drilling fluids.
- Variance is requested to allow 5M Annular Preventer on 10M BOPE System to drill Production Interval. (Supporting Documentation Attached)



APD ID: 10400036902

Submission Date: 12/03/2018

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

Well Type: OIL WELL

Well Work Type: Drill

[Show Final Text](#)

### Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_WELL\_PAD\_ACCESS\_MAP\_20181203092854.pdf

Existing Road Purpose: ACCESS

Row(s) Exist? NO

**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

### Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_1\_MILE\_RADIUS\_WELLS\_20181203093026.pdf

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**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:** A 4" Poly Flowline will be buried and run approximately 2,249' from the Nandina Fed Com 25 36 31 071H to the existing Nandina CTB northeast of the well pad. Should any type of production facilities be located on the well pad, they will be strategically placed to allow for maximum interim reclamation, re-contouring, and revegetation of the well location.

**Production Facilities map:**

NAN\_GB\_FLOWLINE\_\_2N\_20181203093134.pdf

NAN\_GB\_EXISTING\_CTB\_20190523154836.pdf

**Section 5 - Location and Types of Water Supply**

**Water Source Table**

**Water source use type:** DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING

**Water source type:** GW WELL

**Describe type:**

**Source longitude:**

**Source latitude:**

**Source datum:**

**Water source permit type:** PRIVATE CONTRACT

**Source land ownership:** PRIVATE

**Water source transport method:** PIPELINE, TRUCKING

**Source transportation land ownership:** FEDERAL

**Water source volume (barrels):** 20000

**Source volume (acre-feet):** 2.577862

**Source volume (gal):** 840000

**Water source and transportation map:**

NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_WATER\_MAP\_20181203093402.pdf

NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_WATER\_WELLS\_20181203093403.pdf

**Water source comments:** Water will be trucked or surface piped from existing water wells on private land. See attached list of available wells.

**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:**

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**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

**Construction Materials source location attachment:**

NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_CALICHE\_MAP\_20181203093439.pdf

WELLSITE\_20190523154941.pdf

### Section 7 - Methods for Handling Waste

**Waste type:** DRILLING

**Waste content description:** Drill cuttings, mud, salts, and other chemicals

**Amount of waste:** 2000 barrels

**Waste disposal frequency :** Daily

**Safe containment description:** Steel tanks on pad

**Safe containmant attachment:**

**Waste disposal type:** HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** COMMERCIAL

**Disposal type description:**

**Disposal location description:** R360's State approved (NM-01-0006) disposal site at Halfway, NM

### Reserve Pit

**Reserve Pit being used?** NO

**Temporary disposal of produced water into reserve pit?**

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**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?** YES

**Description of cuttings location** Steel tanks on pad

**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**

### **Section 8 - Ancillary Facilities**

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

**Ancillary Facilities attachment:**

**Comments:**

### **Section 9 - Well Site Layout**

**Well Site Layout Diagram:**

WELLSITE\_20190523155125.pdf

BO\_NAN\_GB\_2N\_PAD\_SITE\_S\_20190523155148.pdf

**Comments:**

Operator Name: AMEREDEV OPERATING LLC

Well Name: NANDINA FED COM 25 36 31

Well Number: 071H

**Section 10 - Plans for Surface Reclamation**

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: NAN

Multiple Well Pad Number: 2N

Recontouring attachment:

Drainage/Erosion control construction: Crowned and ditched

Drainage/Erosion control reclamation: Harrowed on the contour

Well pad proposed disturbance (acres): 4.59

Well pad interim reclamation (acres): 0.79

Well pad long term disturbance (acres): 3.8

Road proposed disturbance (acres): 0

Road interim reclamation (acres): 0

Road long term disturbance (acres): 0

Powerline proposed disturbance (acres): 0

Powerline interim reclamation (acres): 0

Powerline long term disturbance (acres): 0

Pipeline proposed disturbance (acres): 1.03

Pipeline interim reclamation (acres): 0

Pipeline long term disturbance (acres): 1.03

Other proposed disturbance (acres): 0

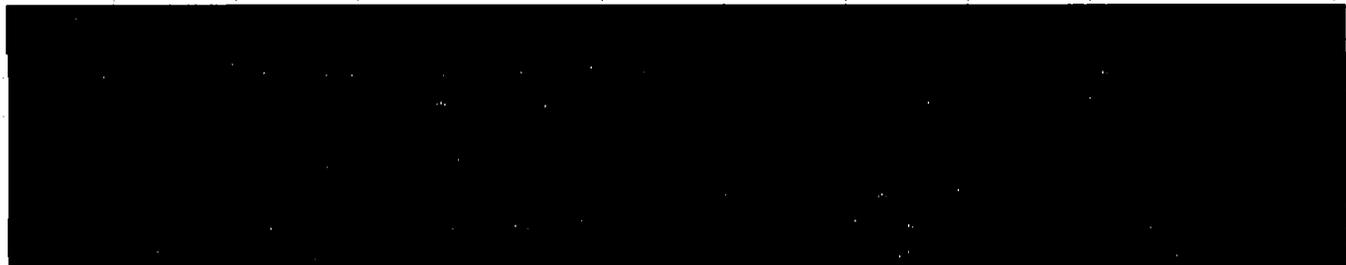
Other interim reclamation (acres): 0

Other long term disturbance (acres): 0

Total proposed disturbance: 5.62

Total interim reclamation: 0.79

Total long term disturbance: 4.83



Topsoil redistribution: Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. New road will be similarly reclaimed within 6 months of plugging. 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

