

Form 3160-5 (June 2019)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2021
SUNDRY NOTICES AND REPORTS ON WELLS <i>Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.</i>		5. Lease Serial No. NMLC066126
		6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2		7. If Unit of CA/Agreement, Name and/or No. LEA SOUTH 25 FED COM #7H/NMNM137972
1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		8. Well Name and No. LEA SOUTH 25 FED COM 2BS/14H
2. Name of Operator EARTHSTONE OPERATING LLC		9. API Well No. 3002552184
3a. Address 1400 WOODLOCH FOREST DRIVE SUITE 300,	3b. Phone No. (include area code) (281) 298-4240	10. Field and Pool or Exploratory Area LEA; BONE SPRING, SOUTH/BONE SPRING
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) SEC 25/T20S/R34E/NMP		11. Country or Parish, State LEA/NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA				
TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☒ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

SUNDRY IS BEING SUBMITTED TO REVISE CASING DESIGN FROM ORIGINAL APD
SUNDRY DESIGN CHANGES ATTACHED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) JENNIFER ELROD / Ph: (940) 452-6214	Title Senior Regulatory Analyst
Signature (Electronic Submission)	Date 11/26/2023

THE SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by CHRISTOPHER WALLS / Ph: (575) 234-2234 / Approved	Title Petroleum Engineer	Date 12/01/2023
Conditions of approval, if any, are attached. Approval of this notice 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.	Office CARLSBAD	

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.

(Instructions on page 2)

Permian Resources - Lea South 25 Fed Com 2 BS 14H

1. Geologic Formations

Formation	Lithology	Elevation	TVD	Target
Rustler	Sandstone	1953	1834	No
Top of Salt	Salt	1564	2223	No
Yates	Anhydrite/Shale	27	3760	No
Capitan	Limestone	-315	4102	No
Cherry Canyon	Sandstone	-2070	5857	No
Brushy Canyon	Sandstone	-3217	7004	No
Bone Spring Lime	Limestone	-4812	8599	No
1st Bone Spring Sand	Sandstone/Limestone/Shale	-5979	9766	No
2nd Bone Spring Sand	Sandstone/Limestone/Shale	-6262	10049	Yes

2. Blowout Prevention

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	x	Tested to:
12.25	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5000 psi
			Pipe Ram	x	
			Double Ram		
			Other*		
8.75	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5000 psi
			Pipe Ram	x	
			Double Ram		
			Other*		

Equipment: BOPE with working pressure ratings in excess of anticipated maximum surface pressure will be utilized for well control from drill out of surface casing to TMD. 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. All BOPE connections shall be flanged, welded or clamped. All choke lines shall be straight unless targeted with running tees or tee blocks are used, and choke lines shall be anchored to prevent whip and reduce vibrations. All valves in the choke line & the choke manifold shall be full opening as to not cause restrictions and to allow for straight fluid paths to minimize potential erosion. All gauges utilized in the well control system shall be of a type designed for drilling fluid service. A top drive inside BOP valve will be utilized at all times. Subs equipped with full opening valves sized to fit the drill pipe and collars will be available on the rig floor in the open position. The key to operate said valve equipped subs will be on the rig floor at all times. The accumulator system will have sufficient capacity to open the HCR and close all three sets of rams plus the annular preventer while retaining at least 300 psi above precharge on the closing manifold (accumulator system shall be capable of doing so without using the closing unit pumps). The fluid reservoir capacity will be double the usable fluid volume of the accumulator system capacity, and the fluid level will be maintained at the manufacturer's recommended level. Prior to connecting the closing unit to the BOP stack, an accumulator precharge pressure test shall be performed to ensure the precharge pressure is within 100 psi of the desired precharge pressure (only nitrogen gas will be used to precharge). Two independent power sources will be made available at all times to power the closing unit pumps so that the pumps can automatically start when the closing valve manifold pressure has decreased to the preset level. Closing unit pumps will be sized to allow opening of HCR and closing of annular preventer on 5" drill pipe achieving at least 200 psi above precharge pressure with the accumulator system isolated from service in less than two minutes. A valve shall be installed in the closing line as close to the annular preventer as possible to act as a locking device; the valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative. Remote controls capable of opening and closing all preventers & the HCR shall be readily accessible to the driller; master controls with the same capability will be operable at the accumulator. The wellhead will be a multibowl speed head allowing for hangoff of intermediate casing & isolation of the 133/8 x 95/8 annulus without breaking the connection between the BOP & wellhead to install an additional casing head. A wear bushing will be installed & inspected frequently to guard against internal wear to wellhead. VBRs (variablebore rams) will be run in upper rambody of BOP stack to provide redundancy to annular preventer while RIH w/ production casing;

Requesting Variance? YES

Variance request: Flex hose and offline cement variances, see attachments in section 8.

Testing Procedure: The BOP test shall be performed before drilling out of the surface casing shoe and will occur at a minimum: a. when initially installed b. whenever any seal subject to test pressure is broken c. following related repairs d. at 30 day intervals e. checked daily as to mechanical operating conditions. The ram type preventer(s) will be tested using a test plug to 250 psi (low) and 5,000 psi (high) (casinghead WP) with a test plug upon its installation onto the 13 surface casing. If a test plug is not used, the ram type preventer(s) shall be tested to 70% of the minimum internal yield pressure of the casing. The annular type preventer(s) shall be tested to 3500 psi. Pressure will be maintained for at least 10 minutes or until provisions of the test are met, whichever is longer. A Sundry Notice (Form 3160 5), along with a copy of the BOP test report, shall be submitted to the local BLM office within 5 working days following the test. If the bleed line is connected into the buffer tank (header), all BOP equipment including the buffer tank and associated valves will be rated at the required BOP pressure. The BLM office will be provided with a minimum of four (4) hours notice of BOP testing to allow witnessing. The BOP Configuration, choke manifold layout, and accumulator system, will be in compliance with Onshore Order 2 for a 5,000 psi system. A remote accumulator and a multi-bowl system will be used, please see attachment in section 8 for multi-bowl procedure. Pressures, capacities, and specific placement and use of the manual and/or hydraulic controls, accumulator controls, bleed lines, etc., will be identified at the time of the BLM 'witnessed BOP test. Any remote controls will be capable of both opening and closing all preventers and shall be readily accessible.

Choke Diagram Attachemnt: 5 M Choe Manifold
BOP Diagram Attachment: BOP Schematic

3. Casing

String	Hole Size	Casing Size	Top	Bottom	Top TVD	Bottom TVD	Length	Grade	Weight	Connection	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
Surface	17.5	13.375	0	1859	0	1859	1859	J55	54.5	BTC	1.23	1.41	Dry	4.52	Dry	4.24
Intermediate	12.25	9.625	0	5807	0	5807	5807	J55	40	BTC	2.20	1.42	Dry	2.15	Dry	1.90
Production	8.75	5.5	0	11124	0	10774	11124	P110RY	20	GEOCONN	1.89	2.44	Dry	2.04	Dry	2.04
Production	7.875	5.5	11124	15756	10774	10729	4632	P110RY	20	GEOCONN	1.89	2.44	Dry	2.04	Dry	2.04
BLM Min Safety Factor											1.125	1		1.6		1.6

Non API casing spec sheets and casing design assumptions attached.

4. Cement

String	Lead/Tail	Top MD	Bottom MD	Quantity (sx)	Yield	Density	Cu Ft	Excess %	Cement Type	Additives
Surface	Lead	0	1480	1100	1.88	12.9	2060	100%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Surface	Tail	1480	1859	300	1.34	14.8	400	50%	Class C	Accelerator
Intermediate	Lead	3785	4640	220	1.88	12.9	410	50%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Intermediate	Tail	4640	5807	420	1.34	14.8	550	50%	Class C	Retarder
Stage Tool Depth		3785								
Intermediate 2nd Stage	Lead	0	3285	720	1.88	12.9	1350	50%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Intermediate 2nd Stage	Tail	3285	3785	160	1.33	14.8	200	25%	Class C	Salt
Production	Lead	5307	10218	710	2.41	11.5	1700	40%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
Production	Tail	10218	15756	750	1.73	12.5	1290	25%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder

5. Circulating Medium

Mud System Type: Closed

Will an air or gas system be used: No

Describe what will be on location to control well or mitigate other conditions: Sufficient quantities of mud materials will be on the well site at all times for the purpose of assuring well control and maintaining wellbore integrity. Surface interval will employ fresh water mud. The intermediate hole will utilize a saturated brine fluid to inhibit salt washout. The production hole will employ brine based and oil base fluid to inhibit formation reactivity and of the appropriate density to maintain well control.

