Form 3160-3
(June 2015)

HOBBS OCD
DEC 05 2019
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FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
NMNM101609

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
TIN FOIL FEDERAL COM
705H (326507)

2. Name of Operator
COG OPERATING LLC (229137)

9. API Well No.
30-025-46563

3a. Address	3b. Phone No. *(include area code)*	10. Field and Pool, or Exploratory
600 West Illinois Ave Midland TX 79701	(432)683-7443	RATTLESNAKE FLAT / BONE SPRING

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface SWSW / 400 FSL / 1310 FWL / LAT 32.109688 / LONG -103.342633

At proposed prod. zone NWNW / 50 FNL / 1310 FWL / LAT 32.137481 / LONG -103.342627

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 23 / T25S / R35E / NMP

14. Distance in miles and direction from nearest town or post office*	12. County or Parish	13. State
8 miles	LEA	NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
50 feet	1920	640

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
620 feet	12315 feet / 22490 feet	FED: NMB000215

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3179 feet	11/01/2019	30 days

24. Attachments

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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
(Electronic Submission)	Mayte Reyes / Ph: (575)748-6940	08/02/2019

Title
Regulatory Analyst

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
(Electronic Submission)	Christopher Walls / Ph: (575)234-2234	12/04/2019

Title	Office
Petroleum Engineer	CARLSBAD

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

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

GCP Rec 12/05/19

KZ 12/05/19

APPROVED WITH CONDITIONS

Approval Date: 12/04/2019

(Continued on page 2)

*(Instructions on page 2)

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 wen, 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 directionany 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 wen 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 win 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 conects this information to anow 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 Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

Approval Date: 12/04/2019

Additional Operator Remarks

Location of Well

1. SHL: SWSW / 400 FSL / 1310 FWL / TWSP: 25S / RANGE: 35E / SECTION: 23 / LAT: 32.109688 / LONG: -103.342633 (TVD: 0 feet, MD: 0 feet)
   PPP: SWSW / 100 FNL / 1310 FWL / TWSP: 25S / RANGE: 35E / SECTION: 23 / LAT: 32.108863 / LONG: -103.342634 (TVD: 3697 feet, MD: 3700 feet)
   PPP: SWSW / 1 FSL / 1310 FWL / TWSP: 25S / RANGE: 35E / SECTION: 14 / LAT: 32.12311 / LONG: -103.342631 (TVD: 12279 feet, MD: 17550 feet)
   BHL: NWNW / 50 FNL / 1310 FWL / TWSP: 25S / RANGE: 35E / SECTION: 14 / LAT: 32.137481 / LONG: -103.342627 (TVD: 12315 feet, MD: 22490 feet)

BLM Point of Contact

Name: Deborah Ham
Title: Legal Landlaw Examiner
Phone: 5752345965
Email: dham@blm.gov

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.

AFMSS

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

APD Print Report

12/04/2019

APD ID: 10400043712 **Submission Date:** 08/02/2019

Operator Name: COG OPERATING LLC **Federal/Indian APD:** FED

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Well Type: OIL WELL **Well Work Type:** Drill

[redacted]

Show Final Text

Application

Section 1 - General

APD ID: 10400043712 **Tie to previous NOS?** **Submission Date:** 08/02/2019

BLM Office: CARLSBAD **User:** Mayte Reyes **Title:** Regulatory Analyst

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

Lease number: NMNM101609 **Lease Acres:** 1920

Surface access agreement in place? **Allotted?** **Reservation:**

Agreement in place? NO **Federal or Indian agreement:**

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO **APD Operator:** COG OPERATING LLC

Operator letter of designation:

Operator Info

Operator Organization Name: COG OPERATING LLC

Operator Address: 600 West Illinois Ave

Zip: 79701

Operator PO Box:

Operator City: Midland **State:** TX

Operator Phone: (432)683-7443

Operator Internet Address: RODOM@CONCHO.COM

Section 2 - Well Information

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

Well in Master SUPO? NO **Master SUPO name:**

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

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

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H **Well API Number:**

Field/Pool or Exploratory? Field and Pool **Field Name:** RATTLESNAKE FLAT **Pool Name:** BONE SPRING

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

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

Type of Well Pad: SINGLE WELL **Multiple Well Pad Name:** **Number:**

Well Class: HORIZONTAL **Number of Legs:**

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 8 Miles **Distance to nearest well:** 620 FT **Distance to lease line:** 50 FT

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: COG_Tin_Foil_705H_C102_20190715141229.pdf

Well work start Date: 11/01/2019 **Duration:** 30 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: **Reference Datum:**

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce
SHL Leg #1	400	[redacted]	1310	FWL	25S	35E	23	Aliquot SWSW	32.109688	-103.342633	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 101609	3179	0	0	
KOP Leg #1	400	[redacted]	1310	FWL	25S	35E	23	Aliquot SWSW	32.109688	-103.342633	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 101609	3179	0	0	

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Wellbore	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD	Will this well produce
PPP Leg #1-1	1		1310	FWL	25S	35E	14	Aliquot SWSW	32.12311	-103.342631	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 101608	-9100	17550	12279	
PPP Leg #1-2	100		1310	FWL	25S	35E	23	Aliquot SWSW	32.108863	-103.342634	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 101609	-518	3700	3697	
EXIT Leg #1	100		1310	FWL	25S	35E	14	Aliquot NWNW	32.137343	-103.342628	LEA	NEW MEXICO	NEW MEXICO	F	FEE	-9066	22400	12245	
BHL Leg #1	50		1310	FWL	25S	35E	14	Aliquot NWNW	32.137481	-103.342627	LEA	NEW MEXICO	NEW MEXICO	F	FEE	-9136	22490	12315	

Drilling Plan

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	UNKNOWN	3179	0	0		NONE	N
2	RUSTLER	2146	1033	1033		NONE	N
3	TOP SALT	1774	1405	1405	SALT	NONE	N
4	BOTTOM SALT	-1742	4921	4921	ANHYDRITE	NONE	N
5	LAMAR	-2127	5306	5306	LIMESTONE	NATURAL GAS,OIL	N
6	BELL CANYON	-2173	5352	5352		NONE	N
7	CHERRY CANYON	-3120	6299	6299		NATURAL GAS,OIL	N
8	BRUSHY CANYON	-4495	7674	7674		NATURAL GAS,OIL	N
9	BONE SPRING LIME	-5656	8835	8835	SANDSTONE	NATURAL GAS,OIL	N
10	UPPER AVALON SHALE	-5679	8858	8858		NATURAL GAS,OIL	N

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
11	---	-6110	9289	9289		NATURAL GAS,OIL	N
12	BONE SPRING 1ST	-7060	10239	10239	HALITE	NATURAL GAS,OIL	N
13	BONE SPRING 2ND	-7604	10783	10783		NATURAL GAS,OIL	N
14	BONE SPRING 3RD	-8687	11866	11866		NATURAL GAS,OIL	N
15	WOLFCAMP	-8966	12145	12145	SHALE	NATURAL GAS,OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 10M **Rating Depth:** 12315

Equipment: Accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Requesting Variance? YES

Variance request: Request a 5M annular variance on a 10M system. (5M variance attached in section 8). A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. See attached for specs and hydrostatic test chart.

Choke Diagram Attachment:

COG_Tin_Foil_705H_10M_Choke_20190716090028.pdf

BOP Diagram Attachment:

COG_Tin_Foil_705H_10M_BOP_20190716090038.pdf

COG_Tin_Foil_705H_Flex_Hose_Variance_20190716090046.pdf

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Pressure Rating (PSI): 5M **Rating Depth:** 11600

Equipment: Annular, Blind Ram, Pipe Ram. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold
Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. See attached for specs and hydrostatic test chart.

Choke Diagram Attachment:

COG_Tin_Foil_705H_5M_Choke_20190716090107.pdf

BOP Diagram Attachment:

COG_Tin_Foil_705H_5M_BOP_20190716090114.pdf

COG_Tin_Foil_705H_Flex_Hose_Variance_20190716090134.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	
1	SURFACE	17.5	13.375	NEW	API	N	0	1200	0	1200	-9411	-10581	1200	J-55	54.5	ST&C	2.11	6.29	DRY	7.86	DRY	7.
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	11600	0	11600	-9411	-21491	11600	HCL-80	47	OTHER - BTC	1.6	1.08	DRY	2.06	DRY	2.
3	PRODUCTION	8.75	5.5	NEW	API	N	0	22490	0	12315	-9411	-29318	22490	P-110	23	OTHER - BTC	1.82	2.14	DRY	2.56	DRY	2.

Casing Attachments

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Tin_Foil_705H_Casing_Prog_20190716090215.pdf

Casing ID: 2 **String Type:** INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Tin_Foil_705H_Casing_Prog_20190716090224.pdf

Casing ID: 3 **String Type:** PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Tin_Foil_705H_Casing_Prog_20190716090233.pdf

Section 4 - Cement

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead					1.75					
SURFACE	Tail										
INTERMEDIATE	Lead					2.8					
INTERMEDIATE	Tail										
INTERMEDIATE	Lead					2.8					
INTERMEDIATE	Tail										
PRODUCTION	Lead					2					
PRODUCTION	Tail										

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

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

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

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	1200	OTHER : FW Gel	8.4	8.6							FW Gel
1200	11600	OTHER : Diesel Brine Emulsion	8.6	8.9							Diesel Brine Emulsion
11600	22490	OIL-BASED MUD	10.5	12.5							OBM

Section 6 - Test, Logging, Coring

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

None planned

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

CNL,GR

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 8005 **Anticipated Surface Pressure:** 5295.7

Anticipated Bottom Hole Temperature(F): 180

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

COG_Tin_Foil_705H_H2S_SUP_20190716091622.pdf

COG_Tin_Foil_705H_H2S_Schematic_20190716091639.pdf

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_Tin_Foil_705H_Directional_Plan_20190716091700.pdf

Other proposed operations facets description:

Drilling Program attached.
Cementing Plan attached.
Gas Capture Plan attached.

Other proposed operations facets attachment:

COG_Tin_Foil_705H_GCP_20190716091725.pdf
COG_Tin_Foil_705H_Cementing_Prog_20190716091732.pdf
COG_Tin_Foil_705H_Drilling_Prog_20191112152551.pdf

Other Variance attachment:

COG_5M_Variance_Well_Plan_20190211080830.pdf

SUPO

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

COG_Tin_Foil_705H_Existing_Rd._20190801102227.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? YES

New Road Map:

COG_Tin_Foil_705H_Rd_Maps_Plats_20190801102248.pdf

New road type: TWO-TRACK

Length: 8161.8 Feet **Width (ft.):** 30

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Max slope (%): 33 **Max grade (%):** 1

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.
New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Turnout? N

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Blading

Access other construction information: No turnouts are planned. Re-routing access road around proposed well location.

Access miscellaneous information:

Number of access turnouts: **Access turnout map:**

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: None necessary.

Road Drainage Control Structures (DCS) description: None needed.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

COG_Tin_Foil_705H_CTB_Flowlines_20190801102340.pdf

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: We plan to install (1) buried 4" FP 601HT production flowline from each wellhead, parallel to the proposed road, to the inlet manifold of the proposed CTB; the route for these flowlines will follow the "pipelines" route as shown in the diagram below. We will also install (1) buried 4" gas line for gas lift supply from the CTB to the well pad; the route for this gas lift line will follow the "pipeline" route as shown in the attached layout. The proposed CTB is located in Section 23, Township 25S, Range 35E.

Production Facilities map:

COG_Tin_Foil_Federal_23_M_CTB_Facility_Layout_20190801124416.pdf

COG_Tin_Foil_705H_CTB_Flowlines_20190802095126.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source type: OTHER

Describe type: Fresh Water

Water source use type: STIMULATION

SURFACE CASING

Source latitude: **Source longitude:**

Source datum:

Water source permit type: PRIVATE CONTRACT

Water source transport method: PIPELINE

Source land ownership: PRIVATE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 450000 **Source volume (acre-feet):** 58.001892

Source volume (gal): 18900000

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Water source type: OTHER

Describe type: Brine water

Water source use type: INTERMEDIATE/PRODUCTION CASING

Source latitude: **Source longitude:**

Source datum:

Water source permit type: PRIVATE CONTRACT

Water source transport method: TRUCKING

Source land ownership: COMMERCIAL

Source transportation land ownership: COMMERCIAL

Water source volume (barrels): 30000 **Source volume (acre-feet):** 3.866793

Source volume (gal): 1260000

Water source and transportation map:

COG_Tin_Foil_705H_Brine_H2O_20190801102605.pdf

COG_Tin_Foil_705H_Fresh_H2O_20190801102613.pdf

Water source comments: Fresh water will be obtained from the Jazzbass 200 Frac Pond located in Section 34. T25S, R35E. Brine water will be obtained from the Malaga II Brine station in Section 12. T23S. R28E.

New water well? NO

New Water Well Info

Well latitude: **Well Longitude:** **Well datum:**

Well target aquifer:

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

Aquifer comments:

Aquifer documentation:

Well depth (ft): **Well casing type:**

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

New water well casing? **Used casing source:**

Drilling method: **Drill material:**

Grout material: **Grout depth:**

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

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Well Production type: **Completion Method:**

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Using any construction materials: YES

Construction Materials description: Caliche will be obtained from the actual well site if available. If not available onsite, caliche will be obtained from Quail Ranch LLC (CONCHO) Tomahawk caliche pit located in Section 23, T24S, R35 Phone # (432) 221-0342.
Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations

Amount of waste: 125 pounds

Waste disposal frequency : Weekly

Safe containment description: Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility
Safe containmant attachment:

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

Disposal location description: Trucked to an approved disposal facility

Waste type: SEWAGE

Waste content description: Human waste and gray water

Amount of waste: 250 gallons

Waste disposal frequency : Weekly

Safe containment description: Waste will be properly contained and disposed of properly at a state approved disposal facility
Safe containmant attachment:

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

Disposal location description: Trucked to an approved disposal facility

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil and water during drilling and completion operations

Amount of waste: 6000 barrels

Waste disposal frequency : One Time Only

Safe containment description: All drilling waste will be stored safely and disposed of properly

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to an approved disposal facility

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

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

Reserve pit depth (ft.) **Reserve pit volume (cu. yd.)**

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

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Roll off cuttings containers on tracks

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

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

COG_Tin_Foil_705H_Layout_20190801103158.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance **Multiple Well Pad Name:**

Multiple Well Pad Number:

Recontouring attachment:

COG_Tin_Foil_705H_Reclamation_20190801103232.pdf

Drainage/Erosion control construction: Immediately following construction, straw waddles will be placed as necessary at the well site to reduce sediment impacts to fragile/sensitive soils.
Drainage/Erosion control reclamation: South 50' and East 50'

Well pad proposed disturbance (acres): 3.67
Road proposed disturbance (acres): 2.62
Powerline proposed disturbance (acres): 0
Pipeline proposed disturbance (acres): 0.77
Other proposed disturbance (acres): 5.74
Total proposed disturbance: 12.8

Well pad interim reclamation (acres): 0.06
Road interim reclamation (acres): 2.62
Powerline interim reclamation (acres): 0
Pipeline interim reclamation (acres): 0.77
Other interim reclamation (acres): 5.74
Total interim reclamation: 9.19

Well pad long term disturbance (acres): 2.81
Road long term disturbance (acres): 2.62
Powerline long term disturbance (acres): 0
Pipeline long term disturbance (acres): 0.77
Other long term disturbance (acres): 5.74
Total long term disturbance: 11.94

Disturbance Comments:

Reconstruction method: New construction of pad.