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**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 type:**

**Seed source:**

**Seed name:**

**Source name:**

**Source address:**

**Source phone:**

**Seed cultivar:**

**Seed use location:**

**PLS pounds per acre:**

**Proposed seeding season:**

**Seed Summary**

**Total pounds/Acre:**

<b>Seed Type</b>	<b>Pounds/Acre</b>
------------------	--------------------

**Seed reclamation attachment:**

**Operator Contact/Responsible Official Contact Info**

**First Name:** Zachary

**Last Name:** Boyd

**Phone:** (580)940-5054

**Email:** zboyd@ameredev.com

**Seedbed prep:**

**Seed BMP:**

**Seed method:**

**Existing invasive species?** NO

**Existing invasive species treatment description:**

**Existing invasive species treatment attachment:**

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**Weed treatment plan description:** To BLM standards

**Weed treatment plan attachment:**

**Monitoring plan description:** To BLM standards

**Monitoring plan attachment:**

**Success standards:** To BLM satisfaction

**Pit closure description:** No pit

**Pit closure attachment:**

### **Section 11 - Surface Ownership**

**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:**

**Disturbance type:** WELL PAD

**Describe:**

**Surface Owner:** BUREAU OF LAND MANAGEMENT

**Other surface owner description:**

**BIA Local Office:**

**BOR Local Office:**

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

**Well Number:** 071H

**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:** EOG Resources

**Fee Owner Address:** PO Box 2267

**Phone:** (432)425-1204

**Email:**

**Surface use plan certification:**

**Surface use plan certification document:**

**Surface access agreement or bond:**

**Surface Access Agreement Need description:**

**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):** 288100 ROW – O&G Pipeline, 289001 ROW- O&G Well Pad

## ROW Applications

**SUPO Additional Information:**

**Use a previously conducted onsite?** YES

**Operator Name:** AMEREDEV OPERATING LLC

**Well Name:** NANDINA FED COM 25 36 31

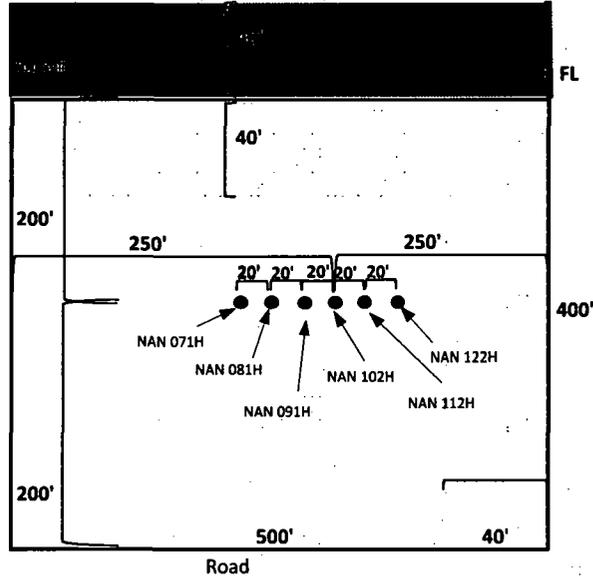
**Well Number:** 071H

**Other SUPO Attachment**

NANDINA\_FED\_COM\_25\_36\_31\_071H\_\_SURFACE\_USE\_PLAN\_20190523155336.pdf

Ameredev Operating, LLC  
 Nandina Fed Com 25 36 31 071H  
 Section 31, Township 25S, Range 36E  
 Lea County, New Mexico

**AMEREDEV**

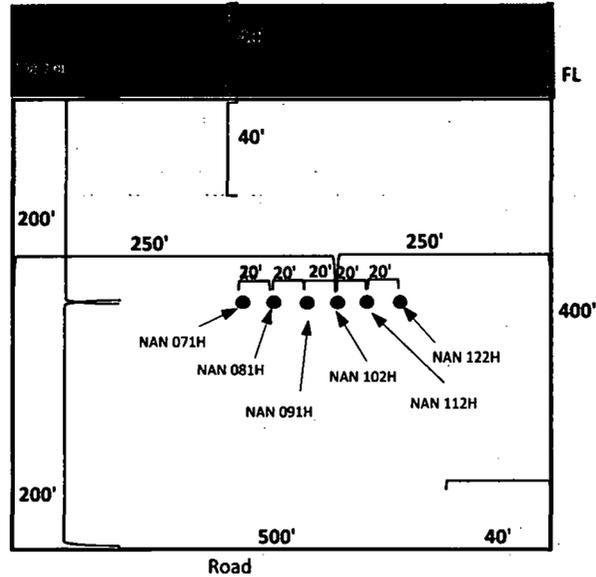


- Flowline
- Reclaimed Area
- Road
- Top Soil

Nandina Fed Com 25 36 31 071H	SHL: 25S 36E	230' FSL	940' FWL
Nandina Fed Com 25 36 31 081H	SHL: 25S 36E	230' FSL	960' FWL
Nandina Fed Com 25 36 31 091H	SHL: 25S 36E	230' FSL	980' FWL
Nandina Fed Com 25 36 31 102H	SHL: 25S 36E	230' FSL	1000' FWL
Nandina Fed Com 25 36 31 112H	SHL: 25S 36E	230' FSL	1020' FWL
Nandina Fed Com 25 36 31 122H	SHL: 25S 36E	230' FSL	1040' FWL