Describe the mud monitoring system utilized: Centrifuge separation system. Open tank monitoring with EDR will be used for drilling fluids and return volumes. Open tank monitoring will be used for cement and cuttings return volumes. Mud properties will be monitored at least every 24 hours using industry accepted mud check practices.

Cuttings Volume: 10130 Cu Ft

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight	Max Weight
0	1859	Spud Mud	8.6	9.5
1859	5807	Water Based Mud	10	10
5807	11124	Water Based Mud	9	10.5
11124	15756	OBM	9	10.5

6. Test, Logging, Coring

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

Will utilize MWD/LWD (Gamma Ray logging) from intermediate hole to TD of the well.

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

DIRECTIONAL SURVEY, GAMMA RAY LOG,

Coring operation description for the well:

N/A

7. Pressure

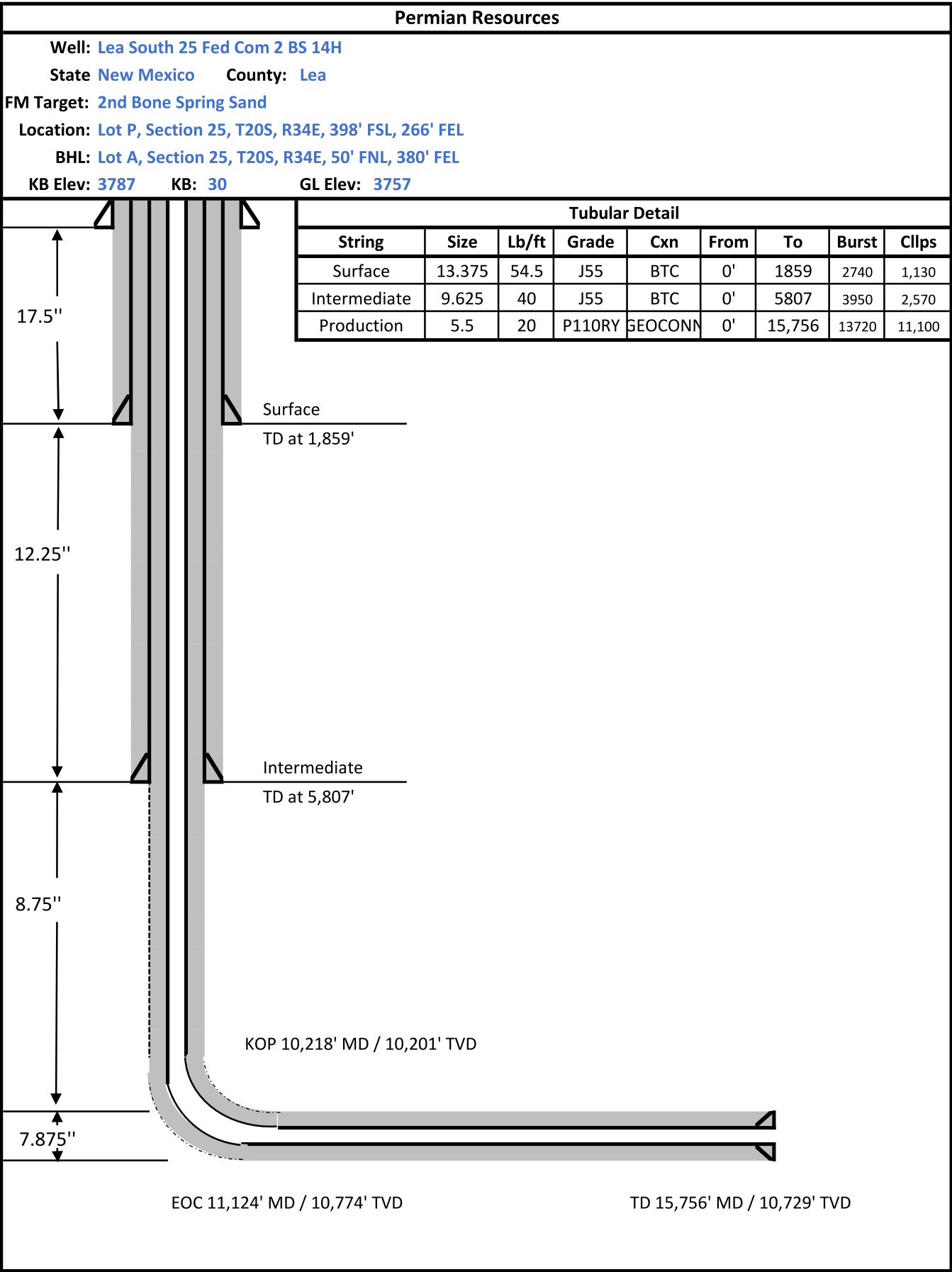
Anticipated Bottom Hole Pressure	5860	psi
Anticipated Surface Pressure	3498	psi
Anticipated Bottom Hole Temperature	162	°F
Anticipated Abnormal pressure, temp, or geo hazards	No	

8. Waste Management

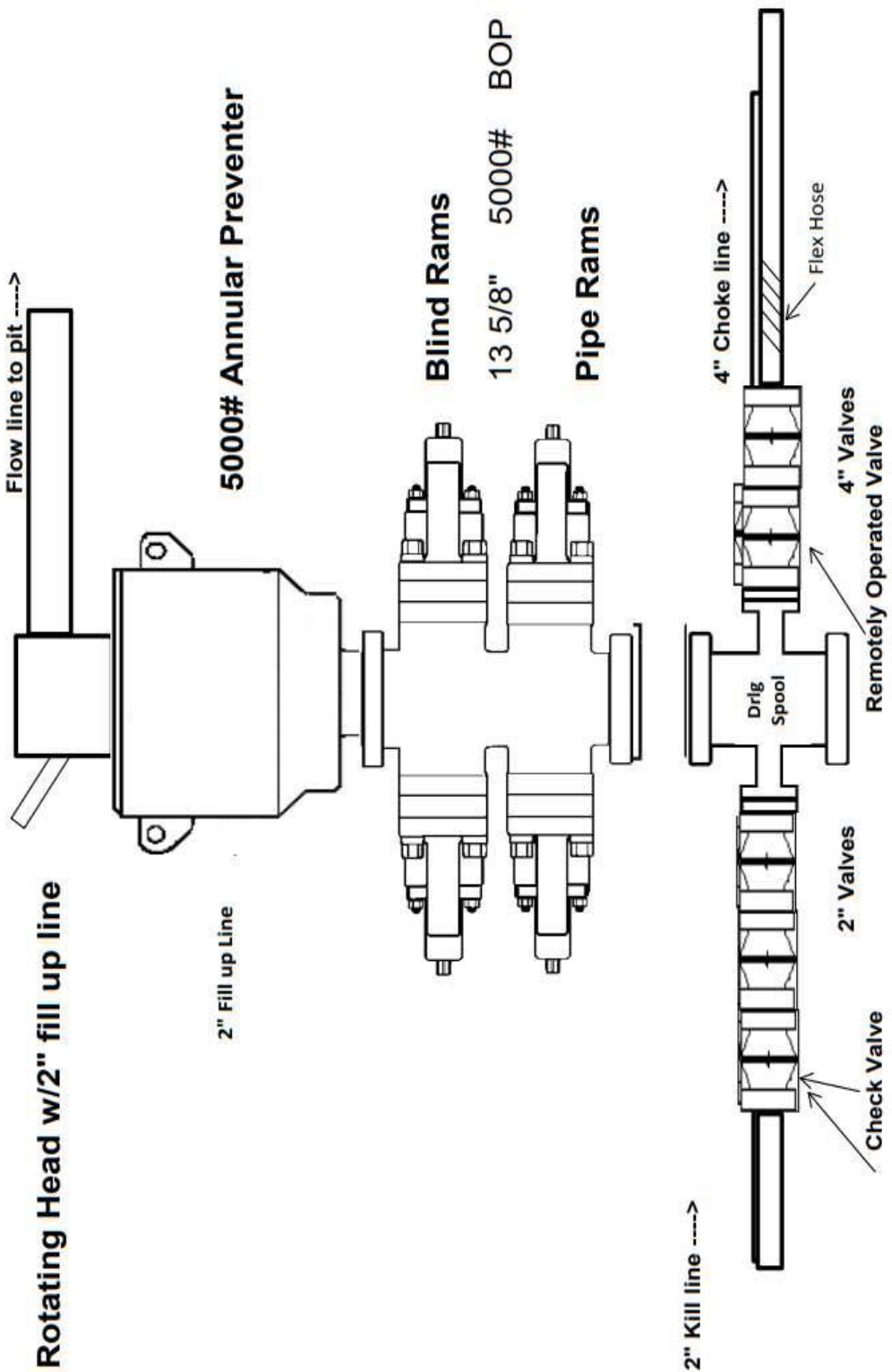
Waste Type:	Drilling
Waste content description:	Fresh water based drilling fluid
Amount of waste:	1500 bbls
Waste disposal frequency:	Weekly (after drilling all surfaces)
Safe containment description:	Steel tanks with plastic-lined containment berms
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Grey Water & Human Waste
Waste content description:	Grey Water/Human Waste
Amount of waste:	5000 gallons
Waste disposal frequency:	Weekly
Safe containment description:	Approved waste storage tanks with containment
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Garbage
Waste content description:	General trash/garbage
Amount of waste:	5000 lbs
Waste disposal frequency:	Weekly
Safe containment description:	Enclosed trash trailer
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Drilling
Waste content description:	Drill Cuttings
Amount of waste:	10130 Cu Ft
Waste disposal frequency:	Per well
Safe containment description:	Steel tanks
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Drilling
Waste content description:	Brine water based drilling fluid
Amount of waste:	1500 bbls
Waste disposal frequency:	Monthly
Safe containment description:	Steel tanks with plastic-lined containment berms
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial

9. Other Information

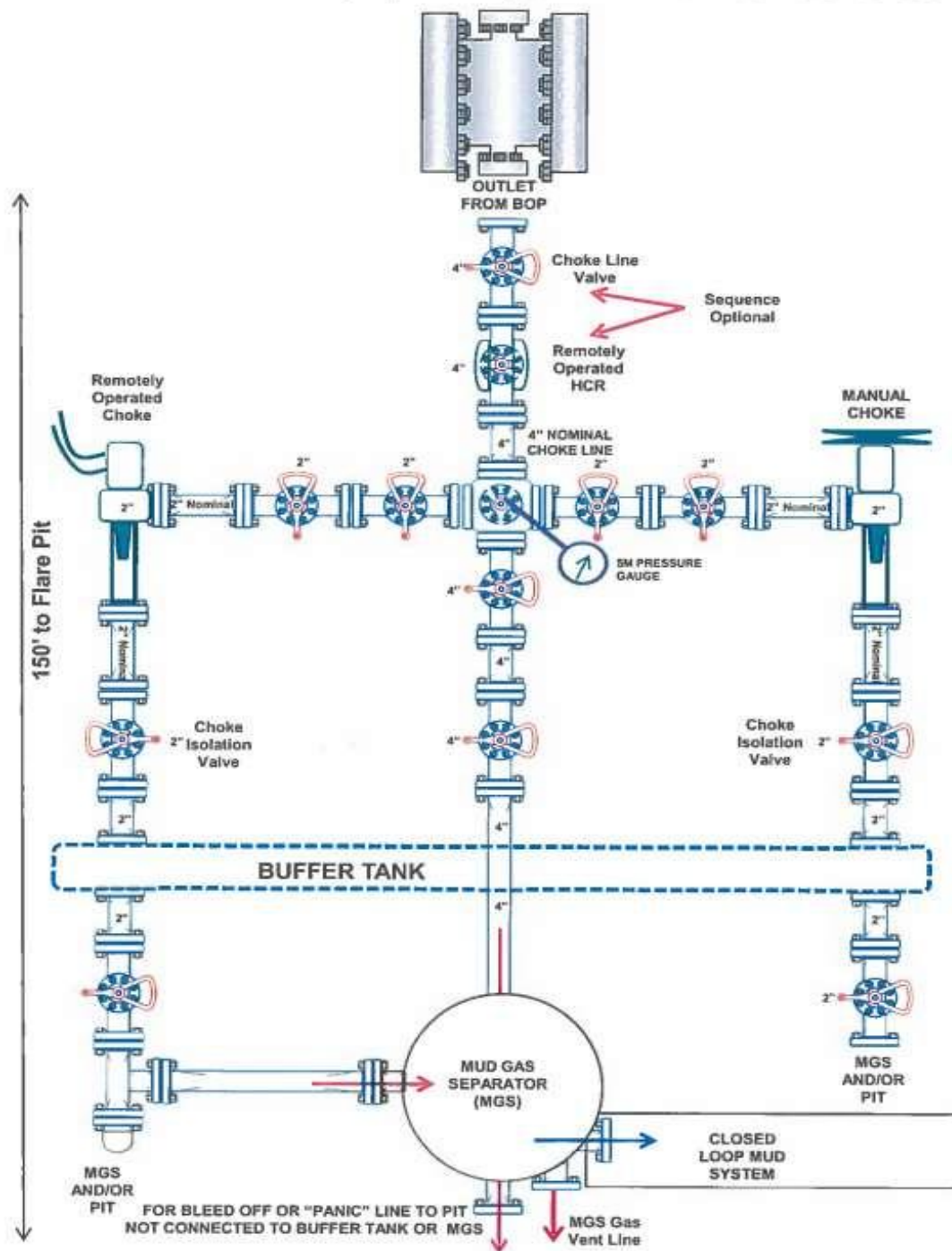
Well Plan and AC Report: attached
Batching Drilling Procedure: attached
WBD: attached
Flex Hose Specs: attached
Offline Cementing Procedure Attached:



5,000 psi BOP Schematic



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





ContiTech

CONTITECH RUBBER Industrial Kft.	No:QC-DB- 210/ 2014
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QUALITY CONTROL INSPECTION AND TEST CERTIFICATE		CERT. N°: 504	
PURCHASER: ContiTech Oil & Marine Corp.		P.O. N°: 4500408659	
CONTITECH RUBBER order N°: 538236	HOSE TYPE: 3" ID	Choke and Kill Hose	
HOSE SERIAL N°: 67255	NOMINAL / ACTUAL LENGTH: 10,67 m / 10,77 m		
W.P.: 68,9 MPa 10000 psi	T.P.: 103,4 MPa 15000 psi	Duration: 60 min.	
Pressure test with water at ambient temperature See attachment. (1 page)			
↑ 10 min = 10 Min. → 10 min = 20 MPa			
COUPLINGS Type	Serial N°	Quality	Heat N°
3" coupling with	9251 9254	AISI 4130	A0579N
4 1/16" 10K API b.w. Flange end		AISI 4130	035608
Not Designed For Well Testing		API Spec 16 C	
All metal parts are flawless		Temperature rate: "B"	
WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.			
STATEMENT OF CONFORMITY: We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated, inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.			
COUNTRY OF ORIGIN HUNGARY/EU			
Date:	Inspector	Quality Control	
20. March 2014.		ContiTech Rubber Industrial Kft. Quality Control Unit  	

ContiTech Rubber Industrial Kft. | Budapest | 10. 44 8728 (Hungary) | H 4701 P.O. Box 302 (Hungary)
 Phone: +36 87 584 727 | Fax: +36 82 544 728 | e-mail: info@kft.csi-tech.hu, info@cs-tech.hu, www.contitech.hu
 The Court of Company Law of Hungary | Registry Court No: Cg.99-09-00000 | EU VAT No: HU11587208
 BUDAPEST COMMERCIAL LTD. Budapest | 1420105-0000000

ATTACHMENT OF QUALITY CONTROL INSPECTION AND TEST CERTIFICATE No: 501, 504, 505

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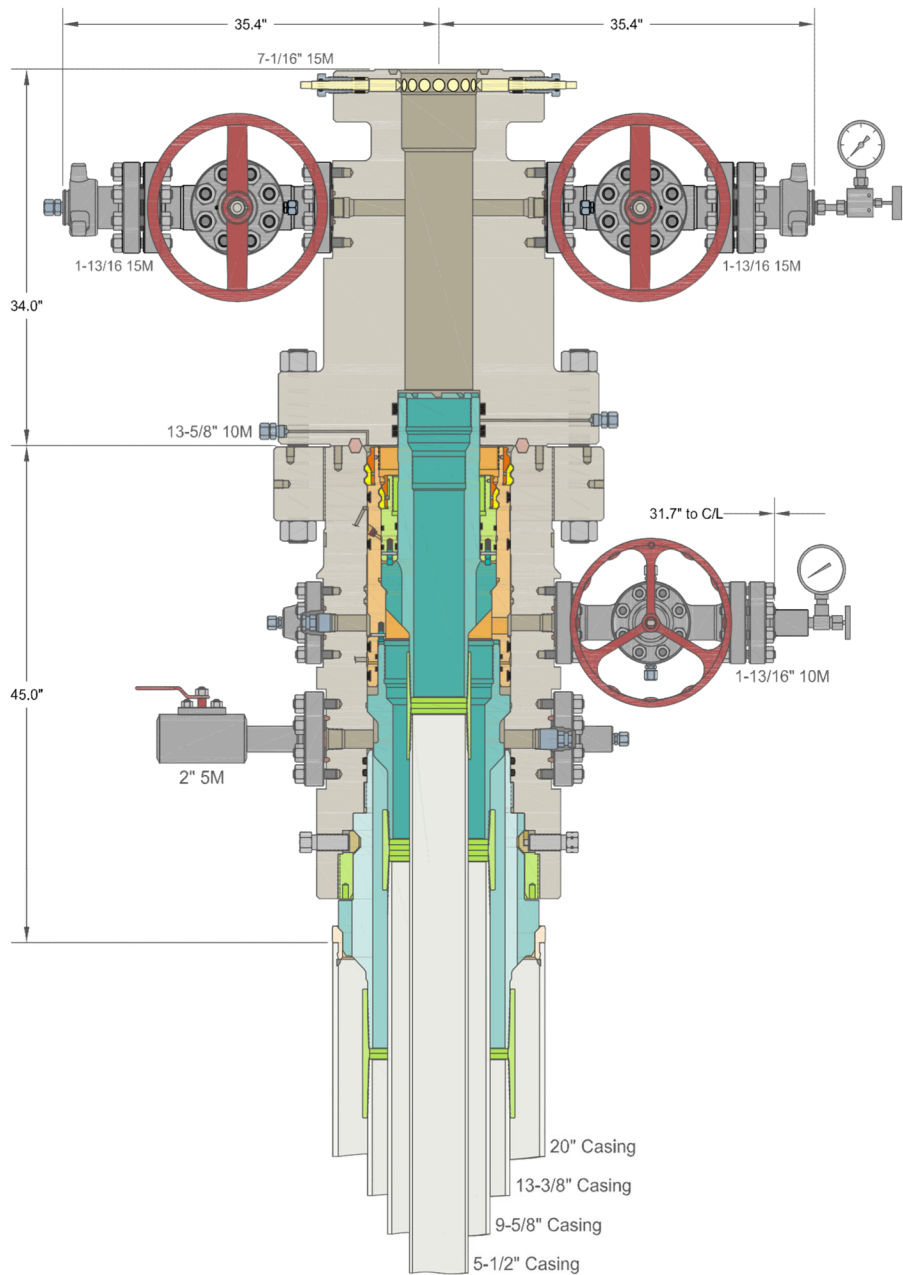


CONTITECH RUBBER Industrial Kft.	No:QC-DB- 210/ 2014
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	ContiTech

Hose Data Sheet

CRI Order No.	538236
Customer	ContiTech Oil & Marine Corp.
Customer Order No.	4500409659
Item No.	1
Hose Type	Flexible Hose
Standard	API SPEC 16 C
Inside dia in inches	3
Length	35 ft
Type of coupling one end	FLANGE 4, 1/16" 10K API SPEC 6A TYPE 6BX FLANGE C/W BX155 R.GR. SOUR
Type of coupling other end	FLANGE 4, 1/16" 10K API SPEC 6A TYPE 6BX FLANGE C/W BX155 R.GR. SOUR
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psi
Test Pressure	15 000 psi
Safety Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St. steel outer wrap
Internal stripwound tube	No
Lining	OIL + GAS RESISTANT SOUR
Safety clamp	No
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max. design temperature [°C]	100
Min. design temperature [°C]	-20
Min. Bend Radius operating [m]	0,90
Min. Bend Radius storage [m]	0,90
Electrical continuity	The Hose is electrically continuous.
Type of packing	WOODEN CRATE ISPM-15

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ALL DIMENSIONS APPROXIMATE

CACTUS WELLHEAD LLC		CENTENNIAL RESOURCE DEVELOPMENT LEE CO, NM	
20" x 13-3/8" x 9-5/8" x 5-1/2" 10M MBU-3T-CFL-R-DBLO System With 13-5/8" 10M x 7-1/16" 15M CTH-DBLHPS Tubing Head, 20" Landing Ring & Pin Down Mandrel Casing Hangers	DRAWN	DLE	10JUN20
	APPRV		
DRAWING NO.		HBE0000338	

Permian Resources Casing Design Criteria

A sundry will be requested if any lesser grade or different size casing is substituted. All casing will be centralized as specified in On Shore Order II. Casing will be tested as specified in On Shore Order II.

Casing Design Assumptions:

Surface

- 1) Burst Design Loads
 - a) Displacement to Gas
 - (1) Internal: Assumes a full column of gas in the casing with a gas gradient of 0.7 psi/ft in the absence of better information. It is limited to the controlling pressure based on the maximum expected pore pressure within the next drilling interval.
 - (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
 - b) Casing Pressure Test
 - (1) Internal: Displacement fluid plus surface pressure required to comply with regulatory casing test pressure requirements of Onshore Oil and Gas Order No. 2 and NM NMAC 19.15.16 of NMOCD regulations.
 - (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
- 2) Collapse Loads
 - a) Cementing
 - (1) Internal: Displacement fluid density.
 - (2) External: Mud weight from TOC to surface and cement slurry weight from TOC to shoe.
 - b) Lost Returns with Mud Drop
 - (1) Internal: Lost circulation at the TD of the next hole section and the fluid level falls to a depth where the hydrostatic pressure of the mud column equals pore pressure at the depth of the lost circulation zone.
 - (2) External: Mud weight to TOC and cement slurry(s) density below TOC.
- 3) Tension Loads
 - a) Overpull Force
 1. Axial: Buoyant weight of the string plus planned 100,000 lbs applied in stuck pipe situation.
 - b) Green Cement Casing Test
 1. Axial: Buoyant weight of the string plus cement plug bump pressure load.

Intermediate I

- 1) Burst Design Loads
 - a) Displacement to Gas
 - (1) Internal: Assumes a full column of gas in the casing with a gas gradient of 0.7 psi/ft in the absence of better information. It is limited to the controlling pressure based on the maximum expected pore pressure within the next drilling interval.
 - (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
 - b) Casing Pressure Test
 - (1) Internal: Displacement fluid plus surface pressure required to comply with regulatory casing test pressure requirements of Onshore Oil and Gas Order No. 2 and NM NMAC 19.15.16 of NMOCD regulations.

- (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
- 2) Collapse Loads
 - a) Cementing
 - (1) Internal: Displacement fluid density.
 - (2) External: Mud weight from TOC to surface and cement slurry weight from TOC to shoe.
 - b) Lost Returns with Mud Drop
 - (1) Internal: Lost circulation at the TD of the next hole section and the fluid level falls to a depth where the hydrostatic pressure of the mud column equals pore pressure at the depth of the lost circulation zone.
 - (2) External: Mud weight to TOC and cement slurry(s) density below TOC.
- 3) Tension Loads
 - a) Overpull Force
 - 1. Axial: Buoyant weight of the string plus planned 100,000 lbs applied in stuck pipe situation.
 - b) Green Cement Casing Test
 - 1. Axial: Buoyant weight of the string plus cement plug bump pressure load.

Intermediate or Intermediate II

- 1) Burst Design Loads
 - a) Gas Kick Profile
 - (1) Internal: Load profile based on influx encountered in lateral portion of wellbore with a maximum influx volume of 150 bbl and a kick intensity of 1.5 ppg using maximum anticipated MW of 9.9 ppg.
 - (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
 - b) Casing Pressure Test
 - (1) Internal: Displacement fluid plus surface pressure required to comply with regulatory casing test pressure requirements of Onshore Oil and Gas Order No. 2 and NM NMAC 19.15.16 of NMOCD regulations.
 - (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
- 2) Collapse Loads
 - a) Cementing
 - (1) Internal: Displacement fluid density.
 - (2) External: Mud weight from TOC to surface and cement slurry weight from TOC to shoe.
 - b) Lost Returns with Mud Drop
 - (1) Internal: Lost circulation at the deepest TVD of the next hole section and the fluid level falls to a depth where the hydrostatic pressure of the mud column equals pore pressure at the depth of the lost circulation zone.
 - (2) External: Mud weight to TOC and cement slurry(s) density below TOC.
- 3) Tension Loads
 - a) Overpull Force
 - 1. Axial: Buoyant weight of the string plus planned 100,000 lbs applied in stuck pipe situation.
 - b) Green Cement Casing Test
 - 1. Axial: Buoyant weight of the string plus cement plug bump pressure load.