Topsoil redistribution: South 50' and East 50'

Soil treatment: None

Existing Vegetation at the well pad: Shinnery Oak/Mesquite grassland

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Shinnery Oak/Mesquite grassland

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Shinnery Oak/Mesquite grassland

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: N/A

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed 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:

Seed Type	Pounds/Acre

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: **Last Name:**

Phone: (432)260-7399 **Email:** gherrera@concho.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: N/A

Weed treatment plan attachment:

Monitoring plan description: N/A

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

COG_Tin_Foil_705H_Closed_Loop_20190801103729.pdf

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

[redacted]

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Section 12 - Other Information

Right of Way needed? NO **Use APD as ROW?**

ROW Type(s):

ROW Applications

SUPO Additional Information: SUP attached.

Use a previously conducted onsite? YES

Previous Onsite information: Onsite completed on 05/14/19 by Gerald Herrera (COG) and Matias Telles (BLM).

Other SUPO Attachment

COG_Tin_Foil_705H_1_Mile_Data_20190801123849.pdf
COG_Tin_Foil_705H_Brine_H2O_20190801123857.pdf
COG_Tin_Foil_705H_C102_20190801123908.pdf
COG_Tin_Foil_705H_Closed_Loop_20190801123917.pdf
COG_Tin_Foil_705H_CTB_Flowlines_20190801123935.pdf
COG_Tin_Foil_705H_Existing_Rd._20190801123951.pdf
COG_Tin_Foil_705H_Fresh_H2O_20190801124002.pdf
COG_Tin_Foil_705H_Layout_20190801124016.pdf
COG_Tin_Foil_705H_Rd_Maps_Plats_20190801124032.pdf
COG_Tin_Foil_705H_Reclamation_20190801124044.pdf
COG_Tin_Foil_Federal_23_M_CTB_Facility_Layout_20190801124301.pdf
COG_Tin_Foil_705H_SUP_20190802095829.pdf

PWD

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

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:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

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

Is the reclamation bond a rider under the BLM bond?

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD disturbance (acres): **PWD surface owner:**

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

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

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

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

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

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

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number: **Injection well name:**

Assigned injection well API number? **Injection well API number:**

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner: **PWD disturbance (acres):**

Other PWD discharge volume (bbl/day):

Other PWD type description:

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Info

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000215

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:

Operator Certification

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: Mayte Reyes **Signed on:** 07/15/2019

Title: Regulatory Analyst

Street Address: 2208 West Main Street

City: Artesia **State:** NM **Zip:** 88210

Phone: (575)748-6940

Email address: gherrera@concho.com

Operator Name: COG OPERATING LLC

Well Name: TIN FOIL FEDERAL COM **Well Number:** 705H

Field Representative

Representative Name:

Street Address: 2208 West Main Street

City: Artesia **State:** NM **Zip:** 88210

Phone: (575)748-6940

Email address: gherrera@concho.com

Payment Info

Payment

APD Fee Payment Method: PAY.GOV

pay.gov Tracking ID: 26IR167B

COG Operating, LLC - Tin Foil Federal Com 705H

1. Geologic Formations

TVD of target	12,315'	Pilot hole depth	NA
MD at TD:	22,490'	Deepest expected fresh water:	230'

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	1033	Water	
Top of Salt	1405	Salt	
Base of Salt	4921	Salt	
Lamar	5306	Salt Water	
Bell Canyon	5352	Salt Water	
Cherry Canyon	6299	Oil/Gas	
Brushy Canyon	7674	Oil/Gas	
Bone Spring Lime	8835	Oil/Gas	
U. Avalon Shale	8858	Oil/Gas	
L. Avalon Shale	9289	Oil/Gas	
1st Bone Spring Sand	10239	Oil/Gas	
2nd Bone Spring Sand	10783	Oil/Gas	
3rd Bone Spring Sand	11866	Oil/Gas	
Wolfcamp	12145	Target Oil/Gas	

2. Casing Program

Hole Size	Casing Interval From	Casing Interval To	Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17.5"	0	1200	13.375"	54.5	J55	STC	2.11	6.29	7.86
12.25"	0	11600	9.625"	47	HCL80	BTC	1.60	1.08	2.06
8.75"	0	22,490	5.5"	23	P110	BTC	1.82	2.14	2.56
			BLM Minimum Safety Factor				1.125	1	1.6 Dry 1.8 Wet

Intermediate casing will be kept at least 1/3 full while running casing.to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.
All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

COG Operating, LLC - Tin Foil Federal Com 705H

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary?	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H_20 gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	530	13.5	1.75	9	12	Lead: Class C + 4% Gel
	250	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl2
Inter. Stage1	950	11	2.8	19	48	Lead: NeoCem
	300	16.4	1.1	5	8	Tail: Class H
DV Tool @ 5275'						
Inter. Stage2	720	11	2.8	19	48	Lead: NeoCem
	100	14.8	1.35	6.34	8	Tail: Class C + 2% Cacl
5.5 Prod	400	12.7	2	10.6	16	Lead: 35:65:6 H Blend
	3000	14.4	1.24	5.7	19	Tail: 50:50:2 Class H Blend

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results
Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Casing String	TOC	% Excess
Surface	0'	50%
1st Intermediate	0'	50%
Production	10,600'	35%

COG Operating, LLC - Tin Foil Federal Com 705H

4. Pressure Control Equipment

Y	A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	x	Tested to:
12-1/4"	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5M
			Pipe Ram	x	
			Double Ram		
			Other*		
8-3/4"	13-5/8"	10M	5M Annular	x	5000 psi
			Blind Ram	x	10M
			Pipe Ram	x	
			Double Ram		
			Other*		

BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor. BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valves (inside BOP and full-opening valve) with appropriate wrenches and choke lines and choke manifold. See attached schematics.

Y	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or 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. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
Y	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
N	Are anchors required by manufacturer?
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	Surf. Shoe	FW Gel	8.4 - 8.6	28-29	N/C
Surf csg	Int shoe	Diesel Brine Emul	8.6 - 8.9	30-40	N/C
Int shoe	Lateral TD	OBM	10.5 - 12.5	30-40	20

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

What will be used to monitor the loss or gain of fluid?	PVT/Pason/Visual Monitoring

6. Logging and Testing Procedures

Logging, Coring and Testing.	
Y	Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
N	Are Logs are planned based on well control or offset log information.
N	Drill stem test? If yes, explain.
N	Coring? If yes, explain.

Additional logs planned		Interval
N	Resistivity	Pilot Hole TD to ICP
N	Density	Pilot Hole TD to ICP
Y	CBL	Production casing (If cement not circulated to surface)
Y	Mud log	Intermediate shoe to TD
N	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	8005 psi at 12315' TVD
Abnormal Temperature	NO 180 Deg. F.

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H2S is present
Y	H2S Plan attached

8. Other Facets of Operation

N	Is it a walking operation?
Y	Is casing pre-set?

x	H2S Plan.
x	BOP & Choke Schematics.
x	Directional Plan
x	5M Annular Variance

CONCHO

Concho Resources, Inc.

Lea County, NM (NAD 27 NME)
(Tin Foil) Sec-23_T25-S_R-35-E
Tin Foil Federal Com #705H

OWB

Plan: Plan #1

Standard Planning Report

08 July, 2019

INTREPID

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Project	Lea County, NM (NAD 27 NME)		
Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	(Tin Foil) Sec-23_T25-S_R-35-E				
Site Position:		**Northing:**	404,992.30 usft	**Latitude:**	32° 6' 34.420 N
From:	Map	**Easting:**	806,896.10 usft	**Longitude:**	103° 20' 31.813 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.53 °

Well	Tin Foil Federal Com #705H					
Well Position	**+N/-S**	0.0 usft	**Northing:**	404,992.30 usft	**Latitude:**	32° 6' 34.420 N
	+E/-W	0.0 usft	**Easting:**	806,896.10 usft	**Longitude:**	103° 20' 31.813 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**		**Ground Level:**	3,178.9 usft

Wellbore	OWB				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2015	07/08/19	6.61	59.97	47,684.26200448

Design	Plan #1				
Audit Notes:					
Version:		**Phase:**	PLAN	**Tie On Depth:**	0.0
Vertical Section:	**Depth From (TVD) (usft)**	**+N/-S (usft)**	**+E/-W (usft)**	**Direction (°)**	
	0.0	0.0	0.0	359.49	

Plan Survey Tool Program **Date** 07/08/19

	Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.0	11,711.0	Plan #1 (OWB)	MWD OWSG MWD - Standard	
2	11,711.0	22,489.7	Plan #1 (OWB)	MWD+IFR1+MS MWD + IFR1 + Multi-Statior	

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,178.0	3.56	179.49	2,177.8	-5.5	0.0	2.00	2.00	0.00	179.49	
6,831.3	3.56	179.49	6,822.2	-294.4	2.6	0.00	0.00	0.00	0.00	
7,009.2	0.00	0.00	7,000.0	-299.9	2.6	2.00	-2.00	0.00	180.00	
11,751.3	0.00	0.00	11,742.1	-299.9	2.6	0.00	0.00	0.00	0.00	
12,655.4	90.41	359.49	12,315.0	277.1	-2.5	10.00	10.00	-0.06	359.49	
22,489.7	90.41	359.49	12,245.0	10,110.8	-90.8	0.00	0.00	0.00	0.00	PBHL (Tin Foil Fed

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,033.0	0.00	0.00	1,033.0	0.0	0.0	0.0	0.00	0.00	0.00
Rustler									
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,405.0	0.00	0.00	1,405.0	0.0	0.0	0.0	0.00	0.00	0.00
TOS									
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
NUDGE - Build 2.00									
2,100.0	2.00	179.49	2,100.0	-1.7	0.0	-1.7	2.00	2.00	0.00
2,178.0	3.56	179.49	2,177.8	-5.5	0.0	-5.5	2.00	2.00	0.00
HOLD - 4653.3 at 2178.0 MD									
2,200.0	3.56	179.49	2,199.8	-6.9	0.1	-6.9	0.00	0.00	0.00
2,300.0	3.56	179.49	2,299.7	-13.1	0.1	-13.1	0.00	0.00	0.00
2,400.0	3.56	179.49	2,399.5	-19.3	0.2	-19.3	0.00	0.00	0.00
2,500.0	3.56	179.49	2,499.3	-25.5	0.2	-25.5	0.00	0.00	0.00
2,600.0	3.56	179.49	2,599.1	-31.7	0.3	-31.7	0.00	0.00	0.00
2,700.0	3.56	179.49	2,698.9	-37.9	0.3	-37.9	0.00	0.00	0.00
2,800.0	3.56	179.49	2,798.7	-44.1	0.4	-44.1	0.00	0.00	0.00
2,900.0	3.56	179.49	2,898.5	-50.3	0.4	-50.3	0.00	0.00	0.00
3,000.0	3.56	179.49	2,998.3	-56.6	0.5	-56.6	0.00	0.00	0.00
3,100.0	3.56	179.49	3,098.1	-62.8	0.6	-62.8	0.00	0.00	0.00
3,200.0	3.56	179.49	3,197.9	-69.0	0.6	-69.0	0.00	0.00	0.00
3,300.0	3.56	179.49	3,297.7	-75.2	0.7	-75.2	0.00	0.00	0.00
3,400.0	3.56	179.49	3,397.5	-81.4	0.7	-81.4	0.00	0.00	0.00
3,500.0	3.56	179.49	3,497.3	-87.6	0.8	-87.6	0.00	0.00	0.00
3,600.0	3.56	179.49	3,597.1	-93.8	0.8	-93.8	0.00	0.00	0.00
3,700.0	3.56	179.49	3,697.0	-100.0	0.9	-100.0	0.00	0.00	0.00
3,800.0	3.56	179.49	3,796.8	-106.2	0.9	-106.2	0.00	0.00	0.00
3,900.0	3.56	179.49	3,896.6	-112.4	1.0	-112.4	0.00	0.00	0.00
4,000.0	3.56	179.49	3,996.4	-118.6	1.0	-118.6	0.00	0.00	0.00
4,100.0	3.56	179.49	4,096.2	-124.8	1.1	-124.8	0.00	0.00	0.00
4,200.0	3.56	179.49	4,196.0	-131.0	1.2	-131.0	0.00	0.00	0.00
4,300.0	3.56	179.49	4,295.8	-137.2	1.2	-137.3	0.00	0.00	0.00
4,400.0	3.56	179.49	4,395.6	-143.5	1.3	-143.5	0.00	0.00	0.00
4,500.0	3.56	179.49	4,495.4	-149.7	1.3	-149.7	0.00	0.00	0.00
4,600.0	3.56	179.49	4,595.2	-155.9	1.4	-155.9	0.00	0.00	0.00