**Exhibit 3 – Well Site Diagram**

Ameredev Operating, LLC  
 Nandina Fed Com 25 36 31 071H  
 Section 31, Township 25S, Range 36E  
 Lea County, New Mexico



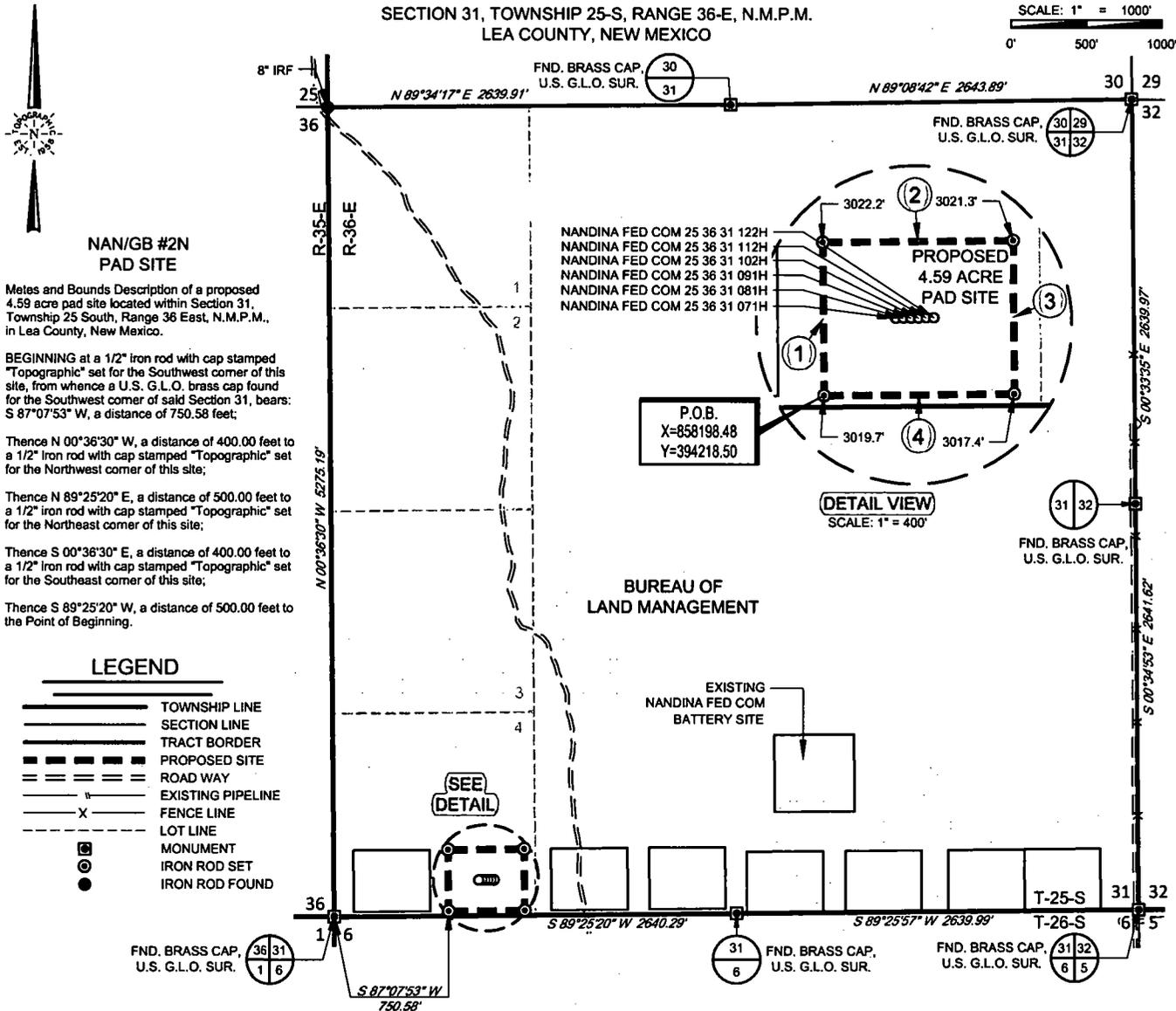
- Flowline
- Reclaimed Area
- Road
- Top Soil

Nandina Fed Com 25 36 31 071H	SHL: 25S 36E	230' FSL	940' FWL
Nandina Fed Com 25 36 31 081H	SHL: 25S 36E	230' FSL	960' FWL
Nandina Fed Com 25 36 31 091H	SHL: 25S 36E	230' FSL	980' FWL
Nandina Fed Com 25 36 31 102H	SHL: 25S 36E	230' FSL	1000' FWL
Nandina Fed Com 25 36 31 112H	SHL: 25S 36E	230' FSL	1020' FWL
Nandina Fed Com 25 36 31 122H	SHL: 25S 36E	230' FSL	1040' FWL

**Exhibit 3 – Well Site Diagram**

SECTION 31, TOWNSHIP 25-S, RANGE 36-E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

SCALE: 1" = 1000'  
0' 500' 1000'



**NAN/GB #2N  
PAD SITE**

Metes and Bounds Description of a proposed 4.59 acre pad site located within Section 31, Township 25 South, Range 36 East, N.M.P.M., in Lea County, New Mexico.

