

Form 3160-3
(June 2015)

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

1a. Type of work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER 1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		5. Lease Serial No. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No.
2. Name of Operator		9. API Well No. 30-015-55397
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone		11. Sec., T. R. M. or Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		12. County or Parish 13. State
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
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
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
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
Title		
Approved by (Signature)	Name (Printed/Typed)	Date
Title		Office

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.



(Continued on page 2)

*(Instructions on page 2)

Additional Operator Remarks

Location of Well

0. SHL: NWNE / 847 FNL / 1351 FEL / TWSP: 24S / RANGE: 31E / SECTION: 8 / LAT: 32.2367855 / LONG: -103.7957129 (TVD: 0 feet, MD: 0 feet)
PPP: NENE / 0 FNL / 380 FEL / TWSP: 24S / RANGE: 31E / SECTION: 17 / LAT: 32.224601 / LONG: -103.7925373 (TVD: 9290 feet, MD: 14827 feet)
PPP: NENE / 100 FNL / 380 FEL / TWSP: 24S / RANGE: 31E / SECTION: 8 / LAT: 32.2388378 / LONG: -103.7925515 (TVD: 9294 feet, MD: 9834 feet)
BHL: SESE / 20 FSL / 380 FEL / TWSP: 24S / RANGE: 31E / SECTION: 17 / LAT: 32.210398 / LONG: -103.792523 (TVD: 9285 feet, MD: 20084 feet)

BLM Point of Contact

Name: TENILLE C MOLINA
Title: Land Law Examiner
Phone: (575) 234-2224
Email: TCMOLINA@BLM.GOV

CONFIDENTIAL

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015- 55397	13367	COTTON DRAW; BONE SPRING
334580	CHUCK SMITH MDP1 8_17 FED COM	
16696	OXY USA INC.	
		14H
		3464'

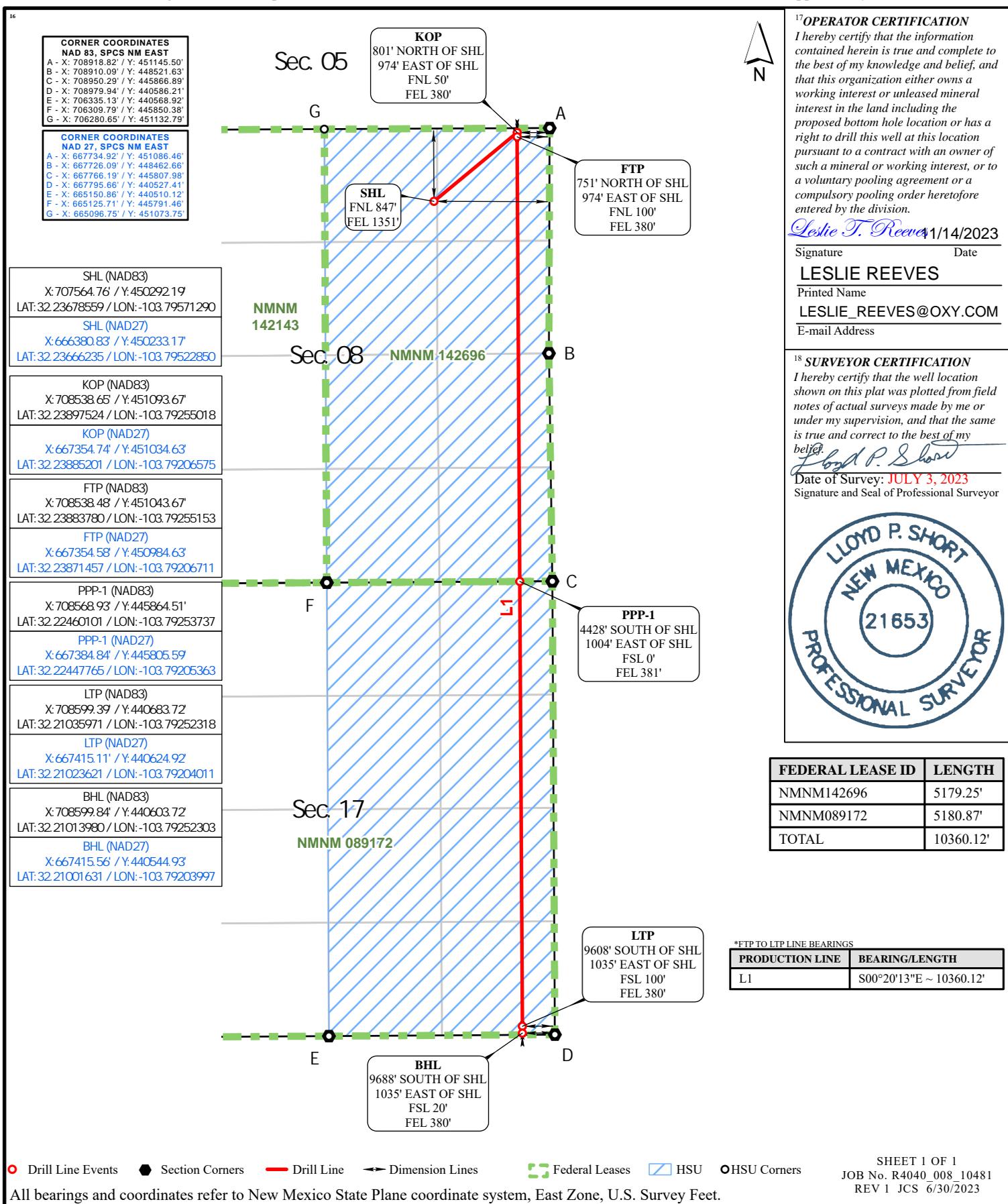
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	8	24S	31E		847'	NORTH	1351'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	24S	31E		20'	SOUTH	380'	EAST	EDDY
640.00									

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

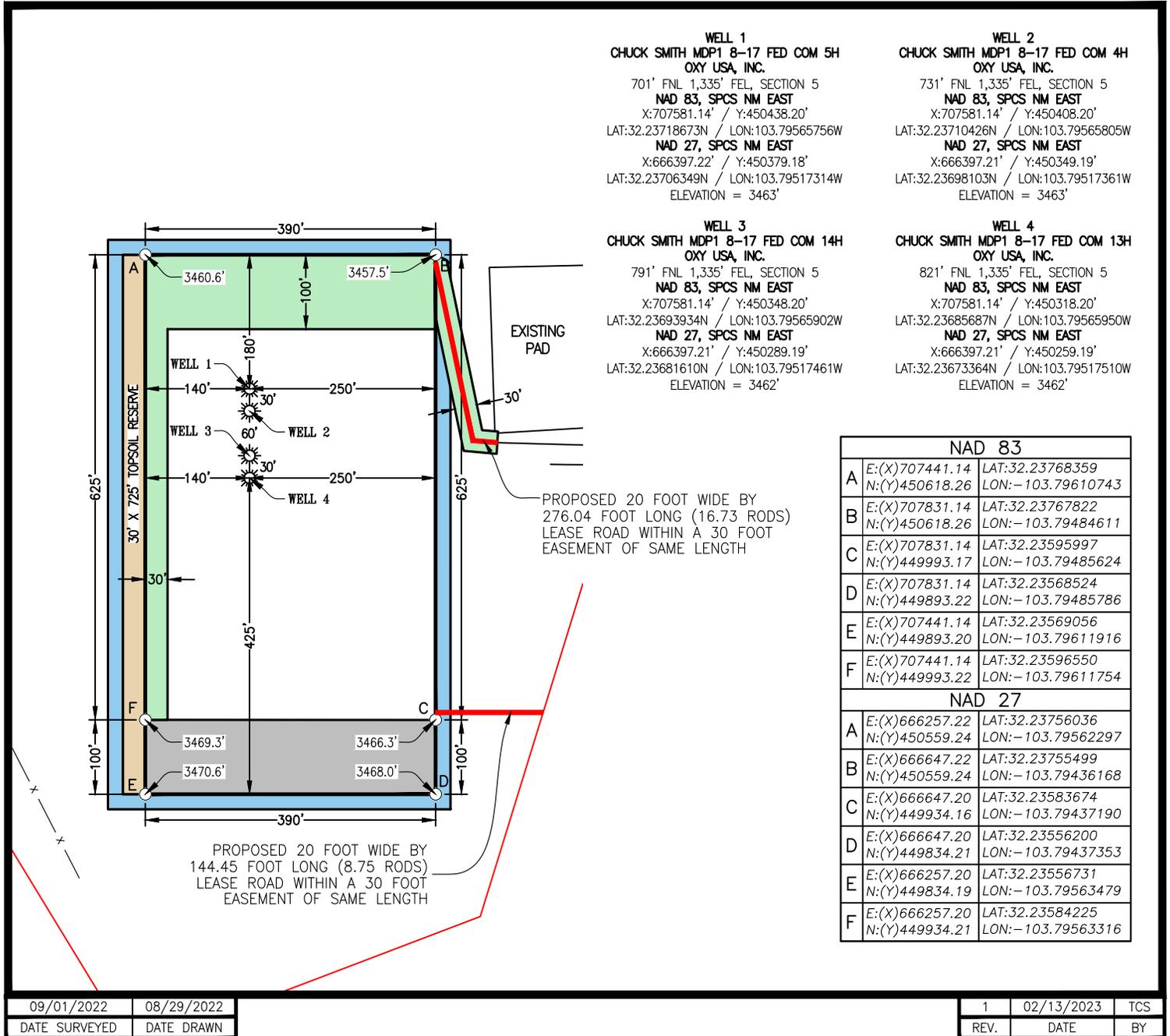
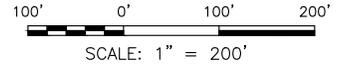




SITE PLAN

SNDDNS_T24SR31E_0804
 SEC. 8 TWP. 24-S RGE. 31-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 OPERATOR: OXY USA, INC.
 U.S.G.S. TOPOGRAPHIC MAP: BIG SINKS, N.M.
 FAA PERMIT NEEDED: NO

- TANK BATTERY
- RECLAMATION
- 30' TOP SOIL
- 20' DISTURBANCE AREA



BASIS OF BEARING
 ALL BEARINGS AND COORDINATES REFER TO NAD 83, NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE, U.S. SURVEY FEET. (ALL BEARINGS, DISTANCES, COORDINATES AND AREAS ARE GRID MEASUREMENTS UTILIZING A COMBINED SCALE FACTOR OF 0.99977704 CONVERGENCE ANGLE OF 0.28238333°.)

LEGEND				
	EXISTING ROAD		OHP	OVERHEAD POWER
	PROPOSED ROAD		FENCE	FENCE
	SURFACE SITE EDGE		SECTION LINE	SECTION LINE
	EXIST. PIPELINE		PROPERTY LINE	PROPERTY LINE
	MONUMENT		W	WATER LINE
	QUARTER SPLIT		SWD	SALT WATER LINE

FEBRUARY 17, 2023

LLOYD P. SHORT
 NEW MEXICO
 21653
 PROFESSIONAL SURVEYOR

LLOYD P. SHORT 21653



PREPARED BY:
 R-SQUARED GLOBAL, LLC
 510 TRENTON ST.
 WEST MONROE, LA 71291
 318-323-6900 OFFICE
 JOB No. R4289_004
 SHEET 1 OF 1

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: OXY USA INC. **OGRID:** 16696 **Date:** 1 2/ 1 4/ 2 2

II. Type: Original Amendment due to 19.15.27.9.D(6)(a) NMAC 19.15.27.9.D(6)(b) NMAC Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
SEE ATTACHED						

IV. Central Delivery Point Name: Sand Dunes South Corridor 18 CTB [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
SEE ATTACHED						

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: Attach a complete description of Operator’s best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system will will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator does does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

Attach Operator’s plan to manage production in response to the increased line pressure.

XIV. Confidentiality: Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

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I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: <i>Leslie T. Reeves</i>
Printed Name: LESLIE REEVES
Title: REGULATORY MANAGER
E-mail Address: LESLIE_REEVES@OXY.COM
Date: 12/14/2022
Phone: 713-497-2492
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

III. Well(s)

Well Name	API	WELL LOCATION (ULSTR)	Footages	ANTICIPATED OIL BBL/D	ANTICIPATED GAS MCF/D	ANTICIPATED PROD WATER BBL/D
CHUCK SMITH MDP1 8_17 FED COM 1H	PENDING	C-8-T24S-R31E	361' FNL 2535' FWL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 2H	PENDING	C-8-T24S-R31E	361' FNL 2565' FWL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 3H	PENDING	C-8-T24S-R31E	361' FNL 2595' FWL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 4H	PENDING	B-8-T24S-R31E	731' FNL 1335' FEL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 5H	PENDING	B-8-T24S-R31E	701' FNL 1335' FEL	2000	4500	3900
CHUCK SMITH MDP1 8_17 FED COM 11H	PENDING	C-8-T24S-R31E	360' FNL 2445' FWL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 12H	PENDING	C-8-T24S-R31E	360' FNL 2475' FWL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 13H	PENDING	B-8-T24S-R31E	821' FNL 1335' FEL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 14H	PENDING	B-8-T24S-R31E	791' FNL 1335' FEL	1100	4600	3000
CHUCK SMITH MDP1 8_17 FED COM 21H	PENDING	M-5-T24S-R31E	280' FSL 1305' FWL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 22H	PENDING	N-5-T24S-R31E	280' FSL 1335' FWL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 23H	PENDING	N-5-T24S-R31E	280' FSL 1365' FWL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 24H	PENDING	O-5-T24S-R31E	279' FSL 1550' FEL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 25H	PENDING	O-5-T24S-R31E	279' FSL 1520' FEL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 26H	PENDING	O-5-T24S-R31E	279' FSL 1490' FEL	1500	7300	2100
CHUCK SMITH MDP1 8_17 FED COM 31H	PENDING	M-5-T24S-R31E	280' FSL 1215' FWL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 32H	PENDING	M-5-T24S-R31E	280' FSL 1245' FWL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 33H	PENDING	O-5-T24S-R31E	280' FSL 1760' FEL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 34H	PENDING	O-5-T24S-R31E	280' FSL 1730' FEL	2100	4700	2400
CHUCK SMITH MDP1 8_17 FED COM 41H	PENDING	C-8-T24S-R31E	360' FNL 2325' FWL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 42H	PENDING	C-8-T24S-R31E	360' FNL 2355' FWL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 43H	PENDING	C-8-T24S-R31E	360' FNL 2385' FWL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 44H	PENDING	O-5-T24S-R31E	279' FSL 1670' FEL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 45H	PENDING	O-5-T24S-R31E	279' FSL 1640' FEL	800	7800	3900
CHUCK SMITH MDP1 8_17 FED COM 46H	PENDING	O-5-T24S-R31E	279' FSL 1610' FEL	800	7800	3900

V. Anticipated Schedule

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
CHUCK SMITH MDP1 8_17 FED COM 1H	PENDING	7/15/2023	10/1/2023	10/27/2023	11/6/2023	11/7/2023
CHUCK SMITH MDP1 8_17 FED COM 2H	PENDING	7/16/2023	9/7/2023	10/27/2023	11/6/2023	11/7/2023
CHUCK SMITH MDP1 8_17 FED COM 3H	PENDING	7/17/2023	9/19/2023	10/27/2023	11/6/2023	11/7/2023
CHUCK SMITH MDP1 8_17 FED COM 4H	PENDING	7/18/2023	10/2/2023	10/25/2023	11/2/2023	11/3/2023
CHUCK SMITH MDP1 8_17 FED COM 5H	PENDING	7/19/2023	10/14/2023	10/25/2023	11/2/2023	11/3/2023
CHUCK SMITH MDP1 8_17 FED COM 11H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 12H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 13H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 14H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 21H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 22H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 23H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 24H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 25H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 26H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 31H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 32H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 33H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 34H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 41H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 42H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 43H	PENDING	TBD	TBD	TBD	TBD	TBD
CHUCK SMITH MDP1 8_17 FED COM 44H	PENDING	10/1/2023	12/16/2023	1/31/2024	2/10/2024	2/11/2024
CHUCK SMITH MDP1 8_17 FED COM 45H	PENDING	10/2/2023	1/15/2024	1/31/2024	2/10/2024	2/11/2024
CHUCK SMITH MDP1 8_17 FED COM 46H	PENDING	10/3/2023	12/31/2023	1/31/2024	2/10/2024	2/11/2024

Part VI. Separation Equipment

Operator will size the flowback separator to handle 11,000 Bbls of fluid and 6-10MMscfd which is more than the expected peak rates for these wells. Each separator is rated to 1440psig, and pressure control valves and automated communication will cause the wells to shut in in the event of an upset at the facility, therefore no gas will be flared on pad during an upset. Current Oxy practices avoid use of flare or venting on pad, therefore if there is an upset or emergency condition at the facility, the wells will immediately shut down, and reassume production once the condition has cleared.

VII. Operational Practices

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to Enterprise Field Services, LLC ("Enterprise") and is connected to Enterprise low/high pressure gathering system located in Eddy County, New Mexico. OXY USA INC. ("OXY") provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, OXY and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Enterprise's Processing Plant located in Sec. 36, Twn. 24S, Rng. 30E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enterprise system at that time. Based on current information, it is OXY's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

VIII. Best Management Practices

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease

Only a portion of gas is consumed operating the generator, remainder of gas will be flared

- Compressed Natural Gas – On lease

Gas flared would be minimal, but might be uneconomical to operate when gas volume declines

- NGL Removal – On lease

Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

Oxy USA Inc. - Chuck Smith MDP1 8_17 Fed Com 14H

Drill Plan

1. Geologic Formations

TVD of Target (ft):	9295	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	20085	Deepest Expected Fresh Water (ft):	556

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	556	556	
Salado	883	883	Salt
Castile	2764	2764	Salt
Delaware	4303	4301	Oil/Gas/Brine
Bell Canyon	4330	4328	Oil/Gas/Brine
Cherry Canyon	5260	5236	Oil/Gas/Brine
Brushy Canyon	6519	6433	Losses
Bone Spring	8341	8166	Oil/Gas
Bone Spring 1st	9494	9199	Oil/Gas
Bone Spring 2nd			Oil/Gas
Bone Spring 3rd			Oil/Gas
Wolfcamp			Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Section	Hole Size (in)	MD		TVD		Csg. OD (in)	Csg. Wt. (ppf)	Grade	Conn.
		From (ft)	To (ft)	From (ft)	To (ft)				
Surface	14.75	0	823	0	823	10.75	45.5	J-55	BTC
Intermediate	9.875	0	8693	0	8496	7.625	26.4	L-80 HC	BTC
Production	6.75	0	20085	0	9295	5.5	20	P-110	Wedge 461

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to run production casing with DQX, TORQ DQW, Wedge 425, Wedge 461, and/or Wedge 441 connections to accommodate hole conditions or drilling operations.

<i>All Casing SF Values will meet or exceed those below</i>			
SF Collapse	SF Burst	Body SF Tension	Joint SF Tension
1.125	1.2	1.4	1.4

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	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.	Y
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
Capitan Reef	
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.	
SOPA	
Is well located in SOPA but not in R-111-P?	Y
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	Y
R-111-P	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
High Cave/Karst	
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?	
Critical Cave/Karst	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Section	Stage	Slurry:	Sacks	Yield (ft ³ /ft)	Density (lb/gal)	Excess:	TOC	Placement	Description
Surface	1	Surface - Tail	689	1.33	14.8	100%	-	Circulate	Class C+Accel.
Int.	1	Intermediate 1S - Tail	263	1.65	13.2	5%	6,769	Circulate	Class H+Accel., Disper., Salt
Int.	2	Intermediate 2S - Tail BH	1046	1.71	13.3	25%	-	Bradenhead	Class C+Accel.
Prod.	1	Production - Tail	898	1.38	13.2	25%	8,193	Circulate	Class H+Ret., Disper., Salt

Offline Cementing

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).

Land casing.

Fill pipe with kill weight fluid, and confirm well is static.

If well Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nipped down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nipping up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

Oxy requests permission to adjust the CBL requirement after bradenhead cement jobs, on 7-5/8" intermediate casings, as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

Three string wells:

- CBL will be required on one well per pad
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:	Deepest TVD Depth (ft) per Section:
9.875" Hole	13-5/8"	3M	Annular	✓	70% of working pressure	8496
		3M	Blind Ram	✓	250 psi / 3000 psi	
			Pipe Ram			
			Double Ram	✓		
			Other*			
6.75" Hole	13-5/8"	3M	Annular	✓	70% of working pressure	9295
		3M	Blind Ram	✓	250 psi / 3000 psi	
			Pipe Ram			
			Double Ram	✓		
			Other*			

*Specify if additional ram is utilized

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 valve (inside BOP) and choke lines and choke manifold.

	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.
	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.
Y	Are anchors required by manufacturer?
	<p>A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. 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. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015.</p> <p>See attached schematics.</p>

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.

If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

- 1) Wellhead flange, co-flex hose, check valve, upper pipe rams

Oxy will use Cameron ADAPT wellhead system that uses an OEC top flange connection. This connection has been fully vetted and verified by API to Spec 6A and carries an API monogram.

5. Mud Program

Section	Depth - MD		Depth - TVD		Type	Weight (ppg)	Viscosity	Water Loss
	From (ft)	To (ft)	From (ft)	To (ft)				
Surface	0	823	0	823	Water-Based Mud	8.6 - 8.8	40-60	N/C
Intermediate	823	8693	823	8496	Saturated Brine-Based or Oil-Based Mud	8.0 - 10.0	35-45	N/C
Production	8693	20085	8496	9295	Water-Based or Oil-Based Mud	8.0 - 9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

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

6. Logging and Testing Procedures

Logging, Coring and Testing.	
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned	Interval
No	Resistivity
No	Density
Yes	CBL Production string
Yes	Mud log Bone Spring – TD
No	PEX

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4641 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	155°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal

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

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the 2 well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Total Estimated Cuttings Volume: 1424 bbls

Attachments

- Directional Plan
- H2S Contingency Plan
- Flex III Attachments
- Spudder Rig Attachment
- Premium Connection Specs

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
Derek Adam	Drilling Engineer Supervisor	713-366-5170	916-802-8873
Casey Martin	Drilling Superintendent	713-497-2530	337-764-4278
Kevin Threadgill	Drilling Manager	713-366-5958	361-815-0788

OXY USA Inc
APD ATTACHMENT: SPUDDER RIG DATA

OPERATOR NAME / NUMBER: OXY USA Inc

1. SUMMARY OF REQUEST:

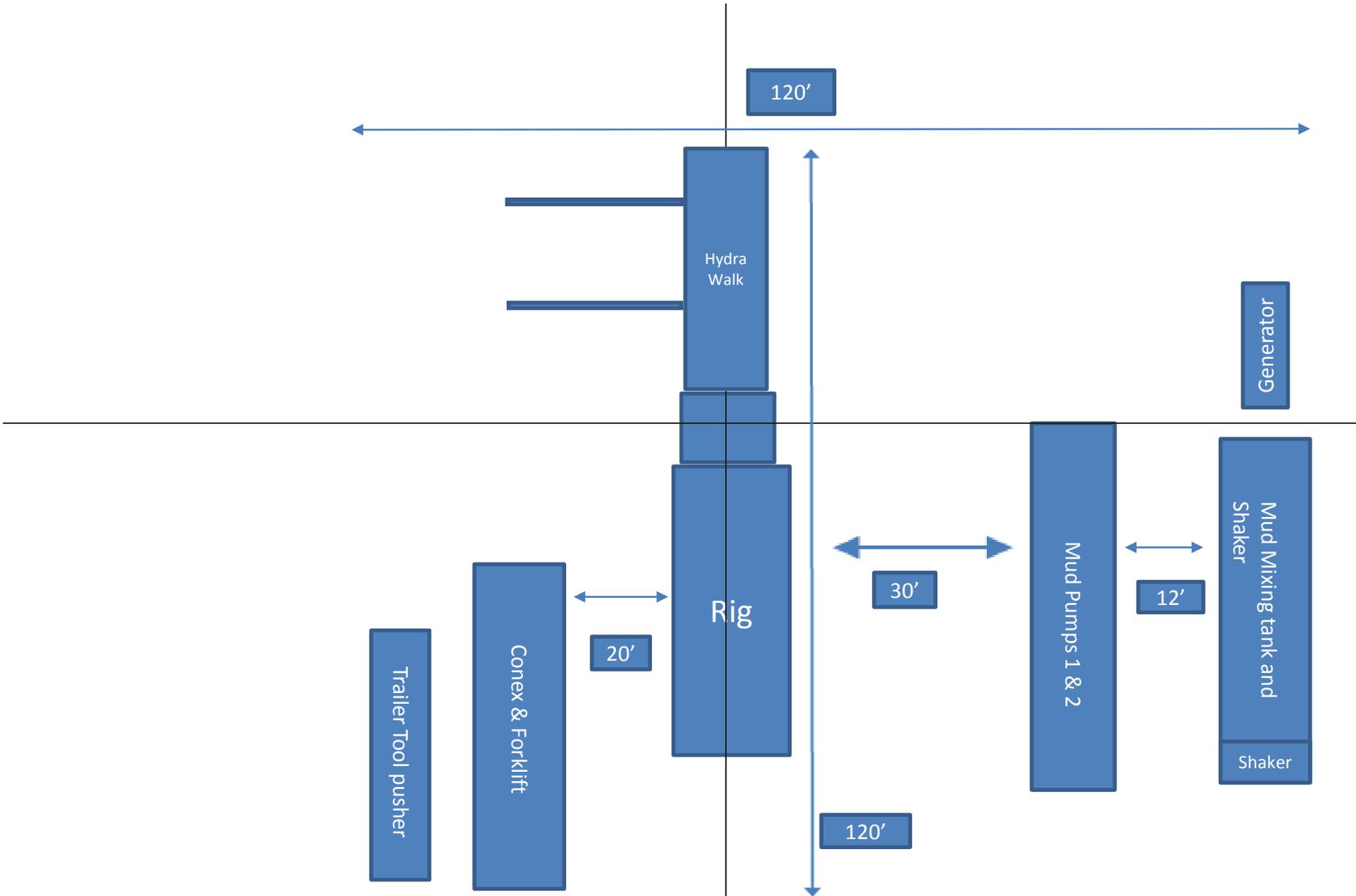
Oxy USA respectfully requests approval for the following operations for the surface hole in the drill plan:

1. Utilize a spudder rig to pre-set surface casing for time and cost savings.

2. Description of Operations

1. Spudder rig will move in to drill the surface hole and pre-set surface casing on the well.
 - a. After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
 - b. The spudder rig will utilize fresh water-based mud to drill the surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
2. The wellhead will be installed and tested as soon as the surface casing is cut off and the WOC time has been reached.
3. A blind flange at the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
 - a. A means for intervention will be maintained while the drilling rig is not over the well.
4. Spudder rig operations are expected to take 2-3 days per well on the pad.
5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
6. Drilling operations will begin with a larger rig and a BOP stack equal to or greater than the pressure rating that was permitted will be nipped up and tested on the wellhead before drilling operations resume on each well.
 - a. The larger rig will move back onto the location within 90 days from the point at which the wells are secured and the spudder rig is moved off location.
 - b. The BLM will be contacted / notified 24 hours before the larger rig moves back on the pre-set locations.
7. Oxy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
8. Once the rig is removed, Oxy will secure the wellhead area by placing a guard rail around the cellar area.