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,700.0	3.56	179.49	4,695.0	-162.1	1.4	-162.1	0.00	0.00	0.00
4,800.0	3.56	179.49	4,794.8	-168.3	1.5	-168.3	0.00	0.00	0.00
4,900.0	3.56	179.49	4,894.6	-174.5	1.5	-174.5	0.00	0.00	0.00
4,926.4	3.56	179.49	4,921.0	-176.1	1.6	-176.1	0.00	0.00	0.00
BOS (Fletcher)									
5,000.0	3.56	179.49	4,994.4	-180.7	1.6	-180.7	0.00	0.00	0.00
5,100.0	3.56	179.49	5,094.2	-186.9	1.7	-186.9	0.00	0.00	0.00
5,200.0	3.56	179.49	5,194.1	-193.1	1.7	-193.1	0.00	0.00	0.00
5,300.0	3.56	179.49	5,293.9	-199.3	1.8	-199.3	0.00	0.00	0.00
5,312.2	3.56	179.49	5,306.0	-200.1	1.8	-200.1	0.00	0.00	0.00
LMAR (Top Delaware)									
5,358.2	3.56	179.49	5,352.0	-202.9	1.8	-202.9	0.00	0.00	0.00
BLCN									
5,400.0	3.56	179.49	5,393.7	-205.5	1.8	-205.5	0.00	0.00	0.00
5,500.0	3.56	179.49	5,493.5	-211.7	1.9	-211.7	0.00	0.00	0.00
5,600.0	3.56	179.49	5,593.3	-217.9	1.9	-218.0	0.00	0.00	0.00
5,700.0	3.56	179.49	5,693.1	-224.2	2.0	-224.2	0.00	0.00	0.00
5,800.0	3.56	179.49	5,792.9	-230.4	2.0	-230.4	0.00	0.00	0.00
5,900.0	3.56	179.49	5,892.7	-236.6	2.1	-236.6	0.00	0.00	0.00
6,000.0	3.56	179.49	5,992.5	-242.8	2.1	-242.8	0.00	0.00	0.00
6,100.0	3.56	179.49	6,092.3	-249.0	2.2	-249.0	0.00	0.00	0.00
6,200.0	3.56	179.49	6,192.1	-255.2	2.3	-255.2	0.00	0.00	0.00
6,300.0	3.56	179.49	6,291.9	-261.4	2.3	-261.4	0.00	0.00	0.00
6,307.1	3.56	179.49	6,299.0	-261.8	2.3	-261.8	0.00	0.00	0.00
CYCN									
6,400.0	3.56	179.49	6,391.7	-267.6	2.4	-267.6	0.00	0.00	0.00
6,500.0	3.56	179.49	6,491.5	-273.8	2.4	-273.8	0.00	0.00	0.00
6,600.0	3.56	179.49	6,591.4	-280.0	2.5	-280.0	0.00	0.00	0.00
6,700.0	3.56	179.49	6,691.2	-286.2	2.5	-286.2	0.00	0.00	0.00
6,800.0	3.56	179.49	6,791.0	-292.4	2.6	-292.4	0.00	0.00	0.00
6,831.3	3.56	179.49	6,822.2	-294.4	2.6	-294.4	0.00	0.00	0.00
DROP - -2.00									
6,900.0	2.18	179.49	6,890.8	-297.8	2.6	-297.8	2.00	-2.00	0.00
7,009.2	0.00	0.00	7,000.0	-299.9	2.6	-299.9	2.00	-2.00	0.00
HOLD - 4742.1 at 7009.2 MD									
7,100.0	0.00	0.00	7,090.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,200.0	0.00	0.00	7,190.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,300.0	0.00	0.00	7,290.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,400.0	0.00	0.00	7,390.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,500.0	0.00	0.00	7,490.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,600.0	0.00	0.00	7,590.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,683.2	0.00	0.00	7,674.0	-299.9	2.6	-299.9	0.00	0.00	0.00
BYCN									
7,700.0	0.00	0.00	7,690.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,800.0	0.00	0.00	7,790.8	-299.9	2.6	-299.9	0.00	0.00	0.00
7,900.0	0.00	0.00	7,890.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,000.0	0.00	0.00	7,990.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,100.0	0.00	0.00	8,090.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,200.0	0.00	0.00	8,190.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,300.0	0.00	0.00	8,290.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,400.0	0.00	0.00	8,390.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,500.0	0.00	0.00	8,490.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,600.0	0.00	0.00	8,590.8	-299.9	2.6	-299.9	0.00	0.00	0.00

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,700.0	0.00	0.00	8,690.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,800.0	0.00	0.00	8,790.8	-299.9	2.6	-299.9	0.00	0.00	0.00
8,844.2	0.00	0.00	8,835.0	-299.9	2.6	-299.9	0.00	0.00	0.00
Bone Sprg (BSGL)									
8,867.2	0.00	0.00	8,858.0	-299.9	2.6	-299.9	0.00	0.00	0.00
U Avalon Sh									
8,900.0	0.00	0.00	8,890.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,000.0	0.00	0.00	8,990.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,100.0	0.00	0.00	9,090.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,200.0	0.00	0.00	9,190.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,298.2	0.00	0.00	9,289.0	-299.9	2.6	-299.9	0.00	0.00	0.00
L Avalon Sh									
9,300.0	0.00	0.00	9,290.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,400.0	0.00	0.00	9,390.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,500.0	0.00	0.00	9,490.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,600.0	0.00	0.00	9,590.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,700.0	0.00	0.00	9,690.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,800.0	0.00	0.00	9,790.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,900.0	0.00	0.00	9,890.8	-299.9	2.6	-299.9	0.00	0.00	0.00
9,990.2	0.00	0.00	9,981.0	-299.9	2.6	-299.9	0.00	0.00	0.00
B Avalon Sh									
10,000.0	0.00	0.00	9,990.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,100.0	0.00	0.00	10,090.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,200.0	0.00	0.00	10,190.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,248.2	0.00	0.00	10,239.0	-299.9	2.6	-299.9	0.00	0.00	0.00
FBSG_sand									
10,300.0	0.00	0.00	10,290.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,400.0	0.00	0.00	10,390.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,500.0	0.00	0.00	10,490.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,600.0	0.00	0.00	10,590.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,700.0	0.00	0.00	10,690.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,792.2	0.00	0.00	10,783.0	-299.9	2.6	-299.9	0.00	0.00	0.00
SBSG_sand									
10,800.0	0.00	0.00	10,790.8	-299.9	2.6	-299.9	0.00	0.00	0.00
10,900.0	0.00	0.00	10,890.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,000.0	0.00	0.00	10,990.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,100.0	0.00	0.00	11,090.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,200.0	0.00	0.00	11,190.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,214.2	0.00	0.00	11,205.0	-299.9	2.6	-299.9	0.00	0.00	0.00
SBSG_sand_Base									
11,300.0	0.00	0.00	11,290.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,400.0	0.00	0.00	11,390.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,500.0	0.00	0.00	11,490.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,600.0	0.00	0.00	11,590.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,700.0	0.00	0.00	11,690.8	-299.9	2.6	-299.9	0.00	0.00	0.00
11,751.3	0.00	0.00	11,742.1	-299.9	2.6	-299.9	0.00	0.00	0.00
KOP - DLS 10.00 TFO 359.49									
11,800.0	4.87	359.49	11,790.7	-297.8	2.6	-297.8	10.00	10.00	0.00
11,850.0	9.87	359.49	11,840.3	-291.4	2.6	-291.4	10.00	10.00	0.00
11,876.2	12.49	359.49	11,866.0	-286.3	2.5	-286.4	10.00	10.00	0.00
TBSG_sand									
11,900.0	14.87	359.49	11,889.1	-280.7	2.5	-280.7	10.00	10.00	0.00
11,950.0	19.87	359.49	11,936.8	-265.8	2.3	-265.8	10.00	10.00	0.00

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
12,000.0	24.87	359.49	11,983.1	-246.8	2.2	-246.8	10.00	10.00	0.00
12,050.0	29.87	359.49	12,027.4	-223.8	2.0	-223.8	10.00	10.00	0.00
12,100.0	34.87	359.49	12,069.7	-197.0	1.7	-197.0	10.00	10.00	0.00
12,150.0	39.87	359.49	12,109.4	-166.7	1.5	-166.7	10.00	10.00	0.00
12,198.1	44.68	359.49	12,145.0	-134.3	1.2	-134.3	10.00	10.00	0.00
WFMP									
12,200.0	44.87	359.49	12,146.3	-133.0	1.2	-133.0	10.00	10.00	0.00
12,250.0	49.87	359.49	12,180.2	-96.2	0.8	-96.2	10.00	10.00	0.00
12,300.0	54.87	359.49	12,210.7	-56.7	0.5	-56.7	10.00	10.00	0.00
12,350.0	59.87	359.49	12,237.6	-14.6	0.1	-14.6	10.00	10.00	0.00
12,400.0	64.87	359.49	12,260.8	29.7	-0.3	29.7	10.00	10.00	0.00
12,450.0	69.87	359.49	12,280.1	75.9	-0.7	75.9	10.00	10.00	0.00
12,500.0	74.87	359.49	12,295.2	123.5	-1.2	123.5	10.00	10.00	0.00
12,550.0	79.87	359.49	12,306.1	172.3	-1.6	172.3	10.00	10.00	0.00
12,600.0	84.87	359.49	12,312.8	221.8	-2.0	221.8	10.00	10.00	0.00
12,650.0	89.87	359.49	12,315.1	271.7	-2.5	271.7	10.00	10.00	0.00
12,655.4	90.41	359.49	12,315.0	277.1	-2.5	277.1	10.00	10.00	0.00
EOC - 9834.3 hold at 12655.4 MD									
12,700.0	90.41	359.49	12,314.7	321.7	-2.9	321.7	0.00	0.00	0.00
12,800.0	90.41	359.49	12,314.0	421.7	-3.8	421.7	0.00	0.00	0.00
12,900.0	90.41	359.49	12,313.3	521.7	-4.7	521.7	0.00	0.00	0.00
13,000.0	90.41	359.49	12,312.6	621.7	-5.6	621.7	0.00	0.00	0.00
13,100.0	90.41	359.49	12,311.9	721.7	-6.5	721.7	0.00	0.00	0.00
13,200.0	90.41	359.49	12,311.2	821.7	-7.4	821.7	0.00	0.00	0.00
13,300.0	90.41	359.49	12,310.5	921.7	-8.3	921.7	0.00	0.00	0.00
13,400.0	90.41	359.49	12,309.7	1,021.7	-9.2	1,021.7	0.00	0.00	0.00
13,500.0	90.41	359.49	12,309.0	1,121.7	-10.1	1,121.7	0.00	0.00	0.00
13,600.0	90.41	359.49	12,308.3	1,221.7	-11.0	1,221.7	0.00	0.00	0.00
13,700.0	90.41	359.49	12,307.6	1,321.7	-11.9	1,321.7	0.00	0.00	0.00
13,800.0	90.41	359.49	12,306.9	1,421.7	-12.8	1,421.7	0.00	0.00	0.00
13,900.0	90.41	359.49	12,306.2	1,521.6	-13.7	1,521.7	0.00	0.00	0.00
14,000.0	90.41	359.49	12,305.5	1,621.6	-14.6	1,621.7	0.00	0.00	0.00
14,100.0	90.41	359.49	12,304.8	1,721.6	-15.5	1,721.7	0.00	0.00	0.00
14,200.0	90.41	359.49	12,304.0	1,821.6	-16.4	1,821.7	0.00	0.00	0.00
14,300.0	90.41	359.49	12,303.3	1,921.6	-17.3	1,921.7	0.00	0.00	0.00
14,400.0	90.41	359.49	12,302.6	2,021.6	-18.2	2,021.7	0.00	0.00	0.00
14,500.0	90.41	359.49	12,301.9	2,121.6	-19.1	2,121.7	0.00	0.00	0.00
14,600.0	90.41	359.49	12,301.2	2,221.6	-20.0	2,221.7	0.00	0.00	0.00
14,700.0	90.41	359.49	12,300.5	2,321.6	-20.9	2,321.7	0.00	0.00	0.00
14,800.0	90.41	359.49	12,299.8	2,421.6	-21.8	2,421.7	0.00	0.00	0.00
14,900.0	90.41	359.49	12,299.1	2,521.6	-22.7	2,521.7	0.00	0.00	0.00
15,000.0	90.41	359.49	12,298.3	2,621.6	-23.6	2,621.7	0.00	0.00	0.00
15,100.0	90.41	359.49	12,297.6	2,721.6	-24.5	2,721.7	0.00	0.00	0.00
15,200.0	90.41	359.49	12,296.9	2,821.6	-25.4	2,821.7	0.00	0.00	0.00
15,300.0	90.41	359.49	12,296.2	2,921.6	-26.3	2,921.7	0.00	0.00	0.00
15,400.0	90.41	359.49	12,295.5	3,021.6	-27.2	3,021.7	0.00	0.00	0.00
15,500.0	90.41	359.49	12,294.8	3,121.5	-28.1	3,121.7	0.00	0.00	0.00
15,600.0	90.41	359.49	12,294.1	3,221.5	-29.0	3,221.7	0.00	0.00	0.00
15,700.0	90.41	359.49	12,293.4	3,321.5	-29.9	3,321.7	0.00	0.00	0.00
15,800.0	90.41	359.49	12,292.6	3,421.5	-30.8	3,421.7	0.00	0.00	0.00
15,900.0	90.41	359.49	12,291.9	3,521.5	-31.7	3,521.7	0.00	0.00	0.00
16,000.0	90.41	359.49	12,291.2	3,621.5	-32.5	3,621.7	0.00	0.00	0.00
16,100.0	90.41	359.49	12,290.5	3,721.5	-33.4	3,721.7	0.00	0.00	0.00
16,200.0	90.41	359.49	12,289.8	3,821.5	-34.3	3,821.7	0.00	0.00	0.00