BEGINNING at a 1/2" iron rod with cap stamped "Topographic" set for the Southwest corner of this site, from whence a U.S. G.L.O. brass cap found for the Southwest corner of said Section 31, bears: S 87°07'53" W, a distance of 750.58 feet;

Thence N 00°36'30" W, a distance of 400.00 feet to a 1/2" iron rod with cap stamped "Topographic" set for the Northwest corner of this site;

Thence N 89°25'20" E, a distance of 500.00 feet to a 1/2" iron rod with cap stamped "Topographic" set for the Northeast corner of this site;

Thence S 00°36'30" E, a distance of 400.00 feet to a 1/2" iron rod with cap stamped "Topographic" set for the Southeast corner of this site;

Thence S 89°25'20" W, a distance of 500.00 feet to the Point of Beginning.

- LEGEND**
- TOWNSHIP LINE
  - SECTION LINE
  - TRACT BORDER
  - - - PROPOSED SITE
  - == == ROAD WAY
  - - - EXISTING PIPELINE
  - X - FENCE LINE
  - - - LOT LINE
  - ⊠ MONUMENT
  - ⊙ IRON ROD SET
  - IRON ROD FOUND

**LINE TABLE**

LINE	BEARING	DISTANCE
(1)	N 00°36'30" W	(400.00')
(2)	N 89°25'20" E	(500.00')
(3)	S 00°36'30" E	(400.00')
(4)	S 89°25'20" W	(500.00')

**AMEREDEV**  
AMEREDEV OPERATING, LLC

**TOPOGRAPHIC**  
LOYALTY INNOVATION LEGACY  
1400 EVERMAN PARKWAY, Ste. 148 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 OR (800) 787-1653 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM

**STAN W. LLOYD**  
NEW MEXICO  
19642  
PROFESSIONAL SURVEYOR  
*Stan W. Lloyd*  
Stan W. Lloyd, P.S. No. 19642  
SEPTEMBER 13, 2018

NAN/GB #2N PAD SITE	REVISION:	
	INT	DATE
DATE: 09/13/18		
FILE:BO_NAN_GB_2N_PAD_SITE		
DRAWN BY: MML		
SHEET: 1 OF 1		

**NOTES:**

1. ORIGINAL DOCUMENT SIZE: 8.5" X 11"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY AMEREDEV OPERATING LLC. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. P.O.B. = POINT OF BEGINNING



## Surface Use Plan of Operations

### Introduction

The following Surface Use Plan of Operations will be implemented by Ameredev Operating, LLC (Ameredev), after APD approval. No disturbance will be created other than those described in this surface use plan. If any additional surface disturbance becomes necessary after APD approval, the appropriate BLM approved sundry notice or right of way application will be acquired prior to such disturbance. This Surface Use Plan includes Ameredev's well pad, battery site, electrical, water, crude and flow lines, and access roads.

Before any surface disturbance is created, stakes or flagging will be installed to mark boundaries of permitted areas of disturbance, including soil storage areas. As necessary, slope, grade, and other construction control stakes will be placed to ensure construction is in accordance with the surface use plan. All boundary markers will be maintained in place until final construction cleanup is completed. If disturbance boundary markers are displaced, they will be replaced before construction proceeds. Adjacent operators will be contacted before construction starts to mark adjacent pipelines.

### Directions to proposed pad:

At the intersection of NM-205 & 3<sup>rd</sup> St/NM-128/Frying Pan Rd, Head south on 3<sup>rd</sup> St/NM-128/Frying Pan Road approximately 5.6 miles. Turn west (right) on Anthony Road and proceed approximately 3.4 miles. Turn North (right) on unnamed road and proceed approximately .3 miles. Turn east (right) on Pipeline Road and proceed approximately .3 miles. Turn north (left) on unnamed road and proceed approximately 1 mile. Turn west (left) on unnamed lease road and proceed approximately 8,787'. Location is on the North side of the road. See *Exhibit 1 – Well Pad Access* for a map of the route.