Production

- 1) Burst Design Loads
 - a) Injection Down Casing
 - (1) Internal: Surface pressure plus injection fluid gradient.
 - (2) External: Mud base-fluid density to top of cement and cement mix water gradient (8.4 ppg) below TOC.
 - b) Casing Pressure Test (Drilling)
 - (1) Internal: Displacement fluid plus surface pressure required to comply with regulatory casing test pressure requirements of Onshore Oil and Gas Order No. 2 and NM NMAC 19.15.16 of NMOCD regulations.
 - (2) External: Mud weight to TOC and cement mix water gradient (8.4 ppg) below TOC.
 - c) Casing Pressure Test (Production)
 - (1) Internal: The design pressure test should be the greater of the planned test pressure prior to simulation down the casing, the regulatory test pressure, and the expected gas lift system pressure. The design test fluid should be the fluid associated with the pressure test having the greatest pressure.
 - (2) External: Mud base-fluid density to top of cement and cement mix water gradient (8.4 ppg) below TOC.
 - d) Tubing Leak
 - (1) Internal: SITP plus a packer fluid gradient to the top of packer.
 - (2) External: Mud base-fluid density to top of cement and cement mix water gradient (8.4 ppg) below TOC.
- 2) Collapse Loads
 - a) Cementing
 - (1) Internal: Displacement fluid density.
 - (2) External: Mud weight to TOC and cement slurry(s) density below TOC.
 - b) Full Evacuation
 - (1) Internal: Full void pipe.
 - (2) External: Mud weight to TOC and cement slurry(s) density below TOC.
- 3) Tension Loads
 - a) Overpull Force
 1. Axial: Buoyant weight of the string plus planned 100,000 lbs applied in stuck pipe situation.
 - b) Green Cement Casing Test
 1. Axial: Buoyant weight of the string plus cement plug bump pressure load.

Permian Resources

Multi-Well Pad Batch Drilling Procedure

Surface Casing - PR intends to Batch set all 13-3/8" casing to a depth approved in the APD. 17-1/2" Surface Holes will be batch drilled by a rig. Appropriate notifications will be made prior to spudding the well, running and cementing casing and prior to skidding to the rig to the next well on pad.

1. Drill 17-1/2" Surface hole to Approved Depth with Rig and perform wellbore cleanup cycles. Trip out and rack back drilling BHA.
2. Run and land 13-3/8" 54.5# J55 BTC casing see Illustration 1-1 Below to depth approved in APD.
3. Set packoff and test to 5k psi
4. Offline Cement
5. Install wellhead with pressure gauge and nightcap. Nightcap is shown on final wellhead Stack up Illustration #2-2.
6. Skid Rig to adjacent well to drill Surface hole.
7. Surface casing test will be performed by the rig in order to allow ample time for Cement to develop 500psi compressive strength. Casing test to 0.22 psi/ft or 1500 psi whichever is

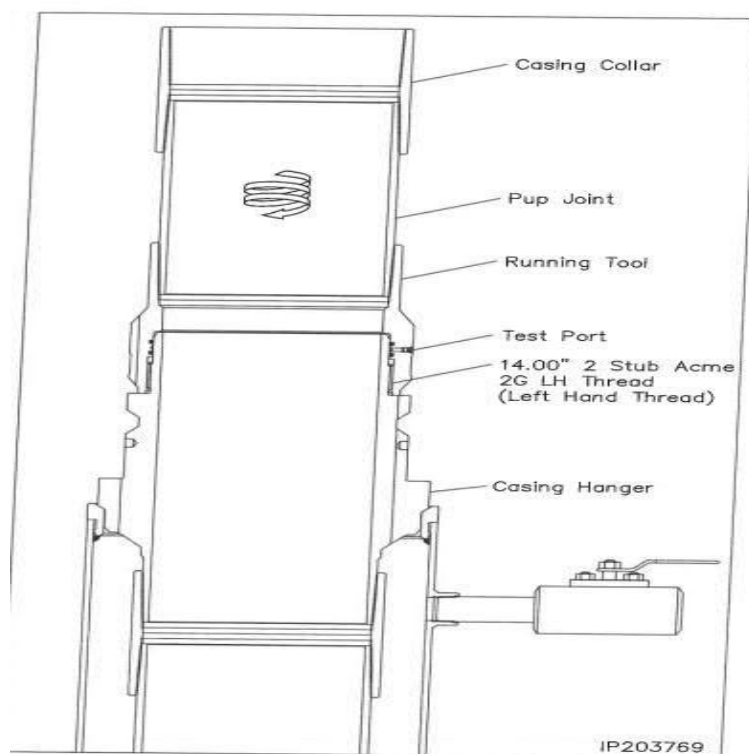


Illustration 1-1

Intermediate Casing – PR intends to Batch set all intermediate casing strings to a depth approved in the APD, typically set into Lamar. 12-1/4" Intermediate Holes will be batch drilled by the rig. Appropriate notifications will be made prior Testing BOPE, and prior to running/cementing all casing strings.

1. Rig will remove the nightcap and install and test BOPE.
2. Test Surface casing per COA WOC timing (.22 psi/ft or 1500 psi whichever is greater) - not to exceed 70% casing burst. Cement must have achieved 500psi compressive strength prior to test.
3. Install wear bushing then drill out 13-3/8" shoe-track plus 20' and conduct FIT to minimum of the MW equivalent anticipated to control the formation pressure to the next casing point.
4. Drill Intermediate hole to approved casing point. Trip out of hole with BHA to run Casing.
5. Remove wear bushing then run and land Intermediate Casing with mandrel hanger in wellhead.
6. Cement casing to surface with floats holding.
7. Washout stack then run wash tool in wellhead and wash hanger and pack-off setting area.
8. Install pack-off and test void to 5,000 psi for 15 minutes. Nightcap shown on final wellhead stack up illustration 2-2 on page 3.
9. Test casing per COA WOC timing (.22 psi/ft or 1500 psi whichever is greater) - not to exceed 70% casing burst. Cement must have achieved 500psi compressive strength prior to test.
10. Install nightcap – skid rig to adjacent well to drill Intermediate hole.

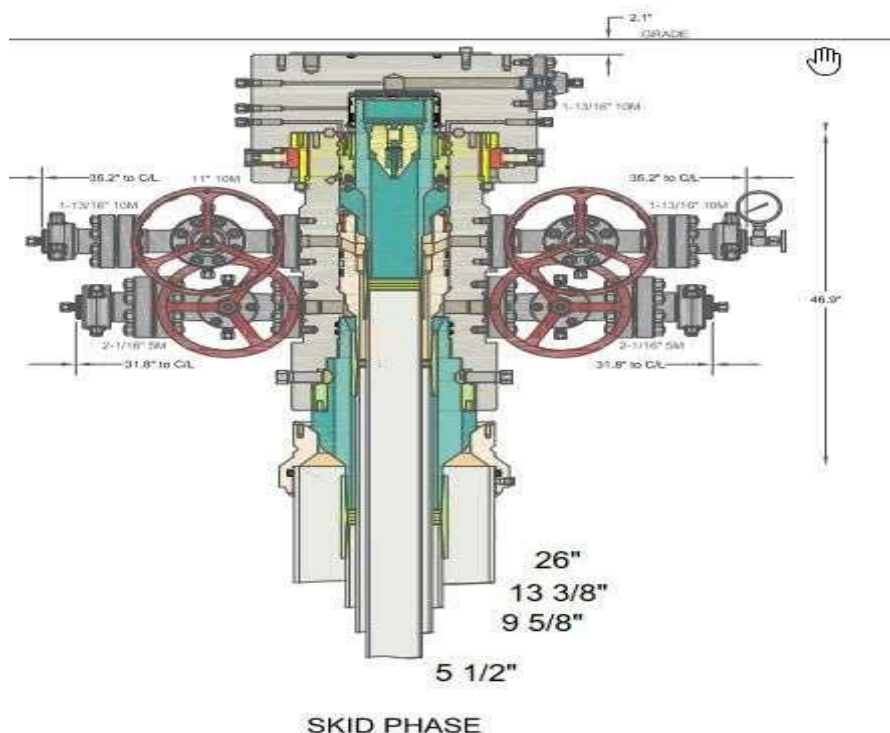


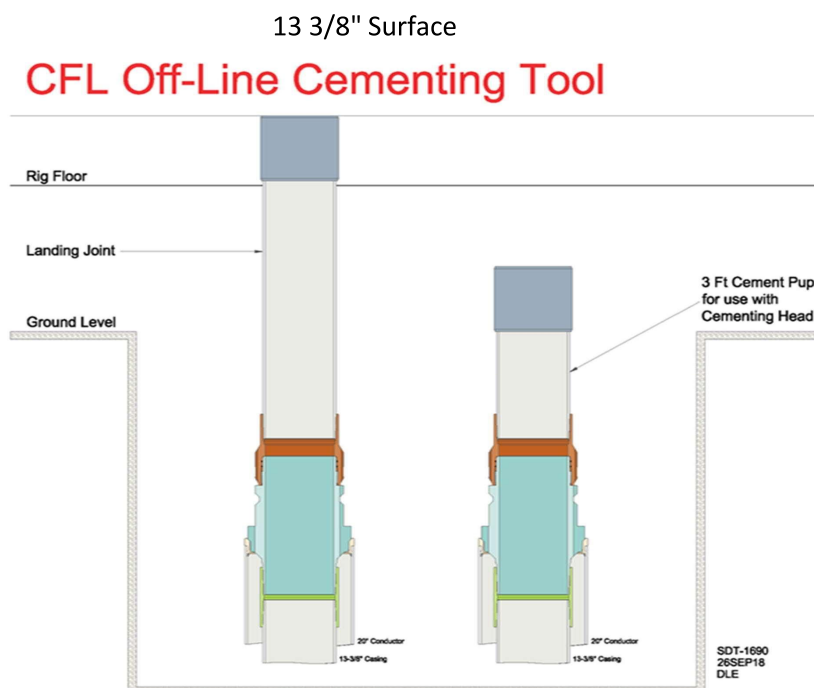
Illustration 2-2

Production Casing – PR intends to Batch set all Production casings with Rig. Appropriate notifications will be made prior Testing BOPE, and prior to running/cementing all casing strings.

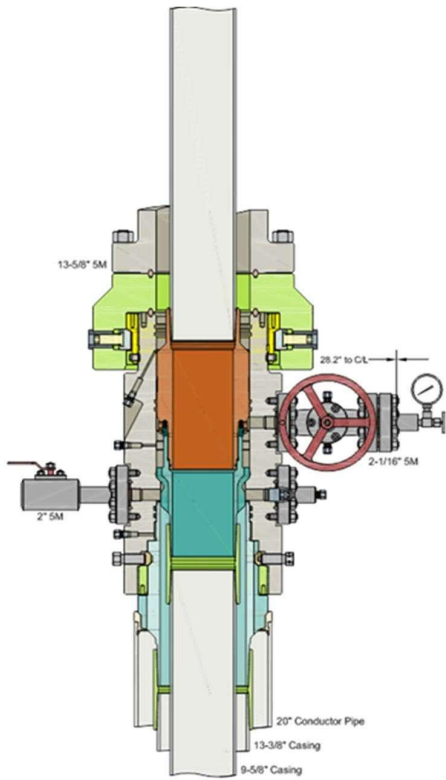
1. Big Rig will remove the nightcap and install and test BOPE.
2. Install wear bushing then drill Intermediate shoe-track plus 20' and conduct FIT to minimum MW equivalent to control the formation pressure to TD of well.
3. Drill Vertical hole to KOP – Trip out for Curve BHA.
4. Drill Curve, landing in production interval – Trip for Lateral BHA.
5. Drill Lateral / Production hole to Permitted BHL, perform cleanup cycles and trip out to run 5 1/2" Production Casing.
6. Remove wear bushing then run 5-1/2" production casing to TD landing casing mandrel in wellhead.
7. Cement 5-1/2" Production string with floats holding.
8. Run in with wash tool and wash wellhead area – install pack-off and test void to 5,000psi for 15 minutes.
9. Install BPV in 5-1/2" mandrel hanger – Nipple down BOPE and install nightcap.
10. Test nightcap void to 5,000psi for 30 minutes per illustration 2-2
11. Skid rig to adjacent well on pad to drill production hole.

Permian Resources Offline Cementing Procedure 13-3/8" & 9-5/8" Casing

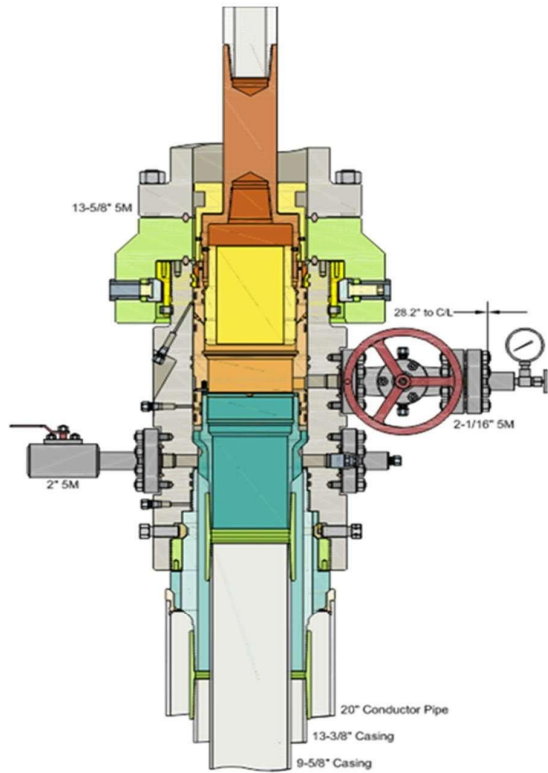
1. Drill hole to Total Depth with Rig and perform wellbore cleanup cycles.
2. Run and casing to Depth.
3. Land casing with mandrel.
4. Circulate 1.5 csg capacity.
5. Flow test – Confirm well is static and floats are holding.
6. Set Annular packoff and pressure test. Test to 5k.
7. Nipple down BOP and install cap flange.
8. Skid rig to next well on pad
9. Remove cap flange (confirm well is static before removal)
 - a) If well is not static use the casing outlet valves to kill well
 - b) Drillers method will be used in well control event
 - c) High pressure return line will be rigged up to lower casing valve and run to choke manifold to control annular pressure
 - d) Kill mud will be circulated once influx is circulated out of hole
 - e) Confirm well is static and remove cap flange to start offline cement operations
10. Install offline cement tool.
11. Rig up cementers.
12. Circulate bottoms up with cement truck
13. Commence planned cement job, take returns through the annulus wellhead valve
14. After plug is bumped confirm floats hold and well is static
15. Rig down cementers and equipment
16. Install night cap with pressure gauge to monitor.



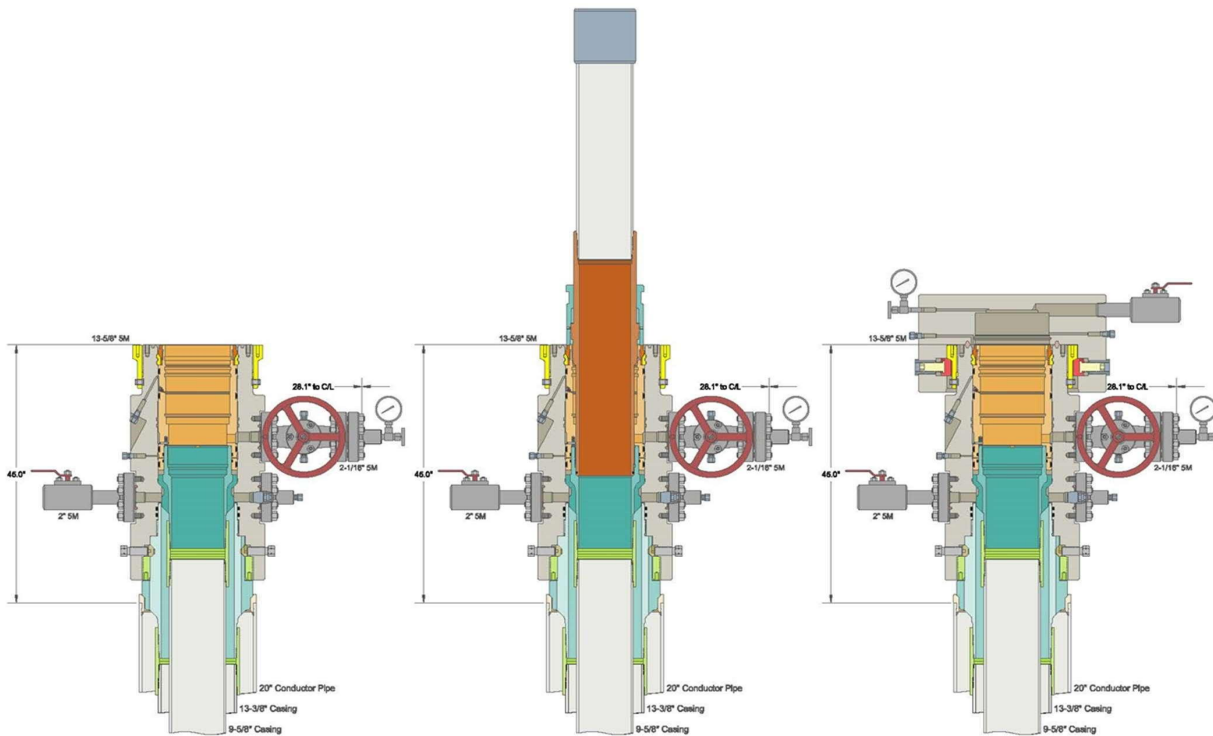
9 5/8" Intermediate



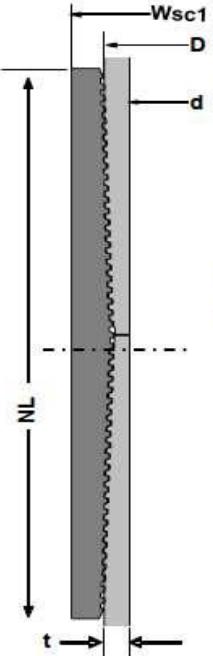
Run 9-5/8" Casing
Land Casing on 9-5/8" Mandrel Hanger
Cement 9-5/8" Casing
Retrieve Running Tool



Run 13-5/8" Packoff
Test Upper and Lower Seals
Engage Lockring
Retrieve Running Tool



Metal One Corp. 	GEOCONN-SC Pipe Body: SeAH P110RY(SMYS110ksi) & 95%RBW *1 Coupling: P110CY (SMYS110ksi) Connection Data Sheet	Page Date Rev.	MAI GC 5.5 20 SeAH PRY 95%RW SC-CpIgOD 6.050 P110CY 29-Sep-21 0
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Geometry		Imperial		S.I.	
Pipe Body					
Grade *1	SeAH P110RY	-	SeAH P110RY		
SMYS	110	ksi	110		ksi
Pipe OD (D)	5.500	in	139.70		mm
Weight	20.00	lb/ft	29.80		kg/m
Wall Thickness (t)	0.361	in	9.17		mm
Pipe ID (d)	4.778	in	121.36		mm
Drift Dia.	4.653	in	118.19		mm
Connection					
Coupling SMYS	110	ksi	110		ksi
Coupling OD (Wsc1)	6.050	in	153.67		mm
Coupling Length (NL)	8.350	in	212.09		mm
Make up Loss	4.125	in	104.78		mm
Pipe Critical Area	5.83	in ²	3,760		mm ²
Box Critical Area	6.00	in ²	3,874		mm ²
Thread Taper	1 / 16 (3/4" per ft)				
Number of Threads	5 TPI				

Performance		Imperial		S.I.	
Performance Properties for Pipe Body					
S.M.Y.S.	641	kips	2,852		kN
M.I.Y.P. *1	13,720	psi	94.62		MPa
Collapse Strength	11,100	psi	76.55		MPa
Note S.M.Y.S.= Specified Minimum YIELD Strength of Pipe body M.I.Y.P. = Minimum Internal Yield Pressure of Pipe body *1 Pipe: SeAH P110RY (SMYS110ksi), Min Wall Thickness of Pipe Body: 95% of Nom wall					
Performance Properties for Connection					
Min. Connection Joint Strength	100% of S.M.Y.S.				
Min. Compression Yield	100% of S.M.Y.S.				
Internal Pressure	100% of M.I.Y.P.				
External Pressure	100% of Collapse Strength				
Max. DLS (deg. /100ft)	>90				

Recommended Torque		Imperial		S.I.	
Min.	14,600	ft-lb	19,700		N-m
Opti.	16,200	ft-lb	21,900		N-m
Max.	17,800	ft-lb	24,100		N-m
Operational Max.	19,500	ft-lb	26,400		N-m

Note : Operational Max. torque can be applied for high torque application

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Statements regarding the suitability of products for certain types of applications are based on Metal One's knowledge of typical requirements that are often placed on Metal One products in standard well configurations. Such statements are not binding statements about the suitability of products for a particular application. It is the customer's responsibility to validate that a particular product with the properties described in the product specification is suitable for use in a particular application.

The products described in this Connection Data Sheet are not recommended for use in deep water offshore applications. For more information, please refer to http://www.mto.co.jp/mo-cs/_images/topWebsiteTerms_Active_20332287_1.pdf the contents of which are incorporated by reference into this Connection Data Sheet.



5.5" 20# .361" P-110 Restricted Yield (RY)

Dimensions (Nominal)

Outside Diameter	5.500	in.
Wall	0.361	in.
Inside Diameter	4.778	in.
Drift	4.653	in.
Weight, T&C	20.000	lbs/ft
Weight, PE	19.830	lbs/ft

Performance Properties (Minimum)

Minimum Yield Strength	110000	psi
Maximum Yield Strength	125000	psi
Collapse, PE	11100	psi
Internal Yield Pressure		
PE	12630	psi
LTC	12360	psi
BTC	12360	psi
Yield Strength, Pipe Body	641	1000 lbs
Joint Strength		
LTC	548	1000 lbs
BTC	667	1000 lbs

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

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Earthstone
LEASE NO.:	NMLC066126
LOCATION:	Section 35, T.20 S, R.35 E., NMPM
COUNTY:	Lea County, New Mexico
WELL NAME & NO.:	Lea South 25 Fed Com 2BS 14H
SURFACE HOLE FOOTAGE:	398'S & 266'E
BOTTOM HOLE FOOTAGE:	50'N & 380'E

Changes approved through engineering via **Sundry 2762807** on **11-28-2023**. Any previous COAs not addressed within the updated COAs still apply.

COA

H₂S	☐ Yes	☒ No		
Potash / WIPP	☐ None	☒ Secretary	☐ R-111-P	☐ WIPP
Cave / Karst	☒ Low	☐ Medium	☐ High	☐ Critical
Wellhead	☐ Conventional	☒ Multibowl	☐ Both	☐ Diverter
Cementing	☐ Primary Squeeze	☐ Cont. Squeeze	☐ EchoMeter	☒ DV Tool
Special Req	☐ Break Testing	☐ Water Disposal	☒ COM	☐ Unit
Variance	☒ Flex Hose	☐ Casing Clearance	☐ Pilot Hole	☒ Capitan Reef
Variance	☐ Four-String	☐ Offline Cementing	☐ Fluid-Filled	☐ Open Annulus
☐ Batch APD / Sundry				

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H₂S) monitors shall be installed prior to drilling out the surface shoe. If H₂S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area must meet all requirements from **43 CFR 3176**, 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 **13-3/8** inch surface casing shall be set at approximately **1900** feet (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of

24 hours in the Potash Area or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is: Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, and potash.

- ❖ In Secretary Potash Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- ❖ In Capitan Reef Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- ❖ **Special Capitan Reef requirements.** If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
(Use this for 3 string wells in the Capitan Reef, if 4 string well ensure FW based mud used across the capitan interval)
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval.

If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least **50 feet (4067 ft)** on top of Capitan Reef top. Operator shall provide method of verification. **Excess calculates to 1%. Additional cement is required.**

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, 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.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3171 and 3172.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Eddy County

Email **or** call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, BLM_NM_CFO_DrillingNotifications@BLM.GOV
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240,
(575) 689-5981

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per **43 CFR part 3170 Subpart 3172** as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

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

larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in **43 CFR part 3170 Subpart 3172** and **API STD 53 Sec. 5.3**.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in **43 CFR part 3170 Subpart 3172** must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

- a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), 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 cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR part 3170 Subpart 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500

feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per **43 CFR part 3170 Subpart 3172**.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

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

ZS 11/29/2023

Permian Resources - Lea South 25 Fed Com 2 BS 14H

1. Geologic Formations

Formation	Lithology	Elevation	TVD	Target
Rustler	Sandstone	1953	1834	No
Top of Salt	Salt	1564	2223	No
Yates	Anhydrite/Shale	27	3760	No
Capitan	Limestone	-315	4102	No
Cherry Canyon	Sandstone	-2070	5857	No
Brushy Canyon	Sandstone	-3217	7004	No
Bone Spring Lime	Limestone	-4812	8599	No
1st Bone Spring Sand	Sandstone/Limestone/Shale	-5979	9766	No
2nd Bone Spring Sand	Sandstone/Limestone/Shale	-6262	10049	Yes

2. Blowout Prevention

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	x	Tested to:
12.25	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5000 psi
			Pipe Ram	x	
			Double Ram		
			Other*		
8.75	13-5/8"	5M	Annular	x	2500 psi
			Blind Ram	x	5000 psi
			Pipe Ram	x	
			Double Ram		
			Other*		

Equipment: BOPE with working pressure ratings in excess of anticipated maximum surface pressure will be utilized for well control from drill out of surface casing to TMD. 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. All BOPE connections shall be flanged, welded or clamped. All choke lines shall be straight unless targeted with running tees or tee blocks are used, and choke lines shall be anchored to prevent whip and reduce vibrations. All valves in the choke line & the choke manifold shall be full opening as to not cause restrictions and to allow for straight fluid paths to minimize potential erosion. All gauges utilized in the well control system shall be of a type designed for drilling fluid service. A top drive inside BOP valve will be utilized at all times. Subs equipped with full opening valves sized to fit the drill pipe and collars will be available on the rig floor in the open position. The key to operate said valve equipped subs will be on the rig floor at all times. The accumulator system will have sufficient capacity to open the HCR and close all three sets of rams plus the annular preventer while retaining at least 300 psi above precharge on the closing manifold (accumulator system shall be capable of doing so without using the closing unit pumps). The fluid reservoir capacity will be double the usable fluid volume of the accumulator system capacity, and the fluid level will be maintained at the manufacturer's recommended level. Prior to connecting the closing unit to the BOP stack, an accumulator precharge pressure test shall be performed to ensure the precharge pressure is within 100 psi of the desired precharge pressure (only nitrogen gas will be used to precharge). Two independent power sources will be made available at all times to power the closing unit pumps so that the pumps can automatically start when the closing valve manifold pressure has decreased to the preset level. Closing unit pumps will be sized to allow opening of HCR and closing of annular preventer on 5" drill pipe achieving at least 200 psi above precharge pressure with the accumulator system isolated from service in less than two minutes. A valve shall be installed in the closing line as close to the annular preventer as possible to act as a locking device; the valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative. Remote controls capable of opening and closing all preventers & the HCR shall be readily accessible to the driller; master controls with the same capability will be operable at the accumulator. The wellhead will be a multibowl speed head allowing for hangoff of intermediate casing & isolation of the 133/8 x 95/8 annulus without breaking the connection between the BOP & wellhead to install an additional casing head. A wear bushing will be installed & inspected frequently to guard against internal wear to wellhead. VBRs (variablebore rams) will be run in upper rambody of BOP stack to provide redundancy to annular preventer while RIH w/ production casing;

Requesting Variance? YES

Variance request: Flex hose and offline cement variances, see attachments in section 8.

Testing Procedure: The BOP test shall be performed before drilling out of the surface casing shoe and will occur at a minimum: a. when initially installed b. whenever any seal subject to test pressure is broken c. following related repairs d. at 30 day intervals e. checked daily as to mechanical operating conditions. The ram type preventer(s) will be tested using a test plug to 250 psi (low) and 5,000 psi (high) (casinghead WP) with a test plug upon its installation onto the 13 surface casing. If a test plug is not used, the ram type preventer(s) shall be tested to 70% of the minimum internal yield pressure of the casing. The annular type preventer(s) shall be tested to 3500 psi. Pressure will be maintained for at least 10 minutes or until provisions of the test are met, whichever is longer. A Sundry Notice (Form 3160 5), along with a copy of the BOP test report, shall be submitted to the local BLM office within 5 working days following the test. If the bleed line is connected into the buffer tank (header), all BOP equipment including the buffer tank and associated valves will be rated at the required BOP pressure. The BLM office will be provided with a minimum of four (4) hours notice of BOP testing to allow witnessing. The BOP Configuration, choke manifold layout, and accumulator system, will be in compliance with Onshore Order 2 for a 5,000 psi system. A remote accumulator and a multi-bowl system will be used, please see attachment in section 8 for multi-bowl procedure. Pressures, capacities, and specific placement and use of the manual and/or hydraulic controls, accumulator controls, bleed lines, etc., will be identified at the time of the BLM 'witnessed BOP test. Any remote controls will be capable of both opening and closing all preventers and shall be readily accessible.

Choke Diagram Attachemnt: 5 M Choe Manifold
BOP Diagram Attachment: BOP Schematic

3. Casing

String	Hole Size	Casing Size	Top	Bottom	Top TVD	Bottom TVD	Length	Grade	Weight	Connection	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
Surface	17.5	13.375	0	1859	0	1859	1859	J55	54.5	BTC	1.23	1.41	Dry	4.52	Dry	4.24
Intermediate	12.25	9.625	0	5807	0	5807	5807	J55	40	BTC	2.20	1.42	Dry	2.15	Dry	1.90
Production	8.75	5.5	0	11124	0	10774	11124	P110RY	20	GEOCONN	1.89	2.44	Dry	2.04	Dry	2.04
Production	7.875	5.5	11124	15756	10774	10729	4632	P110RY	20	GEOCONN	1.89	2.44	Dry	2.04	Dry	2.04
BLM Min Safety Factor											1.125	1		1.6		1.6

Non API casing spec sheets and casing design assumptions attached.

4. Cement

String	Lead/Tail	Top MD	Bottom MD	Quantity (sx)	Yield	Density	Cu Ft	Excess %	Cement Type	Additives
Surface	Lead	0	1480	1100	1.88	12.9	2060	100%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Surface	Tail	1480	1859	300	1.34	14.8	400	50%	Class C	Accelerator
Intermediate	Lead	3785	4640	220	1.88	12.9	410	50%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Intermediate	Tail	4640	5807	420	1.34	14.8	550	50%	Class C	Retarder
Stage Tool Depth		3785								
Intermediate 2nd Stage	Lead	0	3285	720	1.88	12.9	1350	50%	Class C	EconoCem-HLC + 5% Salt + 5% Kol-Seal
Intermediate 2nd Stage	Tail	3285	3785	160	1.33	14.8	200	25%	Class C	Salt
Production	Lead	5307	10218	710	2.41	11.5	1700	40%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
Production	Tail	10218	15756	750	1.73	12.5	1290	25%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder

5. Circulating Medium

Mud System Type: Closed

Will an air or gas system be used: No

Describe what will be on location to control well or mitigate other conditions: Sufficient quantities of mud materials will be on the well site at all times for the purpose of assuring well control and maintaining wellbore integrity. Surface interval will employ fresh water mud. The intermediate hole will utilize a saturated brine fluid to inhibit salt washout. The production hole will employ brine based and oil base fluid to inhibit formation reactivity and of the appropriate density to maintain well control.

Describe the mud monitoring system utilized: Centrifuge separation system. Open tank monitoring with EDR will be used for drilling fluids and return volumes. Open tank monitoring will be used for cement and cuttings return volumes. Mud properties will be monitored at least every 24 hours using industry accepted mud check practices.

Cuttings Volume: 10130 Cu Ft

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight	Max Weight
0	1859	Spud Mud	8.6	9.5
1859	5807	Water Based Mud	10	10
5807	11124	Water Based Mud	9	10.5
11124	15756	OBM	9	10.5

6. Test, Logging, Coring

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

Will utilize MWD/LWD (Gamma Ray logging) from intermediate hole to TD of the well.

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

DIRECTIONAL SURVEY, GAMMA RAY LOG,

Coring operation description for the well:

N/A

7. Pressure

Anticipated Bottom Hole Pressure	5860	psi
Anticipated Surface Pressure	3498	psi
Anticipated Bottom Hole Temperature	162	°F
Anticipated Abnormal pressure, temp, or geo hazards	No	

8. Waste Management

Waste Type:	Drilling
Waste content description:	Fresh water based drilling fluid
Amount of waste:	1500 bbls
Waste disposal frequency:	Weekly (after drilling all surfaces)
Safe containment description:	Steel tanks with plastic-lined containment berms
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Grey Water & Human Waste
Waste content description:	Grey Water/Human Waste
Amount of waste:	5000 gallons
Waste disposal frequency:	Weekly
Safe containment description:	Approved waste storage tanks with containment
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Garbage
Waste content description:	General trash/garbage
Amount of waste:	5000 lbs
Waste disposal frequency:	Weekly
Safe containment description:	Enclosed trash trailer
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Drilling
Waste content description:	Drill Cuttings
Amount of waste:	10130 Cu Ft
Waste disposal frequency:	Per well
Safe containment description:	Steel tanks
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial
Waste Type:	Drilling
Waste content description:	Brine water based drilling fluid
Amount of waste:	1500 bbls
Waste disposal frequency:	Monthly
Safe containment description:	Steel tanks with plastic-lined containment berms
Waste disposal type:	Haul to commercial facility
Disposal location ownership:	Commercial

9. Other Information

Well Plan and AC Report: attached
Batching Drilling Procedure: attached
WBD: attached
Flex Hose Specs: attached
Offline Cementing Procedure Attached:

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 290369

CONDITIONS

Operator: Earthstone Operating, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 331165
	Action Number: 290369
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
pkautz	None	1/17/2024