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
16,300.0	90.41	359.49	12,289.1	3,921.5	-35.2	3,921.7	0.00	0.00	0.00
16,400.0	90.41	359.49	12,288.4	4,021.5	-36.1	4,021.6	0.00	0.00	0.00
16,500.0	90.41	359.49	12,287.7	4,121.5	-37.0	4,121.6	0.00	0.00	0.00
16,600.0	90.41	359.49	12,286.9	4,221.5	-37.9	4,221.6	0.00	0.00	0.00
16,700.0	90.41	359.49	12,286.2	4,321.5	-38.8	4,321.6	0.00	0.00	0.00
16,800.0	90.41	359.49	12,285.5	4,421.5	-39.7	4,421.6	0.00	0.00	0.00
16,900.0	90.41	359.49	12,284.8	4,521.5	-40.6	4,521.6	0.00	0.00	0.00
17,000.0	90.41	359.49	12,284.1	4,621.4	-41.5	4,621.6	0.00	0.00	0.00
17,100.0	90.41	359.49	12,283.4	4,721.4	-42.4	4,721.6	0.00	0.00	0.00
17,200.0	90.41	359.49	12,282.7	4,821.4	-43.3	4,821.6	0.00	0.00	0.00
17,300.0	90.41	359.49	12,282.0	4,921.4	-44.2	4,921.6	0.00	0.00	0.00
17,400.0	90.41	359.49	12,281.3	5,021.4	-45.1	5,021.6	0.00	0.00	0.00
17,500.0	90.41	359.49	12,280.5	5,121.4	-46.0	5,121.6	0.00	0.00	0.00
17,600.0	90.41	359.49	12,279.8	5,221.4	-46.9	5,221.6	0.00	0.00	0.00
17,700.0	90.41	359.49	12,279.1	5,321.4	-47.8	5,321.6	0.00	0.00	0.00
17,800.0	90.41	359.49	12,278.4	5,421.4	-48.7	5,421.6	0.00	0.00	0.00
17,900.0	90.41	359.49	12,277.7	5,521.4	-49.6	5,521.6	0.00	0.00	0.00
18,000.0	90.41	359.49	12,277.0	5,621.4	-50.5	5,621.6	0.00	0.00	0.00
18,100.0	90.41	359.49	12,276.3	5,721.4	-51.4	5,721.6	0.00	0.00	0.00
18,200.0	90.41	359.49	12,275.6	5,821.4	-52.3	5,821.6	0.00	0.00	0.00
18,300.0	90.41	359.49	12,274.8	5,921.4	-53.2	5,921.6	0.00	0.00	0.00
18,400.0	90.41	359.49	12,274.1	6,021.4	-54.1	6,021.6	0.00	0.00	0.00
18,500.0	90.41	359.49	12,273.4	6,121.3	-55.0	6,121.6	0.00	0.00	0.00
18,600.0	90.41	359.49	12,272.7	6,221.3	-55.9	6,221.6	0.00	0.00	0.00
18,700.0	90.41	359.49	12,272.0	6,321.3	-56.8	6,321.6	0.00	0.00	0.00
18,800.0	90.41	359.49	12,271.3	6,421.3	-57.7	6,421.6	0.00	0.00	0.00
18,900.0	90.41	359.49	12,270.6	6,521.3	-58.6	6,521.6	0.00	0.00	0.00
19,000.0	90.41	359.49	12,269.9	6,621.3	-59.5	6,621.6	0.00	0.00	0.00
19,100.0	90.41	359.49	12,269.1	6,721.3	-60.4	6,721.6	0.00	0.00	0.00
19,200.0	90.41	359.49	12,268.4	6,821.3	-61.3	6,821.6	0.00	0.00	0.00
19,300.0	90.41	359.49	12,267.7	6,921.3	-62.2	6,921.6	0.00	0.00	0.00
19,400.0	90.41	359.49	12,267.0	7,021.3	-63.1	7,021.6	0.00	0.00	0.00
19,500.0	90.41	359.49	12,266.3	7,121.3	-64.0	7,121.6	0.00	0.00	0.00
19,600.0	90.41	359.49	12,265.6	7,221.3	-64.9	7,221.6	0.00	0.00	0.00
19,700.0	90.41	359.49	12,264.9	7,321.3	-65.8	7,321.6	0.00	0.00	0.00
19,800.0	90.41	359.49	12,264.2	7,421.3	-66.7	7,421.6	0.00	0.00	0.00
19,900.0	90.41	359.49	12,263.4	7,521.3	-67.6	7,521.6	0.00	0.00	0.00
20,000.0	90.41	359.49	12,262.7	7,621.2	-68.5	7,621.6	0.00	0.00	0.00
20,100.0	90.41	359.49	12,262.0	7,721.2	-69.4	7,721.6	0.00	0.00	0.00
20,200.0	90.41	359.49	12,261.3	7,821.2	-70.2	7,821.6	0.00	0.00	0.00
20,300.0	90.41	359.49	12,260.6	7,921.2	-71.1	7,921.5	0.00	0.00	0.00
20,400.0	90.41	359.49	12,259.9	8,021.2	-72.0	8,021.5	0.00	0.00	0.00
20,500.0	90.41	359.49	12,259.2	8,121.2	-72.9	8,121.5	0.00	0.00	0.00
20,600.0	90.41	359.49	12,258.5	8,221.2	-73.8	8,221.5	0.00	0.00	0.00
20,700.0	90.41	359.49	12,257.7	8,321.2	-74.7	8,321.5	0.00	0.00	0.00
20,800.0	90.41	359.49	12,257.0	8,421.2	-75.6	8,421.5	0.00	0.00	0.00
20,900.0	90.41	359.49	12,256.3	8,521.2	-76.5	8,521.5	0.00	0.00	0.00
21,000.0	90.41	359.49	12,255.6	8,621.2	-77.4	8,621.5	0.00	0.00	0.00
21,100.0	90.41	359.49	12,254.9	8,721.2	-78.3	8,721.5	0.00	0.00	0.00
21,200.0	90.41	359.49	12,254.2	8,821.2	-79.2	8,821.5	0.00	0.00	0.00
21,300.0	90.41	359.49	12,253.5	8,921.2	-80.1	8,921.5	0.00	0.00	0.00
21,400.0	90.41	359.49	12,252.8	9,021.2	-81.0	9,021.5	0.00	0.00	0.00
21,500.0	90.41	359.49	12,252.0	9,121.2	-81.9	9,121.5	0.00	0.00	0.00
21,600.0	90.41	359.49	12,251.3	9,221.1	-82.8	9,221.5	0.00	0.00	0.00

Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
21,700.0	90.41	359.49	12,250.6	9,321.1	-83.7	9,321.5	0.00	0.00	0.00
21,800.0	90.41	359.49	12,249.9	9,421.1	-84.6	9,421.5	0.00	0.00	0.00
21,900.0	90.41	359.49	12,249.2	9,521.1	-85.5	9,521.5	0.00	0.00	0.00
22,000.0	90.41	359.49	12,248.5	9,621.1	-86.4	9,621.5	0.00	0.00	0.00
22,100.0	90.41	359.49	12,247.8	9,721.1	-87.3	9,721.5	0.00	0.00	0.00
22,200.0	90.41	359.49	12,247.1	9,821.1	-88.2	9,821.5	0.00	0.00	0.00
22,300.0	90.41	359.49	12,246.4	9,921.1	-89.1	9,921.5	0.00	0.00	0.00
22,400.0	90.41	359.49	12,245.6	10,021.1	-90.0	10,021.5	0.00	0.00	0.00
22,489.7	90.41	359.49	12,245.0	10,110.8	-90.8	10,111.2	0.00	0.00	0.00
TD at 22489.7									

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (Tin Foil Federa - plan hits target center - Rectangle (sides W60.0 H10,412.0 D30.0)	-0.41	359.49	12,245.0	10,110.8	-90.8	415,103.10	806,805.30	32° 8' 14.475 N	103° 20' 31.787 W
LTP (Tin Foil Federal - plan misses target center by 39.7usft at 22400.0usft MD (12245.6 TVD, 10021.1 N, -90.0 E) - Point	0.00	0.00	12,245.0	10,060.8	-90.4	415,053.10	806,805.70	32° 8' 13.980 N	103° 20' 31.788 W
FTP (Tin Foil Federal - plan misses target center by 237.3usft at 12200.0usft MD (12146.3 TVD, -133.0 N, 1.2 E) - Point	0.00	0.00	12,315.0	-299.9	2.4	404,692.40	806,898.50	32° 6' 31.452 N	103° 20' 31.817 W

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,033.0	1,033.0	Rustler			
1,405.0	1,405.0	TOS			
4,926.4	4,921.0	BOS (Fletcher)			
5,312.2	5,306.0	LMAR (Top Delaware)			
5,358.2	5,352.0	BLCN			
6,307.1	6,299.0	CYCN			
7,683.2	7,674.0	BYCN			
8,844.2	8,835.0	Bone Sprg (BSGL)			
8,867.2	8,858.0	U Avalon Sh			
9,298.2	9,289.0	L Avalon Sh			
9,990.2	9,981.0	B Avalon Sh			
10,248.2	10,239.0	FBSG_sand			
10,792.2	10,783.0	SBSG_sand			
11,214.2	11,205.0	SBSG_sand_Base			
11,876.2	11,866.0	TBSG_sand			
12,198.1	12,145.0	WFMP			

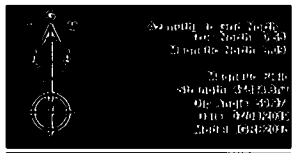
Database:	EDM 5000.15 Single User Db	**Local Co-ordinate Reference:**	Well Tin Foil Federal Com #705H
Company:	Concho Resources, Inc.	**TVD Reference:**	KB @ 3203.9usft (Latshaw 44)
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB @ 3203.9usft (Latshaw 44)
Site:	(Tin Foil) Sec-23_T25-S_R-35-E	**North Reference:**	Grid
Well:	Tin Foil Federal Com #705H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OWB		
Design:	Plan #1		

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
2,000.0	2,000.0	0.0	0.0	NUDGE - Build 2.00
2,178.0	2,177.8	-5.5	0.0	HOLD - 4653.3 at 2178.0 MD
6,831.3	6,822.2	-294.4	2.6	DROP - -2.00
7,009.2	7,000.0	-299.9	2.6	HOLD - 4742.1 at 7009.2 MD
11,751.3	11,742.1	-299.9	2.6	KOP - DLS 10.00 TFO 359.49
12,655.4	12,315.0	277.1	-2.5	EOC - 9834.3 hold at 12655.4 MD
22,489.7	12,245.0	10,110.8	-90.8	TD at 22489.7

CONCHO

INTREPID



To convert a Magnetic Direction to a Grid Direction, Add 6.99°

Concho Resources, Inc.
Project: Lea County, NM (NAD 27 NME)
Site: (Tin Foil) Sec-23_T25-S_R-35-E
Well: Tin Foil Federal Com #705H
Wellbore: OWB
Design: Plan #1
Lat: 32° 6' 34.420 N
Long: 103° 20' 31.813 W
Pad GL: 3178.9
KB: KB @ 3203.9usft (Latshaw 44)

WELL DETAILS: Tin Foil Federal Com #705H

3178.9

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.0	0.0	404992.30	806898.10	32° 6' 34.420 N	103° 20' 31.813 W

SECTION DETAILS

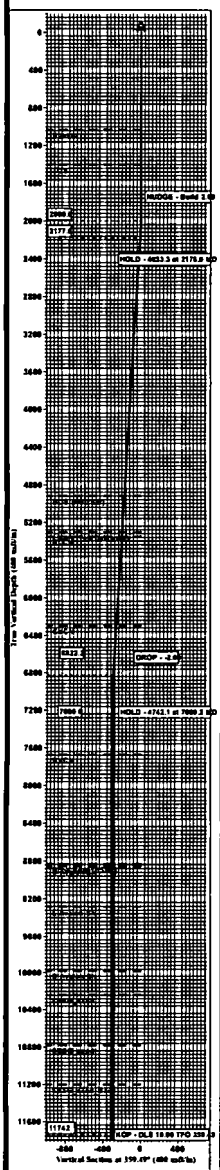
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2900.0	0.00	0.00	2900.0	0.0	0.0	0.00	0.00	0.0	NUDGE - Build 2.00
3178.8	3.56	179.49	3177.8	-8.1	0.0	2.00	179.49	-8.1	HOLD - 4653.3 at 3178.8 MD
8831.3	3.56	179.49	8822.2	-294.4	2.6	0.00	0.00	-294.4	DROP - -2.00
7009.2	0.00	0.00	7000.0	-299.9	2.6	2.00	180.00	-299.9	HOLD - 4742.1 at 7009.2 MD
11751.3	0.00	0.00	11742.1	-299.9	2.6	0.00	0.00	-299.9	KOP - DLS 10.00 TFO 359.49
12635.4	90.41	359.49	12315.0	277.1	-2.5	10.00	359.49	277.1	EOC - 9634.3 hold at 12635.4 MD
22489.7	90.41	359.49	12245.0	10110.8	-90.8	0.00	0.00	10111.2	TD at 22489.7

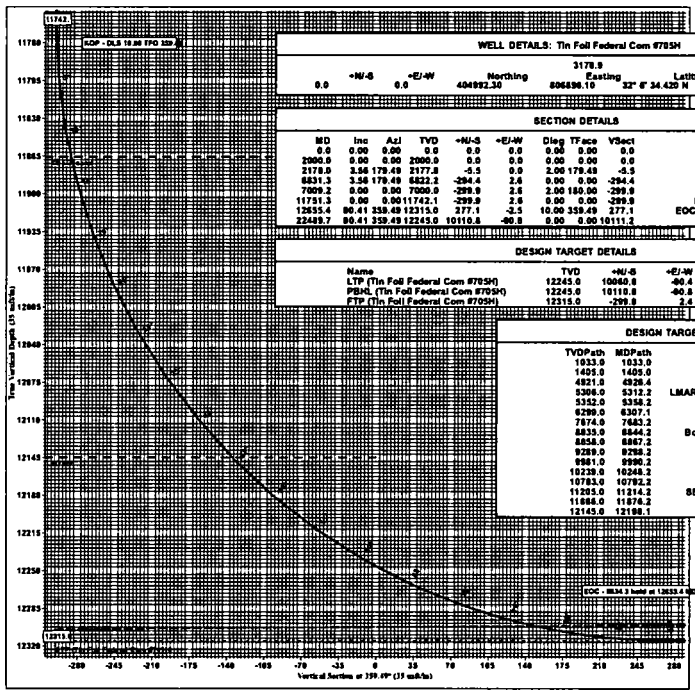
DESIGN TARGET DETAILS

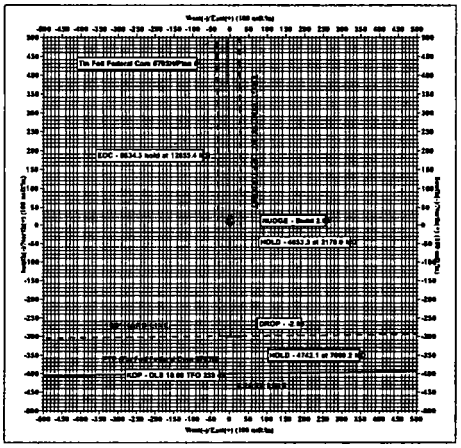
Name	TVD	+N/-S	+E/-W	Northing	Easting
LTP (Tin Foil Federal Com #705H)	12245.0	10040.8	-90.4	415053.10	806805.70
PBHL (Tin Foil Federal Com #705H)	12245.0	10110.8	-90.8	415103.10	806805.30
FTP (Tin Foil Federal Com #705H)	12315.0	-299.9	2.4	404692.40	806898.50