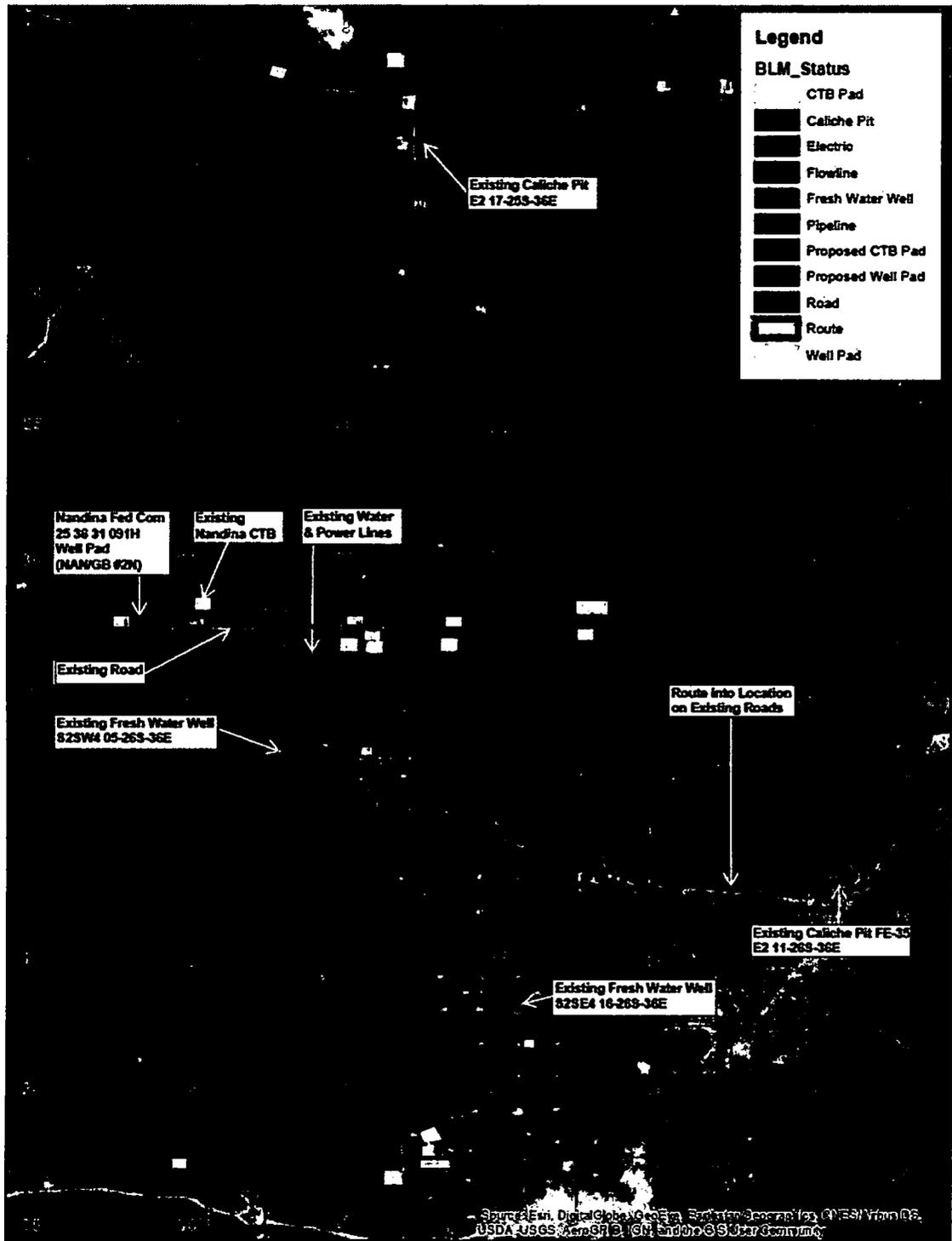


Exhibit 1 – Well Pad Access



**Section 1 – Existing Roads**

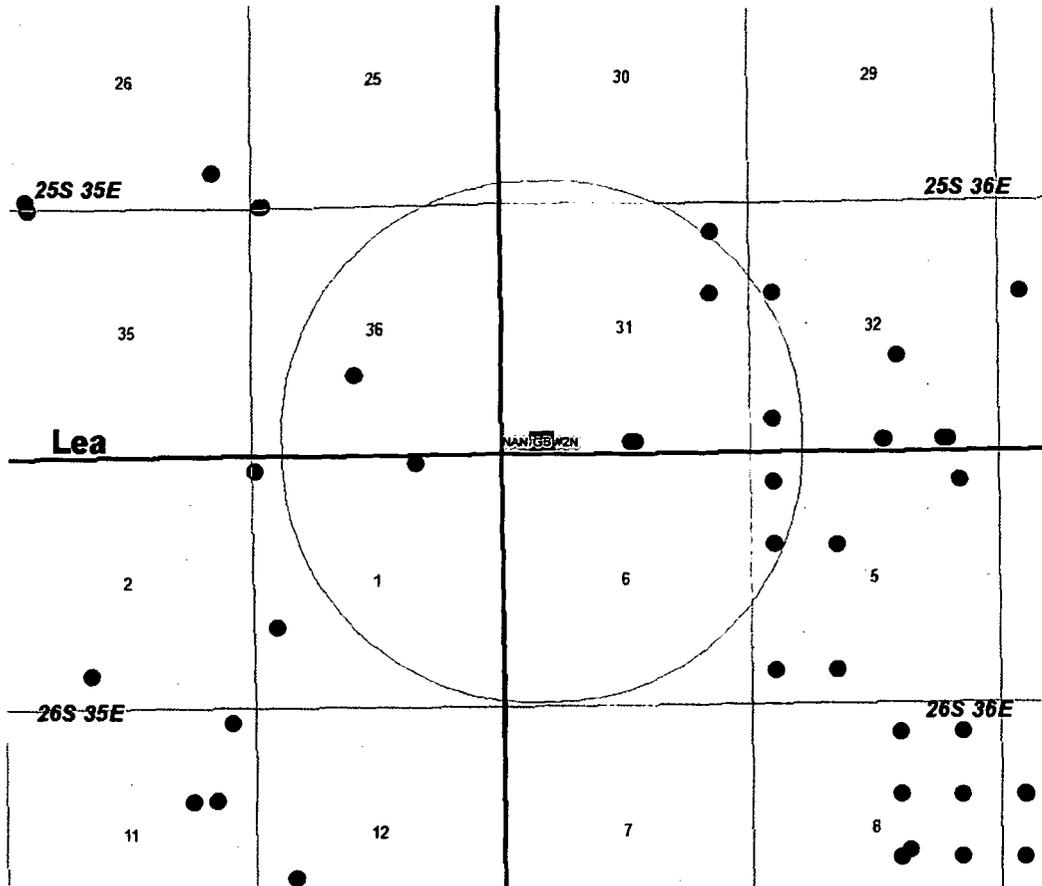
- A. The existing access road route to the proposed project is depicted on *Exhibit 1 – Well Pad Access*. Improvements to the driving surface will be done where necessary. No new surface disturbance will be done, unless otherwise noted in the New or Reconstructed Access Roads section of this surface use plan.
- B. Right-Of-Way will be acquired before construction begins.
- C. The operator will improve or maintain existing roads in a condition the same as or better than before operations begin. The operator will repair pot holes, clear ditches, repair the crown, etc. All existing structures on the entire access route such as cattle guards, other range improvement projects, culverts, etc. will be properly repaired or replaced if they are damaged or have deteriorated beyond practical use.
- D. Operator will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or wind events. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways.