Spudder Rig Layout



OXY

PRD NM DIRECTIONAL PLANS (NAD 1983)

Chuck Smith MDP1 8_17

Chuck Smith MDP1 8_17 Fed Com 14H

Wellbore #1

Plan: Permitting Plan

Standard Planning Report

03 November, 2022

OXY Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 14H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3487.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3487.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Project PRD NM DIRECTIONAL PLANS (NAD 1983)			
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		Using geodetic scale factor

Site Chuck Smith MDP1 8_17			
Site Position:		Northing:	450,665.22 usft
From:	Map	Easting:	705,784.47 usft
Position Uncertainty:	0.89 ft	Slot Radius:	13.200 in
		Latitude:	32.237835
		Longitude:	-103.801465

Well Chuck Smith MDP1 8_17 Fed Com 14H			
Well Position	+N/-S	0.00 ft	Northing:
	+E/-W	0.00 ft	Easting:
			450,348.20 usf
			Latitude:
			32.236939
Position Uncertainty		2.00 ft	Longitude:
			-103.795659
Grid Convergence:		0.29 °	Wellhead Elevation:
			ft
			Ground Level:
			3,462.00 ft

Wellbore Wellbore #1					
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM_FILE	11/3/2022	6.43	59.82	47,583.30000000

Design Permitting Plan				
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	174.03

Plan Survey Tool Program		Date 11/3/2022			
Depth From (ft)	Depth To (ft)	Survey (Wellbore)	Tool Name	Remarks	
1	0.00	20,084.54 Permitting Plan (Wellbore #1)	B001Mb_MWD+HRGM OWSG MWD + HRGM		

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,572.00	0.00	0.00	3,572.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,372.03	18.00	37.57	5,342.56	222.27	171.00	1.00	1.00	0.00	37.57	
8,792.88	18.00	37.57	8,595.98	1,060.12	815.60	0.00	0.00	0.00	0.00	
9,834.54	90.05	179.66	9,294.82	504.74	958.52	10.00	6.92	13.64	140.68	
20,084.54	90.05	179.66	9,285.00	-9,745.08	1,018.76	0.00	0.00	0.00	0.00	PBHL (Chuck Smith)

OXY Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 14H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3487.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3487.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,572.00	0.00	0.00	3,572.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.28	37.57	3,600.00	0.05	0.04	-0.05	1.00	1.00	0.00
3,700.00	1.28	37.57	3,699.99	1.13	0.87	-1.04	1.00	1.00	0.00
3,800.00	2.28	37.57	3,799.94	3.60	2.77	-3.29	1.00	1.00	0.00
3,900.00	3.28	37.57	3,899.82	7.44	5.72	-6.80	1.00	1.00	0.00
4,000.00	4.28	37.57	3,999.60	12.66	9.74	-11.58	1.00	1.00	0.00
4,100.00	5.28	37.57	4,099.25	19.27	14.82	-17.62	1.00	1.00	0.00
4,200.00	6.28	37.57	4,198.74	27.25	20.97	-24.92	1.00	1.00	0.00
4,300.00	7.28	37.57	4,298.04	36.61	28.16	-33.48	1.00	1.00	0.00
4,400.00	8.28	37.57	4,397.12	47.34	36.42	-43.29	1.00	1.00	0.00
4,500.00	9.28	37.57	4,495.95	59.43	45.73	-54.36	1.00	1.00	0.00
4,600.00	10.28	37.57	4,594.49	72.90	56.08	-66.67	1.00	1.00	0.00
4,700.00	11.28	37.57	4,692.73	87.72	67.49	-80.23	1.00	1.00	0.00
4,800.00	12.28	37.57	4,790.62	103.90	79.94	-95.03	1.00	1.00	0.00
4,900.00	13.28	37.57	4,888.14	121.43	93.43	-111.06	1.00	1.00	0.00
5,000.00	14.28	37.57	4,985.26	140.31	107.95	-128.33	1.00	1.00	0.00
5,100.00	15.28	37.57	5,081.95	160.53	123.50	-146.82	1.00	1.00	0.00
5,200.00	16.28	37.57	5,178.18	182.09	140.09	-166.53	1.00	1.00	0.00
5,300.00	17.28	37.57	5,273.92	204.97	157.69	-187.46	1.00	1.00	0.00

OXY

Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 14H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3487.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3487.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
5,372.03	18.00	37.57	5,342.56	222.27	171.00	-203.28	1.00	1.00	0.00	
5,400.00	18.00	37.57	5,369.17	229.12	176.27	-209.55	0.00	0.00	0.00	
5,500.00	18.00	37.57	5,464.27	253.61	195.11	-231.95	0.00	0.00	0.00	
5,600.00	18.00	37.57	5,559.38	278.10	213.96	-254.35	0.00	0.00	0.00	
5,700.00	18.00	37.57	5,654.48	302.59	232.80	-276.75	0.00	0.00	0.00	
5,800.00	18.00	37.57	5,749.59	327.09	251.64	-299.15	0.00	0.00	0.00	
5,900.00	18.00	37.57	5,844.69	351.58	270.49	-321.55	0.00	0.00	0.00	
6,000.00	18.00	37.57	5,939.80	376.07	289.33	-343.95	0.00	0.00	0.00	
6,100.00	18.00	37.57	6,034.91	400.56	308.17	-366.35	0.00	0.00	0.00	
6,200.00	18.00	37.57	6,130.01	425.06	327.02	-388.75	0.00	0.00	0.00	
6,300.00	18.00	37.57	6,225.12	449.55	345.86	-411.15	0.00	0.00	0.00	
6,400.00	18.00	37.57	6,320.22	474.04	364.70	-433.55	0.00	0.00	0.00	
6,500.00	18.00	37.57	6,415.33	498.53	383.55	-455.95	0.00	0.00	0.00	
6,600.00	18.00	37.57	6,510.43	523.03	402.39	-478.35	0.00	0.00	0.00	
6,700.00	18.00	37.57	6,605.54	547.52	421.23	-500.75	0.00	0.00	0.00	
6,800.00	18.00	37.57	6,700.64	572.01	440.08	-523.15	0.00	0.00	0.00	
6,900.00	18.00	37.57	6,795.75	596.50	458.92	-545.55	0.00	0.00	0.00	
7,000.00	18.00	37.57	6,890.85	621.00	477.76	-567.96	0.00	0.00	0.00	
7,100.00	18.00	37.57	6,985.96	645.49	496.61	-590.36	0.00	0.00	0.00	
7,200.00	18.00	37.57	7,081.07	669.98	515.45	-612.76	0.00	0.00	0.00	
7,300.00	18.00	37.57	7,176.17	694.47	534.29	-635.16	0.00	0.00	0.00	
7,400.00	18.00	37.57	7,271.28	718.97	553.13	-657.56	0.00	0.00	0.00	
7,500.00	18.00	37.57	7,366.38	743.46	571.98	-679.96	0.00	0.00	0.00	
7,600.00	18.00	37.57	7,461.49	767.95	590.82	-702.36	0.00	0.00	0.00	
7,700.00	18.00	37.57	7,556.59	792.44	609.66	-724.76	0.00	0.00	0.00	
7,800.00	18.00	37.57	7,651.70	816.94	628.51	-747.16	0.00	0.00	0.00	
7,900.00	18.00	37.57	7,746.80	841.43	647.35	-769.56	0.00	0.00	0.00	
8,000.00	18.00	37.57	7,841.91	865.92	666.19	-791.96	0.00	0.00	0.00	
8,100.00	18.00	37.57	7,937.02	890.41	685.04	-814.36	0.00	0.00	0.00	
8,200.00	18.00	37.57	8,032.12	914.91	703.88	-836.76	0.00	0.00	0.00	
8,300.00	18.00	37.57	8,127.23	939.40	722.72	-859.16	0.00	0.00	0.00	
8,400.00	18.00	37.57	8,222.33	963.89	741.57	-881.56	0.00	0.00	0.00	
8,500.00	18.00	37.57	8,317.44	988.38	760.41	-903.96	0.00	0.00	0.00	
8,600.00	18.00	37.57	8,412.54	1,012.87	779.25	-926.36	0.00	0.00	0.00	
8,700.00	18.00	37.57	8,507.65	1,037.37	798.10	-948.76	0.00	0.00	0.00	
8,792.88	18.00	37.57	8,595.98	1,060.12	815.60	-969.57	0.00	0.00	0.00	
8,800.00	17.46	39.08	8,602.76	1,061.82	816.94	-971.12	10.00	-7.66	21.13	
8,900.00	11.79	72.79	8,699.65	1,076.52	836.20	-983.74	10.00	-5.67	33.71	
9,000.00	13.06	120.24	8,797.55	1,073.85	855.77	-979.05	10.00	1.27	47.45	
9,100.00	19.99	146.36	8,893.49	1,053.88	875.05	-957.18	10.00	6.93	26.12	
9,200.00	28.74	158.30	8,984.55	1,017.22	893.45	-918.81	10.00	8.75	11.94	
9,300.00	38.07	164.88	9,067.97	964.98	910.43	-865.09	10.00	9.33	6.59	
9,400.00	47.64	169.16	9,141.21	898.76	925.45	-797.67	10.00	9.57	4.28	
9,500.00	57.33	172.30	9,202.04	820.57	938.08	-718.58	10.00	9.69	3.13	
9,600.00	67.08	174.81	9,248.62	732.77	947.91	-630.24	10.00	9.75	2.51	
9,700.00	76.87	176.98	9,279.53	638.04	954.66	-535.32	10.00	9.78	2.17	
9,800.00	86.67	178.99	9,293.83	539.26	958.11	-436.71	10.00	9.80	2.00	
9,834.54	90.05	179.66	9,294.82	504.74	958.52	-402.34	10.00	9.81	1.96	
9,900.00	90.05	179.66	9,294.75	439.28	958.90	-337.20	0.00	0.00	0.00	
10,000.00	90.05	179.66	9,294.66	339.28	959.49	-237.68	0.00	0.00	0.00	
10,100.00	90.05	179.66	9,294.56	239.28	960.08	-138.16	0.00	0.00	0.00	
10,200.00	90.05	179.66	9,294.47	139.28	960.67	-38.64	0.00	0.00	0.00	
10,300.00	90.05	179.66	9,294.37	39.29	961.26	60.87	0.00	0.00	0.00	
10,400.00	90.05	179.66	9,294.28	-60.71	961.84	160.39	0.00	0.00	0.00	
10,500.00	90.05	179.66	9,294.18	-160.71	962.43	259.91	0.00	0.00	0.00	

OXY Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 14H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3487.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3487.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,600.00	90.05	179.66	9,294.08	-260.71	963.02	359.43	0.00	0.00	0.00
10,700.00	90.05	179.66	9,293.99	-360.71	963.61	458.94	0.00	0.00	0.00
10,800.00	90.05	179.66	9,293.89	-460.71	964.19	558.46	0.00	0.00	0.00
10,900.00	90.05	179.66	9,293.80	-560.70	964.78	657.98	0.00	0.00	0.00
11,000.00	90.05	179.66	9,293.70	-660.70	965.37	757.49	0.00	0.00	0.00
11,100.00	90.05	179.66	9,293.61	-760.70	965.96	857.01	0.00	0.00	0.00
11,200.00	90.05	179.66	9,293.51	-860.70	966.55	956.53	0.00	0.00	0.00
11,300.00	90.05	179.66	9,293.41	-960.70	967.13	1,056.05	0.00	0.00	0.00
11,400.00	90.05	179.66	9,293.32	-1,060.69	967.72	1,155.56	0.00	0.00	0.00
11,500.00	90.05	179.66	9,293.22	-1,160.69	968.31	1,255.08	0.00	0.00	0.00
11,600.00	90.05	179.66	9,293.13	-1,260.69	968.90	1,354.60	0.00	0.00	0.00
11,700.00	90.05	179.66	9,293.03	-1,360.69	969.48	1,454.12	0.00	0.00	0.00
11,800.00	90.05	179.66	9,292.93	-1,460.69	970.07	1,553.63	0.00	0.00	0.00
11,900.00	90.05	179.66	9,292.84	-1,560.69	970.66	1,653.15	0.00	0.00	0.00
12,000.00	90.05	179.66	9,292.74	-1,660.68	971.25	1,752.67	0.00	0.00	0.00
12,100.00	90.05	179.66	9,292.65	-1,760.68	971.83	1,852.19	0.00	0.00	0.00
12,200.00	90.05	179.66	9,292.55	-1,860.68	972.42	1,951.70	0.00	0.00	0.00
12,300.00	90.05	179.66	9,292.46	-1,960.68	973.01	2,051.22	0.00	0.00	0.00
12,400.00	90.05	179.66	9,292.36	-2,060.68	973.60	2,150.74	0.00	0.00	0.00
12,500.00	90.05	179.66	9,292.26	-2,160.68	974.19	2,250.25	0.00	0.00	0.00
12,600.00	90.05	179.66	9,292.17	-2,260.67	974.77	2,349.77	0.00	0.00	0.00
12,700.00	90.05	179.66	9,292.07	-2,360.67	975.36	2,449.29	0.00	0.00	0.00
12,800.00	90.05	179.66	9,291.98	-2,460.67	975.95	2,548.81	0.00	0.00	0.00
12,900.00	90.05	179.66	9,291.88	-2,560.67	976.54	2,648.32	0.00	0.00	0.00
13,000.00	90.05	179.66	9,291.79	-2,660.67	977.12	2,747.84	0.00	0.00	0.00
13,100.00	90.05	179.66	9,291.69	-2,760.66	977.71	2,847.36	0.00	0.00	0.00
13,200.00	90.05	179.66	9,291.59	-2,860.66	978.30	2,946.88	0.00	0.00	0.00
13,300.00	90.05	179.66	9,291.50	-2,960.66	978.89	3,046.39	0.00	0.00	0.00
13,400.00	90.05	179.66	9,291.40	-3,060.66	979.48	3,145.91	0.00	0.00	0.00
13,500.00	90.05	179.66	9,291.31	-3,160.66	980.06	3,245.43	0.00	0.00	0.00
13,600.00	90.05	179.66	9,291.21	-3,260.66	980.65	3,344.95	0.00	0.00	0.00
13,700.00	90.05	179.66	9,291.12	-3,360.65	981.24	3,444.46	0.00	0.00	0.00
13,800.00	90.05	179.66	9,291.02	-3,460.65	981.83	3,543.98	0.00	0.00	0.00
13,900.00	90.05	179.66	9,290.92	-3,560.65	982.41	3,643.50	0.00	0.00	0.00
14,000.00	90.05	179.66	9,290.83	-3,660.65	983.00	3,743.01	0.00	0.00	0.00
14,100.00	90.05	179.66	9,290.73	-3,760.65	983.59	3,842.53	0.00	0.00	0.00
14,200.00	90.05	179.66	9,290.64	-3,860.64	984.18	3,942.05	0.00	0.00	0.00
14,300.00	90.05	179.66	9,290.54	-3,960.64	984.76	4,041.57	0.00	0.00	0.00
14,400.00	90.05	179.66	9,290.44	-4,060.64	985.35	4,141.08	0.00	0.00	0.00
14,500.00	90.05	179.66	9,290.35	-4,160.64	985.94	4,240.60	0.00	0.00	0.00
14,600.00	90.05	179.66	9,290.25	-4,260.64	986.53	4,340.12	0.00	0.00	0.00
14,700.00	90.05	179.66	9,290.16	-4,360.64	987.12	4,439.64	0.00	0.00	0.00
14,800.00	90.05	179.66	9,290.06	-4,460.63	987.70	4,539.15	0.00	0.00	0.00
14,900.00	90.05	179.66	9,289.97	-4,560.63	988.29	4,638.67	0.00	0.00	0.00
15,000.00	90.05	179.66	9,289.87	-4,660.63	988.88	4,738.19	0.00	0.00	0.00
15,100.00	90.05	179.66	9,289.77	-4,760.63	989.47	4,837.71	0.00	0.00	0.00
15,200.00	90.05	179.66	9,289.68	-4,860.63	990.05	4,937.22	0.00	0.00	0.00
15,300.00	90.05	179.66	9,289.58	-4,960.63	990.64	5,036.74	0.00	0.00	0.00
15,400.00	90.05	179.66	9,289.49	-5,060.62	991.23	5,136.26	0.00	0.00	0.00
15,500.00	90.05	179.66	9,289.39	-5,160.62	991.82	5,235.77	0.00	0.00	0.00
15,600.00	90.05	179.66	9,289.30	-5,260.62	992.41	5,335.29	0.00	0.00	0.00
15,700.00	90.05	179.66	9,289.20	-5,360.62	992.99	5,434.81	0.00	0.00	0.00
15,800.00	90.05	179.66	9,289.10	-5,460.62	993.58	5,534.33	0.00	0.00	0.00
15,900.00	90.05	179.66	9,289.01	-5,560.61	994.17	5,633.84	0.00	0.00	0.00
16,000.00	90.05	179.66	9,288.91	-5,660.61	994.76	5,733.36	0.00	0.00	0.00

OXY

Planning Report

Database:	HOSPSP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 14H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3487.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3487.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
16,100.00	90.05	179.66	9,288.82	-5,760.61	995.34	5,832.88	0.00	0.00	0.00
16,200.00	90.05	179.66	9,288.72	-5,860.61	995.93	5,932.40	0.00	0.00	0.00
16,300.00	90.05	179.66	9,288.62	-5,960.61	996.52	6,031.91	0.00	0.00	0.00
16,400.00	90.05	179.66	9,288.53	-6,060.61	997.11	6,131.43	0.00	0.00	0.00
16,500.00	90.05	179.66	9,288.43	-6,160.60	997.69	6,230.95	0.00	0.00	0.00
16,600.00	90.05	179.66	9,288.34	-6,260.60	998.28	6,330.47	0.00	0.00	0.00
16,700.00	90.05	179.66	9,288.24	-6,360.60	998.87	6,429.98	0.00	0.00	0.00
16,800.00	90.05	179.66	9,288.15	-6,460.60	999.46	6,529.50	0.00	0.00	0.00
16,900.00	90.05	179.66	9,288.05	-6,560.60	1,000.05	6,629.02	0.00	0.00	0.00
17,000.00	90.05	179.66	9,287.95	-6,660.60	1,000.63	6,728.54	0.00	0.00	0.00
17,100.00	90.05	179.66	9,287.86	-6,760.59	1,001.22	6,828.05	0.00	0.00	0.00
17,200.00	90.05	179.66	9,287.76	-6,860.59	1,001.81	6,927.57	0.00	0.00	0.00
17,300.00	90.05	179.66	9,287.67	-6,960.59	1,002.40	7,027.09	0.00	0.00	0.00
17,400.00	90.05	179.66	9,287.57	-7,060.59	1,002.98	7,126.60	0.00	0.00	0.00
17,500.00	90.05	179.66	9,287.48	-7,160.59	1,003.57	7,226.12	0.00	0.00	0.00
17,600.00	90.05	179.66	9,287.38	-7,260.58	1,004.16	7,325.64	0.00	0.00	0.00
17,700.00	90.05	179.66	9,287.28	-7,360.58	1,004.75	7,425.16	0.00	0.00	0.00
17,800.00	90.05	179.66	9,287.19	-7,460.58	1,005.34	7,524.67	0.00	0.00	0.00
17,900.00	90.05	179.66	9,287.09	-7,560.58	1,005.92	7,624.19	0.00	0.00	0.00
18,000.00	90.05	179.66	9,287.00	-7,660.58	1,006.51	7,723.71	0.00	0.00	0.00
18,100.00	90.05	179.66	9,286.90	-7,760.58	1,007.10	7,823.23	0.00	0.00	0.00
18,200.00	90.05	179.66	9,286.81	-7,860.57	1,007.69	7,922.74	0.00	0.00	0.00
18,300.00	90.05	179.66	9,286.71	-7,960.57	1,008.27	8,022.26	0.00	0.00	0.00
18,400.00	90.05	179.66	9,286.61	-8,060.57	1,008.86	8,121.78	0.00	0.00	0.00
18,500.00	90.05	179.66	9,286.52	-8,160.57	1,009.45	8,221.30	0.00	0.00	0.00
18,600.00	90.05	179.66	9,286.42	-8,260.57	1,010.04	8,320.81	0.00	0.00	0.00
18,700.00	90.05	179.66	9,286.33	-8,360.57	1,010.63	8,420.33	0.00	0.00	0.00
18,800.00	90.05	179.66	9,286.23	-8,460.56	1,011.21	8,519.85	0.00	0.00	0.00
18,900.00	90.05	179.66	9,286.13	-8,560.56	1,011.80	8,619.36	0.00	0.00	0.00
19,000.00	90.05	179.66	9,286.04	-8,660.56	1,012.39	8,718.88	0.00	0.00	0.00
19,100.00	90.05	179.66	9,285.94	-8,760.56	1,012.98	8,818.40	0.00	0.00	0.00
19,200.00	90.05	179.66	9,285.85	-8,860.56	1,013.56	8,917.92	0.00	0.00	0.00
19,300.00	90.05	179.66	9,285.75	-8,960.55	1,014.15	9,017.43	0.00	0.00	0.00
19,400.00	90.05	179.66	9,285.66	-9,060.55	1,014.74	9,116.95	0.00	0.00	0.00
19,500.00	90.05	179.66	9,285.56	-9,160.55	1,015.33	9,216.47	0.00	0.00	0.00
19,600.00	90.05	179.66	9,285.46	-9,260.55	1,015.91	9,315.99	0.00	0.00	0.00
19,700.00	90.05	179.66	9,285.37	-9,360.55	1,016.50	9,415.50	0.00	0.00	0.00
19,800.00	90.05	179.66	9,285.27	-9,460.55	1,017.09	9,515.02	0.00	0.00	0.00
19,900.00	90.05	179.66	9,285.18	-9,560.54	1,017.68	9,614.54	0.00	0.00	0.00
20,000.00	90.05	179.66	9,285.08	-9,660.54	1,018.27	9,714.06	0.00	0.00	0.00
20,084.54	90.05	179.66	9,285.00	-9,745.08	1,018.76	9,798.18	0.00	0.00	0.00

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (Chuck Smith - plan hits target center - Point	0.00	0.01	9,285.00	-9,745.08	1,018.76	440,603.72	708,599.84	32.210140	-103.792523
FTP (Chuck Smith - plan misses target center by 30.93ft at 9650.40ft MD (9266.22 TVD, 685.72 N, 951.71 E) - Point	0.00	0.00	9,295.00	695.51	957.40	451,043.67	708,538.48	32.238838	-103.792552

OXY
Planning Report

Database:	HOPSPP	Local Co-ordinate Reference:	Well Chuck Smith MDP1 8_17 Fed Com 14H
Company:	ENGINEERING DESIGNS	TVD Reference:	RKB=25' @ 3487.00ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	RKB=25' @ 3487.00ft
Site:	Chuck Smith MDP1 8_17	North Reference:	Grid
Well:	Chuck Smith MDP1 8_17 Fed Com 14H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Permitting Plan		

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
556.00	556.00	RUSTLER				
883.00	883.00	SALADO				
2,764.00	2,764.00	CASTILE				
4,302.98	4,301.00	DELAWARE				
4,330.21	4,328.00	BELL CANYON				
5,260.33	5,236.00	CHERRY CANYON				
6,518.58	6,433.00	BRUSHY CANYON				
8,340.77	8,166.00	BONE SPRING				
9,494.42	9,199.00	BONE SPRING 1ST				

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment	
		+N/-S (ft)	+E/-W (ft)		
3,572.00	3,572.00	0.00	0.00	Build 1"/100'	
5,372.03	5,342.56	222.27	171.00	Hold 18° Tangent	
8,792.88	8,595.98	1,060.12	815.60	KOP, Build & Turn 10"/100'	
9,834.54	9,294.82	504.74	958.52	Landing Point	
20,084.54	9,285.00	-9,745.08	1,018.76	TD at 20084.54' MD	



Project: PRD NM DIRECTIONAL PLANS (NAD 1983)
 Site: Chuck Smith MDP1 8_17
 Well: Chuck Smith MDP1 8_17 Fed Com 14H
 Wellbore: Wellbore #1
 Design: Permitting Plan

PROJECT DETAILS: NM DIRECTIONAL PLANS (NAD 1983)

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

System Datum: Mean Sea Level

WELL DETAILS: Chuck Smith MDP1 8_17 Fed Com 14H

+N/-S	+E/-W	Northing	3462.00	Latitude	Longitude
0.00	0.00	450348.20	Easting 707581.14	32.236939	-103.795659

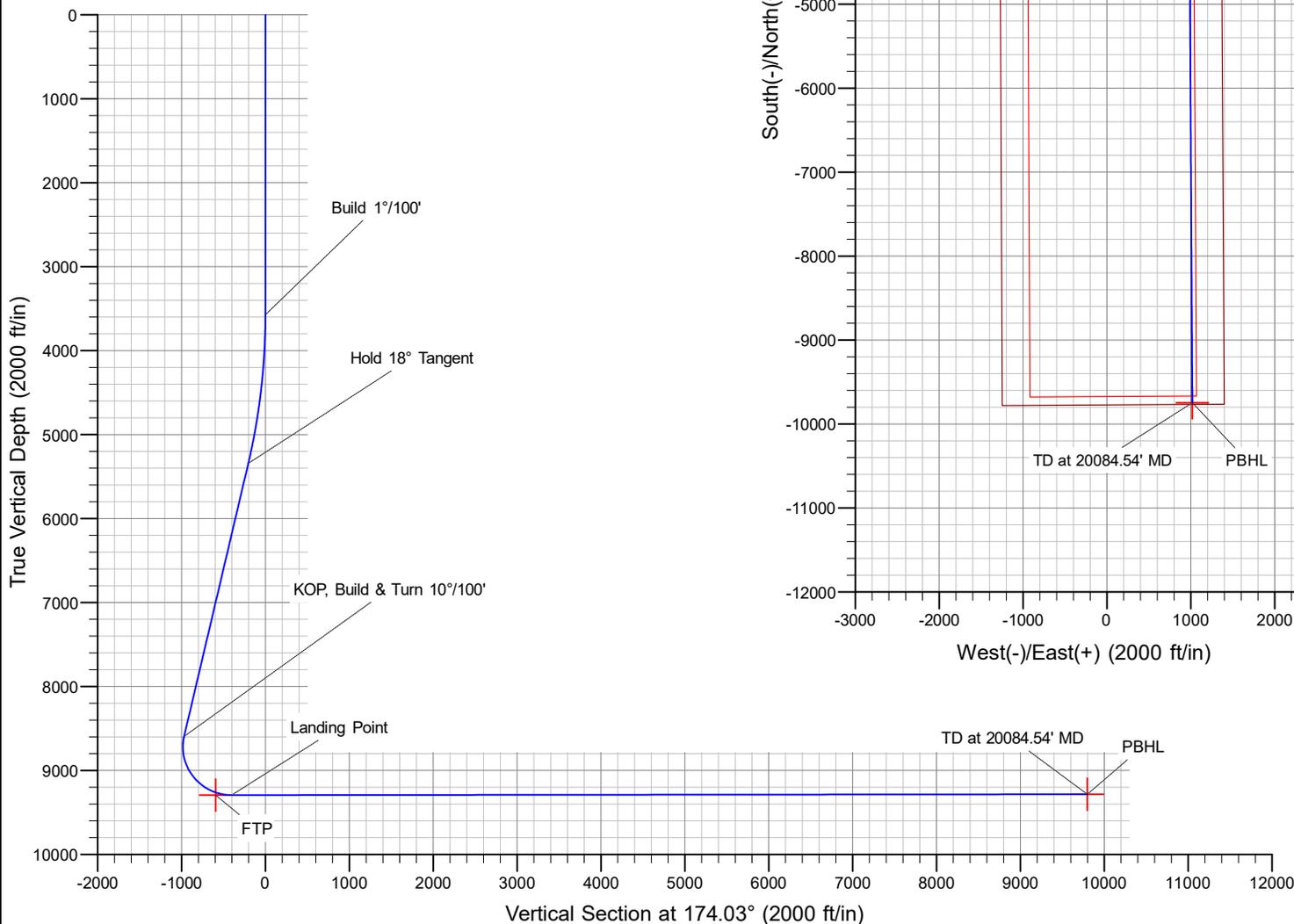
SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSec	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3572.00	0.00	0.00	3572.00	0.00	0.00	0.00	0.00	0.00	Build 1°/100'
5372.03	18.00	37.57	5342.56	222.27	171.00	1.00	37.57	-203.28	Hold 18° Tangent
8792.88	18.00	37.57	8595.98	1060.12	815.60	0.00	0.00	-969.57	KOP, Build & Turn 10°/100'
9834.54	90.05	179.66	9294.82	504.74	958.52	10.00	140.68	-402.34	Landing Point
20084.54	90.05	179.66	9285.00	-9745.08	1018.76	0.00	0.00	9798.18	TD at 20084.54' MD



Azimuths to Grid North
 True North: -0.29°
 Magnetic North: 6.15°

Magnetic Field
 Strength: 47583.3nT
 Dip Angle: 59.82°
 Date: 11/3/2022
 Model: HDGM_FILE



Chuck Smith MDP1 8-17 Federal Com 14H

APD - Geology COAs (Potash or WIPP)

- For at least one well per pad (deepest well within initial development preferred) the record of the drilling rate (ROP) along with the Gamma Ray (GR) and Neutron (CNL) well logs run from TVD to surface in the vertical section of the hole shall be submitted to the BLM office as well as all other logs run on the full borehole 30 days from completion. Any other logs run on the wellbore, excluding cement remediation, should also be sent. Only digital copies of the logs in .TIF or .LAS formats are necessary; paper logs are no longer required. Logs shall be emailed to blm-cfo-geology@doimspp.onmicrosoft.com. Well completion report should have .pdf copies of any CBLs or Temp Logs run on the wellbore.
- Exceptions: In areas where there is extensive log coverage (in particular the salt zone adjacent to a pad), Operators are encouraged to contact BLM Geologists to discuss if additional GR and N logs are necessary on a pad. Operator may request a waiver of the GR and N log requirement due to good well control or other reasons to be approved by BLM Geologist prior to well completion. A waiver approved by BLM must be attached to completion well report to satisfy COAs.
- The top of the Rustler, top and bottom of the Salt, and the top of the Capitan Reef (if present) are to be recorded on the Completion Report.
- No H2S has been encountered within one-mile of the proposed project

Drilling COAs within Known Potash Leasing Area:

Any oil and gas well operator within the KPLA must notify both potash operators as soon as possible if any of the following conditions are encountered during oil and gas operations: (1) Indication of any well collision event, (2) Suspected well fluid flow (oil, gas, or produced water) outside of casing, (3) Sustained annulus pressure between the 1st intermediate and next innermost casing string in excess of 500 psi above the baseline pressure of the well, or above 1500 psi total, (4) Increasing pressure buildup rates (psi/day) across multiple successive bleed-off cycles on the annulus between the 1st intermediate and next innermost casing during well production, or (5) Sustained losses in excess of 50% through the salt interval during drilling.

Questions? Contact Thomas Evans, BLM Geologist at 575-234-5965 or tvevans@blm.gov

**PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	Oxy USA Inc.
LEASE NO.:	NMNM029234, NMNM0031963, NMNM082904, NMNM104730
COUNTY:	Eddy

Wells:

Proposed Well Name	Surface Hole Location	Surface Ownership	Legal Location*
Chuck Smith MPD1 8-17 Fed Com 21H	280 FSL and 1,305 FWL	BLM	Section 5, Township 24 South, Range 31 East
Chuck Smith MPD1 8-17 Fed Com 22H	280 FSL and 1,335 FWL		
Chuck Smith MPD1 8-17 Fed Com 23H	280 FSL and 1,365 FWL		
Chuck Smith MPD1 8-17 Fed Com 24H	279 FSL and 1,550 FEL		
Chuck Smith MPD1 8-17 Fed Com 25H	279 FSL and 1,520 FEL		
Chuck Smith MPD1 8-17 Fed Com 26H	279 FSL and 1,490 FEL		
Chuck Smith MPD1 8-17 Fed Com 31H	280 FSL and 1,215 FWL		
Chuck Smith MPD1 8-17 Fed Com 32H	280 FSL and 1,245 FWL		
Chuck Smith MPD1 8-17 Fed Com 33H	280 FSL and 1,760 FEL		
Chuck Smith MPD1 8-17 Fed Com 34H	280 FSL and 1,730 FEL		
Chuck Smith MPD1 8-17 Fed Com 44H	279 FSL and 1,670 FEL		
Chuck Smith MPD1 8-17 Fed Com 45H	279 FSL and 1,640 FEL		
Chuck Smith MPD1 8-17 Fed Com 46H	279 FSL and 1,610 FEL		
Chuck Smith MPD1 8-17 Fed Com 1H	361 FNL and 2,535 FWL		
Chuck Smith MPD1 8-17 Fed Com 2H	361 FNL and 2,565 FWL		
Chuck Smith MPD1 8-17 Fed Com 3H	361 FNL and 2,595 FWL		
Chuck Smith MPD1 8-17 Fed Com 4H	731 FNL and 1,335 FEL		
Chuck Smith MPD1 8-17 Fed Com 5H	701 FNL and 1,335 FEL		
Chuck Smith MPD1 8-17 Fed Com 11H	360 FNL and 2,445 FWL		
Chuck Smith MPD1 8-17 Fed Com 12H	360 FNL and 2,475 FWL		
Chuck Smith MPD1 8-17 Fed Com 13H	821 FNL and 1,335 FEL		
Chuck Smith MPD1 8-17 Fed Com 14H	791 FNL and 1,335 FEL		
Chuck Smith MPD1 8-17 Fed Com 41H	360 FNL and 2,325 FWL		
Chuck Smith MPD1 8-17 Fed Com 42H	360 FNL and 2,355 FWL		
Chuck Smith MPD1 8-17 Fed Com 43H	360 FNL and 2,385 FWL		

TABLE OF CONTENTS

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

- General Provisions**
- Permit Expiration**
- Archaeology, Paleontology, and Historical Sites**
- Noxious Weeds**
- Special Requirements**
 - Watershed
 - Range
 - Lesser Prairie Chicken
- Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- Road Section Diagram**
- Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- Interim Reclamation**
- Final Abandonment & Reclamation**

I. GENERAL PROVISIONS

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

II. PERMIT EXPIRATION

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

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

If the entire project is covered under the Permian Basin Programmatic Agreement (cultural resources only):

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See information below discussing NAGPRA.

If the proposed project is split between a Class III inventory and a Permian Basin Programmatic Agreement contribution, the portion of the project covered under Class III inventory should default to the first paragraph stipulations.

The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

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)

Watershed:

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 topsoil 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:

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.

BURIED/SURFACE LINES:

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, siting 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.

ELECTRIC LINES:

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.

Range:

Cattleguards

Where a permanent cattleguard is approved, an appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s). Any existing cattleguard(s) on the access road 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 cattleguard(s) that are in place and are utilized during lease operations. A gate shall be constructed on one side of the cattleguard and fastened securely to H-braces.

Fence Requirement

Where entry granted across a fence line, the fence must be H-braced or angle iron braced and tied off on both sides of the passageway prior to cutting. Once the work is completed, the fence will be restored to its prior condition, or better. The operator shall consult the private surface landowner or the grazing allotment holder prior to cutting any fence(s).

Figure 1. Pipe H-brace specifications

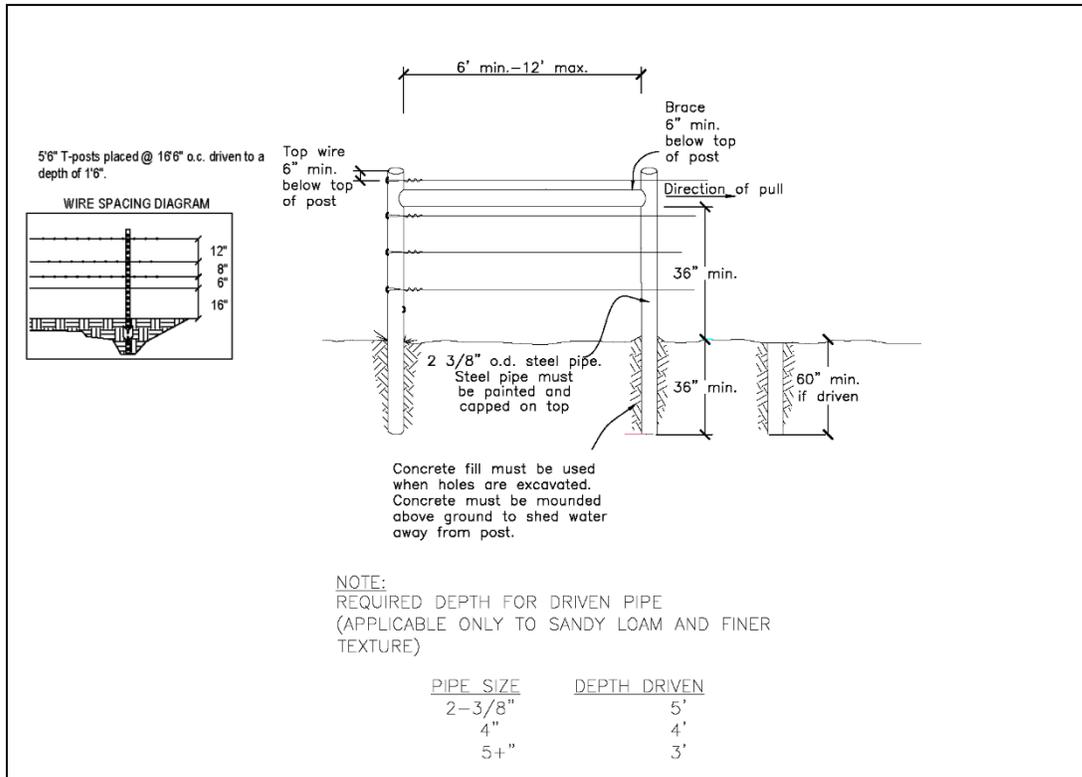
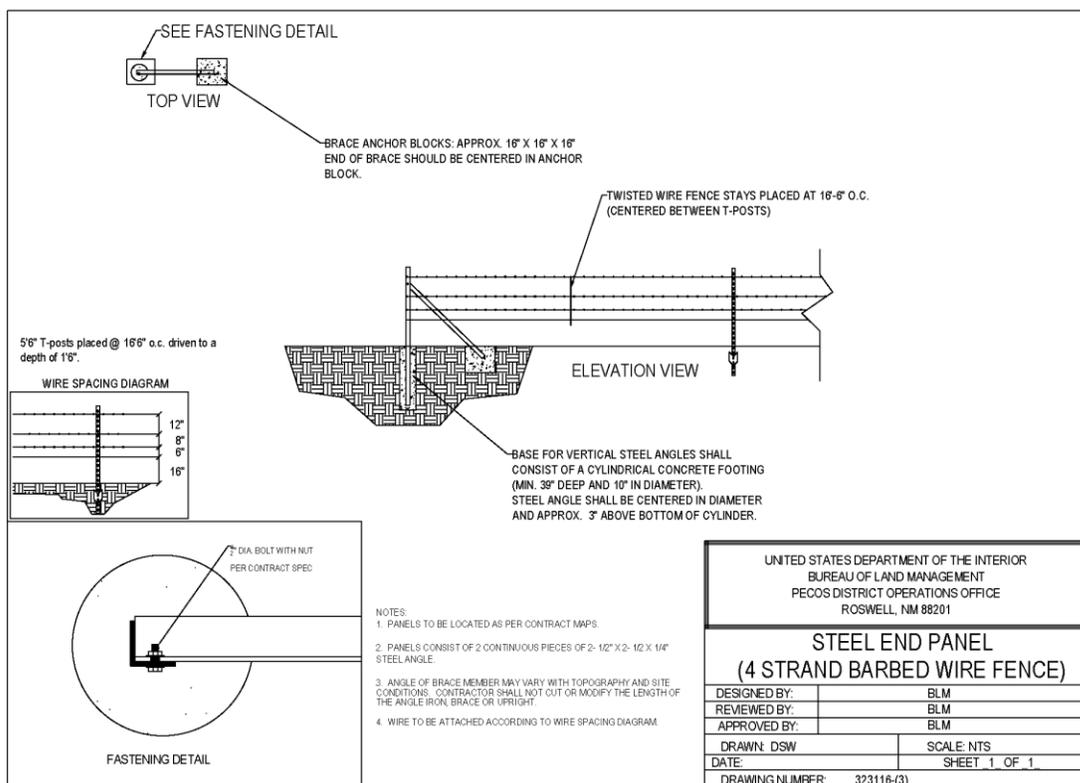


Figure 2. Angle iron brace specifications



Lesser Prairie Chicken:

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, geophysical exploration other than 3-D operations, and 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 ft. from the source of the noise.

Timing Limitation Exceptions:

The Carlsbad Field Office will publish an annual map of where the LPC timing and noise stipulations and conditions of approval (Limitations) will apply for the identified year (between March 1 and June 15) based on the latest survey information. The LPC Timing Area map will identify areas which are Habitat Areas (HA), Isolated Population Area (IPA), and Primary Population Area (PPA). The LPC Timing Area map will also have an area in red crosshatch. The red crosshatch area is the only area where an operator is required to submit a request for exception to the LPC Limitations. If an operator is operating outside the red crosshatch area, the LPC Limitations do not apply for that year and an exception to LPC Limitations is not required.

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.

VI. CONSTRUCTION

A. NOTIFICATION

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

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

B. TOPSOIL

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

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

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

D. FEDERAL MINERAL MATERIALS PIT

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

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

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

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

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

G. ON LEASE ACCESS ROADS

Road Width

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

Surfacing

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

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

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

Crowning

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

Ditching

Ditching shall be required on both sides of the road.

Turnouts

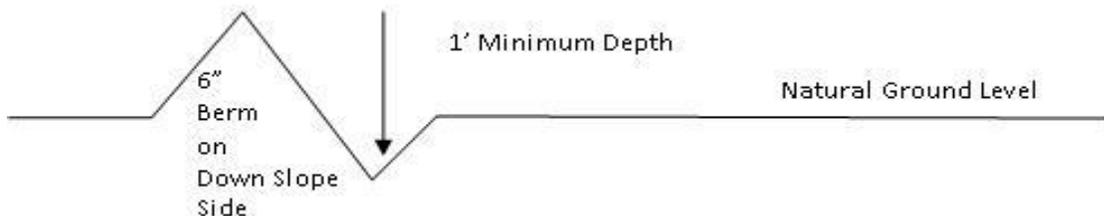
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

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

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

Cross Section of a Typical Lead-off Ditch



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

Formula for Spacing Interval of Lead-off Ditches

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

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

Cattle guards

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

Fence Requirement

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

Public Access

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

Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

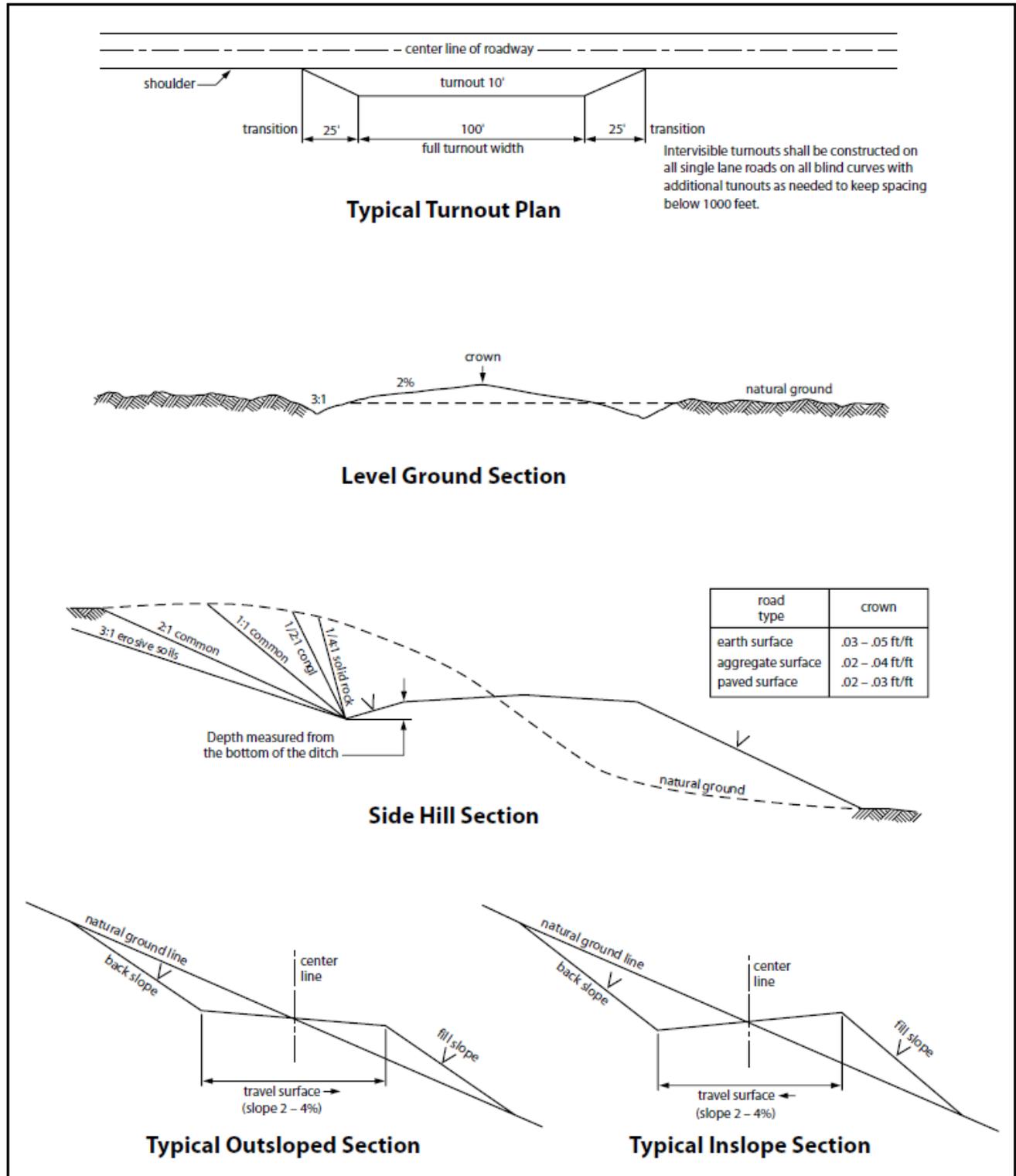


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

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

Exclosure Netting (Open-top Tanks)

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

Chemical and Fuel Secondary Containment and Exclosure Screening

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

Open-Vent Exhaust Stack Exclosures

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

Containment Structures

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

Painting Requirement

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

B. PIPELINES

- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, passages, or voids are intersected by trenching, and no pipe will be laid in the trench at that point until clearance has been issued by the Authorized Officer.
- If a void is encountered alignments may be rerouted to avoid the karst feature and lessen; the potential of subsidence or collapse of karst features, buildup of toxic or combustible gas, or other possible impacts to cave and karst resources from the buried pipeline.
- Special restoration stipulations or realignment may be required at such intersections, if any.
- A leak detection plan **will be submitted to the BLM Carlsbad Field Office for approval** prior to pipeline installation. The method could incorporate gauges to detect pressure drops, siting 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.
- Regular monitoring is required to quickly identify leaks for their immediate and proper treatment.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

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 20 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 2
- Seed Mixture 2/LPC
- Seed Mixture 3
- Seed Mixture 4
- Seed Mixture 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. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

17. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

18. 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.

19. 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.

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review 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. 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. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard 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 in particular, 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. 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 activity of 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 provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;

c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, 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, salt water, 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/she 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 Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall be confined to the authorized right-of-way width of 30 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.

8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky or dune areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of 6 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. 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.

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. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. 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. Signs will be maintained in a legible condition for the life of the pipeline.

14. 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. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

16. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the 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 the roads, powerline 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. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

C. ELECTRIC LINES

- Smaller powerlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize changes to runoff or possible leaks and spills from entering karst systems. Larger powerlines will adjust their pole spacing to avoid cave and karst features.
- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction.
- No further construction will be done until clearance has been issued by the Authorized Officer.
- Special restoration stipulations or realignment may be required.

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. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

11. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The 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 the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

12. 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

	<u>lb/acre</u>
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

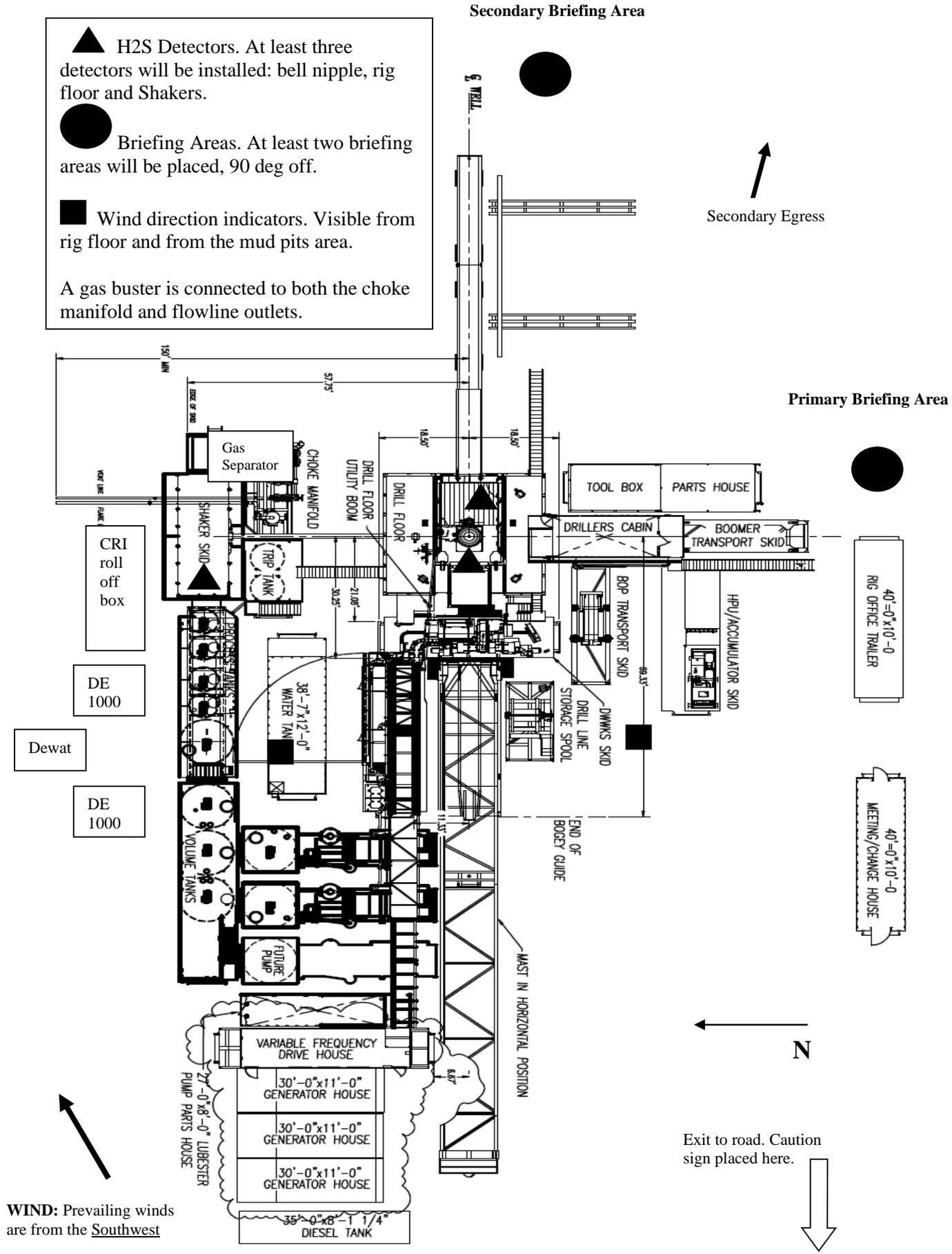


Permian Drilling Hydrogen Sulfide Drilling Operations Plan

Open drill site. No homes or buildings are near the proposed location.

1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.





Permian Drilling Hydrogen Sulfide Drilling Operations Plan New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H₂S) gas.

While drilling this well, it is possible to encounter H₂S bearing formations. At all times, the first barrier to control H₂S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

1. Provide an immediate and predetermined response plan to any condition when H₂S is detected. All H₂S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.
2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.
3. Provide proper evacuation procedures to cope with emergencies.
4. Provide immediate and adequate medical attention should an injury occur.

Discussion

Implementation:	This plan with all details is to be fully implemented before drilling to <u>commence</u> .
Emergency response Procedure:	This section outlines the conditions and denotes steps to be taken in the event of an emergency.
Emergency equipment Procedure:	This section outlines the safety and emergency equipment that will be required for the drilling of this well.
Training provisions:	This section outlines the training provisions that must be adhered to prior to drilling.
Drilling emergency call lists:	Included are the telephone numbers of all persons to be contacted should an emergency exist.
Briefing:	This section deals with the briefing of all people involved in the drilling operation.
Public safety:	Public safety personnel will be made aware of any potential evacuation and any additional support needed.
Check lists:	Status check lists and procedural check lists have been included to insure adherence to the plan.
General information:	A general information section has been included to supply support information.

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 the well:

1. The hazards and characteristics of H₂S.
2. Proper use and maintenance of personal protective equipment and life support systems.
3. H₂S detection.
4. Proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
5. Proper techniques for first aid and rescue procedures.
6. Physical effects of hydrogen sulfide on the human body.
7. Toxicity of hydrogen sulfide and sulfur dioxide.
8. Use of SCBA and supplied air equipment.
9. First aid and artificial respiration.
10. Emergency rescue.

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

1. The effects of H₂S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan.

H₂S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H₂S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H₂S training has been taken.

Service company and visiting personnel

- A. Each service company that will be on this well will be notified if the zone contains H₂S.
- B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.
- C. Each service company will be expected to attend a well site briefing

Emergency Equipment Requirements

1. Well control equipment

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

- A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.
- B. Rotating head
- C. Gas buster equipment shall be installed before drilling out of surface pipe.

2. Protective equipment for personnel

- A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.
- B. Adequate fire extinguishers shall be located at strategic locations.
- C. Radio / cell telephone communication will be available at the rig.
 - Rig floor and trailers.
 - Vehicle.

3. Hydrogen sulfide sensors and alarms

- A. H₂S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
- B. Hand operated detectors with tubes.
- C. H₂S monitor tester (to be provided by contract Safety Company.)
- D. There shall be one combustible gas detector on location at all times.

4. Visual Warning Systems

- A. One sign located at each location entrance with the following language:

**Caution – potential poison gas
Hydrogen sulfide
No admittance without authorization**

Wind sock – wind streamers:

- A. One 36” (in length) wind sock located at protection center, at height visible from rig floor.
- B. One 36” (in length) wind sock located at height visible from pit areas.

Condition flags

- A. One each condition flag to be displayed to denote conditions.

green – normal conditions
yellow – potential danger
red – danger, H2S present

- B. Condition flag shall be posted at each location sign entrance.

5. Mud Program

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

6. Metallurgy

- A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
- B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

7. Well Testing

No drill stem test will be performed on this well.

8. Evacuation plan

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

9. Designated area

- A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.
- B. There will be a designated smoking area.
- C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

- A. In the event of any evidence of H2S level above 10 ppm, take the following steps:
 - 1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.
 - 2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.
 - 3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.
 - 4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.
 - 5. Entrance to the location will be secured to a higher level than our usual “Meet and Greet” requirement, and the proper condition flag will be displayed at the entrance to the location.
 - 6. Take steps to determine if the H2S level can be corrected or suppressed and, if so, proceed as required.
- B. If uncontrollable conditions occur:
 - 1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.
3. Notify public safety personnel of safe briefing / muster area.
4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.
5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.

C. Responsibility:

1. Designated personnel.
 - a. Shall be responsible for the total implementation of this plan.
 - b. Shall be in complete command during any emergency.
 - c. Shall designate a back-up.

- All personnel:
1. On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw
 2. Check status of personnel (buddy system).
 3. Secure breathing equipment.
 4. Await orders from supervisor.

- Drill site manager:
1. Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area.
 2. Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system).
 3. Determine H2S concentrations.
 4. Assess situation and take control measures.

- Tool pusher:
1. Don escape unit Report to up nearest upwind designated safe briefing / muster area.
 2. Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system).
 3. Determine H2S concentration.
 4. Assess situation and take control measures.

- Driller:
1. Don escape unit, shut down pumps, continue

- rotating DP.
- 2. Check monitor for point of release.
- 3. Report to nearest upwind designated safe briefing / muster area.
- 4. Check status of personnel (in an attempt to rescue, use the buddy system).
- 5. Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case of their absence.
- 6. Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.

Derrick man
 Floor man #1
 Floor man #2

- 1. Will remain in briefing / muster area until instructed by supervisor.

Mud engineer:

- 1. Report to nearest upwind designated safe briefing / muster area.
- 2. When instructed, begin check of mud for ph and H2S level. (Garett gas train.)

Safety personnel:

- 1. Mask up and check status of all personnel and secure operations as instructed by drill site manager.

Taking a kick

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same “tripping” procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

1. Human life and property are endangered.
2. There is no hope controlling the blowout under the prevailing conditions at the well.

Instructions for igniting the well

1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with the gas monitor. The other man is responsible for igniting the well.
2. Primary method to ignite: 25 mm flare gun with range of approximately 500 feet.
3. Ignite upwind and do not approach any closer than is warranted.
4. Select the ignition site best for protection, and which offers an easy escape route.
5. Before firing, check for presence of combustible gas.
6. After lighting, continue emergency action and procedure as before.
7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

Remember: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. **Do not assume the area is safe after the well is ignited.**

Status check list

Note: All items on this list must be completed before drilling to production casing point.

1. H2S sign at location entrance.
2. Two (2) wind socks located as required.
3. Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.
4. Air packs inspected and ready for use.
5. Cascade system and hose line hook-up as needed.
6. Cascade system for refilling air bottles as needed.
7. Condition flag on location and ready for use.
8. H2S detection system hooked up and tested.
9. H2S alarm system hooked up and tested.
10. Hand operated H2S detector with tubes on location.
11. 1 – 100' length of nylon rope on location.
12. All rig crew and supervisors trained as required.
13. All outside service contractors advised of potential H2S hazard on well.
14. No smoking sign posted and a designated smoking area identified.
15. Calibration of all H2S equipment shall be noted on the IADC report.

Checked by: _____ Date: _____

Procedural check list during H2S events

Perform each tour:

1. Check fire extinguishers to see that they have the proper charge.
2. Check breathing equipment to ensure that it in proper working order.
3. Make sure all the H2S detection system is operative.

Perform each week:

1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.
2. BOP skills (well control drills).
3. Check supply pressure on BOP accumulator stand by source.
4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.
5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade “D” before bringing to location)
6. Confirm pressure on all supply air bottles.
7. Perform breathing equipment drills with on-site personnel.
8. Check the following supplies for availability.
 - A. Emergency telephone list.
 - B. Hand operated H2S detectors and tubes.

General evacuation plan

1. When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.
2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.
3. Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.
4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.
5. After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

Important: Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

1. Evacuate all personnel to “Safe Briefing / Muster Areas” or off location if needed.
2. If sour gas – evacuate rig personnel.
3. If sour gas – evacuate public within 3000 ft radius of exposure.
4. Don SCBA and shut well in if possible using the buddy system.
5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.
6. Give first aid as needed.

Person down location/facility

1. If immediately possible, contact 911. Give location and wait for confirmation.
2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity – 1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Table i
Toxicity of various gases

Common name	Chemical formula	Specific gravity (sc=1)	Threshold limit (1)	Hazardous limit (2)	Lethal concentration (3)
Hydrogen Cyanide	Hcn	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	Cl2	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Co	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustible above 5% in air	

- 1) threshold limit – concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.
- 2) hazardous limit – concentration that will cause death with short-term exposure.
- 3) lethal concentration – concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii
Physical effects of hydrogen sulfide

<u>Percent (%)</u>	<u>Ppm</u>	<u>Concentration Grains 100 std. Ft3*</u>	<u>Physical effects</u>
0.001	<10	00.65	Obvious and unpleasant odor.

0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in 3 – 15 minutes. May sting eyes and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

*at 15.00 psia and 60'f.

Use of self-contained breathing equipment (SCBA)

1. Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.
2. SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.
3. Anyone who may use the SCBA's shall be trained in how to insure proper face-piece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.
4. Maintenance and care of SCBA's:
 - a. A program for maintenance and care of SCBA's shall include the following:
 1. Inspection for defects, including leak checks.
 2. Cleaning and disinfecting.
 3. Repair.
 4. Storage.
 - b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
 1. Fully charged cylinders.
 2. Regulator and warning device operation.
 3. Condition of face piece and connections.
 4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.
 - c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.
5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.
6. SCBA's should be worn when:
 - A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H₂S.

- B. When breaking out any line where H₂S can reasonably be expected.
- C. When sampling air in areas to determine if toxic concentrations of H₂S exists.
- D. When working in areas where over 10 ppm H₂S has been detected.
- E. At any time there is a doubt as to the H₂S level in the area to be entered.

Rescue
First aid for H₂S poisoning

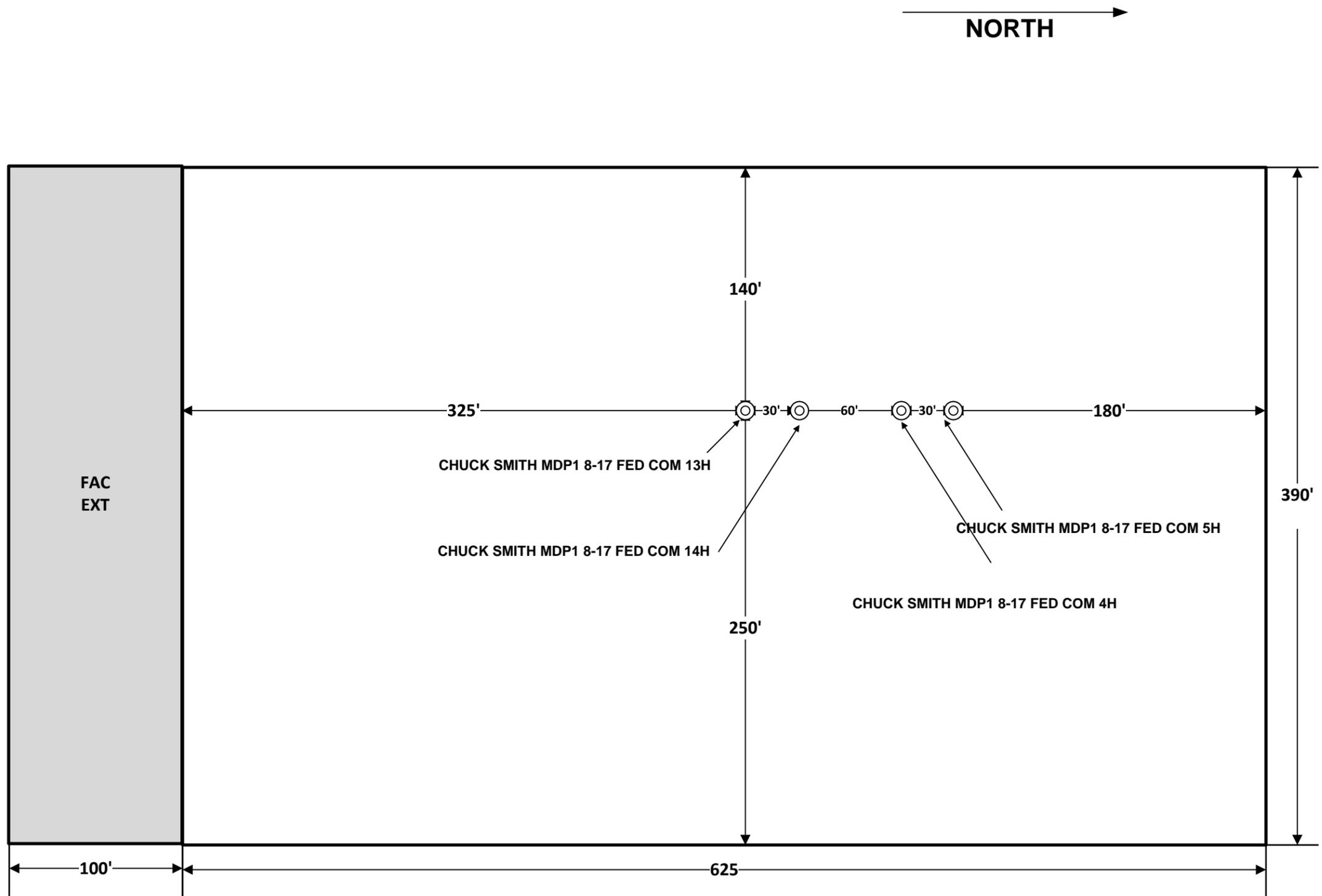
Do not panic!

Remain calm – think!

1. Don SCBA breathing equipment.
2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)
3. Briefly apply chest pressure – arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H₂S gas poisoning – no matter how remote the possibility is.
6. Notify emergency room personnel that the victim(s) has been exposed to H₂S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

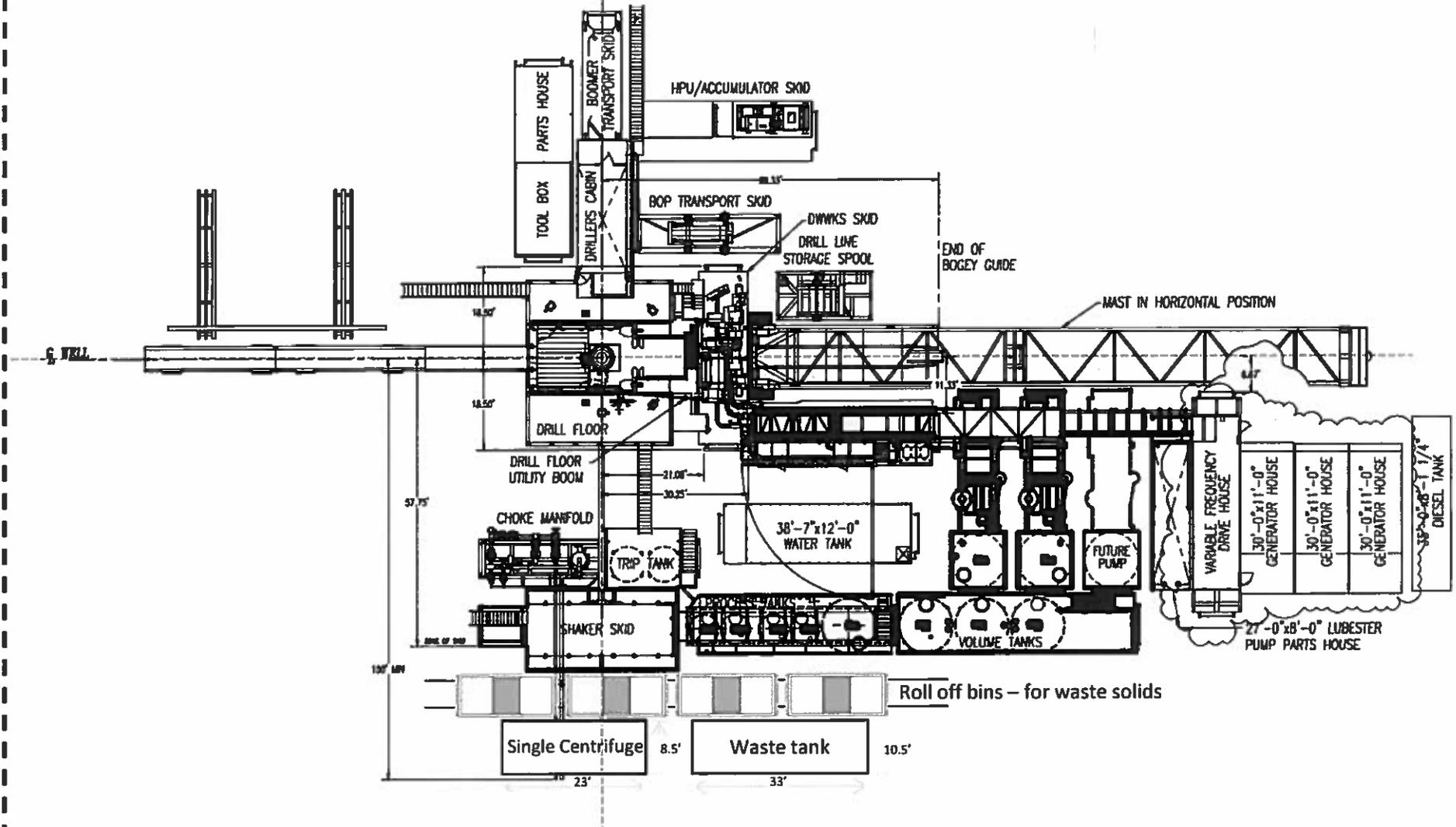
Revised CM 6/27/2012



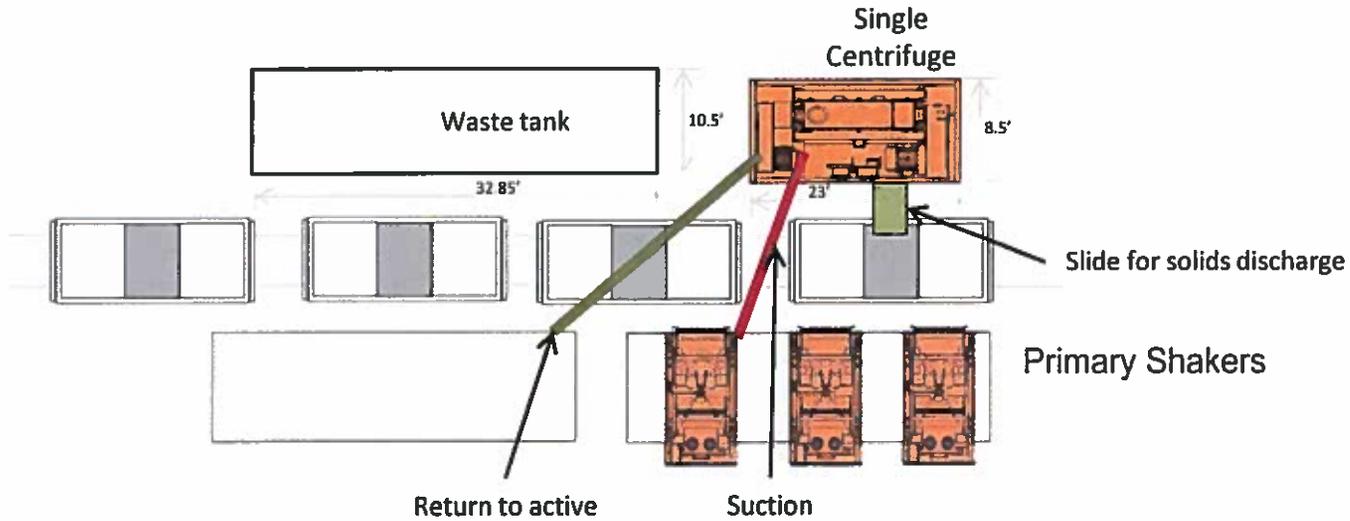
REVISION BLOCK						ENGINEERING RECORD	
NO.	DATE	DESCRIPTION	BY	CHK	APP	BY	DATE
						LP	9/29/2022

RIG DIAGRAM V-DOOR NORTH
SNDDNS_T24SR31E_0804
CHUCK SMITH MDP1 8-17 FED COM 5H, 4H, 14H, 13H
SECTION 5, TOWNSHIP 24S, RANGE 31E
EDDY COUNTY, NEW MEXICO

Oxy Single Centrifuge
Closed Loop System – New
Mexico Flex III
May 28, 2013



Oxy

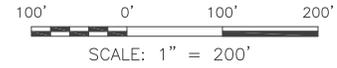


Oxy Single Centrifuge
Closed Loop System – New
Mexico Flex III
May 28, 2013



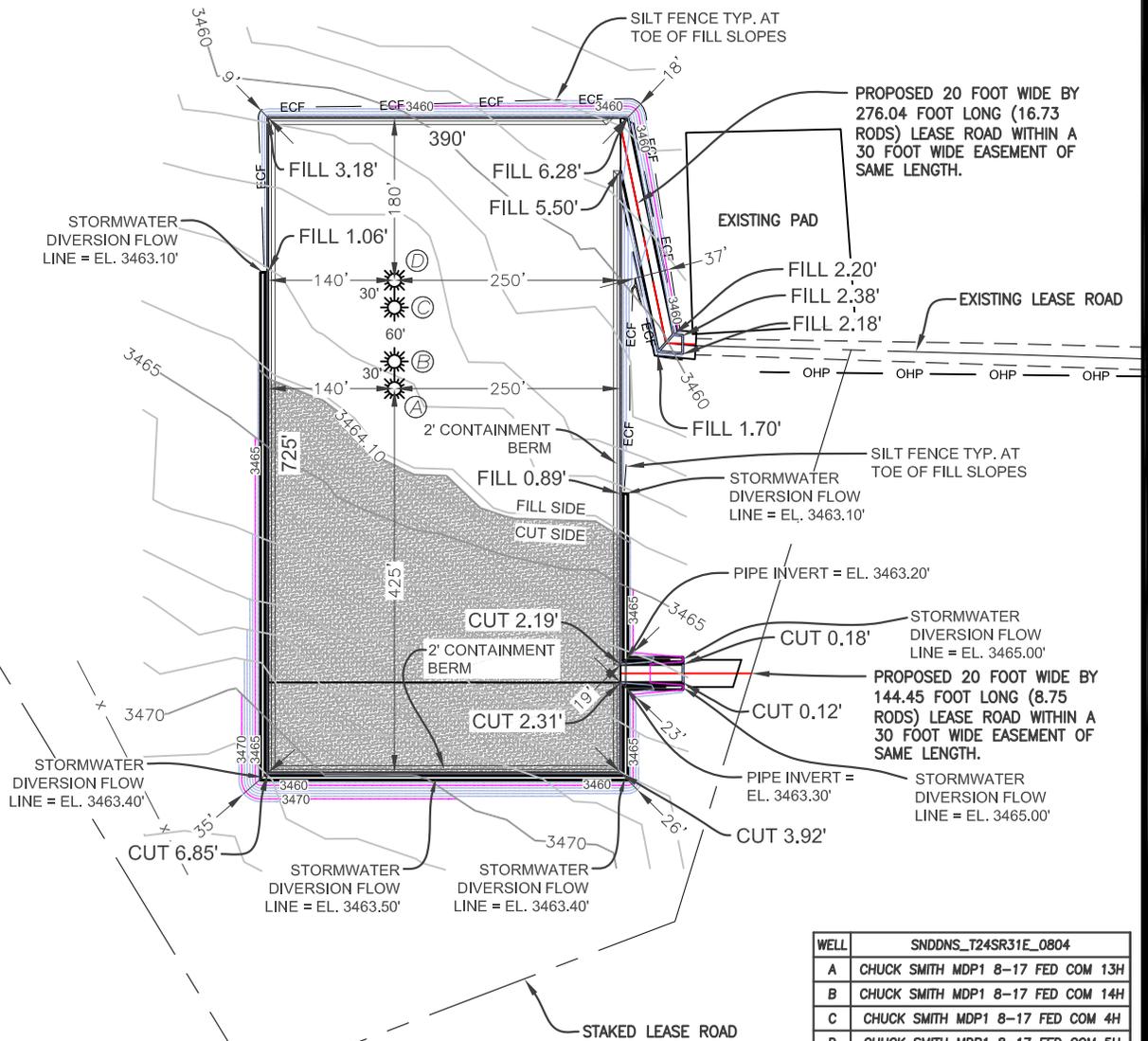
WELL PAD CONTOURS

SNDDNS_T24SR31E_0804
 SEC. 8 TWP. 24-S RGE. 31-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 OPERATOR: OXY USA, INC.
 U.S.G.S. TOPOGRAPHIC MAP: BIG SINKS, N.M.
 FAA PERMIT NEEDED: NO



PROPOSED SHORT-TERM
 DISTURBANCE AREA = 7.64 ACRES
 TOTAL CUT VOLUME: 15,382.94 cu yd
 TOTAL FILL VOLUME: 15,289.95 cu yd

SECTION 8,
 T-24-S, R-31-E



WELL	SNDDNS_T24SR31E_0804
A	CHUCK SMITH MDP1 8-17 FED COM 13H
B	CHUCK SMITH MDP1 8-17 FED COM 14H
C	CHUCK SMITH MDP1 8-17 FED COM 4H
D	CHUCK SMITH MDP1 8-17 FED COM 5H

09/01/2022	09/08/2022	02/14/2022
DATE SURVEYED	DATE DRAWN	REV. 1

LEGEND	
	PROP. PAD SURFACE
	PROPERTY LINE
	PROP. LEASE ROAD
	EXIST. 1' CTR. LINES
	SWD
	SALT WATER DISP.
	PROP. 1' CTR. LINES
	PROP. 5' CTR. LINES
	EROSION CON. FENCE
	OHP OVERHEAD POWER PIPELINE

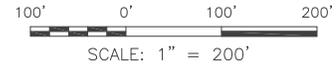


PREPARED BY:
R-SQUARED GLOBAL, LLC
 510 TRENTON ST.
 WEST MONROE, LA 71291
 318-323-6900 OFFICE
 JOB NO. R4289_008



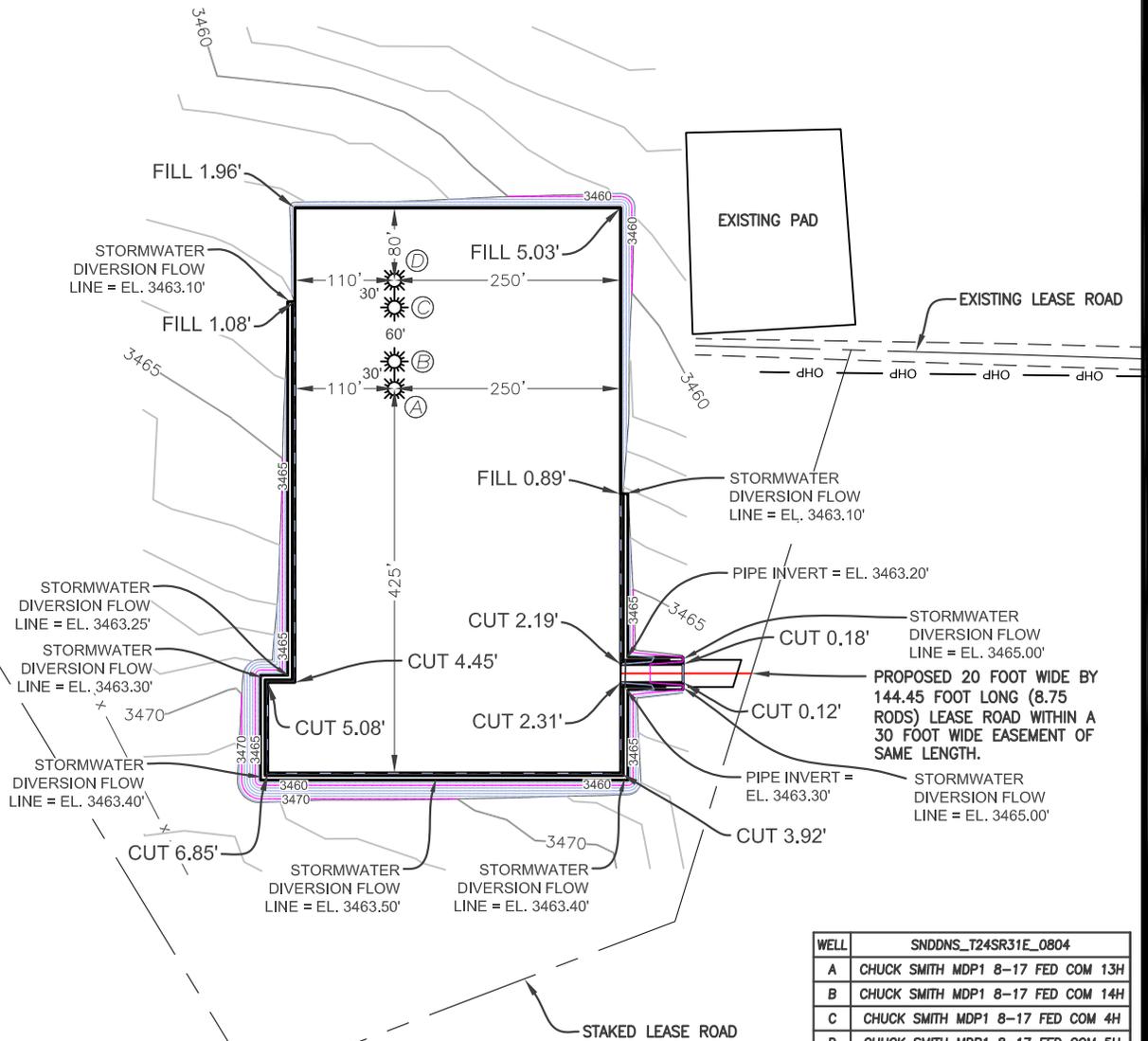
INTERIM RECLAMATION PLAT

SNDDNS_T24SR31E_0804
 SEC. 8 TWP. 24-S RGE. 31-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 OPERATOR: OXY USA, INC.
 U.S.G.S. TOPOGRAPHIC MAP: BIG SINKS, N.M.
 FAA PERMIT NEEDED: NO



LONG-TERM DISTURBANCE
 AREA = 6.46 ACRES

SECTION 8,
 T-24-S, R-31-E



WELL	SNDDNS_T24SR31E_0804
A	CHUCK SMITH MDP1 8-17 FED COM 13H
B	CHUCK SMITH MDP1 8-17 FED COM 14H
C	CHUCK SMITH MDP1 8-17 FED COM 4H
D	CHUCK SMITH MDP1 8-17 FED COM 5H

09/01/2022	09/08/2022	02/14/2022
DATE SURVEYED	DATE DRAWN	REV. 1

LEGEND			
	PROP. PAD SURFACE		SALT WATER DISP.
	PROPERTY LINE		PROP. 1' CTR. LINES
	PROP. LEASE ROAD		PROP. 5' CTR. LINES
	EXIST. 1' CTR. LINES		EROSION CON. FENCE
			OVERHEAD POWER PIPELINE



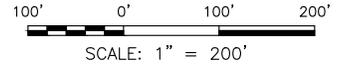
PREPARED BY:
R-SQUARED GLOBAL, LLC
 510 TRENTON ST.
 WEST MONROE, LA 71291
 318-323-6900 OFFICE
 JOB No. R4289_008



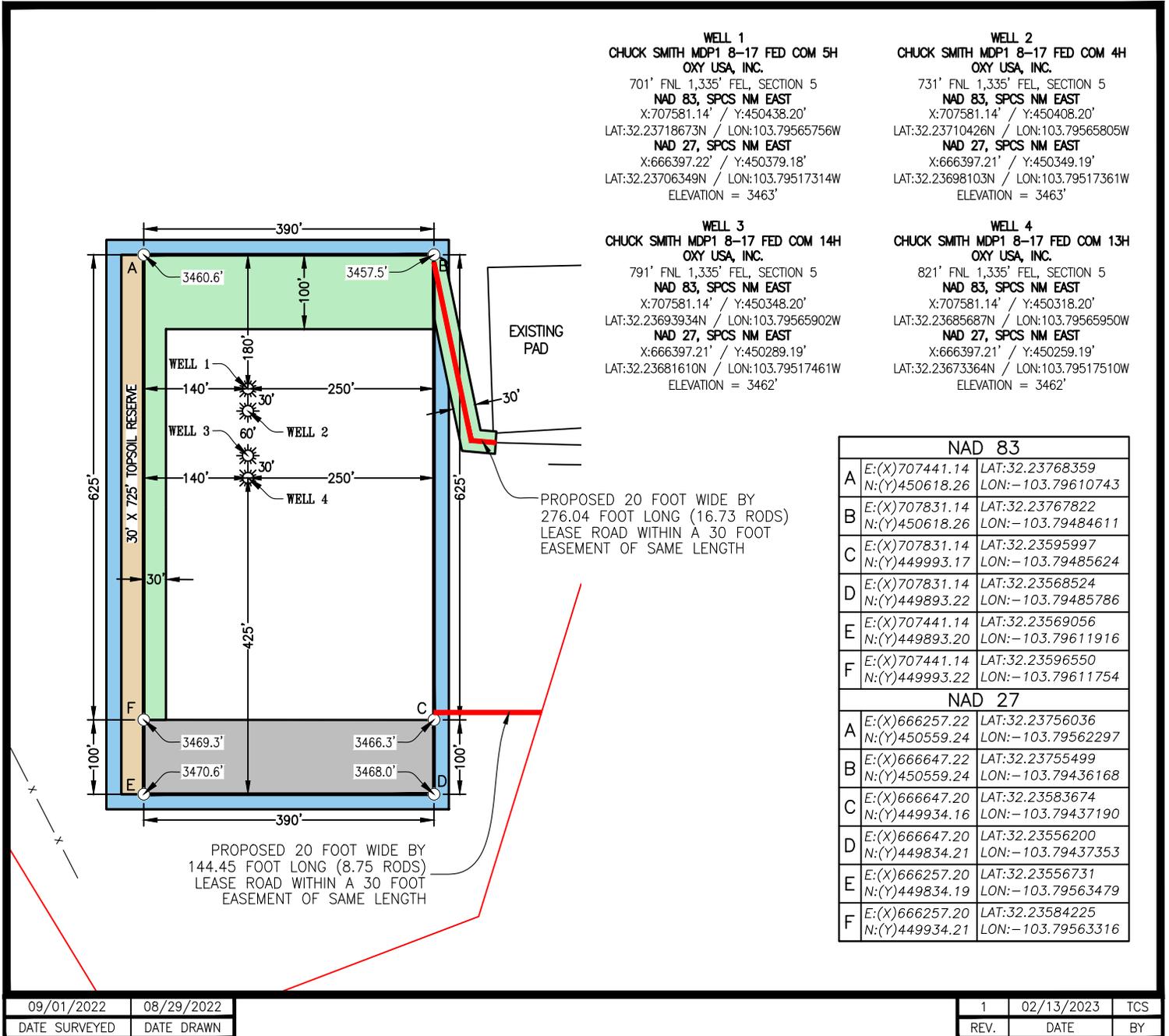
SITE PLAN

SNDDNS_T24SR31E_0804
 SEC. 8 TWP. 24-S RGE. 31-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 OPERATOR: OXY USA, INC.

- TANK BATTERY
- RECLAMATION
- 30' TOP SOIL
- 20' DISTURBANCE AREA



U.S.G.S. TOPOGRAPHIC MAP: BIG SINKS, N.M.
 FAA PERMIT NEEDED: NO



BASIS OF BEARING
 ALL BEARINGS AND COORDINATES REFER TO NAD 83, NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE, U.S. SURVEY FEET. (ALL BEARINGS, DISTANCES, COORDINATES AND AREAS ARE GRID MEASUREMENTS UTILIZING A COMBINED SCALE FACTOR OF 0.99977704 CONVERGENCE ANGLE OF 0.28238333°.)

LEGEND				
	EXISTING ROAD		OHP	OVERHEAD POWER
	PROPOSED ROAD		FENCE	FENCE
	SURFACE SITE EDGE		SECTION LINE	SECTION LINE
	EXIST. PIPELINE		PROPERTY LINE	PROPERTY LINE
	MONUMENT		W	WATER LINE
	QUARTER SPLIT		SWD	SALT WATER LINE

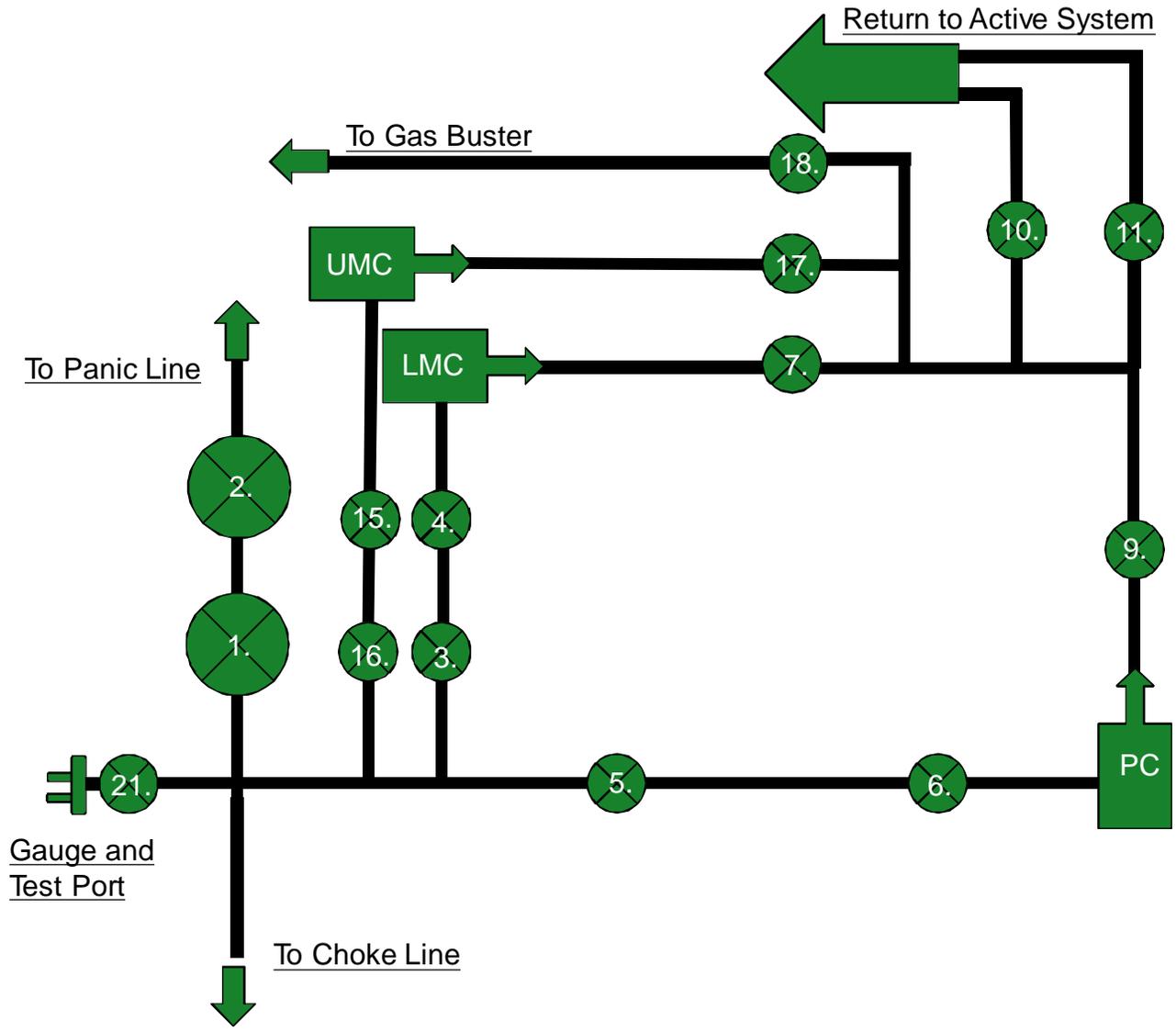
FEBRUARY 17, 2023

Lloyd P. Short 21653
 LLOYD P. SHORT 21653
 PROFESSIONAL SURVEYOR



PREPARED BY:
 R-SQUARED GLOBAL, LLC
 510 TRENTON ST.
 WEST MONROE, LA 71291
 318-323-6900 OFFICE
 JOB No. R4289_004
 SHEET 1 OF 1

10M Choke Panel

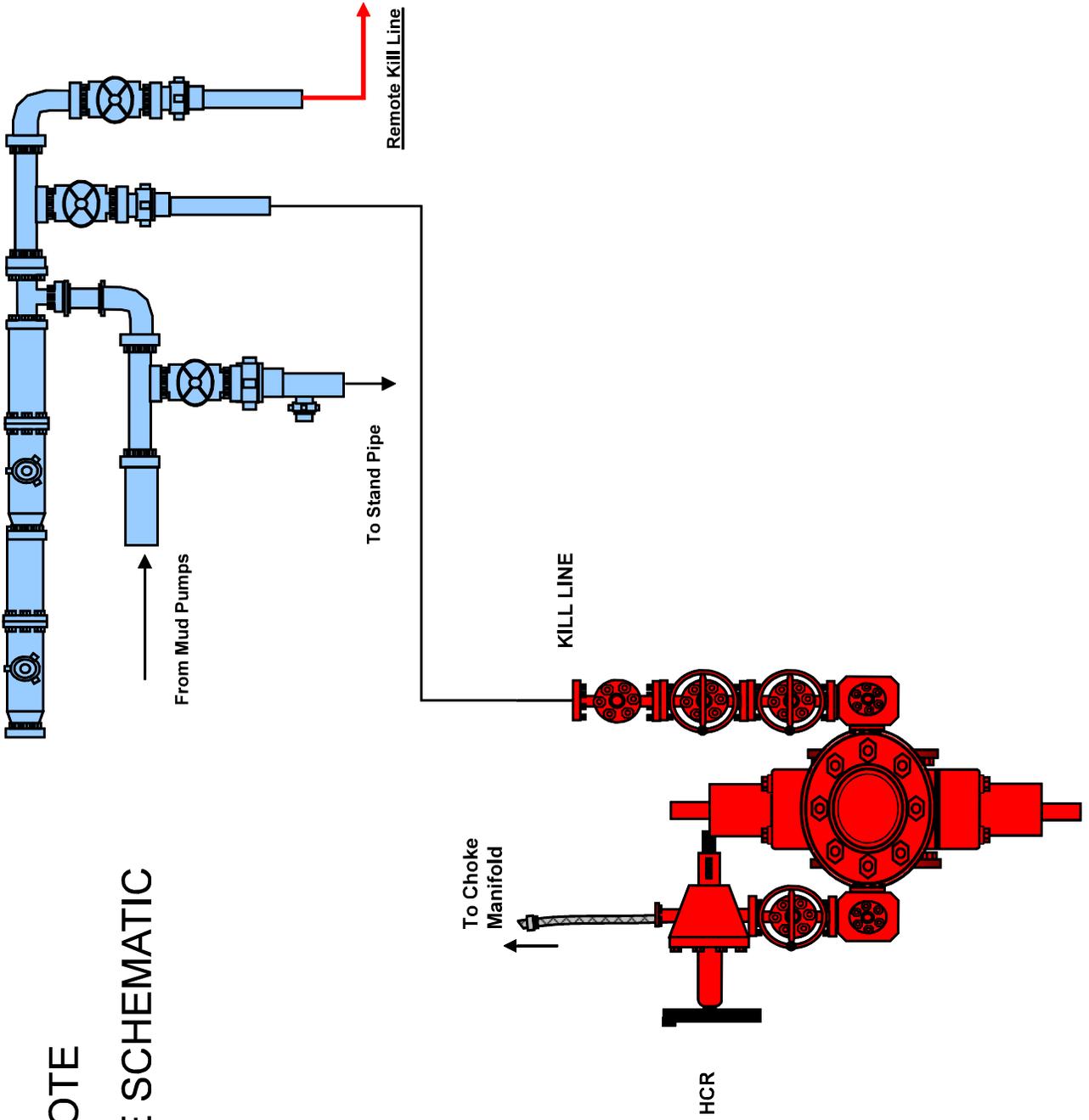


- 1. Choke Manifold Valve
- 2. Choke Manifold Valve
- 3. Choke Manifold Valve
- 4. Choke Manifold Valve
- 5. Choke Manifold Valve
- 6. Choke Manifold Valve
- 7. Choke Manifold Valve
- 8. PC – Power Choke
- 9. Choke Manifold Valve
- 10. Choke Manifold Valve
- 11. Choke Manifold Valve
- 12. LMC – Lower Manual Choke
- 13. UMC – Upper manual choke
- 15. Choke Manifold Valve
- 16. Choke Manifold Valve
- 17. Choke Manifold Valve
- 18. Choke Manifold Valve
- 21. Vertical Choke Manifold Valve

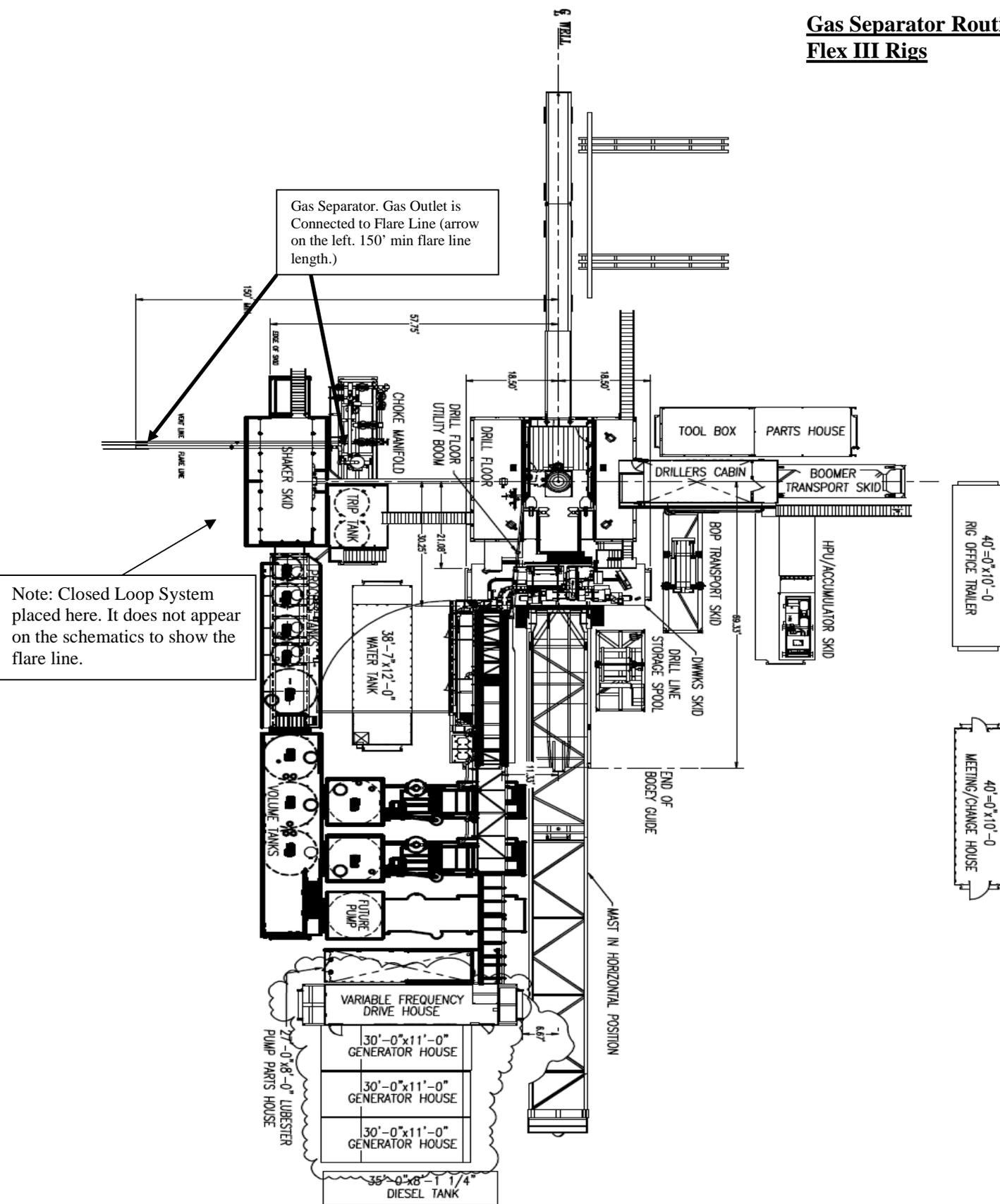
***All Valves 3" minimum**



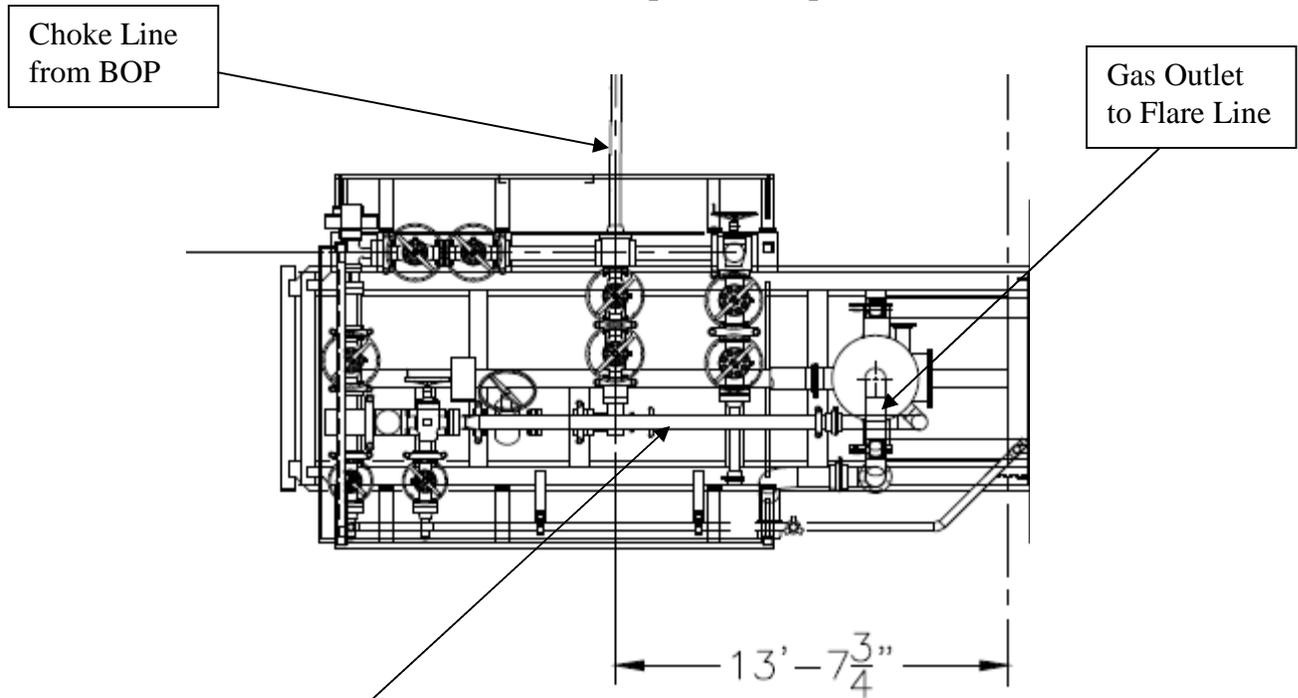
10M REMOTE KILL LINE SCHEMATIC



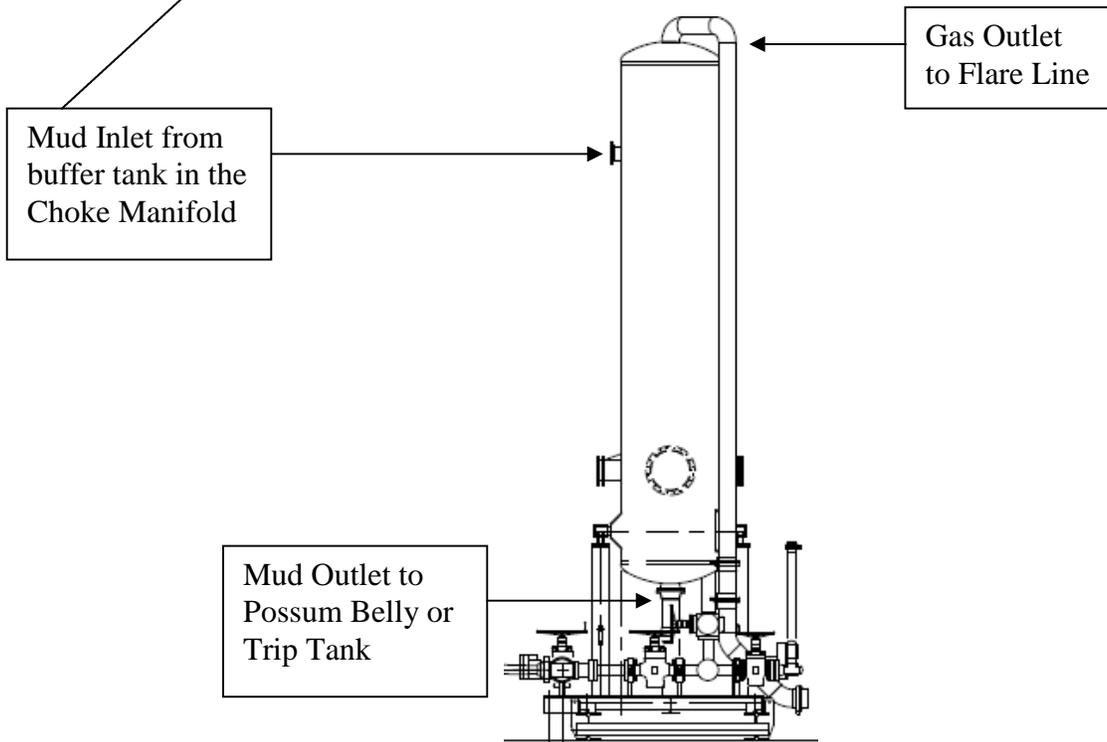
Gas Separator Routing Flex III Rigs



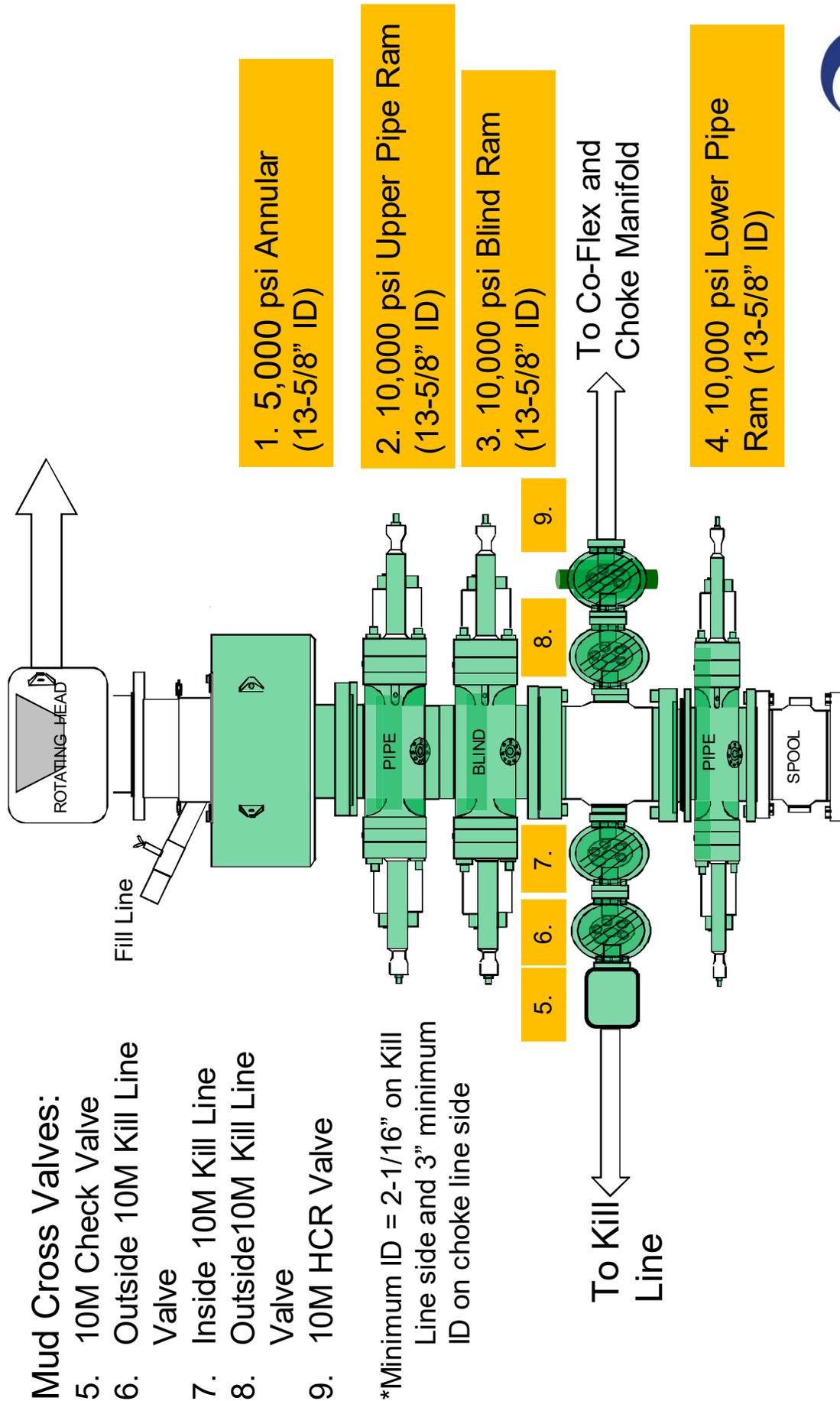
Choke Manifold – Gas Separator (Top View)



Choke Manifold – Gas Separator (Side View)



5/10M BOP Stack

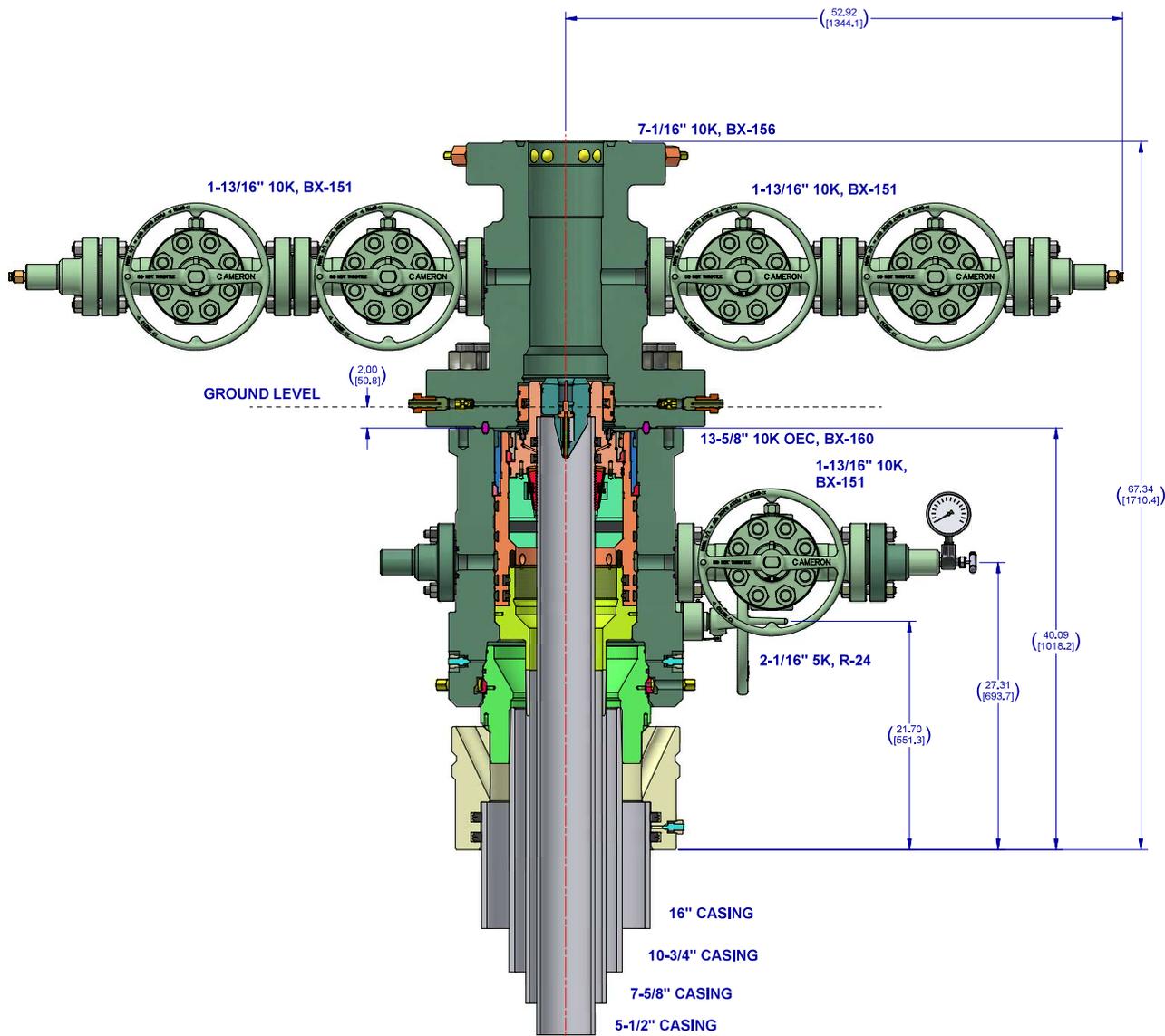


Mud Cross Valves:

- 5. 10M Check Valve
- 6. Outside 10M Kill Line Valve
- 7. Inside 10M Kill Line Valve
- 8. Outside 10M Kill Line Valve
- 9. 10M HCR Valve

*Minimum ID = 2-1/16" on Kill Line side and 3" minimum ID on choke line side





Notes:

1. THIS IS A PROPOSAL DRAWING AND DIMENSIONS SHOWN ARE SUBJECT TO CHANGE DURING THE FINAL DESIGN PROCESS.

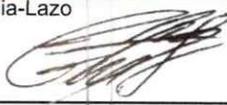
2. DIGITALLY ENABLED SOLUTIONS, CHOKES AND ESD'S AVAILABLE ON REQUEST

CONFIDENTIAL			
SURFACE TREATMENT		DO NOT SCALE	
DRAWN BY	D. GOTTUNG	DATE	2 Dec 21
CHECKED BY	D. GOTTUNG	DATE	2 Dec 21
APPROVED BY	D. GOTTUNG	DATE	2 Dec 21
ESTIMATED WEIGHT	6515.917 LBS	INTERNAL USE B.M.	7955-234 KGI
		SURFACE SYSTEMS	
OXY 13-5/8" 10K ADAPT 16" X 10-3/4" X 7-5/8" X 5-1/2"			
SHEET 4 of 4		SD-053434-05	
			REV 01



Certificate of Conformity

ContiTech

Certificate Number H100161	COM Order Reference 1429702	Customer Name & Address	
Customer Purchase Order No: 740382384		HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA	
Project:			
Test Center Address	Accepted by COM Inspection		Accepted by Client Inspection
ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Signed: Gerson Mejia-Lazo  Date: 06/27/22		

We certify that the items detailed below meet the requirements of the customer's Purchase Order referenced above, and are in conformance with the specifications given below.

Item	Part No.	Description	Qty	Serial Number	Specifications
30	RECERTIFICATION	3" ID 10K Choke and Kill Hose x 35ft OAL	1	70024	ContiTech Standard



Hydrostatic Test Certificate

ContiTech

Certificate Number H100161	COM Order Reference 1429702	Customer Name & Address HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA	
Customer Purchase Order No: 740382384			
Project:			
Test Center Address ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Accepted by COM Inspection Signed: Gerson Mejia-Lazo Date: 06/27/22	Accepted by Client Inspection	

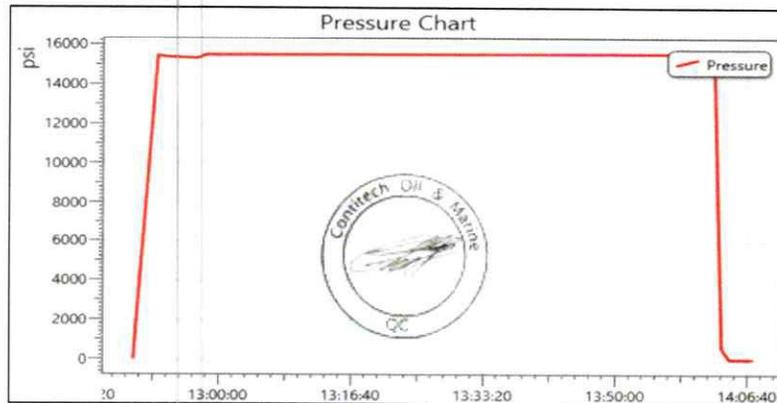
We certify that the goods detailed hereon have been inspected as described below by our Quality Management System, and to the best of our knowledge are found to conform the requirements of the above referenced purchase order as issued to ContiTech Oil & Marine Corporation.

Item	Part No.	Description	Qty	Serial Number	Work. Press. (psi)	Test Press. (psi)	Test Time (minutes)
------	----------	-------------	-----	---------------	--------------------	-------------------	---------------------

30	RECERTIFICATION	3" ID 10K Choke and Kill Hose x 35ft OAL	1	70024	10,000	15,000	60
----	-----------------	--	---	-------	--------	--------	----

Record Information	
Start Time	6/8/2022 12:49:19
End Time	6/8/2022 14:07:25
Interval	00:01:00
Number	79
MaxValue	15762
MinValue	-7
AvgValue	14395
RecordName	70024-sh
RecordNumber	235

Gauge Information	
Model	ADT680
SN	21817380014
Range	(0-40000)psi
Unit	psi



ContiTech Oil Marine Corp.

11535 Brittmoore Park Drive Houston, TX 77041, USA

Internal

SIGNATURE: *Mirna Lopez*
 TITLE: QUALITY ASSURANCE
 DATE: 11/20/2019

CUSTOMER: A-7 AUSTIN INC DBA AUSTIN HOSE
 CUSTOMERS P.O.#: 4128128 (RIG 1 PO 002773)
 CUSTOMER P/N: 10KFR3.012.0CK411610KFIXXFLT SSA SC LE
 PART DESCRIPTION: 3" X 12 FT GATES CHOKE & KILL HOSE ASSEMBLY WITH STAINLESS STEEL ARMOR C/W 4 1/16 10K FIX X FLOAT H2S SUITED FLANGES WITH BX 155 RING GROOVE SUPPLIED WITH SAFETY CLAMPS & SLINGS & LIFT EYE CLAMPS
 SALES ORDER #: 516982
 QUANTITY: 1
 SERIAL #: H2-112019-4

This is to certify that all parts and materials included in this shipment have manufactured and/or processed in accordance with various Gates and API assembly and test specifications. Records of required tests are on-file and subject to examination. Test reports and subsequent test graphs have been made available with this shipment. Additional supporting documentation related to materials, welding, and inspections, and heat-treatment activities are available upon request.

CERTIFICATE OF PERFORMANCE

Gates Engineering & Services North America
 7603 Prairie Oak Dr.
 Houston, TX. 77086
 PHONE : (281) 602-4119
 FAX:
 EMAIL: Troy.Schmidt@gates.com



*219
 10021
 2019
 CHOKES
 HOSE*

*THIS WREDEC 23/22
 IN USE
 AS.*



Revision 1.022819

PRODUCTION
11/20/2019
<i>[Signature]</i>

Production: Date: Signature:

QUALITY
11/20/2019
<i>[Signature]</i>

Quality: Date: Signature: F-PRD-005

Gates Engineering & Services North America certifies that:

The following hose assembly has successfully passed all pressure testing requirements set forth in Gates specifications: GTS-04-052 (for 5K assemblies) or GTS-04-053 (10K assemblies), which include reference to Specification API 16C (2nd Edition); sections 7.5.4, 7.5.9, and 10.8.7. A test graph will accompany this test certificate to illustrate conformity to test requirements. This hose assembly was pressure tested using equipment and instrumentation that has been calibrated in accordance with the requirements set forth in the GESNA management system.

4 1/16 10K FLANGES FLOAT
L41242 113018
15,000 PSI
10,000 PSI

End Fitting 2: Assembly Code: Test Pressure: Working Pressure:

4 1/16 10K FLANGES FIXED
68903010-9879429
10KFR3.012.0CK411610KFIXFLT 55A 5C LE

End Fitting 1: Grade Star No.: CUSTOMER P/N:

Product Description: 3" X 12 FT GATES CHOKE & KILL HOSE ASSEMBLY WITH STAINLESS STEEL ARMOR C/W 4 1/16 10K FIX X FLOAT H25 SUITED FLANGES WITH BX 155 RING GROOVE SUPPLIED WITH SAFETY CLAMPS & SLINGS & LIFT EYE CLAMPS

11/20/2019
H2-112019-4
Norma Cabrera

Test Date: Hose Serial No.: Created By:

A-7 AUSTIN INC DBA AUSTIN HOSE
4128128 (RIG 1 PO 002773)
516982

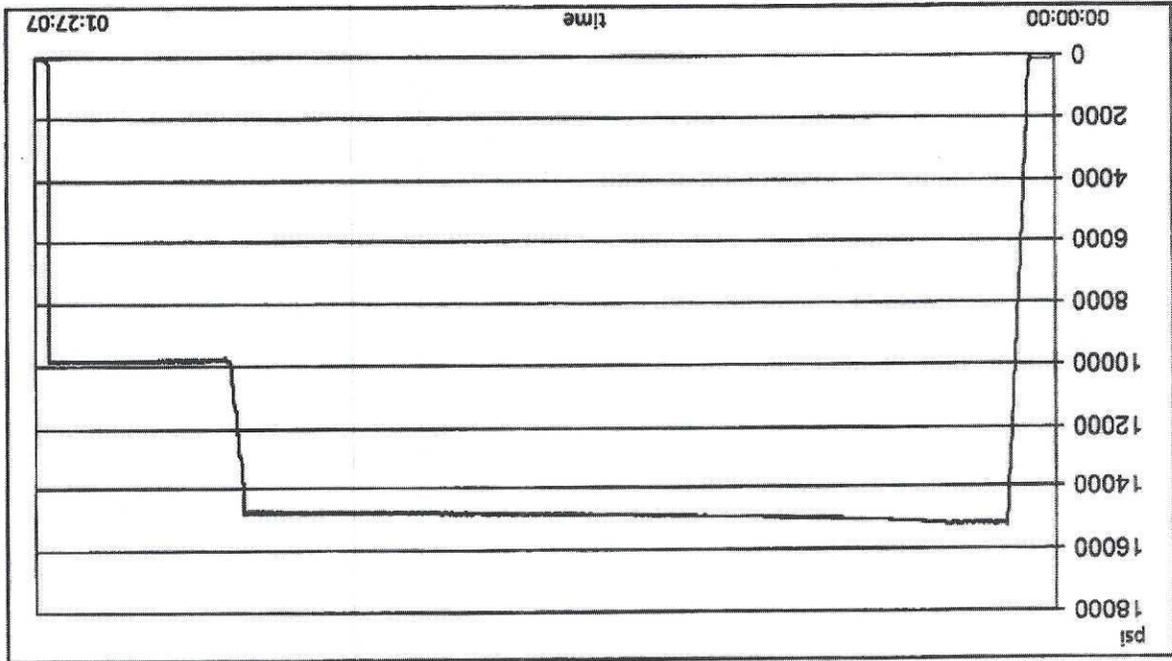
Customer: Customer Ref.: Invoice No.:

PRESSURE TEST CERTIFICATE

PHONE: (281) 602 - 4119
 FAX:
 EMAIL: Troy.Schmidt@gates.com
 WEB: www.gates.com

GATES ENGINEERING & SERVICES NORTH AMERICA
 7603 Prairie Oak Dr.
 Houston, TX 77086





Test operator: Roderick Shambra

Length measurement result: PASS

Pressure test result: PASS

Visual check:

Length difference: 0.24 inch

Length difference: 0.00 %

Work pressure hold: 900.00 sec

Work pressure: 9750.00 psi

Test pressure hold: 3600.00 sec

Test pressure: 15000.00 psi

Test procedure: GTS-04-053

TEST INFORMATION

Customer reference:

516982

Production description:

Austin Hose

Company:

TEST OBJECT

Serial number:

H2-112019-4

Lot number:

L41242113018

Description:

3.0 10K MS C&K

Fitting 1:

3.0 x 4-1/16 10K

Fitting 2:

3.0 x 4-1/16 10K

Part number:

12 feet

TEST REPORT

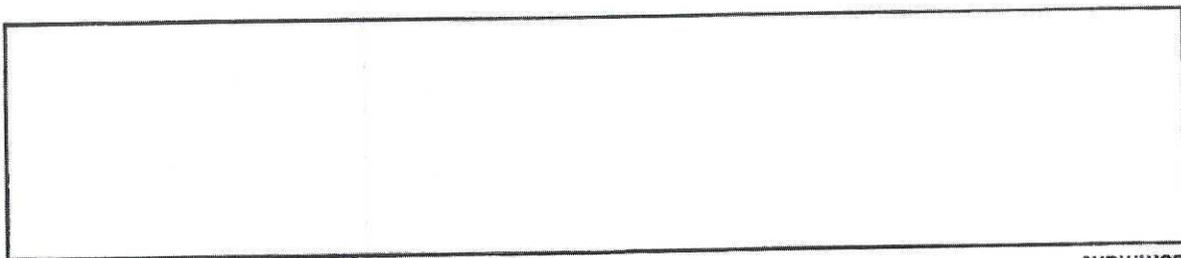


11/20/2019 12:13:07 PM

H2-1987

Filename: D:\Certificates\Report_112019-H2-112019-4.pdf

Page 2/2



Comment

Description	Serial number	Calibration date	Calibration due date
S-25-A-W	110AMCLO	2019-03-17	2020-03-15
S-25-A-W	110AP02K	2019-04-16	2020-04-14

GAUGE TRACEABILITY



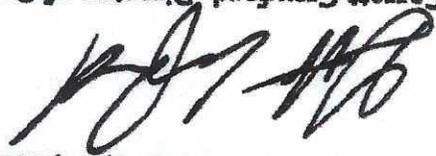
TEST REPORT

11/20/2019 12:13:07 PM

H2-1987

Rev Date: 12/17/2019

DW Industries Inc.
Garrett Crawford, Director of Quality



Certificate Issue Date: 2/27/2020

I DO HEREBY CERTIFY, AS THE AUTHORIZED REPRESENTATIVE OF DW INDUSTRIES, THAT THE PRODUCT LISTED ABOVE ARE OF THE QUALITY SPECIFIED AND CONFORM TO ALL REQUIREMENTS OF THE PURCHASE ORDER, INCLUDING: QUALITY CONTROL CLAUSES, DESIGN SPECIFICATIONS, DRAWINGS, PRESERVATION, PACKAGING, MARKING, AND PHYSICAL IDENTIFICATION REQUIREMENTS AND HAS BEEN PROCESSED IN ACCORDANCE WITH ISO-9001:2015, API Q1 AND API SPEC 7K.

Customer Name:		CITADEL DRILLING		Customer Contact:	PAUL HOFFMAN 432-241-5360	
Purchase Order Information	Customer Purchase Order Number:	CONTACT PAUL HOFFMAN FOR INFO			DW Industries Work Order Number:	20020163
	DW Industries Part Number:	OA-5640-4815-1002-4			Serial Number:	022620DW-2
	QTY Ordered:	1			Assembly Date:	02/26/2020
	Customer Part Number:	OA-5640-4815-	1002-4	Part Description:	3" 10,000 psi WP CHOKE HOSE M X F 4" 1002 HAMMER UNIONS C/W CLAMPS	

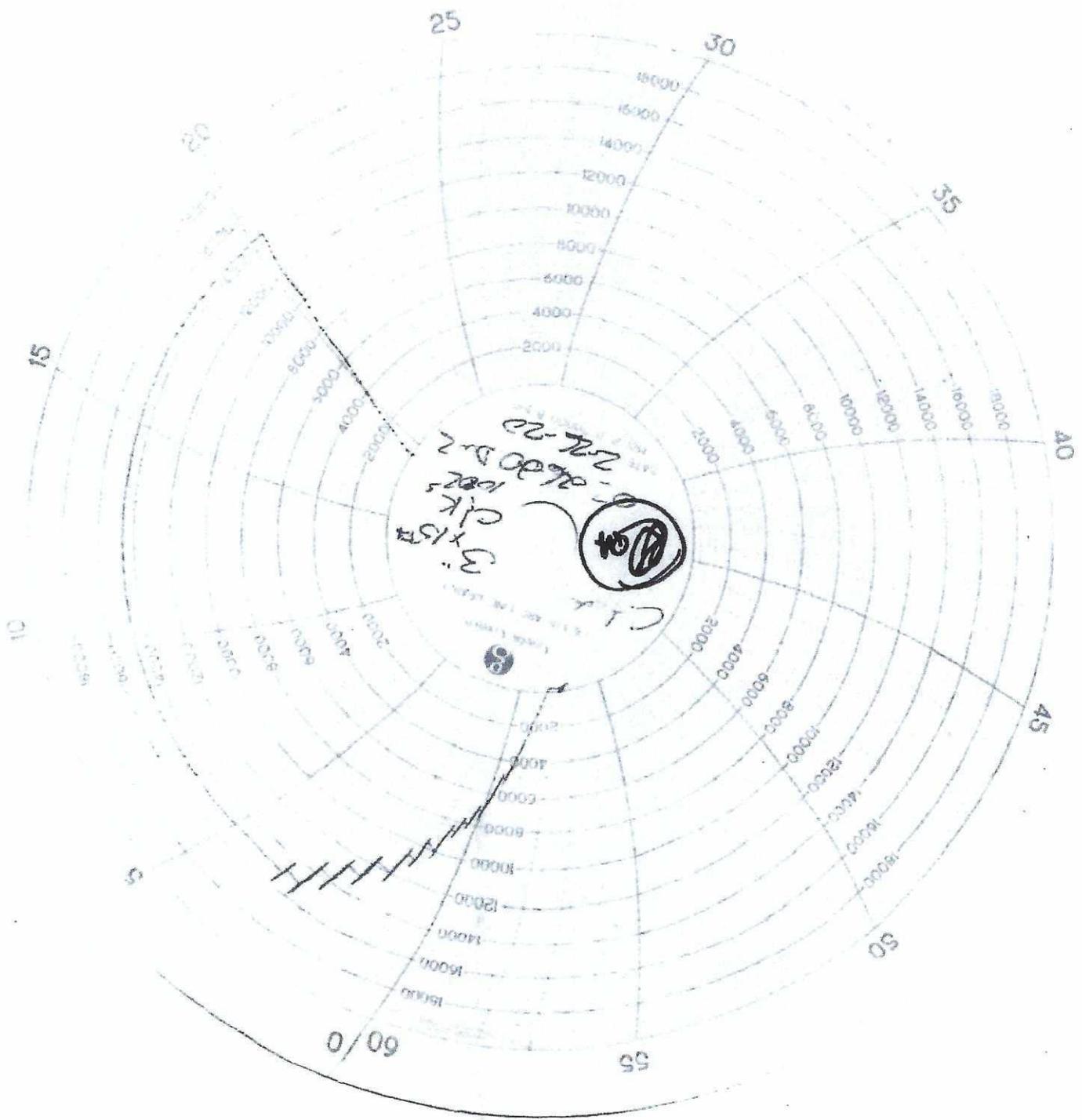
Tel. 713 644-8372 Fax 713-644-4947

6287 Long Drive
Houston, TX 77087

DW INDUSTRIES INC.

COPY

Certificate of Performance



COPY

QP-018-01, Rev New
Rev Date: 12/17/2019

DW Industries Inc.
Garrett Crawford, Director of Quality

Certificate Issue Date: 2/27/2020

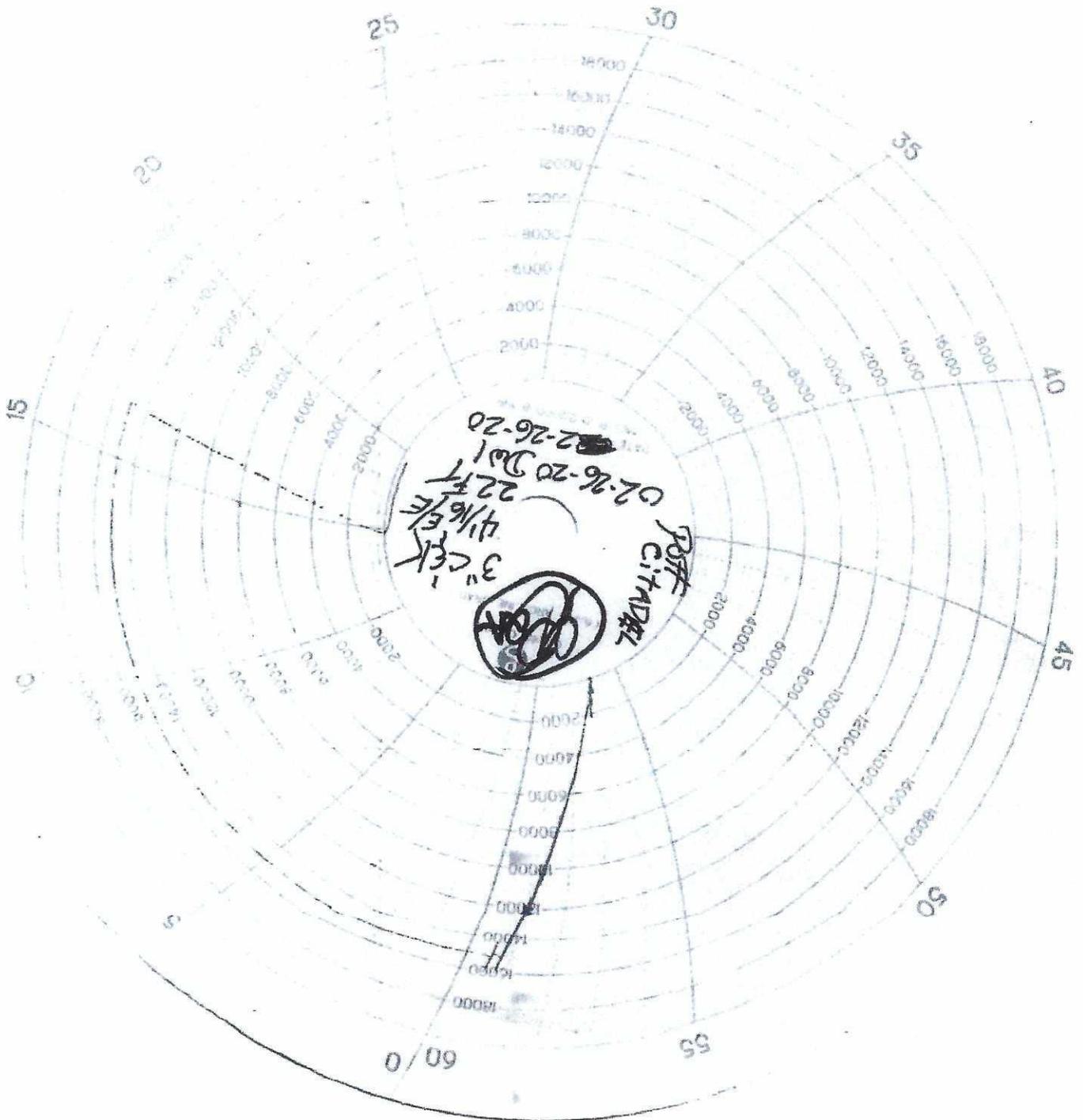
I DO HEREBY CERTIFY, AS THE AUTHORIZED REPRESENTATIVE OF DW INDUSTRIES, THAT THE PRODUCT LISTED ABOVE ARE OF THE QUALITY SPECIFIED AND CONFORM TO ALL REQUIREMENTS OF THE PURCHASE ORDER, INCLUDING: QUALITY CONTROL CLAUSES, DESIGN SPECIFICATIONS, DRAWINGS, PRESERVATION, PACKAGING, MARKING, AND PHYSICAL IDENTIFICATION REQUIREMENTS AND HAS BEEN PROCESSED IN ACCORDANCE WITH ISO-9001:2015, API Q1 AND API SPEC 7K.

Customer Name:		CITADEL DRILLING		Customer Contact:	PAUL HOFFMAN 432-241-5360	
Purchase Order Information		Customer Purchase Order Number:	CONTACT PAUL HOFFMAN FOR INFO		DW Industries Work Order Number:	20020164
Purchase Order Information		DW Industries Part Number:	OA-5640-4822-4-1/16FXFL-ALE		Serial Number:	022620DW-1
Purchase Order Information		QTY Ordered:	1		Assembly Date:	02/26/2020
Purchase Order Information		Customer Part Number:	OA-5640-4822-4-1/16FXFL-ALE		Part Description:	3" 10,000 PSI WP CHOKE HOSE 4-1/16" FIXED BY FLOAT FLANGES C/W SS ARMOR & LIFTING EYES

DW INDUSTRIES INC.
6287 LONG DRIVE
HOUSTON, TX 77067
Tel. 713 644-8372 Fax 713-644-4947

COPY

Certificate of Conformance



COPY

DW Industries, Inc.
Quality Assurance,



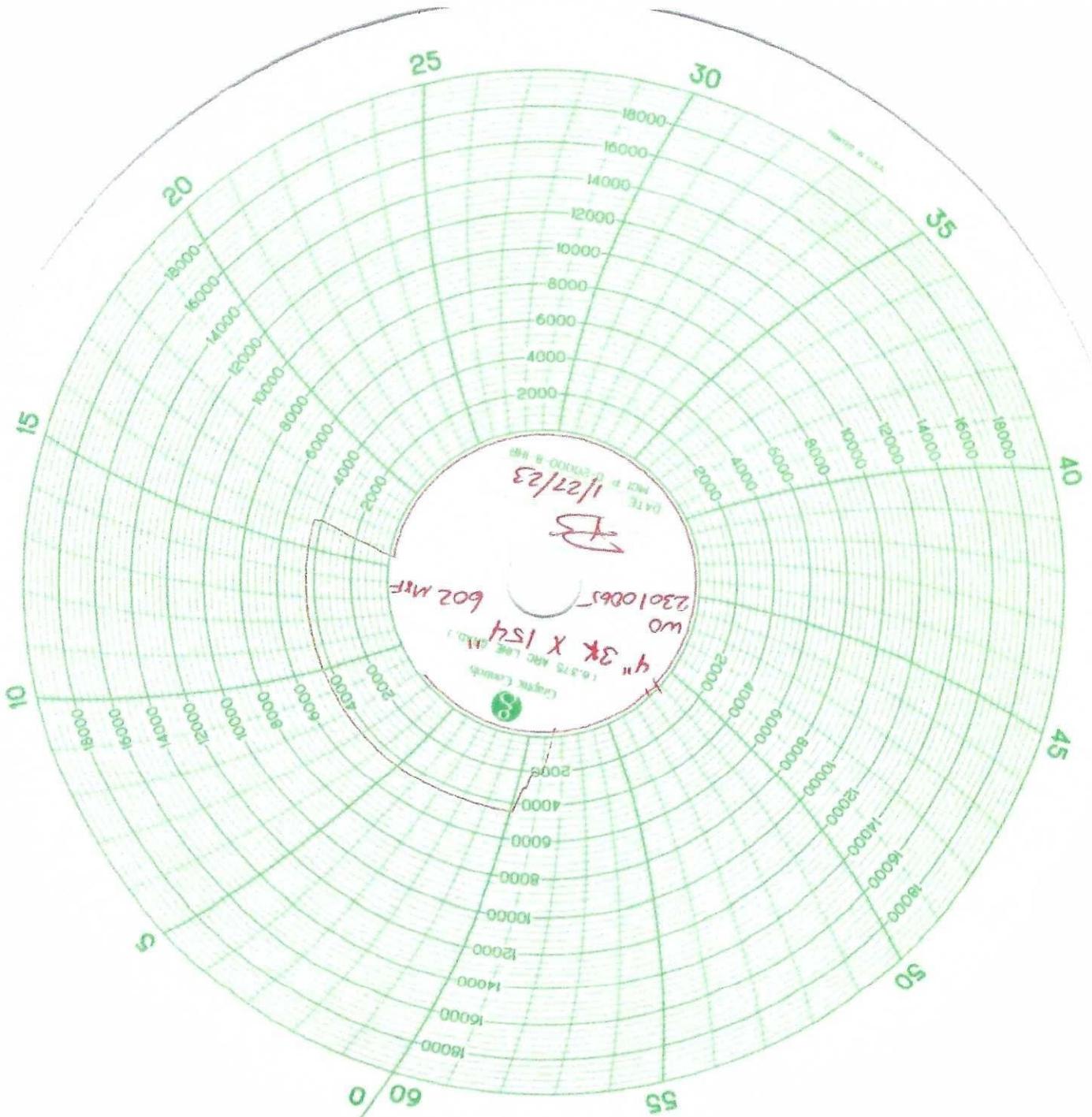
Certificate Issue Date: 1/27/2023

I DO HEREBY CERTIFY, AS THE AUTHORIZED REPRESENTATIVE OF DW INDUSTRIES, THAT THE PRODUCT LISTED ABOVE ARE OF THE QUALITY SPECIFIED AND CONFORM TO ALL REQUIREMENTS OF THE PURCHASE ORDER, INCLUDING: QUALITY CONTROL CLAUSES, DESIGN SPECIFICATIONS, DRAWINGS, PRESERVATION, PACKAGING, MARKING, AND PHYSICAL IDENTIFICATION REQUIREMENTS AND HAS BEEN PROCESSED IN ACCORDANCE WITH ISO-9001:2015, API Q1 AND API SPEC 7K.

Customer Name:		ASUTIN HOSE		Customer Contact:	JUDY LOERA
Purchase Order Number:		00704977		DW Industries Work Order Number:	23010065
DW Industries Part Number:		OA-PS5038-64154"-602		Serial Number:	23010065
QTY Ordered:		1		Assembly Date:	1/27/2023
Customer Part Number:				Part Description:	4"X154" 3K W/4" FIG 602 MXF

DW INDUSTRIES INC.
6287 Long Drive
Houston, TX 77087
Tel. 713 644-8372 Fax 713-644-4947

Certificate of Performance



IN SERVICE
12-20-21



GATES ENGINEERING & SERVICES NORTH AMERICA
7603 Prairie Oak Dr. Suite 190
Houston, TX. 77086

PHONE: +1 (281) 602-4100
FAX: +1 (281) 602-4147
EMAIL: gesna.quality@gates.com
WEB: www.gates.com/ollandgas

PRESSURE TEST CERTIFICATE

Customer:	A-7 AUSTIN INC DBA AUSTIN HOSE	Test Date:	10/15/2021
Customer Ref.:	00595477	Hose Serial No.:	H3-101521-2
Invoice No.:	521925	Created By:	Micky Mhina

Product Description: 3" X 35' GATES FIRE RATED CHOKE & KILL HOSE ASSEMBLY SUITED FOR H2S SERVICE C/W 4 1/16 10K FIXED X FLOAT HEAT TREATED FLANGES SUPPLIED WITH STAINLESS STEEL ARMOR SAFETY CLAMPS & LIFT EYES

End Fitting 1:	4 1/16 10K FIXED FLANGE	End Fitting 2:	4 1/16 10K FLOAT HEAT TREATED FLANGES
Oracle Star No.:	68703010-10074881	Assembly Code:	L41975 091719
CUSTOMER P/N:	10K3.035.0CK411610KFIXXFLTW/SSA/SC/LE	Test Pressure:	15,000 PSI.
		Working Pressure:	10,000 PSI.

Gates Engineering & Services North America certifies that:
The following hose assembly has successfully passed all pressure testing requirements set forth in Gates specifications: GTS-04-052 (for 5K assemblies) or GTS-04-053 (10K assemblies) or GTS-04-048 (15K assemblies), which include reference to Specification API 16C (2nd Edition); sections 7.5.4, 7.5.9, and 10.8.7. A test graph will accompany this test certificate to illustrate conformity to test requirements. This hose assembly was pressure tested using equipment and instrumentation that has been calibrated in accordance with the requirements set-forth in the GESNA management system.

Quality:	QUALITY
Date :	10/15/2021
Signature :	<i>Micky Mhina</i>

Production:	PRODUCTION
Date :	10/15/2021
Signature :	<i>[Signature]</i>

F-PRD-005B

Revision 6_05032021



H3-6963

10/15/2021 10:15:57 AM

TEST REPORT

CUSTOMER

Company: Austin Distributing

Production description:

Sales order #: 521925

Customer reference:

TEST OBJECT

Serial number: H3-101521-2

Lot number: L41975091719

Description:

Hose ID: 3" 10k ck

Part number:

TEST INFORMATION

Test procedure: GTS-04-053

Test pressure: 15000.00 psi

Test pressure hold: 3600.00 sec

Work pressure: 10000.00 psi

Work pressure hold: 900.00 sec

Length difference: 0.00 %

Length difference: 0.00 inch

Fitting 1: 3.0 x 4-1/16 10K

Part number:

Description:

Fitting 2: 3.0 x 4-1/16 10K

Part number:

Description:

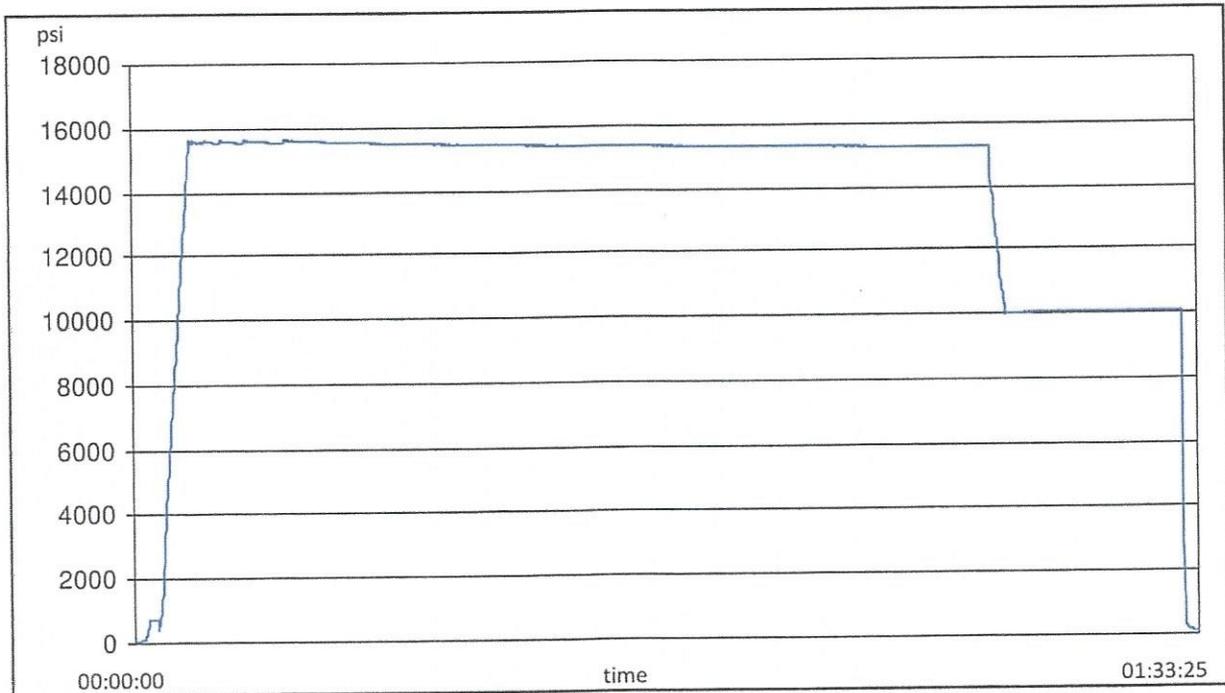
Visual check:

Pressure test result: PASS

Length measurement result:

Length: 35 feet

Test operator: francisco





H3-6963

10/15/2021 10:15:57 AM

TEST REPORT

GAUGE TRACEABILITY

Description	Serial number	Calibration date	Calibration due date
S-25-A-W	110AQA1S	2021-02-24	2022-02-24
S-25-A-W	110D3PHQ	2021-03-11	2022-03-11

Comment



Hydrostatic Test Certificate

ContiTech

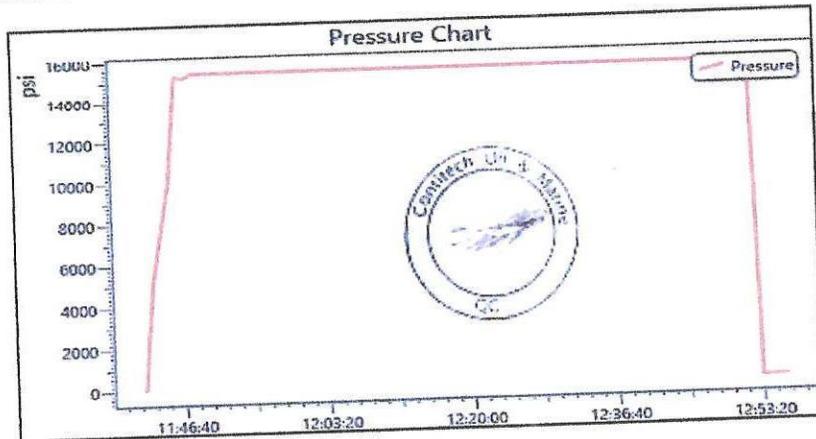
Certificate Number H100163		COM Order Reference 1429702		Customer Name & Address HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA	
Customer Purchase Order No: 740382384		Accepted by COM Inspection Signed: Gerson Mejia-Lazo Date: 07/14/22		Accepted by Client Inspection	
Project:		Test Center Address ContiTech Oil & Marine Corp. 11535 Brittmoores Park Drive Houston, TX 77041 USA			

We certify that the goods detailed hereon have been inspected as described below by our Quality Management System, and to the best of our knowledge are found to conform the requirements of the above referenced purchase order as issued to ContiTech Oil & Marine Corporation.

Item	Part No.	Description	Qty	Serial Number	Work. Press. (psi)	Test Press. (psi)	Test Time (minutes)
50	RECERTIFICATION	3" ID 10K Choke and Kill Hose x 35ft OAL	1	70025	10,000	15,000	60

Record Information	
Start Time	6/14/2022 11:42:08
End Time	6/14/2022 12:56:14
Interval	00:01:00
Number	75
MaxValue	15888
MinValue	-8
AvgValue	14184
RecordName	70025-sh
RecordNumber	237

Gauge Information	
Model	ADT680
SN	21817380014
Range	(0-40000)psi
Unit	psi





Certificate of Conformity

ContiTech

Certificate Number H100163	COM Order Reference 1429702	Customer Name & Address HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA	
Customer Purchase Order No: 740382384			
Project:			
Test Center Address	Accepted by COM Inspection	Accepted by Client Inspection	
ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Signed: Gerson Mejia-Lazo  Date: 07/14/22		

We certify that the items detailed below meet the requirements of the customer's Purchase Order referenced above, and are in conformance with the specifications given below.

Item	Part No.	Description	Qty	Serial Number	Specifications
50	RECERTIFICATION	3" ID 10K Choke and Kill Hose x 35ft OAL	1	70025	ContiTech Standard

ARMORED CHOKE HOSE

Installation

8-29-22



CONTITECH RUBBER Industrial Kft.	No: QC-DB- 120 / 2019
	Page: 16 / 91

ContiTech

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE		CERT. N°:	75819
PURCHASER: ContiTech Oil & Marine Corp.		P.O. N°:	4501225327
CONTITECH RUBBER order N°: 1127442	HOSE TYPE: 3" ID	Choke and Kill Hose	
HOSE SERIAL N°: 75819	NOMINAL / ACTUAL LENGTH: 10,67 m / 10,68 m		
W.P. 69,0 MPa 10000 psi	T.P. 103,5 MPa 15000 psi	Duration:	60 min.
Pressure test with water at ambient temperature			
See attachment (1 page)			
COUPLINGS Type	Serial N°	Quality	Heat N°
3" coupling with 4 1/16" 10K API Swivel Flange end Hub	6026	AISI 4130	A0607J
		AISI 4130	040841
		AISI 4130	54194
3" coupling with 4 1/16" 10K API b.w. Flange end	6016	AISI 4130	A0607J
		AISI 4130	040431
Not Designed For Well Testing		API Spec 16 C 2nd Edition– FSL2	
Temperature rate: "B"			
All metal parts are flawless			
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	
08. April 2019.		ContiTech Rubber Industrial Kft. Quality Control Dept. (1)	



Hose Assembly Evaluation Sheet

Prepared by	Cristian Rivera	Date:	8/27/2022	QIN:	N/A
Customer:	HELMERICH & PAYNE, INC	Location:	H&P INT'L DRILLING CO 210 MAGNOLIA DR GALENA PARK, TX, 77547-2738		
User contact:	MITCH MCKINNIS	Phone:		e-mail:	mitch.mckinnis@hpinc.com
	Parameters	Hose Details			Test Status
Application Information	PO	740398454 (88000240 SN:70035)			PASS
	Gates SO	525035			
	Serial #:	88000240 SN:70035			
	As Tested Serial:	H2-082722-1 RE-TEST			
	Hose ID:	3 IN			
	Hose type:	INSPECT AND RETEST CUSTOMER HOSE 3IN X 35FT CHOKE & KILL ASSEMBLY C/W 4-1/16 FLANGES BX155 RING GROOVE EACH END			
	Working pressure:	10000 PSI.			

1. Visual Examination

An API 16C, IN X 35FT CHOKE & KILL ASSEMBLY C/W 4-1/16 FLANGES BX155 RING GROOVE EACH END received from HELMERICH & PAYNE, INC for inspection, testing and external cosmetic repairs. The hydrostatic pressure testing was requested to 15000 PSI., by the customer HELMERICH & PAYNE, INC

Visual inspection and examination of external hose assembly showed some cosmetic dents and repairable damages to the external armor at distance 32ft 9in. from EF2. (Need to fix a part of the hose.)

Both external & internal hose body and couplings of the hose were examined. Visual Inspection photos are in Table 2, while post inspection/testing pictures are in Table 4.

The hose was hydrostatically tested at 15000 PSI. test pressure with an hour-long hold. On completion of hydrostatic testing, an internal baroscopic examination was carried out, to check the condition of internal hose areas, mainly hose tube and coupling hose interface.

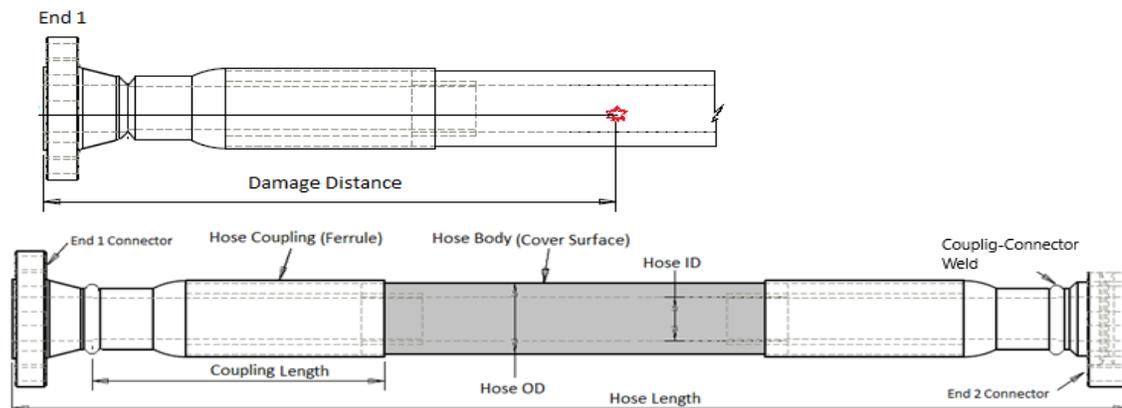


Figure 1: Generic Hose Assembly



Hose Assembly Evaluation Sheet

1.0 Observations and comments

	Comments
1	 <p>Photos: ID.</p>
2	 <p>Photo: Damaged armor areas</p>



Hose Assembly Evaluation Sheet

3			

Photos: At Shipping.

4			

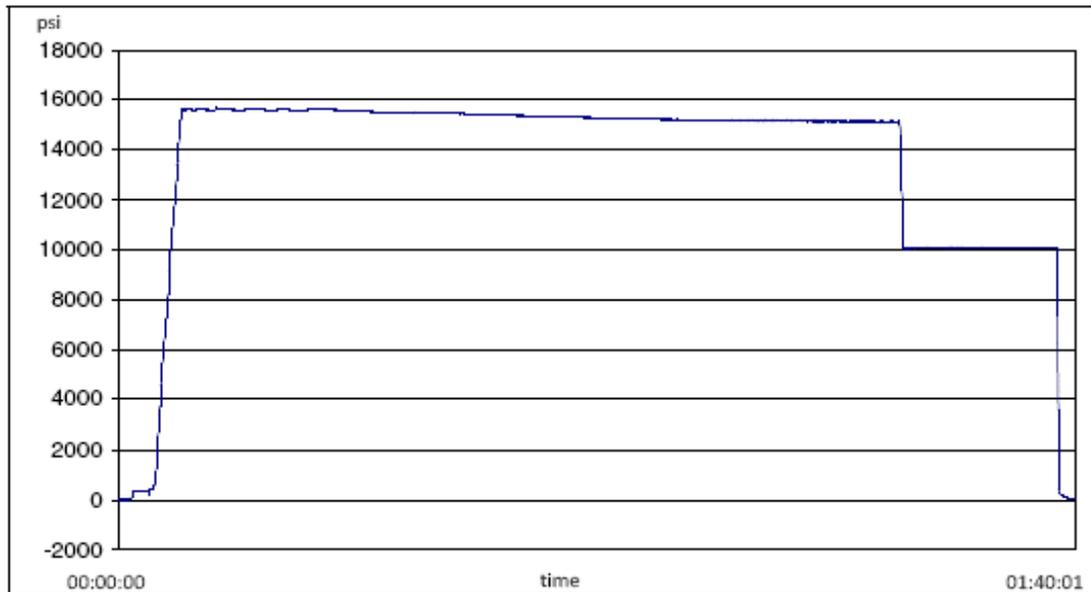
Photos: Armor and Engraving.



Hose Assembly Evaluation Sheet



2. Hydro Static Pressure test



2.1 Hydrostatic Pressure test Procedures

	Hose Type	Test Specification	Test Date	Technician
1	IN X 35FT CHOKE & KILL ASSEMBLY C/W 4-1/16	3 10K C&K	2022-08-27	Martin Orozco

2.2 Gates Hydrostatic Pressure tester

	Test Equipment	Serial No	Last Cal Date	Cal Due Date
1	S-25-A-W	110AMCLO	2022-01-10	2023-01-10
2	S-25-A-W	110BSEUZ	2022-03-09	2023-03-09



Hose Assembly Evaluation Sheet

2.3 Hydro Static Test Pressure results

Details		Results	
1	Hydrostatic Test Results ⁽¹⁾	Pass	Fail
2	Failure Mode	None	
3	Hose Dispatched to the customer?	Yes	No

Note:

1. Hydrostatic Pressure report is given in Appendix 1

3. Hose borescope inspection

3.2 Internal Failure Details

	Type of Failure	Location of Defect	Ref. Photo	Defect Details
1	Liner breach/ collapse	None		None
2	Bulges/ Blisters	None		None
3	Other breach/failures	None		None



Photos: Liner/Coupling Interface END 1



Hose Assembly Evaluation Sheet



Photos: Liner/Coupling Interface END 2

Note

Borescope completed? Yes

4. Summary

Hose assembly successfully tested to requested test pressure of 15000 PSI. with an hour hold. It was then serialized and stamped, as H2-082722-1 RE-TEST. The bore scope showed no blisters or delamination in the internal lining/tube area. External damages were repaired as agreed with the customer.



Hose Assembly Evaluation Sheet

APPENDIX 1: Pressure Chart



H2-8316

8/27/2022 8:51:22 AM

TEST REPORT

CUSTOMER

Company:

Production description:

Sales order #:

525035

Customer reference:

740398454 (88000240 | SN:70035)

TEST INFORMATION

Test procedure:

3 10K C&K

Test pressure:

15000.00 psi

Test pressure hold:

3600.00 sec

Work pressure:

10000.00 psi

Work pressure hold:

900.00 sec

Length difference:

0.00 %

Length difference:

0.00 inch

TEST OBJECT

Serial number:

H2-082722-1

Lot number:

Description:

Hose ID:

3 10k C&K

Part number:

Fitting 1:

3.0 x 4-1/16 10K

Part number:

Description:

Fitting 2:

3.0 x 4-1/16 10K

Part number:

Description:

Visual check:

Pressure test result:

PASS

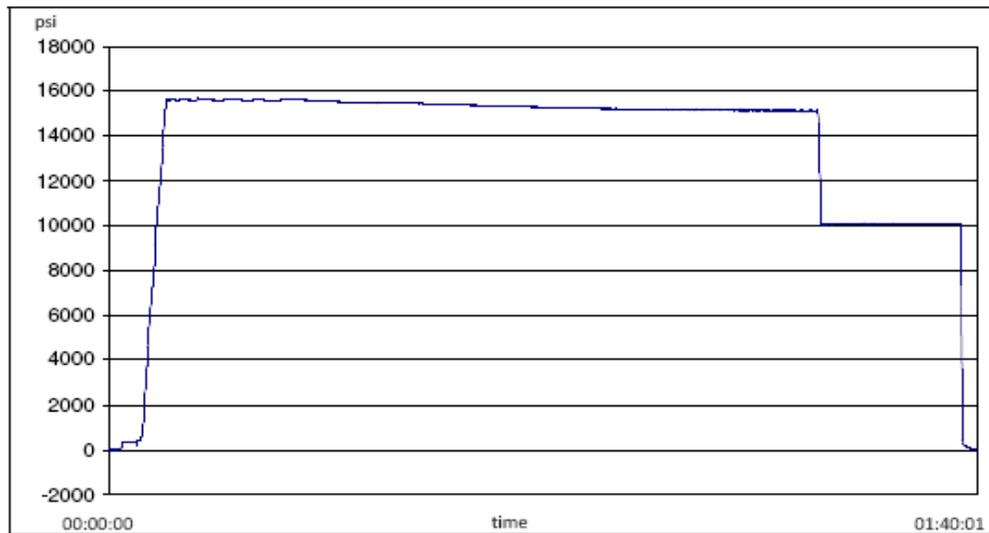
Length measurement result:

Length:

35 feet

Test operator:

Martin



Hose Assembly Evaluation Sheet



H2-8316

8/27/2022 8:51:22 AM

TEST REPORT

GAUGE TRACEABILITY

Description	Serial number	Calibration date	Calibration due date
S-25-A-W	110AMCLO	2022-01-10	2023-01-10
S-25-A-W	110BSEUZ	2022-03-09	2023-03-09

Comment

Empty comment box



Hose Assembly Evaluation Sheet

APPENDIX 2:
Certificate of Conformance



GATES ENGINEERING & SERVICES NORTH AMERICA
7603 Pralrie Oak Dr.
Houston, TX. 77086

PHONE: +1 (281) 602-4100
FAX: +1 (281) 602-4147
EMAIL: geena.quality@gates.com
WEB: www.gates.com/oilandgas

CERTIFICATE OF CONFORMANCE

This is to verify that the items detailed below meet the requirements of the Customer's Purchase Order referenced herein, and are in Conformance with applicable specifications, and that Records of Required Tests are on file and subject to examination. The following items were inspected and hydrostatically tested at **Gates Engineering & Services North America** facilities in Houston, TX, USA.

CUSTOMER: HELMERICH & PAYNE, INC
CUSTOMER P.O.#: 740398454 (88000240 | SN:70035)
CUSTOMER P/N: 88000240 | SN:70035

PART DESCRIPTION: INSPECT AND RETEST CUSTOMER HOSE 3IN X 35FT CHOKE & KILL ASSEMBLY C/W 4-1/16 FLANGES BX155 RING GROOVE EACH END

SALES ORDER #: 525035
QUANTITY: 1
SERIAL #: H2-082722-1 RE-TEST

SIGNATURE: _____ *Cyware* _____
TITLE: QUALITY ASSURANCE
DATE: 8/27/2022

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of $0.02 \times MD$ of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 “gas kick gravity” of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads**Lost Circulation (Surface / Intermediate)**

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads**Running Casing (Surface / Intermediate / Production)**

- Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

- Axial: Buoyant weight of the string plus cement plug bump pressure load.



TenarisHydril Wedge 425[®]



Coupling	Pipe Body
Grade: P110-CY	Grade: P110-CY
Body: White	1st Band: White
1st Band: Grey	2nd Band: Grey
2nd Band: -	3rd Band: -
3rd Band: -	4th Band: -
	5th Band: -
	6th Band: -

Outside Diameter	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min. Wall Thickness	87.50 %	Pipe Body Drift	API Standard	Type	Casing
Connection OD Option	REGULAR				

Pipe Body Data

Geometry				Performance	
Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Body Yield Strength	641 x1000 lb
Nominal Weight	20 lb/ft	Plain End Weight	19.83 lb/ft	Min. Internal Yield Pressure	12,640 psi
Drift	4.653 in.	OD Tolerance	API	SMYS	110,000 psi
Nominal ID	4.778 in.			Collapse Pressure	11,100 psi

Connection Data

Geometry		Performance		Make-Up Torques	
Connection OD	5.777 in.	Tension Efficiency	90 %	Minimum	15,700 ft-lb
Connection ID	4.734 in.	Joint Yield Strength	577 x1000 lb	Optimum	19,600 ft-lb
Make-up Loss	5.823 in.	Internal Pressure Capacity	12,640 psi	Maximum	21,600 ft-lb
Threads per inch	3.77	Compression Efficiency	90 %		
Connection OD Option	Regular	Compression Strength	577 x1000 lb	Operation Limit Torques	
		Max. Allowable Bending	82 °/100 ft	Operating Torque	29,000 ft-lb
		External Pressure Capacity	11,100 psi	Yield Torque	36,000 ft-lb

Notes

This connection is fully interchangeable with:
 TORQ® SFW™ - 5.5 in. - 0.361 in.
 Connections with Dopeless® Technology are fully compatible with the same connection in its Standard version

For the latest performance data, always visit our website: www.tenaris.com

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TenarisHydril Wedge 441®



Coupling	Pipe Body
Grade: P110-CY	Grade: P110-CY
Body: White	1st Band: White
1st Band: Grey	2nd Band: Grey
2nd Band: -	3rd Band: -
3rd Band: -	4th Band: -
	5th Band: -
	6th Band: -

Outside Diameter	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min. Wall Thickness	87.50 %	Drift	API Standard	Type	Casing
Connection OD Option	REGULAR				

Pipe Body Data

Geometry		Performance	
Nominal OD	5.500 in.	Wall Thickness	0.361 in.
Nominal Weight	20 lb/ft	Plain End Weight	19.83 lb/ft
Drift	4.653 in.	OD Tolerance	API
Nominal ID	4.778 in.		
		Body Yield Strength	641 x1000 lb
		Min. Internal Yield Pressure	12,640 psi
		SMYS	110,000 psi
		Collapse Pressure	11,100 psi

Connection Data

Geometry		Performance		Make-Up Torques	
Connection OD	5.852 in.	Tension Efficiency	81.50 %	Minimum	15,000 ft-lb
Coupling Length	8.714 in.	Joint Yield Strength	522 x1000 lb	Optimum	16,000 ft-lb
Connection ID	4.778 in.	Internal Pressure Capacity	12,640 psi	Maximum	19,200 ft-lb
Make-up Loss	3.780 in.	Compression Efficiency	81.50 %		
Threads per inch	3.40	Compression Strength	522 x1000 lb	Operation Limit Torques	
Connection OD Option	Regular	Max. Allowable Bending	71 °/100 ft	Operating Torque	32,000 ft-lb
		External Pressure Capacity	11,100 psi	Yield Torque	38,000 ft-lb
				Buck-On	
				Minimum	19,200 ft-lb
				Maximum	20,700 ft-lb

Notes

This connection is fully interchangeable with:
 Wedge 441® - 5.5 in. - 0.304 in.
 Connections with Dopeless® Technology are fully compatible with the same connection in its Standard version

For the latest performance data, always visit our website: www.tenaris.com

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5.500" 20.00 lb/ft P110-CY TenarisHydril Wedge 461™ Matched Strength

Special Data Sheet

TH DS-20.0359
12 August 2020
Rev 00

Nominal OD	5.500 in.	Wall Thickness	0.361 in.	Grade	P110-CY
Min Wall Thickness	87.5%	Type	CASING	Connection OD Option	MATCHED STRENGTH

Pipe Body Data

Geometry		Performance			
Nominal OD	5.500 in.	Nominal ID	4.778 in.	Body Yield Strength	641 x 1000 lbs
Nominal Weight	20.00 lbs/ft	Wall Thickness	0.361 in.	Internal Yield	12640 psi
Standard Drift Diameter	4.653 in.	Plain End Weight	19.83 lbs/ft	SMYS	110000 psi
Special Drift Diameter	N/A	OD Tolerance	API	Collapse Pressure	11110 psi

Connection Data

Geometry		Performance		Make-up Torques	
Matched Strength OD	6.050 in.	Tension Efficiency	100%	Minimum	17000 ft-lbs
Make-up Loss	3.775 in.	Joint Yield Strength	641 x 1000 lbs	Optimum	18000 ft-lbs
Threads per in.	3.40	Internal Yield	12640 psi	Maximum	21600 ft-lbs
Connection OD Option	MATCHED STRENGTH	Compression Efficiency	100%	Operational Limit Torques	
Coupling Length	7.714 in.	Compression Strength	641 x 1000 lbs	Operating Torque	32000 ft-lbs
		Bending	92 °/100 ft	Yield Torque	38000 ft-lbs
		Collapse	11110 psi	Buck-On Torques	
				Minimum	21600 ft-lbs
				Maximum	23100 ft-lbs

Notes

*If you need to use torque values that are higher than the maximum indicated, please contact a local Tenaris technical sales representative

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 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
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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 374994

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID:	16696
	Action Number:	374994
	Action Type:	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	Notify OCD 24 hours prior to casing & cement	9/9/2024
ward.rikala	Will require a File As Drilled C-102 and a Directional Survey with the C-104	9/9/2024
ward.rikala	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	9/9/2024
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing	9/9/2024
ward.rikala	If cement does not circulate on any string, a CBL is required for that string of casing	9/9/2024
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	9/9/2024
ward.rikala	Must submit C-102 on new C-102 form.	9/9/2024