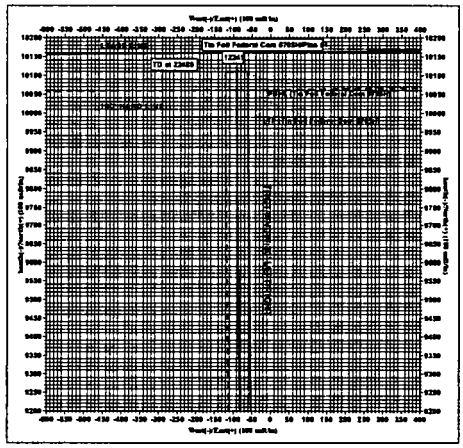
DESIGN TARGET DETAILS

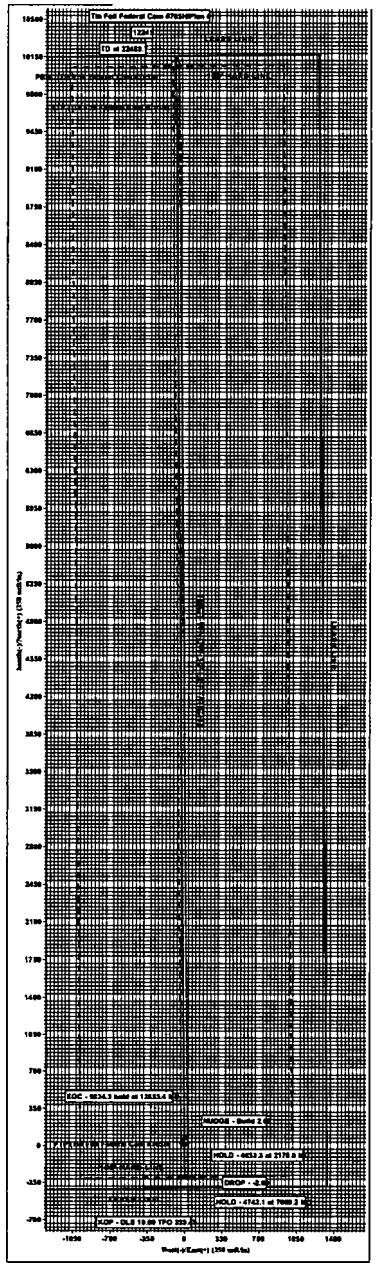
TVDPath	MDPath	Formation
1033.0	1033.0	Rustler
1405.0	1405.0	TOS
4921.0	4928.4	BOS (Fletcher)
5306.0	5312.2	LMAR (Top Delaware)
5352.0	5358.2	BLCN
6298.0	6307.1	CYCN
7474.0	7483.2	BYCN
8835.0	8844.2	Bone Spg (BSGL)
8858.0	8867.2	U Avalon Sh
9259.0	9268.2	L Avalon Sh
9981.0	9990.2	B Avalon Sh
10239.0	10248.2	FBSG_sand
10783.0	10792.2	SBSG_sand
11285.0	11214.2	SBSG_sand_Base
11666.0	11876.2	TBSG_sand
12145.0	12198.1	WFMP

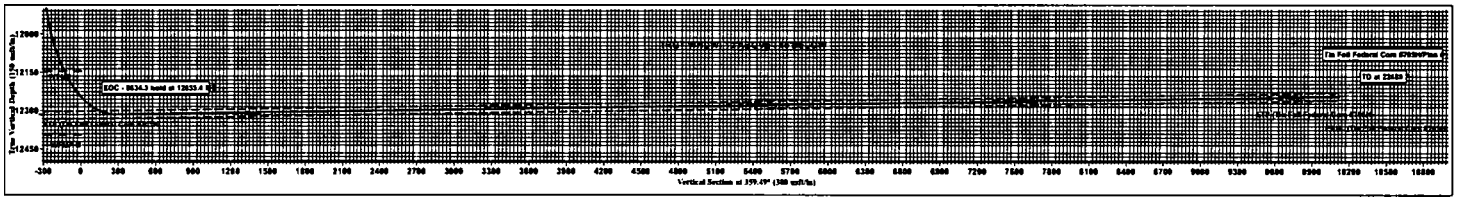




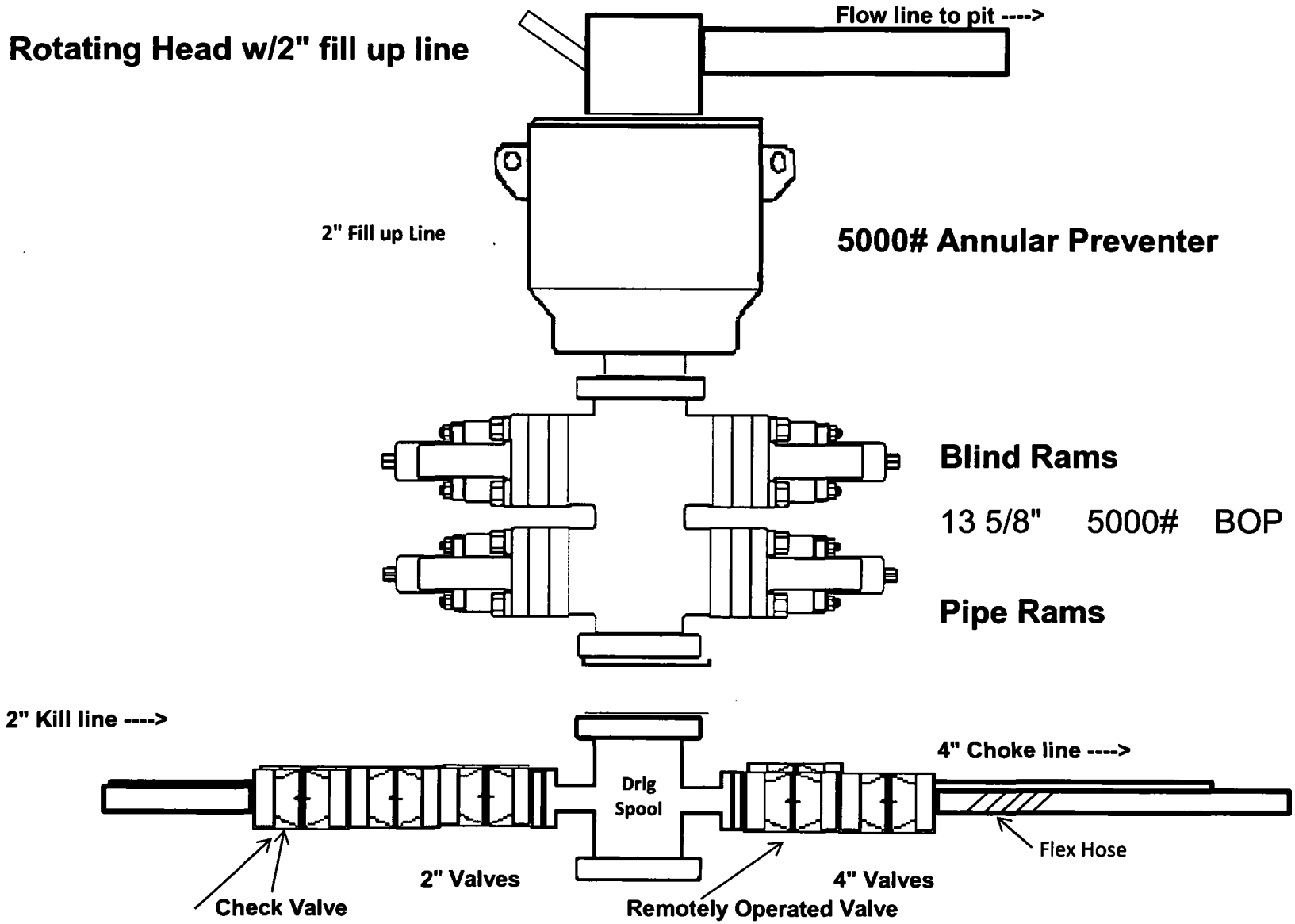






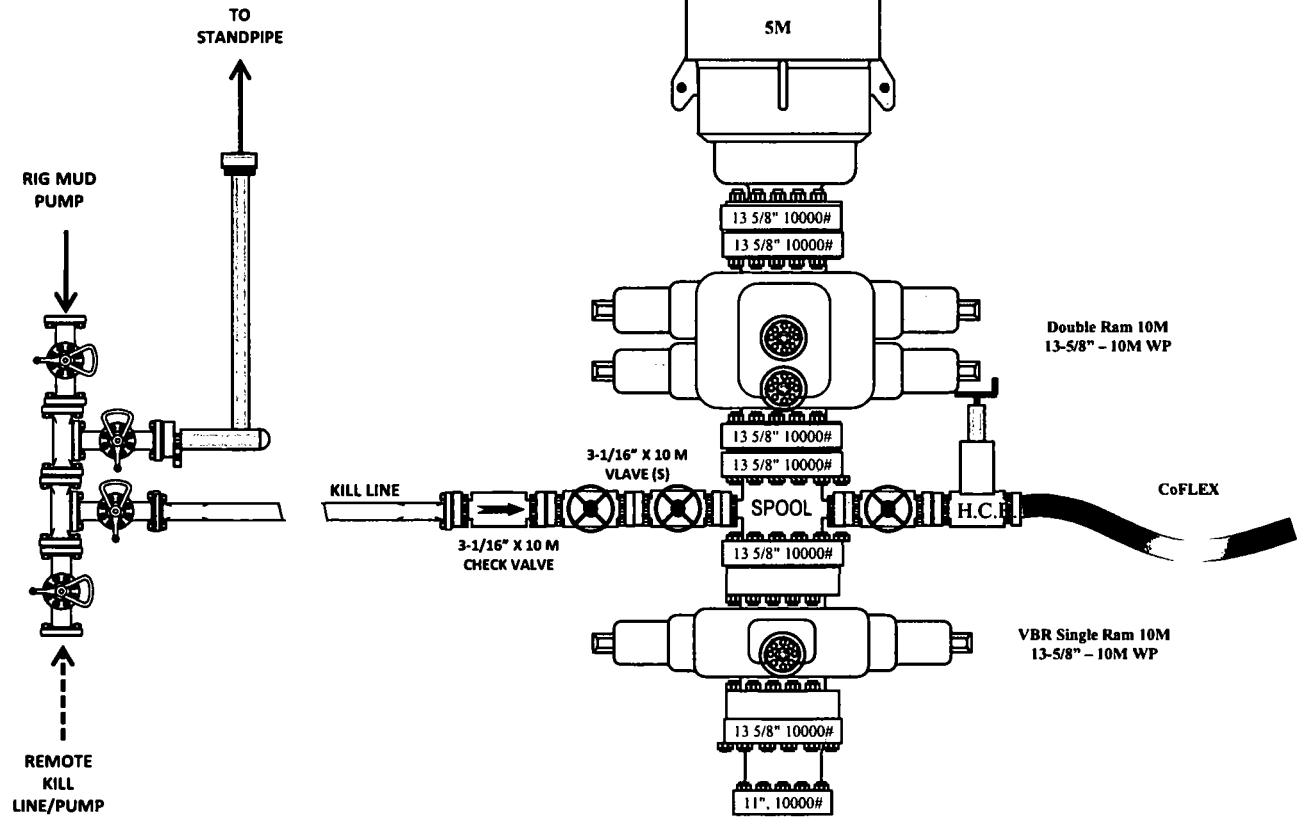


5,000 psi BOP Schematic



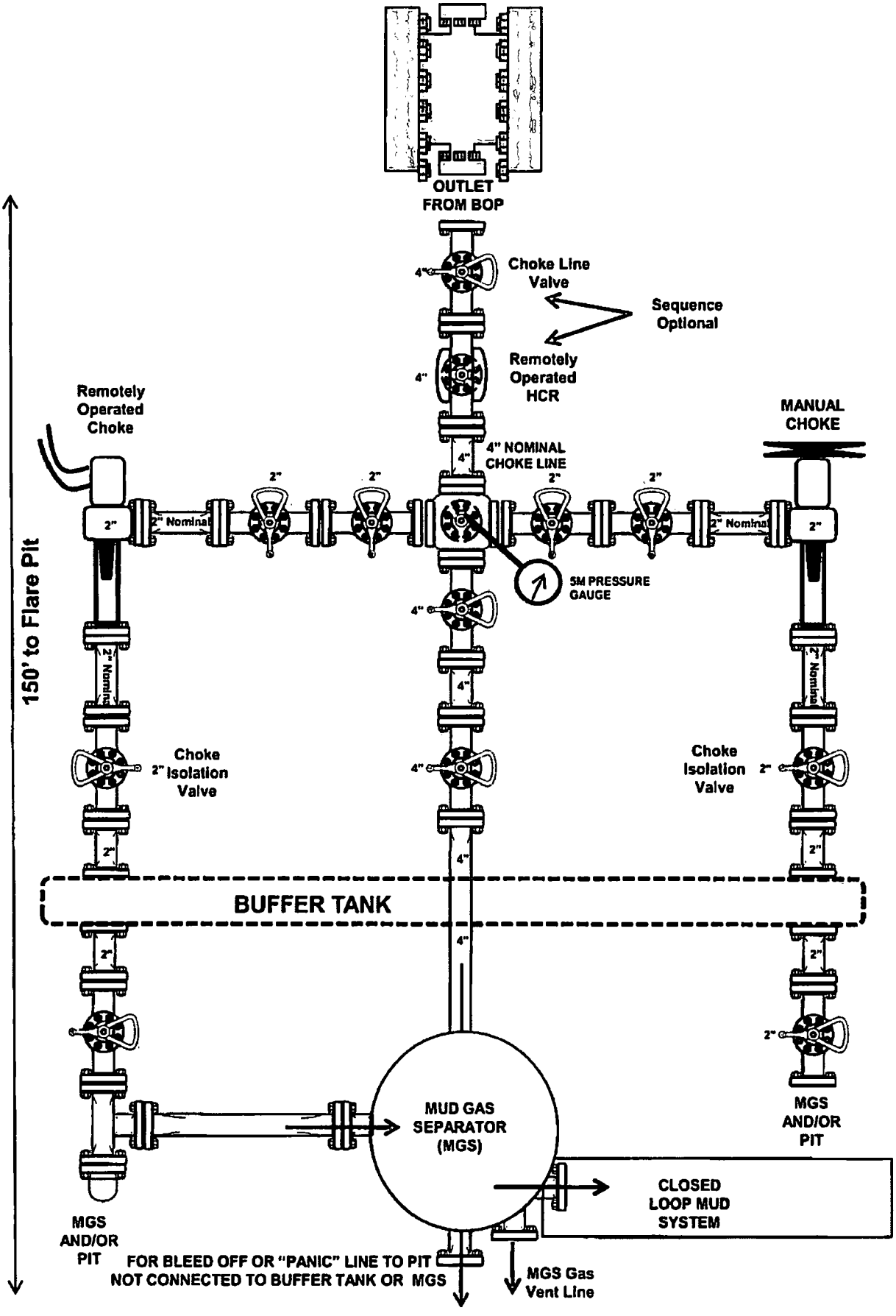
10M BOP Stack

10M REMOTE KILL SCHEMATIC

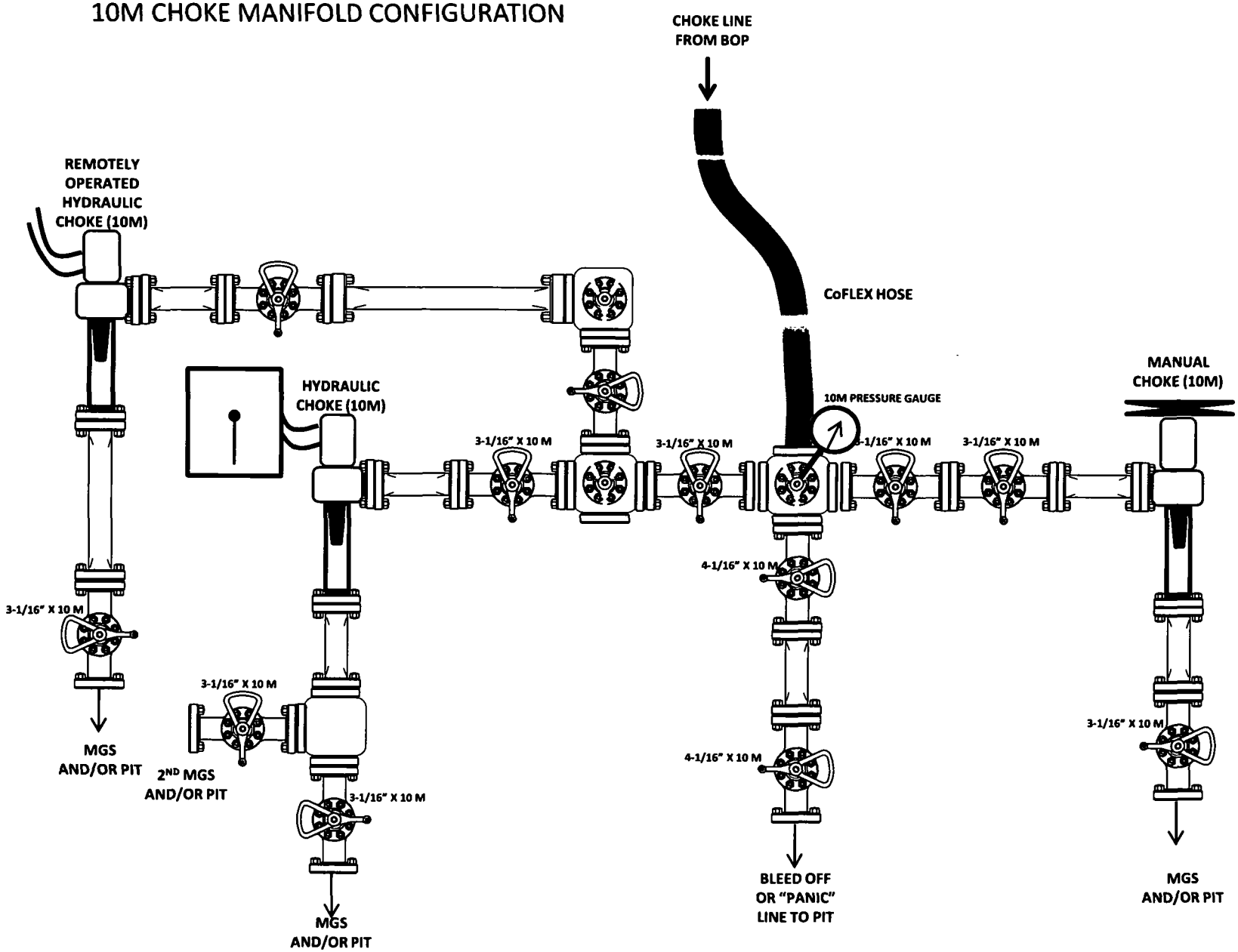


10M BOP Stack
(5M Annular)

5M Choke Manifold Equipment (WITH MGS + CLOSED LOOP)



10M CHOKE MANIFOLD CONFIGURATION



Midwest Hose
& Specialty, Inc.

Internal Hydrostatic Test Certificate

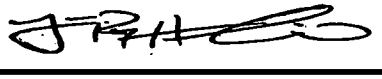
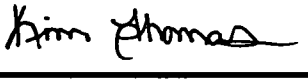
General Information		Hose Specifications	
Customer	**Hobbs**	*Hose Assembly Type*	**Rotary/Vibrator**
MWH Sales Representative	**Ryan Rynolds**	*Certification*	**API 7K/FSL Level 2**
Date Assembled	**11/19/2015**	*Hose Grade*	**D**
Location Assembled	**OKC**	*Hose Working Pressure*	**5000**
Sales Order #	**271739**	*Hose Lot # and Date Code*	**11834 11/14**
Customer Purchase Order #	**302337**	*Hose I.D. (Inches)*	**3.5"**
Assembly Serial # (Pick Ticket #)	**326000**	*Hose O.D. (Inches)*	**4.89"**
Hose Assembly Length	**25'**	*Armor (yes/no)*	No

Fittings

End A		End B	
Stem (Part and Revision #)	**R3.5X64WB**	*Stem (Part and Revision #)*	**R3.5X64WB**
Stem (Heat #)	**A144783**	*Stem (Heat #)*	**A144783**
Ferrule (Part and Revision #)	**RF3.5**	*Ferrule (Part and Revision #)*	**RF3.5**
Ferrule (Heat #)	**J1628**	*Ferrule (Heat #)*	**J1628**
Connection . Flange Hammer Union Part	**4-1/16 5000**	*Connection (Part #)*	**4-1/16 5000**
Connection (Heat #)	**14032501**	*Connection (Heat #)*	**1404H321**
Nut (Part #)	**N/A**	*Nut (Part #)*	**N/A**
Nut (Heat #)	**N/A**	*Nut (Heat #)*	**N/A**
Dies Used	**5.49"**	*Dies Used*	**5.49"**

Hydrostatic Test Requirements

Test Pressure (psi)	**10,000**	***Hose assembly was tested with ambient water temperature.***
Test Pressure Hold Time (minutes)	**11 1/2**	

Date Tested	*Tested By*	*Approved By*
11/19/2015		

Midwest Hose
& Specialty, Inc.

Certificate of Conformity

Customer: **Hobbs**	*Customer P.O.#* **302337**
Sales Order # **271739**	*Date Assembled:* **11/19/2015**

Specifications

Hose Assembly Type:	**Rotary/Vibrator**		
Assembly Serial #	**326000**	*Hose Lot # and Date Code*	**11834 11/14**
Hose Working Pressure (psi)	**5000**	*Test Pressure (psi)*	**10000**

We hereby certify that the above material supplied for the referenced purchase order to be true according to the requirements of the purchase order and current industry standards.

Supplier:
Midwest Hose & Specialty, Inc.
3312 S I-35 Service Rd
Oklahoma City, OK 73129

Comments:

Approved By	***Date***
Kim Thomas	**11/19/2015**

Midwest Hose & Specialty, Inc.

Internal Hydrostatic Test Graph

November 19, 2015

Customer: Hobbs

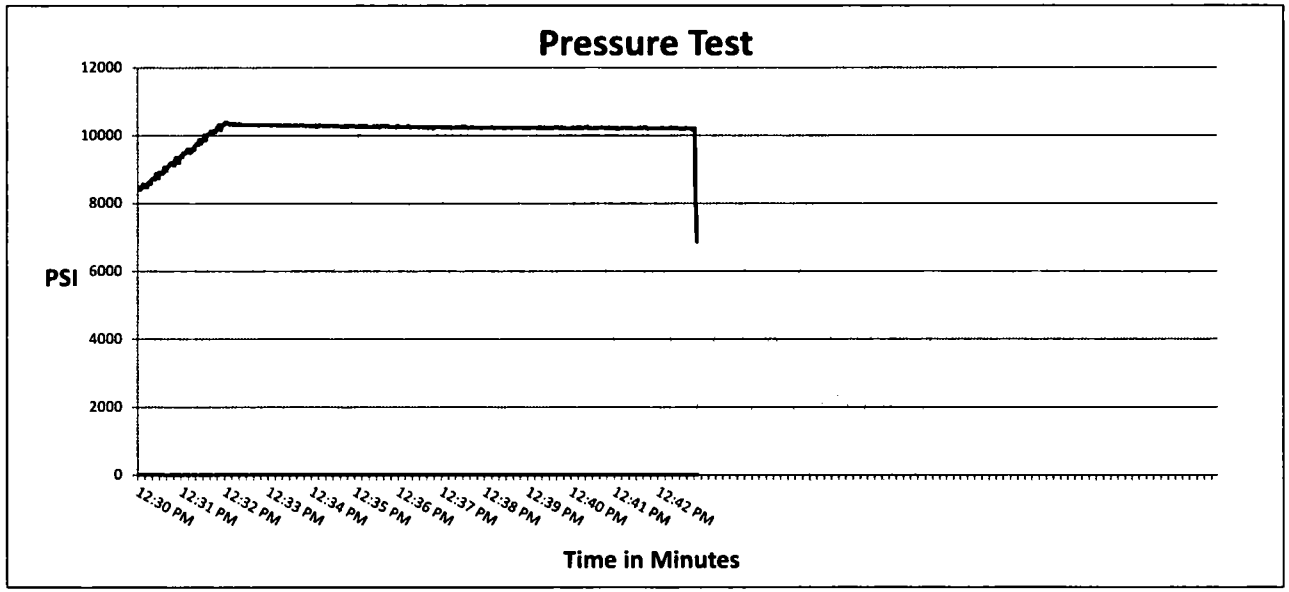
Pick Ticket #: 326000

Hose Specifications

Hose Type	Length
D	25'
I.D.	**O.D.**
3.5"	4.89"
Working Pressure	**Burst Pressure**
5000 PSI	Standard Safety Multiplier Applies

Verification

Type of Fitting	Coupling Method
4 1/16 5K	Swage
Die Size	**Final O.D.**
5.49"	5.50"
Hose Serial #	**Hose Assembly Serial #**
11834	326000



Test Pressure	Time Held at Test Pressure	Actual Burst Pressure	Peak Pressure
10000 PSI	11 2/4 Minutes		10473 PSI

Comments: Hose assembly pressure tested with water at ambient temperature.

Tested By: *James Hawkins*

Approved By: *Kim Thomas*

x _____

x _____

Midwest Hose & Specialty, Inc.

Hose Assembly & Test Report

General Information		Hose Specifications	
Customer	Hobbs	Hose Assembly Type	choke + kill
Date Assembled	6-26-14	Certification	API 7K
Location Assembled	DKC	Hose Grade	D
Sales Order #	216297	Hose Working Pressure	5,000
Customer Purchase Order #	237512	Hose Lot #	83099
Hose Assembly Serial #	260212	Hose Date Code	04/12
Pick Ticket Line Item	0010	Hose I.D. (inches)	3.5 inches
Hose Assembly Length (Feet and Inches)	50 feet	Hose O.D. (inches)	5.49
Contact Information Phone #		Armor (yes/no)	yes

Fittings			
End A		**End B**	
Stem (Part and Revision #)	R3.5X64WB	Stem (Part and Revision #)	R3.5X64WB
Stem (Heat #)	131140502225	Stem (Heat #)	131140502225
Stem (Rockwell Hardness HRB #)	—	Stem (Rockwell Hardness HRB #)	—
Ferrule (Part and Revision #)	RF3.5	Ferrule (Part and Revision #)	RF3.5
Ferrule (Heat #)	126151	Ferrule (Heat #)	372114
Ferrule (Rockwell Hardness HRB #)	—	Ferrule (Rockwell Hardness HRB #)	—
Connection (Part #)	4 1/16 5K	Connection (Part #)	4 1/16 5K
Connection (Heat #)	V3360	Connection (Heat #)	V3360
Connection (Brinell Hardness HB #)	—	Connection (Brinell Hardness HB #)	—
Stress Relief #	17614	Stress Relief #	17614
Welding #	MKR	Welding #	MKR
X-ray #	—	X-ray #	—

Assembly Information			
End A		**End B**	
Skive O.D. (inches)	5.04	Skive O.D. (inches)	4.92
Swager Dies (1st pass)	5.62	Swager Dies (1st pass)	5.53
Swager Dies (2nd pass)	—	Swager Dies (2nd pass)	—
Final Swage O.D. (inches)	5.64	Final Swage O.D. (inches)	5.48
Compression % (See Crimp Calculator)	9%	Compression % (See Crimp Calculator)	22%
Swaged By	Charles		

Hydrostatic Test Requirements			
Test Pressure (psi)	10,000	Hold Time (minutes)	13 1/4
Tested By	Charles	Date Tested	6-26-14

This is to certify that the above Hose Assembly has been satisfactorily tested in accordance with MHSI procedure 8.2.4.2

Final Verification			
[illegible]	Yes No	Hammer Unions	Yes No
[illegible]	Yes No	Safety Clamps	Yes No
Customer or Third Party Witness	Customer or Third Party Witnessed By:		

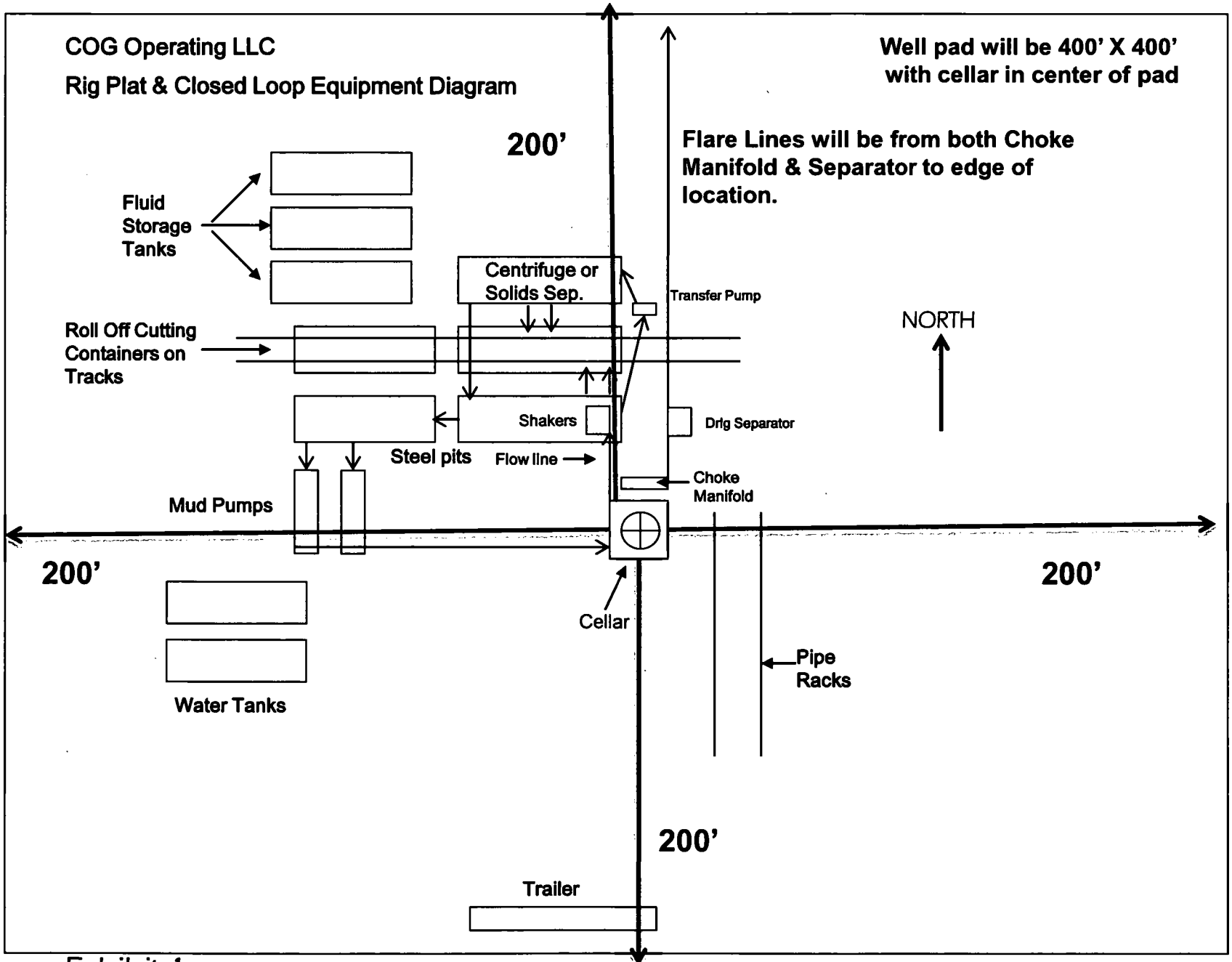
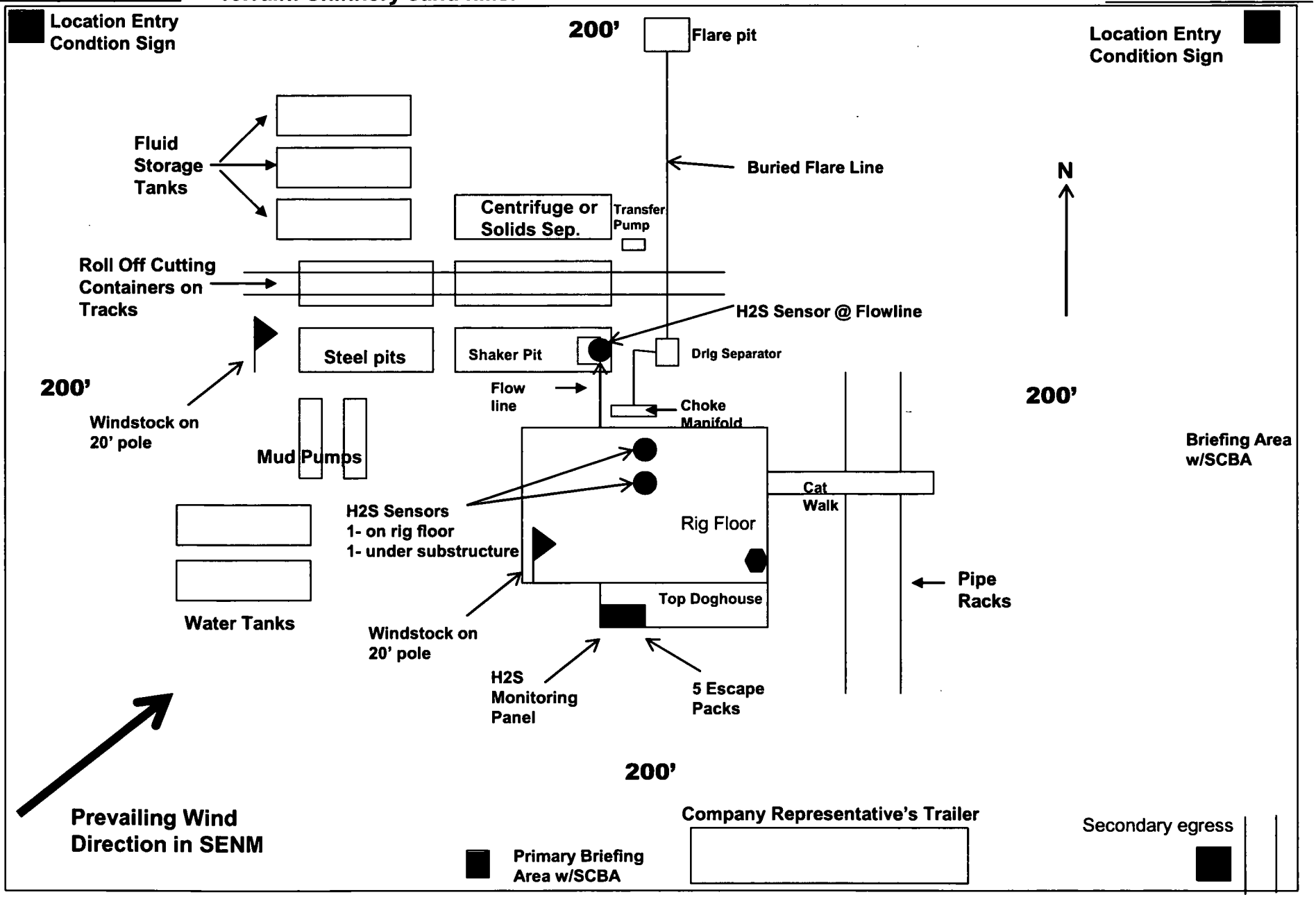


Exhibit 1

"I further certify that COG will comply with Rule 19.15.17 NMAC by using a Closed Loop System."

COG Operating LLC
H_2S Equipment Schematic
Terrain: Shinnery sand hills.

Well pad will be 400' x 400'
with cellar in center of pad



COG OPERATING LLC
HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. HYDROGEN SULFIDE TRAINING

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

a. The hazards and characteristics of hydrogen sulfide (H_2S).
b. The proper use and maintenance of personal protective equipment and life support systems.
c. The proper use of H_2S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
d. The proper techniques for first aid and rescue procedures.

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

a. The effects of H2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
b. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
c. The contents and requirements of the H_2S Drilling Operations Plan and the Public Protection Plan.

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

2. H_2S SAFETY EQUIPMENT AND SYSTEMS

Note: All H_2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S. If H2S greater than 100 ppm is encountered in the gas stream we will shut in and install H2S equipment.

a. Well Control Equipment:
   Flare line.
   Choke manifold with remotely operated choke.
   Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
   Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

b. Protective equipment for essential personnel:
Mark II Surviveair 30-minute units located in the dog house and at briefing areas.

c. H2S detection and monitoring equipment:
2 - portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.

d. Visual warning systems:
Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.

e. Mud Program:
The mud program has been designed to minimize the volume of H2S circulated to the surface.

f. Metallurgy:
All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

g. Communication:
Company vehicles equipped with cellular telephone.

COG OPERATING LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

W A R N I N G

YOU ARE ENTERING AN H_2S AREA
AUTHORIZED PERSONNEL ONLY

1. ***BEARDS OR CONTACT LENSES NOT ALLOWED***
2. ***HARD HATS REQUIRED***
3. ***SMOKING IN DESIGNATED AREAS ONLY***
4. ***BE WIND CONSCIOUS AT ALL TIMES***
5. ***CK WITH COG OPERATING LLC FOREMAN AT MAIN OFFICE***

COG OPERATING LLC

1-575-748-6940

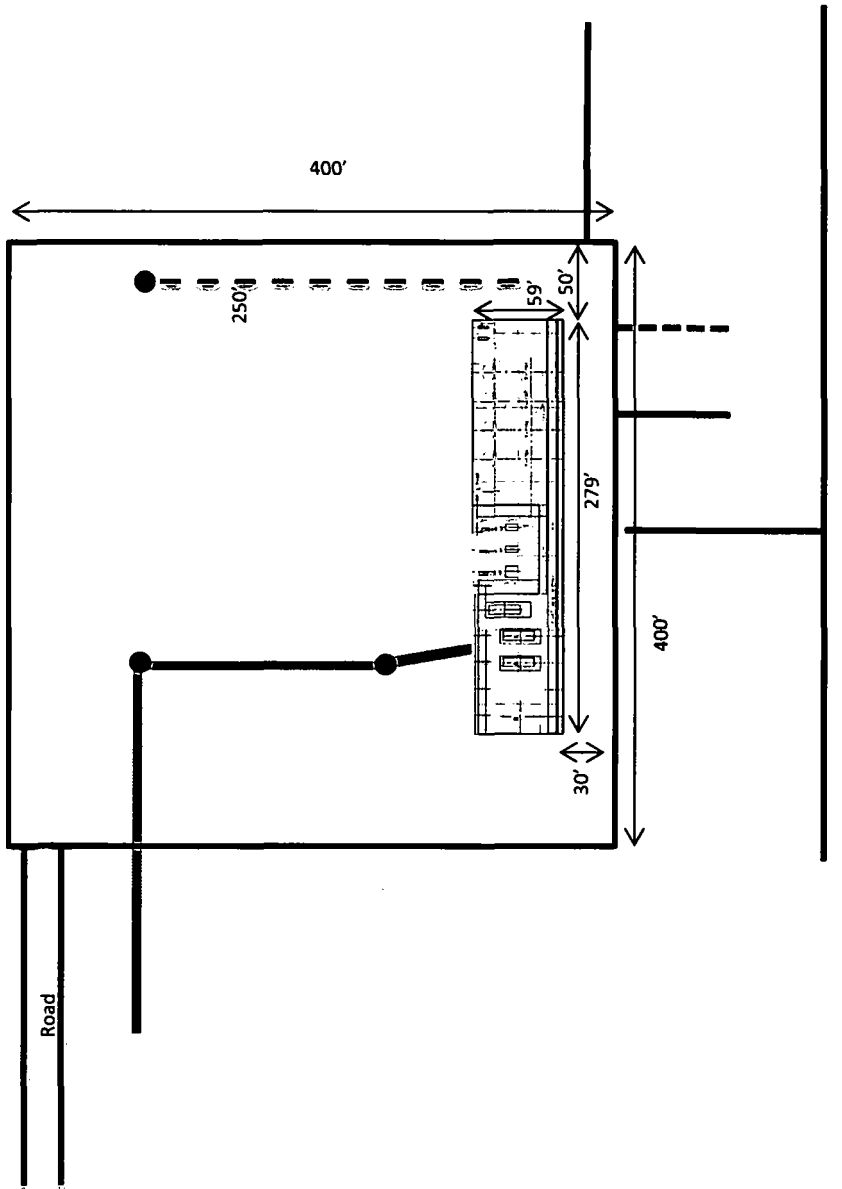
EMERGENCY CALL LIST

	OFFICE	MOBILE
COG OPERATING LLC OFFICE	575-748-6940	
SETH WILD	432-683-7443	432-528-3633
WALTER ROYE	575-748-6940	432-934-1886

EMERGENCY RESPONSE NUMBERS

	OFFICE
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT	575-885-3125
NEW MEXICO OIL CONSERVATION DIVISION	575-748-1283
INDIAN FIRE & SAFETY	800-530-8693
HALLIBURTON SERVICES	800-844-8451

Tin Foil Federal 23 M CTB - Facility Layout



Key

- Area To Reclaim
- Flowline ROW
- Wellhead
- Flowline Pivot Point
- Flare
- Flare Line
- Offsite GL Facility
- Oil Pipeline
- Water Pipeline
- Gas Pipeline
- Overhead Power

Surface Use & Operating Plan

Tin Foil Federal Com #705H

- Surface Owner: U.S. Government
- New Road: 8161.8'
- Flow Line: 36.5
- Tank Battery Facilities: Will follow the road to the Tin Foil North CTB located in Section 23. T25S. R35E
- Well Pad: Single

Well Site Information

- V Door: East
- Topsoil: South
- Interim Reclamation: South and East

Attachments

- C102
- Closed Loop System
- Layout
- CTB Layout and Flowlines
- Brine H20
- Fresh H2O
- Existing Roads
- 1Mile Map and Data

- Maps and Plats
- Well Site Layout
- Reclamation

Notes

Onsite: On-site was done by Gerald Herrera (COG); Matias Telles (BLM); on May 14th, 2019.

SURFACE USE AND OPERATING PLAN

1. Existing & Proposed Access Roads

A. The well site survey and elevation plat for the proposed well is attached with this application. It was staked by Harcrow Surveying, Artesia, NM.

B. All roads to the location are shown on the maps and road plats. The existing lease roads are illustrated and are adequate for travel during drilling and production operations. Upgrading existing roads prior to drilling the well will be done where necessary. The road route to the well site is depicted in well layout map. The road shown in the well layout will be used to access the well.

C. Directions to location: See 600 x 600 plat

D. Based on current road maintenance performed on other roads serving existing wells, we anticipate maintaining the lease roads leading to the proposed well pad at least once a year on dry conditions and twice a year in wetter conditions.

2. Proposed Access Road:

The Location Verification Map shows that 8161.8' of new road will be required for this location. If any road is required, it will be constructed as follows:

The maximum width of the running surface will be 14'. The road will be crowned, ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.

A. The average grade will be less than 1%.

B. No turnouts are planned.

C. No cattleguard, culvert, gates, low water crossings or fence cuts are necessary.

D. Surfacing material will consist of native caliche. Caliche will be obtained from the actual well site if available. If not available onsite, caliche will be obtained from Quail Ranch LLC., Tomahawk caliche pit located in Section 6, T25S, R35E. 600 West Illinois Avenue. Midland, TX 79701. Phone (432) 221-0342.

3. Location of Existing Well:

The One-Mile Radius Map shows existing wells within a one-mile radius of the proposed wellbore.

4. Location of Existing and/or Proposed Facilities:

A. COG Operating LLC does not operate an oil production facility on this lease.

B. This CTB will be built to accommodate the Tin Foil Federal Com 604H and 705H. We plan to install (1) buried 4" FP 601HT production flowline from each wellhead, parallel to the proposed road, to the inlet manifold of the proposed CTB; the route for these flowlines will follow the "pipelines" route as shown in the diagram below. We will also install (1) buried 4" gas line for gas lift supply from the CTB to the well pad; the route for this gas lift line will follow the "pipeline" route as shown in the attached layout.

1) The tank battery and facilities including all flow lines and piping will be installed according to API specifications.

2) Any additional caliche will be obtained from the actual well site. If caliche does not exist or is not plentiful from the well site, caliche will be obtained from Quail Ranch LLC., Tomahawk caliche pit located in Section 23, T25S, R35E. 600 West Illinois Avenue. Midland, TX 79701. Phone (432) 221-0342. Any additional construction materials will be purchased from contractors.

3) It will be necessary to run electric power if this well is productive. Power will be provided by Xcel Energy. See attached plats.

4) If the well is productive, rehabilitation plans will include the following:

- The original topsoil from the well site will be returned to the location, and the site will be re-contoured as close as possible to the original site.

5. Location and Type of Water Supply:

The well will be drilled with combination brine and fresh water mud system as outlined in the drilling program. Fresh water will be obtained from the Jazzbass 200 Frac Pond located in Section 34. T25S. R35E. Brine water will be obtained from the Malaga II Brine station in Section 12. T23S. R28E., or if necessary commercial water stations in the area and hauled to location by transport truck over the existing and proposed access roads shown in road maps. If a commercial fresh water source is nearby, fast line may be laid along existing road ROW's and fresh water pumped to the well. No water well will be drilled on the location.

6. Source of Construction Materials and Location "Turn-Over" Procedure:

Obtaining caliche: One primary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well site. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

A. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.

B. An approximate 160' X 160' area is used within the proposed well site to remove caliche.

C. Subsoil is removed and stockpiled within the surveyed well pad.

D. When caliche is found, material will be stock piled within the pad site to build the location and road.

E. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.

F. Once well is drilled, the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced.

G. Neither caliche, nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat.

In the event that no caliche is found onsite, the caliche will be caliche will be obtained from Quail Ranch LLC., Tomahawk caliche pit located in Section 6, T25S, R35E. 600 West Illinois Avenue. Midland, TX 79701. Phone (432) 221-0342.

H. Methods of Handling Water Disposal:

A. The well will be drilled utilizing a closed loop mud system. Drill cuttings will be held in roll-off style mud boxes and taken to R360's disposal site.

B. Drilling fluids will be contained in steel mud pits.

C. Water produced from the well during completion will be held temporarily in steel tanks and then taken to an NMOCD approved commercial disposal facility.

D. It is anticipated that the disposal of produced water will be trucked to the turquoise 30 Federal 1 SWD Section 30, T24S, R32E., or Gold Coast 26 Federal SWD #1 Section 26, T24S, R32E. Might also be trucked to unspecified commercial SWD wells in this area.

E. Garbage and trash produced during drilling or completion operations will be collected in a trash bin and hauled to an approved landfill. No toxic waste or hazardous chemicals will be produced by this operation.

F. Human waste and grey water will need to be properly contained and disposed of. Proper disposal and elimination of waste and grey water may include but are not limited to portable septic systems and/or portable waste gathering systems (i.e. portable toilets).

G. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. In the event of a dry hole only a dry hole marker will remain.

7. Ancillary Facilities:

No airstrip, campsite or other facilities will be built as a result of the operation on this well.

8. Well Site Layout:

A. The drill pad layout, with elevations staked by Harcrow Surveying, is shown in the Elevation Plat. Dimensions of the pad and pits are shown on the Rig Layout. V door direction is East. Topsoil, if available, will be stockpiled per BLM specifications. Because the pad is almost level no major cuts will be required.

B. The Rig Layout Closed-Loop exhibit shows the proposed orientation of closed loop system and access road. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

9. Plans for Restoration of the Surface:

A. Interim Reclamation will take place after the well has been completed. The pad will be downsized by reclaiming the areas not needed for production operations. The portions of the pad that are not needed for production operations will be re-contoured to its original state as much as possible. The caliche that is removed will be reused to either build another pad site or for road repairs within the lease. The stockpiled topsoil will then be spread out reclaimed area and reseeded with a BLM approved seed mixture. In the event that the well must be worked over or maintained, it may be necessary to drive, park, and/or operate machinery on reclaimed land. This area will be repaired or reclaimed after work is complete.

10. Sedimentation and Erosion Control

Immediately following construction, straw waddles will be placed as necessary at the well site to reduce sediment impacts to fragile/sensitive soils.

B. Final Reclamation: Upon plugging and abandoning the well all caliche for well pad and lease road will be removed and surface will be recountoured to reflect its surroundings as much as possible. Caliche will be recycled for road repair or reused for another well pad within the lease. If any topsoil remains, it will be spread out and the area will be re-seeded with a BLM approved mixture and re-vegetated as per BLM orders. When required by BLM, the well pad site will be restored to match pre-construction grades.

11. Surface Ownership:

A. The surface is owned by the U. S. Government and is administered by the Bureau of Land Management. The surface is multiple uses with the primary uses of the region for grazing of livestock and the production of oil and gas.

B. The proposed road routes and surface location will be restored as directed by the BLM.

12. Other Information:

A. The area around the well site is grassland and the topsoil is sandy. The vegetation is moderately sparse with native prairie grasses, some mesquite and shinnery oak. No wildlife was observed but it is likely that mule deer, rabbits, coyotes and rodents traverse the area.

B. There is no permanent or live water in the immediate area.

C. There are no dwellings within 2 miles of this location.

D. If needed, a Cultural Resources Examination is being prepared by Boone Arch Services of NM, LLC., 2030 North Canal, Carlsbad, New Mexico, 88220, phone number 575-885-1352 and the results will be forwarded to your office in the near future. Otherwise, **COG will be participating in the Permian Basin MOA Program.**

13. Bond Coverage:

Bond Coverage is Statewide Bonds # NMB000740 and NMB000215

14. Lessee's and Operator's Representative:

The COG Operating LLC representative responsible for assuring compliance with the surface use plan is as follows:

Seth Wild
Drilling Superintendent
COG Operating LLC
One Concho Center
600 W Illinois Ave
Midland, TX 79701
(432) 221-0414 (office)
(432) 525-3633(cell)

Ray Peterson
Drilling Manager
COG Operating LLC
One Concho Center
600 W Illinois Ave
Midland, TX 79701
Phone (432) 685-4304 (office)
(432) 818-2254 (business)

PECOS DISTRICT
DRILLING OPERATIONS
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**COG Operating LLC**
LEASE NO.:	**NMNM101609**
WELL NAME & NO.:	**Tin Foil Federal Com 705H**
SURFACE HOLE FOOTAGE:	**400' FSL & 1310' FWL**
BOTTOM HOLE FOOTAGE	**50' FNL & 1310' FWL**
LOCATION:	**Section 23, T 25S, R 35E, NMPM**
COUNTY:	**Lea County, New Mexico**

H2S	○ Yes	◉ No	
Potash	◉ None	○ Secretary	○ R-111-P
Cave/Karst Potential	◉ Low	○ Medium	○ High
Variance	○ None	◉ Flex Hose	○ Other
Wellhead	◉ Conventional	○ Multibowl	○ Both
Other	☐ 4 String Area	☐ Capitan Reef	☐ WIPP
Special Requirements	☐ Water Disposal	☑ COM	☐ Unit

A. HYDROGEN SULFIDE

1. 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

1. The **10-3/4"** surface casing shall be set at approximately **1175'**, a minimum of 25' above the salt (BLM geologists estimate Top of Salt @ 1200') and cemented to surface.
   a. **If cement does not circulate to 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 **6 hours** after pumping cement, ideally between 8-10 hours after.
   b. WOC time for a primary cement job will be a minimum of **8 hours** or **500 psi** compressive strength, whichever is greater. This is to include the lead cement.
   c. If cement falls back, remedial cementing will be done prior to drilling out the shoe.
   d. WOC time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is greater.

2. The **7-5/8"** intermediate casing shall be set at approximately **11645'** and cemented to surface.
   a. **If cement does not circulate to surface,** see B.1.a, c & d.
   b. 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.
      i. 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 the second stage.
      ii. Second stage via DV tool: Cement to surface. If cement does not circulate, contact the appropriate BLM office.
3. The **5-1/2"** production casing shall be cemented with at least **200' tie-back** into the previous casing. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **10,000 (10M)** psi. **Variance approved to use a 5M annular. The annular must be tested to full working pressure (5000 psi).**

D. SPECIAL REQUIREMENTS

1. 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.
   a. The well sign on location shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

DR 12/04/2019

GENERAL REQUIREMENTS

1. The BLM is to be notified in advance for a representative to witness:
   a. Spudding the well (minimum of 24 hours)
   b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
   c. BOP/BOPE tests (minimum of 4 hours)

      ☒ Eddy County: Call the Carlsbad Field Office, (575) 361-2822

      ☒ Lea County: Call the Hobbs Field Station, (575) 393-3612
2. 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:
      i. Notify the BLM when moving in and removing the Spudder Rig.
      ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
      iii. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
3. 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.
4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be available upon request. 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 intergrity 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 intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well-specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On the portion of 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. 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 Onshore Order 2 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 BOP/BOPE 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 which 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 made available upon request.

d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

e. The 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.

f. BOP/BOPE must be tested 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

1. 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

1. 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.
2. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL

Well Pad 1
Tin Foil Fed Com 705H
Surface Hole Location: 400' FSL & 1310' FWL, Section 23, T. 25 S., R. 35 E.
Bottom Hole Location: 50' FSL & 1310' FWL, Section 14, T. 25 S, R 35 E.

Well Pad 2
Tin Foil Fed Com 604H
Surface Hole Location: 400' FSL & 1310' FWL, Section 23, T. 25 S., R. 35 E.
Bottom Hole Location: 50' FSL & 1310' FWL, Section 14, T. 25 S, R 35 E.

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.

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.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

When crossing ephemeral drainages the pipeline(s) will be buried to a minimum depth of 48 inches from the top of pipe to ground level. Erosion control methods such as gabions and/or rock aprons should be placed on both up and downstream sides of the pipeline

crossing. In addition, curled (weed free) wood/straw fiber wattles/logs and/or silt fences should be placed on the downstream side for sediment control during construction and maintained until soils and vegetation have stabilized. Water bars should be placed within the ROW to divert and dissipate surface runoff. A pipeline access road is not permitted to cross these ephemeral drainages. Traffic should be diverted to a preexisting route. Additional seeding may be required in floodplains and drainages to restore energy dissipating vegetation.

Prior to pipeline installation/construction a leak detection plan will be developed. The method(s) could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

Any water erosion that may occur due to the construction of overhead electric line and during the life of the power line will be quickly corrected and proper measures will be taken to prevent future erosion. A power pole should not be placed in drainages, playas, wetlands, riparian areas, or floodplains and must span across the features at a distance away that would not promote further erosion.

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.

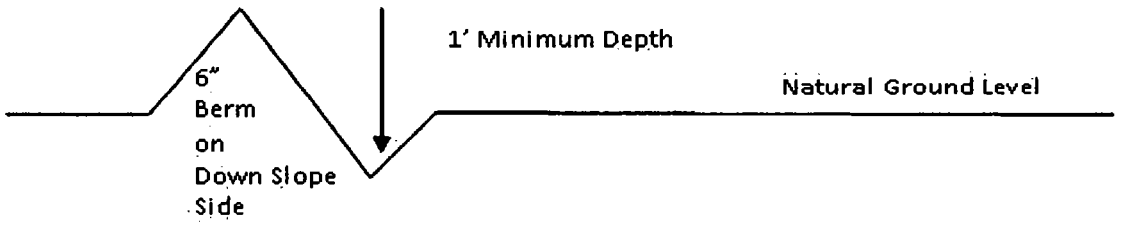
Ditching
Ditching shall be required on both sides of the road.

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 foot road with 4% road slope: $\frac{400'}{4\%} + 100' = 200'$ 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

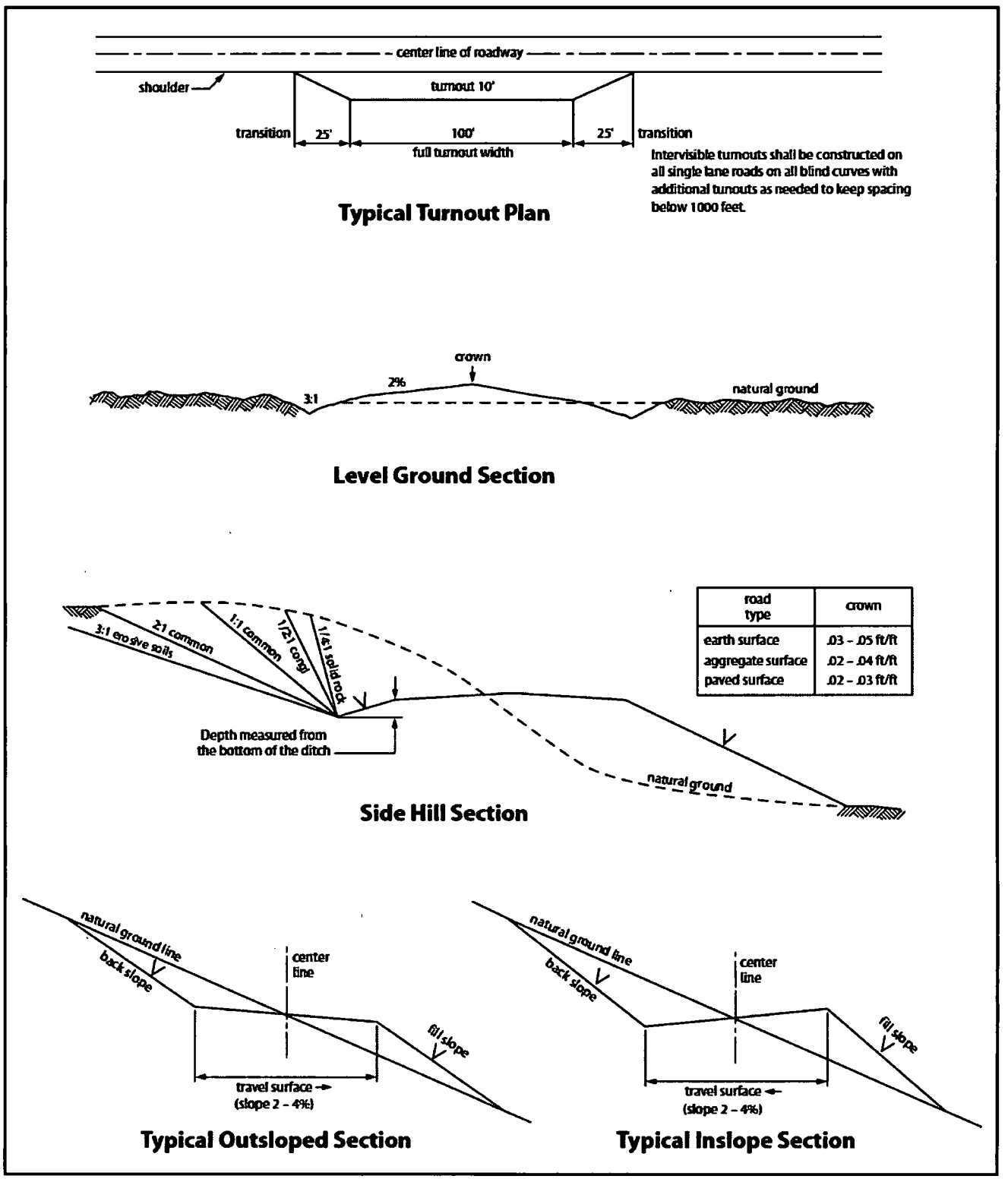


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of **36** inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be **30** feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed **30** feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)

- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed **30** feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)

- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

( ) seed mixture 1	( ) seed mixture 3
( ) seed mixture 2	( ) seed mixture 4
(X) seed mixture 2/LPC	( ) Aplomado Falcon Mixture

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. 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 associated roads, 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.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.

b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006"

Edison Electric Institute, APLIC, and the California Energy Commission 2006 . The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder 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 will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:
    - For reclamation remove poles, lines, transformer, etc. and dispose of properly.
    - Fill in any holes from the poles removed.

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 2, for Sandy 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:

Species	lb/acre
Sand dropseed (Sporobolus cryptandrus	1.0
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

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