**Section 2 – New or Reconstructed Access Roads**

- A. No new access road will be needed for this proposed project. See *Exhibit 1 – Well Pad Access*.

**Section 3 – Location of Existing Wells**

*Exhibit 2 – One Mile Radius Existing Wells* depicts all known wells within a one mile radius of the Nandina Fed Com 25 36 31 071H. See *Exhibit 2a – One Mile Radius Wells List* for a list of wells depicted.



**Exhibit 2 – One Mile Radius Existing Wells**

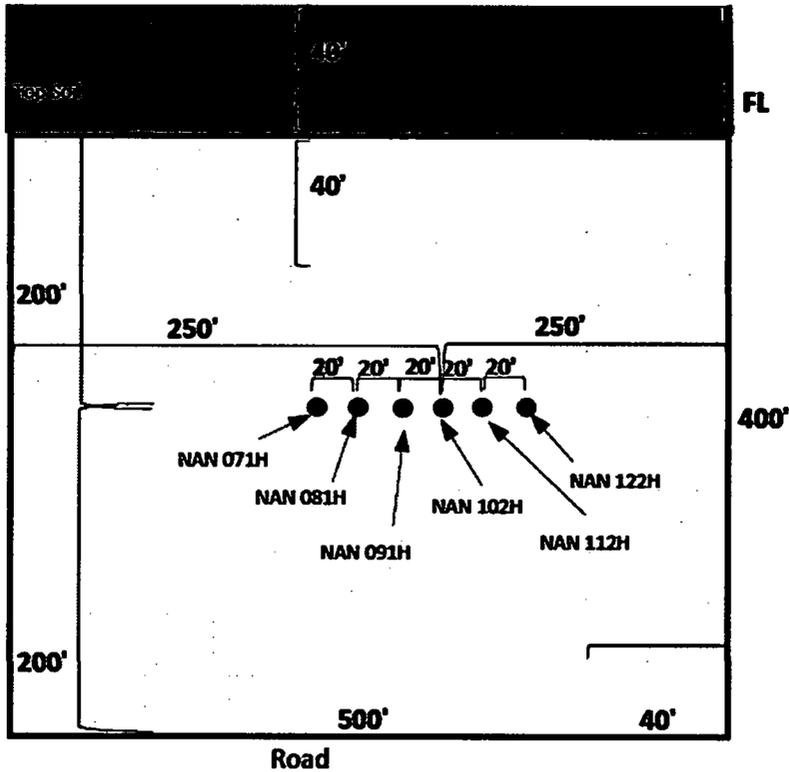


API	WELL NAME	STATUS	TD
30025375170000	MOMENTUM 36 STATE #1	D&A-OG	9702
30025260100000	SPOTTED TAIL FED #1	OIL	3336
30025260170000	SITTING BULL #1	OIL	3379
30025260090000	STANDING BEAR #1	ABD-OW	3280
30025268760000	STANDING BEAR FED #2	ABD-OW	3311
30025375170001	MOMENTUM 36 STATE #1	SWD-WO	9702
30025452430000	NANDINA 25 36 31 FEDERAL COM #105H	PERMIT	
30025452440000	NANDINA 25 36 31 FED COM #125H	PERMIT	
30025452460000	NANDINA 25 36 31 FEDERAL COM #115H	PERMIT	
30025445050000	USHANKA FEDERAL COM #023H	PILOT	12500
30025445050100	USHANKA FEDERAL COM #023H	OIL	19335
30025453100000	GOLDEN BELL 26 36 06 FED COM #105H	PERMIT	
30025453110000	GOLDEN BELL 26 36 06 FED COM #115H	PERMIT	

**Exhibit 2a – One Mile Radius Existing Wells List**

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

- A. The multiple well pad will be located on Section 31, and will measure 400'x500'. The top 6" of soil and brush will be stockpiled north of the well pad. Should any type of production facilities be located on the well pad, they will be strategically placed to allow for maximum interim reclamation, re-contouring, and revegetation of the well location.
- B. Production from the proposed well will be transported to an existing production facility named Nandina CTB, northeast of the well pad, via a buried 4" poly flowline that runs approximately 2,249'.
- C. All permanent (lasting more than six months) above ground structures including but not limited to pump jacks, storage tanks, barrels, pipeline risers, meter housing, etc., that are not subject to safety requirements will be painted a non-reflective paint color, Shale Green, from the BLM Standard Environmental Colors chart, unless another color is required in the APD Conditions of Approval.
- D. If any plans change regarding the production facility or other infrastructure (pipeline, electrical lines, etc.), Ameredev will submit a sundry notice or right-of-way (if applicable) prior to installation or construction.



- Flowline
- Reclaimed Area
- Road
- Top Soil

Nandina Fed Com 25 36 31 071H	SHL: 25S 36E	230' FSL	940' FWL
Nandina Fed Com 25 36 31 081H	SHL: 25S 36E	230' FSL	960' FWL
Nandina Fed Com 25 36 31 091H	SHL: 25S 36E	230' FSL	980' FWL
Nandina Fed Com 25 36 31 102H	SHL: 25S 36E	230' FSL	1000' FWL
Nandina Fed Com 25 36 31 112H	SHL: 25S 36E	230' FSL	1020' FWL
Nandina Fed Com 25 36 31 122H	SHL: 25S 36E	230' FSL	1040' FWL

Exhibit 3 – Well Site Diagram



**Section 5 - Location and Types of Water Supply**

A. This location will be drilled using a combination of water and mud systems (outlined in the Drilling Program). The water will be obtained from preexisting water wells, by running a pump directly to the drilling rig. See *Exhibit 4 - Water Wells*, for a list of available water wells. In cases where a polyline is used to transport water for drilling or completion purposes, the existing and proposed roads into location will be utilized.

<u>Permit #</u>	<u>Well Name</u>	<u>Location (Lat/Lon)</u>
CP 1049 POD 2	Bennett	32°04'14.32" N, 103°12'32.30" W
CP 1378	S. Eppenour	32°05'40.62" N, 103°13' 35.26" W
CP 1285	Sec. 5	32°03'56.50" N, 103°17'37.04" W
CP 857	Capped	32°04'39.70" N, 103°16'51.13" W
C 2287	#1	32°03'59.0" N, 103°33'16.8" W
C 2286	#2	32°03'59.2" N, 103°33'15.2" W
C 2290	#3	32°04'1.0" N, 103°33' 12.6" W
C 2285	#4	32°04'3.7" N, 103°33'9.7" W
C 2288	#5	32°04'0.5" N, 103°33'8.4" W
C 2294	Garden	32°03'3.2" N, 103°32'38.1" W
C 2293	House	32°03'2.3" N, 103°32'36.8" W
J-11-S-3	Farm Well #2	32°03'08.4" N, 103°16'35.2" W
J-11-S-2	Farm Well #3	32°03'11.5" N, 103°17'02.0" W
J-11-S	Farm Well #4	32°03'24.6" N, 103°17'02.1" W
CP 1170 POD 1	CB 1	32°03'57.2" N, 103°18'45.3" W
CP 1170 POD 5		32°07'17.1" N, 103°17'48.0" W
CP 1263 POD 5	CB 2	32°03'56.27" N, 103°18'27.4" W
CP 1263 POD 3	CB 3	32°03'54.90" N, 103°18'16.74" W
CP 1351 POD 1	CB 4	32°03'57.16" N, 103°17'45.13" W
CP 1351 POD 2	CB 5	32°03'30.70" N, 103°17'45.70" W
J 26	Ryan	32°01'20.41" N, 103°15'49.46" W
J 3		32°02'41.5" N, 103°18'55.8" W

**Exhibit 4 – Water Wells**

**Section 6 – Construction/Construction Materials**

- A. Caliche will be obtained from the caliche pit located at Lat: 32° 6'28.78"N, Long: 103°16'58.77"W or the caliche pit at Lat: 32° 6'33.14"N, Long: 103°18'44.16"W or the caliche pit at Lat: 32° 3'8.30"N, Long: 103°13'57.00"W.
- B. Caliche utilized for the drilling pad will be obtained either from the locations listed above, an existing approved mineral pit, or by benching into a hill, which will allow the pad to be level with existing caliche from the cut, or extracted by “flipping” the well location. A mineral material permit will be obtained from the BLM prior to excavating any caliche on Federal Lands. Amount will vary for each pad. The procedure for “flipping” a well location is as follows:
1. An adequate amount of topsoil/root zone (usually top 6 inches of soil) will be stripped from the proposed well location and stockpiled along the side of the well location as depicted on the *Exhibit 3 - Well Site Diagram*.
  2. An area will be used within the proposed well site dimensions to excavate caliche.
  3. Subsoil will be removed and stockpiled within the surveyed well pad dimensions.
  4. Once caliche/surfacing mineral is found, the mineral material will be excavated and stockpiled within the approved drilling pad dimensions.
  5. Subsoil will then be pushed back in the excavated hole and caliche will be spread accordingly across the entire well pad and road (if available).
  6. Neither caliche, nor subsoil will be stockpiled outside of the well pad dimensions. Topsoil will be stockpiled along the edge of the pad as depicted in *Exhibit 3 – Well Site Diagram*.
  7. In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or federal land.

**Section 7 - Methods of Handling Waste**

- A. Drill cuttings, mud, salts and other chemicals will be properly disposed of into steel tanks on site and hauled to a State approved commercial disposal facility.
- B. Garbage and trash produced during drilling and completion operations will be collected in a portable metal trash container and disposed of properly at a state approved disposal facility. All trash on and around the well site will be collected for disposal.
- C. Human waste and grey water will be properly contained and disposed of properly at a state approved disposal facility.
- D. After drilling and completion operations, trash, chemicals, salts, frac sand and other waste material will be removed and disposed of properly at a state approved disposal facility.



**Section 8 - Ancillary Facilities**

- A. No ancillary facilities will be needed for the proposed project.

**Section 9 - Well Site Layout**

- A. See *Exhibit 3*. The following information is presented:
  - 1. Reasonable scale
  - 2. Well pad dimensions/orientation
  - 3. Proposed access road
  - 4. Topsoil stockpile
- B. The proposed drilling pad was staked and surveyed by a professional surveyor. The attached survey plat of the well site depicts the drilling pad layout as staked.
- C. Topsoil salvaging
  - 1. Grass, forbs, and small woody vegetation such as mesquite will be excavated as the topsoil is removed. Large woody vegetation will be stripped and stored separately and re-spread evenly on the site following topsoil re-spreading. Topsoil depth is defined as the top layer of soil that contains 80% of the roots. In areas to be heavily disturbed, the top 6 inches of soil material will be stripped and stockpiled on the perimeter of the well location and along the perimeter of the access road to control run-on and run-off, to keep topsoil viable, and to make redistribution of topsoil more efficient during interim reclamation. Stockpiled topsoil should include vegetative material. Topsoil will be clearly segregated and stored separately from subsoils. Contaminated soil will not be stockpiled, but properly treated and handled prior to topsoil salvaging.

**Section 10 - Plans for Final Surface Reclamation**

**Reclamation Objectives**

- A. The objective of interim reclamation is to restore vegetative cover and a portion of the landform sufficient to maintain healthy, biologically active topsoil, to control erosion, and to minimize habitat and forage loss, visual impact, and weed infestation during the life of the well or facilities.
- B. The long-term objective of final reclamation is to return the land to a condition similar to what existed prior to disturbance. This includes restoration of the landform and natural vegetative community, hydrologic systems, visual resources, and wildlife habitats. To ensure that the long-term objective will be reached through human and natural processes, actions will be taken to ensure standards are met for site stability, visual quality, hydrological functioning, and vegetative productivity.
- C. The BLM will be notified at least 3 days prior to the commencement of any reclamation procedures.

- D. If circumstances allow, interim reclamation and/or final reclamation actions will be completed no later than 6 months from when the final well on location has been completed or plugged. Ameredev will gain written permission from the BLM if more time is needed.
- E. Interim reclamation will be performed on the well site after the well is drilled and completed. *Exhibit 3 – Well Site Diagram* depicts the location and dimension of the planned interim reclamation for the well site.

**Interim Reclamation Procedures (if performed)**

- A. Within 30 days of well completion, the well location and surrounding areas will be cleared of, and maintained free of, all materials, trash, and equipment not required for production.
- B. In areas planned for interim reclamation, all the surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads.
- C. The areas planned for interim reclamation will then be contoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 Ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be re-contoured to the above ratios during interim reclamation.
- D. Topsoil will be evenly re-spread and aggressively revegetated over the entire disturbed area not needed for all-weather operations, including cuts and fills. To seed the area, the proper BLM mixture, free of noxious weeds, will be used. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting, in order to break the soil crust and create seed germination micro-sites.
- E. Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.
- F. The interim reclamation will be monitored periodically to ensure that vegetation has reestablished and that erosion is controlled.

**Final Reclamation Procedures (well pad, buried pipelines, etc.)**

- A. Prior to final reclamation procedures, the well pad, road, and surrounding area will be cleared of material, trash, and equipment.
- B. All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads.
- C. All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be re-contoured to the contour existing prior to initial construction or a contour that blends indistinguishably with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to re-contouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.
- D. After all the disturbed areas have been properly prepared, the areas will be seeded with the proper BLM seed mixture, free of noxious weeds. Final seedbed preparation will consist of



contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting, in order to break the soil crust and create seed germination micro-sites.

- E. Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.
- F. All unused equipment and structures including pipelines, electric line poles, tanks, etc. that serviced the well will be removed.
- G. All reclaimed areas will be monitored periodically to ensure that revegetation occurs, that the area is not re-disturbed, and that erosion is controlled.

**Section 11 - Surface Ownership**

- A. BLM has surface ownership for proposed project area.

**Section 12 - Other Information**

- A. There are no dwellings within 1 mile of this location.
- B. An on-site meeting for Ameredev's Nandina Fed Com 25 36 31 121H well was held on July 23, 2018 (NOS ID#: 10400034666). Attendees included Jeff Robertson (BLM), Shane McNeely (Ameredev), and Ged Adams (Topographic).
- C. The well pad described in this document - Nandina/Golden Bell (NAN/GB #2N) - will contain 6 wells that produce into an existing central tank battery (CTB) located northeast of the well pad. The wells share a common pad access road, pipeline easement, and electrical corridor. The six flowlines from the individual wells will share a common corridor that will terminate into the CTB. The wells that share the pad are:
  - Nandina Fed Com 25 36 31 102H
  - Nandina Fed Com 25 36 31 112H
  - Nandina Fed Com 25 36 31 122H
  - Nandina Fed Com 25 36 31 071H
  - Nandina Fed Com 25 36 31 081H
  - Nandina Fed Com 25 36 31 091H

**Ameredev field representative:**

Zac Boyd, Operations Supervisor

Cell: (432) 385-6996

Email: [zboyd@ameredev.com](mailto:zboyd@ameredev.com)

**Ameredev office contact:**

Christie Hanna, Regulatory Coordinator

Direct: (737) 300-4723

Email: [channa@ameredev.com](mailto:channa@ameredev.com)

**Ameredev Operating, LLC Address:** 5707 Southwest Parkway Building 1, Suite 275 Austin, Texas 78735



**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:

PWD disturbance (acres):

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:

Describe 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:

### **Section 3 - Unlined Pits**

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe 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:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

**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:**

**Injection well name:**

**Injection well API number:**

### **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):**

**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

06/28/2019

### Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001478

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: