Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. NMNM0359292 **BUREAU OF LAND MANAGEMENT** APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. **✓** DRILL REENTER 1a. Type of work: Oil Well 1b. Type of Well: Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing ✓ Single Zone Multiple Zone SALADO DRAW 10 FED 576H 2. Name of Operator 9. API Well No. 30-025-53800 MEWBOURNE OIL COMPANY 10. Field and Pool, or Exploratory 3a. Address 3b. Phone No. (include area code) P O BOX 5270, HOBBS, NM 88241 (575) 393-5905 BRADLEY/Bone Spring 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area SEC 10/T26S/R33E/NMP At surface SWSE / 295 FSL / 1560 FEL / LAT 32.0514863 / LONG -103.5566858 At proposed prod. zone NWNE / 100 FNL / 2090 FEL / LAT 32.0649674 / LONG -103.556286 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State NM LEA 22 miles 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well 350 feet location to nearest property or lease line, ft. 160.0 (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, 20 feet 10945 feet / 15903 feet FED: applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 3322 feet 07/13/2023 30 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. SUPO must be filed with the appropriate Forest Service Office). 6. Such other site specific information and/or plans as may be requested by the Name (Printed/Typed) Date 25. Signature BRADLEY BISHOP / Ph: (575) 393-5905 03/06/2024 (Electronic Submission) Title Regulatory Approved by (Signature) Date Name (Printed/Typed) (Electronic Submission) CODY LAYTON / Ph: (575) 234-5959 10/15/2024 Title Office Assistant Field Manager Lands & Minerals Carlsbad Field 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.



ived by C-10		0/30/2024 1:0	07:46 PM		State of Nev	w Mexico				Page 2 Revised July 9, 202
<u>C 10</u>	<u>=</u>		En			al Resources Departs	ment			•
	Electronical Dermitting			OIL (CONSERVAT	TION DIVISION			X Initial Su	bmittal
Via OCI	o remitting							Submittal	☐ Amended	
								Type:	☐ As Drille	
					WELL LOCAT	TION INFORMATION				
API Nu	imber 30-	-025-53800	Pool Code	72870		Pool Name BRADL	EY; BON	IE SPRI	NG	
Propert	y Code	3525	Property Na		LADO DRA				Well Number	er 576H
OGRIE) No	1744	Operator Na	ame ME	WBOURNI	E OIL COMPAN	NY		Ground Lev 332	
Surface	Owner: 🗆	State ☐ Fee ☐	<u>I</u> Tribal ⊅Fed	leral		Mineral Owner:	State Fee [□ Tribal 🗘 I	Federal	
		Т	T		1	ace Location				T
UL O	Section 10	Township 26S	Range 33E	Lot	Ft. from N/S 275 FSL	Ft. from E/W 1560 FEL	12.0514		ongitude 03.5566858	County LEA
	I.				Bottom	Hole Location	l	I		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ongitude	County
В	10	26S	33E		100 FNL	1430 FEL	32.0649	0674 -10	03.5562685	LEA
Dedica	ted Acres	Infill or Defir	ning Well	Defining	Well API	Overlapping Spacin	o Unit (Y/N)	Consolidati	on Code	
	30	DEFIN	-	2 viiiiig		o veriapping spacin	.g o.m. (1/11)	Component	on 00 00	
	Numbers.			<u> </u>		Well setbacks are un	nder Common (Ownership: [∃Yes □No	
					Kick O	off Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County
Ο	10	26	33		10 FSL	1430 FEL	32.0507	7574 -10	03.5562671	LEA
	l	I	I	I	First Ta	ake Point (FTP)	I	II.		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude	County
0	10	26	33		100 FSL	1430 FEL	32.0510	0049 -10	03.5562672	LEA
		Τ=	Г	Τ_	1	ake Point (LTP)		T _		<u> </u>
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude	County
В	10	26	33		100 FNL	1430 FEL	32.0649	9674 -10	03.5562686	LEA
Unitize	d Area or Ar	rea of Uniform In	nterest	Spacing	Unit Type 🛚 Horiz	zontal Vertical	Groui	nd Floor Elev	vation: 33	322
OPER/	ATOR CERT	TIFICATIONS				SURVEYOR CERTIF	ICATIONS			
			ained herein is i	true and com	plete to the best of	I hereby certify that the v		wn on this plat	t was plotted fro	m field notes of actua
my know organiza	ledge and beli ition either ow	ief, and, if the well ens a working inter l bottom hole locat	is a vertical or est or unleased	directional v mineral inter	vell, that this rest in the land	surveys made by me or un my belief.				
interest,		ary pooling agreen			r unleased mineral g order heretofore					
consent in each i	of at least one tract (in the tai		a working inter tion) in which a	rest or unleas ny part of the	sed mineral interest well's completed					
Ru	_	CDanie	1		10/16/24					
Signatur			Date			Signature and Seal of Profe	essional Surveyor			
R'	YAN MO	CDANIEL								
Printed N						Certificate Number	Date of Surve	:V		

Note: 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.

RYANMCDANIEL@MEWBOURNE.COM
Email Address

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

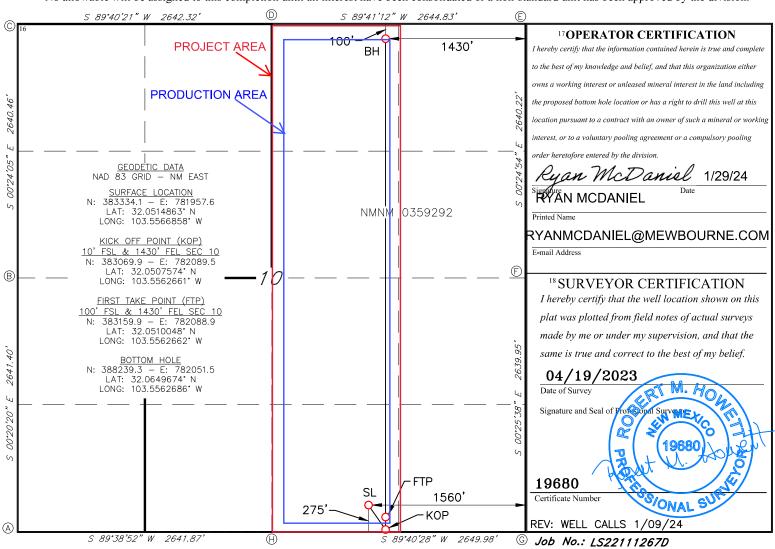
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number	•		² Pool Code			³ Pool Na	³ Pool Name						
				i										
⁴ Property Co	de		-			rty Name				C	Well Number			
				SA	LADO DE	RAW 10	FED			576H				
7 OGRID						tor Name					Elevation			
1474	14		MEWBOURNE OIL COMPANY 332								3322'			
					10 Surfac	ce Locatio	on							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	ne North	n/South line	Feet From the	East/We	st line	County			
0	10	26S	33E		275	SO	UTH	1560	EAS	ST	T LEA			

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 В 10 **26S** 33E 100 NORTH 1430 EAST LEA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 160

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



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

1	API Number	•		² Pool Code			³ Pool Na	me			
⁴ Property Co	4Property Code SALADO DRAW 10 FED										
7OGRID	NO.			MEW	8 Operator N BOURNE OI	ame L COMPANY			⁹ Elevation 3322'		
					10 Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West l	ine County		
0	10	26S	33E		275	SOUTH	1560	EAST	LEA		
			11]	Bottom F	Hole Location	If Different Fr	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West l	ine County		
В	10	26S	33E		100	' LEA					
12 Dedicated Acre	s 13 Joint	or Infill 14 (Consolidation	Code 15	Order No.						

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

tv	II
16	¹⁷ OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete
	to the best of my knowledge and belief, and that this organization either
	owns a working interest or unleased mineral interest in the land including
	the proposed bottom hole location or has a right to drill this well at this
	location pursuant to a contract with an owner of such a mineral or working
CODNED DATA	interest, or to a voluntary pooling agreement or a compulsory pooling
<u>CORNER DATA</u> NAD 83 GRID — NM EAST	order heretofore entered by the division.
A: CALCULATED CORNER N: 383036.8 – E: 778228.5	Ryan McDanisl 2/7/24 Signature Date
B: FOUND BRASS CAP "1913" N: 385677.6 - E: 778212.9	Ryan McDaniel Printed Name
C: FOUND BRASS CAP "1913"	
N: 388317.6 - E: 778194.4	RyanMcDaniel@mewbourne.com E-mail Address
D: FOUND BRASS CAP "1913"	
N: 388332.7 - E: 780836.2	18 SURVEYOR CERTIFICATION
E: FOUND BRASS CAP "1913"	I hereby certify that the well location shown on this
N: 388347.1 - E: 783480.5	plat was plotted from field notes of actual surveys
F: FOUND BRASS CAP "1913"	
N: 385707.5 - E: 783499.6	made by me or under my supervision, and that the
G: FOUND BRASS CAP "1913" N: 383068.1 - E: 783519.3	same is true and correct to the best of my belief.
	04/19/2023
H: FOUND BRASS CAP "1913" N: 383053.0 — E: 780869.9	Date of Survey
	Signature and Seal of Profesional Surveyor
	19680
	Certificate Number
	REV: WELL CALLS 1/09/24
L	(ab No. 1 5331113670

Job No.: LS22111267D

Page 5

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: Mev	vbourne C	oil Co.	OGRID:	14744	Date: _	5/2/22
II. Type: X Original	☐ Amendment o	lue to □ 19.15.27.	9.D(6)(a) NMA	C □ 19.15.27.9.De	(6)(b) NMAC 🗆 (Other.
If Other, please describe	·					39
III. Well(s): Provide the be recompleted from a s	e following info ingle well pad	ormation for each or connected to a c	new or recomple entral delivery p	eted well or set of soint.	wells proposed to	be drilled or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Salado Draw 10 Fed 576H		O 10 26S 33E	275' FSL x 1560' F	EL 1500	3500	3000
V. Anticipated Schedu proposed to be recomple Well Name	le: Provide the	following informa	tion for each nev	v or recompleted v	vell or set of wells	- I
Salado Draw 10 Fed 576H		7/2/22	8/2/22	9/2/22	9/17/2	2 9/17/22
VII. Operational Prac Subsection A through F	tices: Attacl of 19.15.27.8 1	n a complete descr NMAC.	ription of the ac	tions Operator wil	ll take to comply	at to optimize gas capture. with the requirements of

Page 6

Sec	<u>tion</u>	2 –	<u>- En</u>	<u>han</u>	<u>ced</u>	Plan
<u>_</u>	EFFE	CTI	VE A	PRIL	1, 20	122
_						

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.

M 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 \square will \square 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 \square does \square 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.

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Page 7

Section 3 - Certifications Effective May 25, 2021

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

E 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.

Page 8

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:	Bradley Bishop
Printed Name:	BRADLEY BISHOP
Title:	REGULATORY MANAGER
E-mail Address:	BBISHOP@MEWBOURNE.COM
Date:	5/2/22
Phone	575-393-5905
	OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:	
Title:	
Approval Date:	
Conditions of Ap	proval:

Mewbourne Oil Company

Natural Gas Management Plan – Attachment

- VI. Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing ProMax modelling software to ensure adequate capacity for anticipated production volumes and conditions.
- VII. Mewbourne Oil Company (MOC) will take following actions to comply with the regulations listed in 19.15.27.8:
 - A. MOC will maximize the recovery of natural gas by minimizing the waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. MOC will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas. If there is no adequate takeaway for the gas, well(s) will be shut in until the natural gas gathering system is available.
 - B. All drilling operations will be equipped with a rig flare located at least 100 ft from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations. In the case of emergency venting or flaring the volumes will be estimated and reported appropriately.
 - C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flow will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However, if natural gas does not meet gathering pipeline quality specifications, MOC will flare the natural gas for 60 days or until the natural gas meets the pipeline quality specifications, whichever is sooner. MOC will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
 - D. Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D.(1) through (4). If there is no adequate takeaway for the separator gas, well(s) will be shut in until the natural gas gathering system is available with exception of emergency or malfunction situations. Venting and/or flaring volumes will be estimated and reported appropriately.
 - E. MOC will comply with the performance standards requirements and provisions listed in 19.15.27.8 E.(1) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs in order to minimize the waste. Production storage tanks constructed after May 25, 2021 will be equipped with automatic gauging system. Flares constructed after May 25, 2021 will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. MOC will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
 - F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared or beneficially used during production operations, will be measured or estimated. MOC will install equipment to measure

the volume of natural gas flared from existing process piping or a flowline piped from equipment such as high pressure separators, heater treaters, or vapor recovery units associated with a well or facility associated with a well authorized by an APD issued after May 25, 2021 that has an average daily production greater than 60 Mcf/day. If metering is not practicable due to circumstances such as low flow rate or low pressure venting and flaring, MOC will estimate the volume of vented or flared natural gas. Measuring equipment will conform to industry standards and will not be designed or equipped with a manifold that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing the measurement equipment.

VIII. For maintenance activities involving production equipment and compression, venting will be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production and compression equipment the associated producing wells will be shut in to eliminate venting. For maintenance of VRUs all gas normally routed to the VRU will be routed to flare to eliminate venting.



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

Well Name: SALADO DRAW 10 FED

Drilling Plan Data Report 10/16/2024

APD ID: 10400092838

Submission Date: 03/06/2024

Highlighted data reflects the most recent changes

Operator Name: MEWBOURNE OIL COMPANY

Well Number: 576H

Well Type: OIL WELL

Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
14317880	UNKNOWN	3322	28	28	OTHER : Topsoil	NONE	N
14317900	RUSTLER	2402	920	920	ANHYDRITE, DOLOMITE	USEABLE WATER	N
14317901	TOP SALT	2032	1290	1290	SALT	NONE	N
14317892	BASE OF SALT	-1425	4747	4747	SALT	NONE	N
14317894	LAMAR	-1661	4983	4983	LIMESTONE	NATURAL GAS, OIL	N
14317902	BELL CANYON	-1701	5023	5023	SANDSTONE	NATURAL GAS, OIL	N
14317903	CHERRY CANYON	-2668	5990	5990	SANDSTONE	NATURAL GAS, OIL	N
14317904	MANZANITA	-2918	6240	6240	LIMESTONE	NATURAL GAS, OIL	N
14317907	BRUSHY CANYON	-4288	7610	7610	SANDSTONE	NATURAL GAS, OIL	N
14317888	BONE SPRING	-5864	9186	9186	LIMESTONE, SHALE	NATURAL GAS, OIL	N
14317889	BONE SPRING 1ST	-6834	10156	10156	SANDSTONE	NATURAL GAS, OIL	N
14317906	BONE SPRING 2ND	-7288	10610	10610	SANDSTONE	NATURAL GAS, OIL	Y
14317910	BONE SPRING 3RD	-8488	11810	11810	SANDSTONE	NATURAL GAS, OIL	N
14317911	WOLFCAMP	-8853	12175	12175	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	N

Section 2 - Blowout Prevention

Well Name: SALADO DRAW 10 FED Well Number: 576H

Pressure Rating (PSI): 5M Rating Depth: 16404

Equipment: Annular Pipe Rams Blind Rams Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Requesting Variance? YES

Variance request: A variance is requested for the use of a variable choke line from the BOP to the choke manifold. See attached for hydrostatic test chart. Anchors are not required by manufacturer. Variance is requested to use a multi bowl wellhead.

Testing Procedure: 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.

Choke Diagram Attachment:

Salado_Draw_10_Fed_576H_5M_BOPE_Choke_Diagram_20240207091138.pdf Salado_Draw_10_Fed_576H_Flex_Line_Specs_API_16C_20240207091148.pdf Salado Draw 10 Fed 576H Flex Line Specs 20240207091155.pdf

BOP Diagram Attachment:

Salado_Draw_10_Fed_576H_5M_BOPE_Schematic_20240207091222.pdf
Salado_Draw_10_Fed_576H_Vault_5K_WH_1002000AD1_20240207091234.pdf
Salado_Draw_10_Fed_576H_Mewbourne_Break_Testing_Variance_20240207091253.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1120	0	1120	3322	2202	1120	H-40	48	ST&C	1.57	3.54	DRY	5.99	DRY	10.0
	INTERMED IATE	12 . 2 5	9.625	NEW	API	N	0	4875	0	4875		-1553	4875	J-55	40	LT&C	1.13	1.73	DRY	2.67	DRY	3.23
3	PRODUCTI ON	8.75	7.0	NEW	API	N	0	10907	0	10902		-7580	10907	HCP -110	26	LT&C	1.38	1.75	DRY	2.44	DRY	2.93
4	LINER	6.12 5	4.5	NEW	API	N	10802	16498	10802	16498		- 13176		P- 110	13.5	LT&C	3.27	3.81	DRY	4.39	DRY	5.49

Casing Attachments

Casing Attachments

Operator Name: MEWBOURNE OIL COMPANY

Well Name: SALADO DRAW 10 FED Well Number: 576H

Casing ID: 1	String	SURFACE	
Inspection Document:			
Spec Document:			
Tapered String Spec:			
Casing Design Assum	ntions and W	Morkshoot(s):	
Salado_Draw_10	_Fed_576H_0	CsgAssumptions_20240621135832.pdf	
Casing ID: 2	String	INTERMEDIATE	
Inspection Document:			

Tapered String Spec:

Spec Document:

Casing Design Assumptions and Worksheet(s):

Salado_Draw_10_Fed_576H_CsgAssumptions_20240621135848.pdf

Casing ID: 3 String PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Salado_Draw_10_Fed_576H_CsgAssumptions_20240621135840.pdf

Well Name: SALADO DRAW 10 FED Well Number: 576H

Casing Attachments

Casing ID: 4

String

LINER

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $Salado_Draw_10_Fed_576H_CsgAssumptions_20240621135856.pdf$

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	929	610	2.12	12.5	1300	100	Class C	Salt, Gel, Extender, LCM
SURFACE	Tail	6	929	1120	200	1.34	14.8	268	100	Class C	Retarder
INTERMEDIATE	Lead	2500	0	2160	400	2.12	12.5	850	25	Class C	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		2160	2500	100	1.34	14.8	134	25	Class C	Retarder
INTERMEDIATE	Lead	2500	2500	4204	320	2.12	12.5	680	25	С	Salt, Gel, Extender, LCM
INTERMEDIATE	Tail		4204	4875	100	1.34	14.8	268	25	С	Retarder
PRODUCTION	Lead	6200	4675	5480	70	2.12	12.5	150	25	Class C	Salt, Gel, Extender, LCM, defoamer
PRODUCTION	Tail		5480	6200	100	1.34	14.8	134	25	Class C	Retarder, fluid loss, defoamer
PRODUCTION	Lead	6200	6200	8444	220	2.12	12.5	430	50	Class C	Salt, Gel, Extender, LCM, defoamer
PRODUCTION	Tail		8444	1090 7	400	1.18	15.6	472	50	Class H	Retarder, Fluid Loss, Defoamer
LINER	Lead		1070 7	1640 4	370	1.85	13.5	690	25	Class H	Salt, Gel, Fluid Loss, retarder, dispersant, defoamer, anti-setting agent

Well Name: SALADO DRAW 10 FED Well Number: 576H

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

Describe what will be on location to control well or mitigate other conditions: Lost circulation material, sweeps, mud scavengers

Describe the mud monitoring system utilized: Pason/PVT/visual monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	РН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1120	SPUD MUD	8.2	8.4	1	-					
1120	4875	SALT SATURATED	8.6	9							
4875	1090 7	WATER-BASED MUD	9	10							
1090 7	1640 4	OIL-BASED MUD	9	11							

Well Name: SALADO DRAW 10 FED Well Number: 576H

Section 6 - Test, Logging, Coring

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

Will run GR/CNL from KOP (10907') to surface (horizontal well vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.

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

DIRECTIONAL SURVEY,MEASUREMENT WHILE DRILLING,MUD LOG/GEOLOGIC LITHOLOGY LOG,GAMMA RAY LOG,COMPENSATED NEUTRON LOG,

Coring operation description for the well:

None

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 7182 Anticipated Surface Pressure: 4774

Anticipated Bottom Hole Temperature(F): 140

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

H2S Plan 20240207094742.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Salado_Draw_10_Fed_576H_MOC_Dir_Plan_20240207094839.pdf Salado Draw 10 Fed 576H MOC Dir Plot 20240207094844.pdf

Other proposed operations facets description:

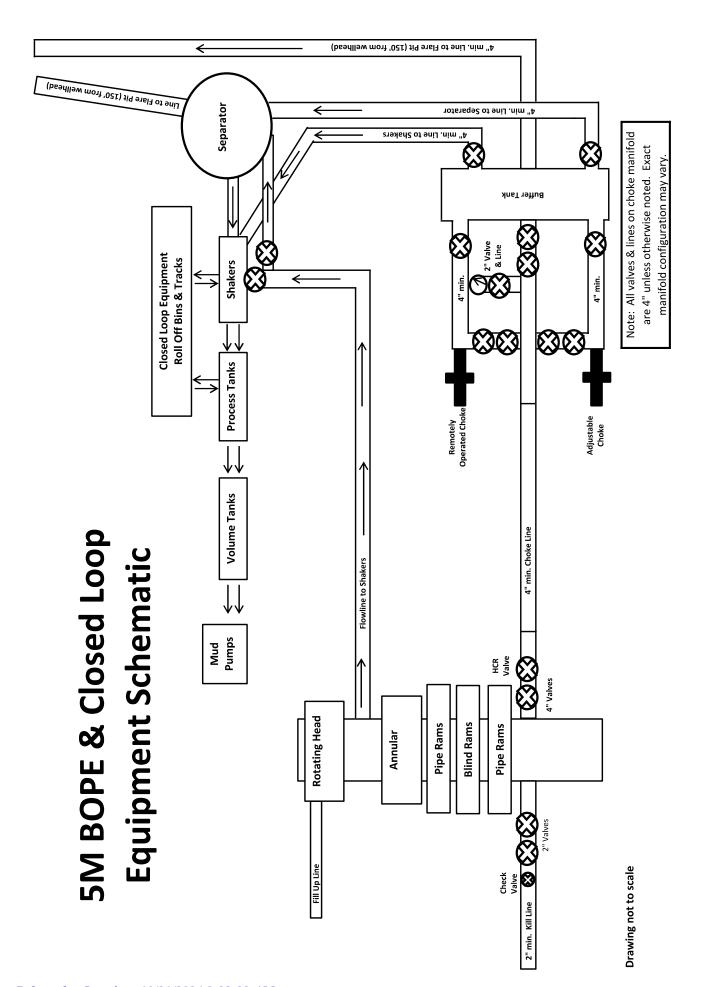
Other proposed operations facets attachment:

Salado_Draw_10_Fed_576H_AddInfo_20240304143005_20240318212225.pdf Salado_Draw_10_Fed_576H_Drlg_Program_20240621140111.pdf

Other Variance attachment:

Salado_Draw_10_Fed_576H_Mewbourne_Break_Testing_Variance_20240304142950_20240318212224.pdf
Salado_Draw_10_Fed_576H_Mewbourne_Offline_Cementing_Variance_20240304142951_20240318212224.pdf







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

PHONE: (281) 602 - 4119

FAX:

EMAIL: Troy.Schmidt@gates.com

WEB: www.gates.com

10K CHOKE & KILL ASSEMBLY PRESSURE TEST CERTIFICATE

Test Date: 8/20/2018 A-7 AUSTIN INC DBA AUSTIN HOSE Customer: Hose Serial No.: H-082018-10 Customer Ref .: 4101901 Created By: Moosa Nagvi Invoice No.: 511956 10KF3.035.0CK41/1610KFLGFXDxFLT_L/E Product Description: End Fitting 2: 4 1/16 in. Float Flange End Fitting 1: 4 1/16 in. Fixed Flange Assembly Code: L40695052218H-082018-10 Gates Part No.: 68503010-9721632 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), 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.

Quality:

Date: Signature: QUALITY

8/20/2018

Date:

Signature:

Production:

Form PTC - 01 Rev.0 2



PRODUCTION

8/20/2018



GATES E & S NORTH AMERICA, INC. 134 44TH STREET **CORPUS CHRISTI, TEXAS 78405**

PHONE: 361-887-9807 FAX: 361-887-0812

EMAIL: Tim.Cantu@gates.com

www.gates.com

10K CEMENTING ASSEMBLY PRESSURE TEST CERTIFICATE

Customer:

AUSTIN DISTRIBUTING

Test Date: Hose Serial No.: 4/30/2015

Customer Ref. : Invoice No.:

4060578 500506

10,000 PSI

Created By:

D-043015-7 JUSTIN CROPPER

Product Description:

10K3.548.0CK4.1/1610KFLGE/E LE

End Fitting 1:

Working Pressure:

4 1/16 10K FLG 4773-6290 Gates Part No.:

End Fitting 2:

4 1/16 10K FLG

Assembly Code: Test Pressure:

L36554102914D-043015-7

15,000 PSI

Gates E & S North America, Inc. certifies that the following hose assembly has been tested to the Gates Oilfield Roughneck Agreement/Specification requirements and passed the 15 minute hydrostatic test per API Spec 7K/Q1, Fifth Edition, June 2010, Test pressure 9.6.7 and per Table 9 to 15,000 psi in accordance with this product number. Hose burst pressure 9.6.7.2 exceeds the minimum of 2.5 times the working pressure per Table 9.

Quality Manager:

Date:

Signature:

QUALITY

4/30/2015

Produciton:

Date:

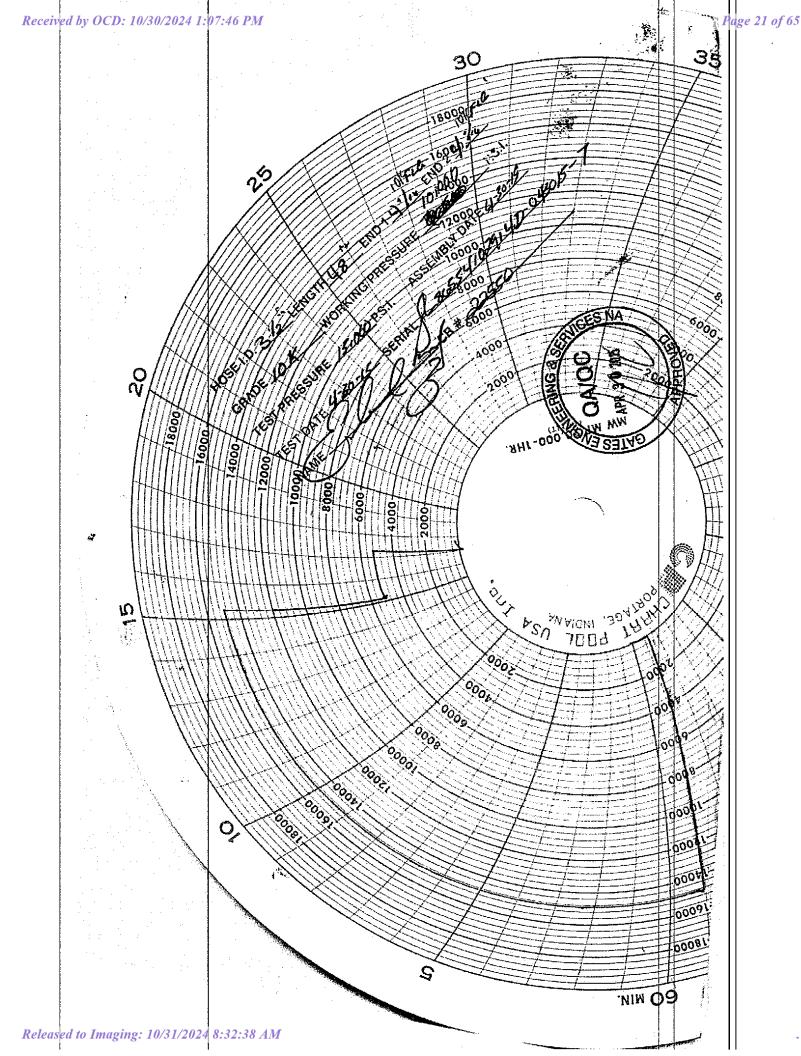
Signature :

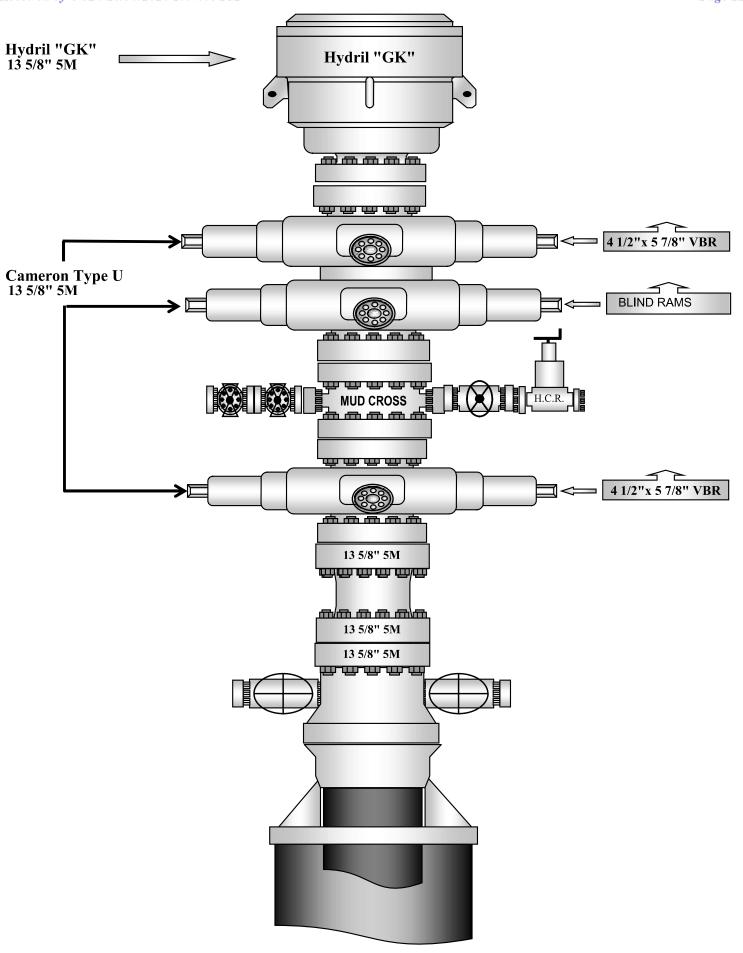
PRODUCTION

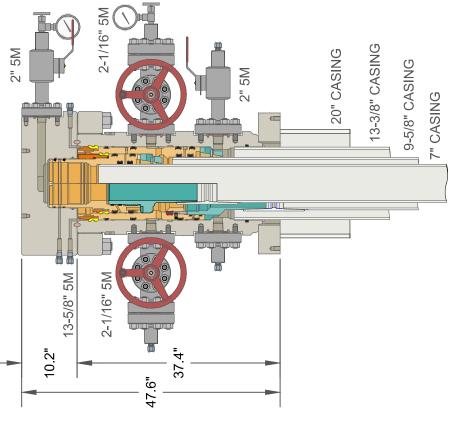
4/30/20**1**5

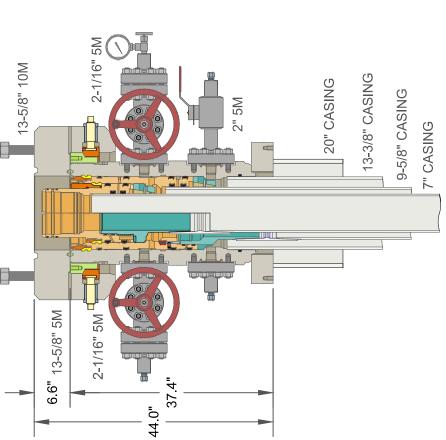
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Mewbourne Oil Co.

BOP Break Testing Variance

Mewbourne Oil Company requests a variance from the minimum standards for well control equipment testing of 43 CFR 3172 to allow a testing schedule of the blow out preventer (BOP) and blow out prevention equipment (BOPE) along with batch drilling & offline cementing operations. Modern rig upgrades which facilitate pad drilling allow the BOP stack to be moved between wells on a multi-well pad without breaking any BOP stack components apart. Widespread use of these technologies has led to break testing BOPE being endorsed as safe and reliable. American Petroleum Institute (API) best practices are frequently used by regulators to develop their regulations. API Standard 53, *Well Control Equipment Systems for Drilling Wells* (5th Ed., Dec. 2018) Section 5.3.7.1 states "A pressure test of the pressure containing component shall be performed following the disconnection or repair, limited to the affected component."

Procedures

- 1. Full BOPE test at first installation on the pad.
 - Full BOPE test at least every 21 days.
 - Function test BOP elements per 43 CFR 3172.
 - Contact the BLM if a well control event occurs.
- After the well section is secured and the well is confirmed to be static, the BOP will be disconnected from the wellhead and walked with the rig to another well on the pad. Two breaks on the BOPE will be made (Fig. 1).
 - Connection between the flex line and the HCR valve
 - Connection between the wellhead and the BOP quick connect (Fig. 5 & 6).
- 3. A capping flange will be installed after cementing per wellhead vendor procedure & casing pressure will be monitored via wellhead valve.
- 4. The BOP will be removed and carried by a hydraulic carrier (Fig. 3 & 4).
- 5. The rig will then walk to the next well.
- 6. Confirm that the well is static and remove the capping flange.
- 7. The connection between the flex line and HCR valve and the connection between the wellhead and the BOP guick connect will be reconnected.
- 8. Install a test plug into the wellhead.
- 9. A test will then be conducted against the upper pipe rams and choke, testing both breaks (Fig. 1 & 2).
- 10. The test will be held at 250 psi low and to the high value submitted in the APD, not to exceed 5000 psi.
- 11. The annular, blind rams and lower pipe rams will then be function tested.
- 12. If a pad consists of three or more wells, steps 4 through 11 will be repeated.



13. A break test will only be conducted if the intermediate section can be drilled and cased within 21 days of the last full BOPE test.

Barriers

Before Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff

After Nipple Down:

- Floats in casing
- Kill weight fluid in casing
- Kill weight fluid in annulus
- Solid body mandrel and/or packoff
- Offline cementing tool and/or cement head
- Capping flange after cementing

Summary

A variance is requested to only test broken pressure seals on the BOPE when moving between wells on a multi-well pad if the following conditions are met:

- A full BOPE test is conducted on the first well on the pad. API Standard 53 requires testing annular BOP to 70% of RWP or 100% of MASP, whichever is greater.
- If the first well on the pad is not the well with the deepest intermediate section, a full BOPE test will also be performed when moving to a deeper well.
- The hole section being drilled has a MASP under 5000 psi.
- If a well control event occurs, Mewbourne will contact BLM for permission to continue break testing.
- If significant (>50%) losses occur, full BOPE testing will be required going forward.
- Full BOPE test will be required prior to drilling the production hole.

While walking the rig, the BOP stack will be secured via hydraulic winch or hydraulic carrier. A full BOPE test will be performed at least every 21 days.



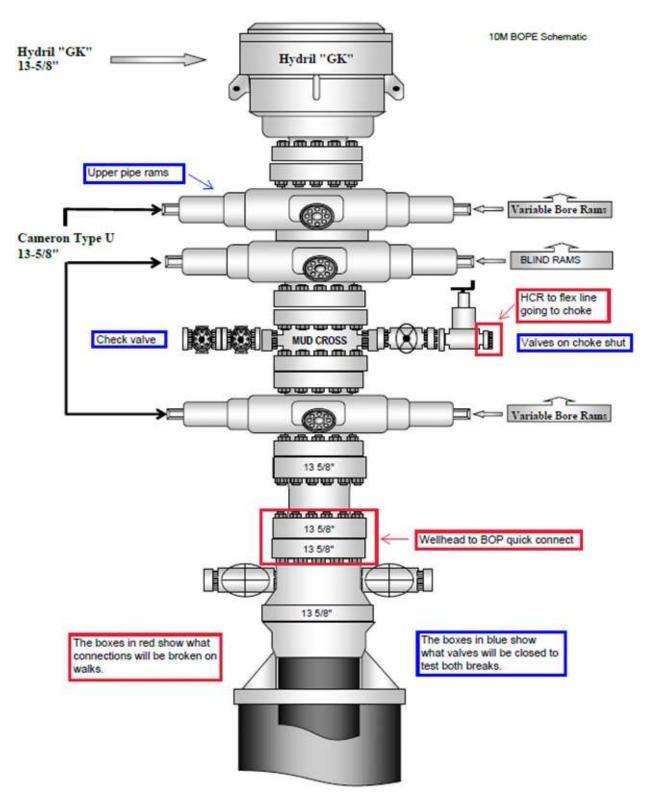


Figure 1. BOP diagram



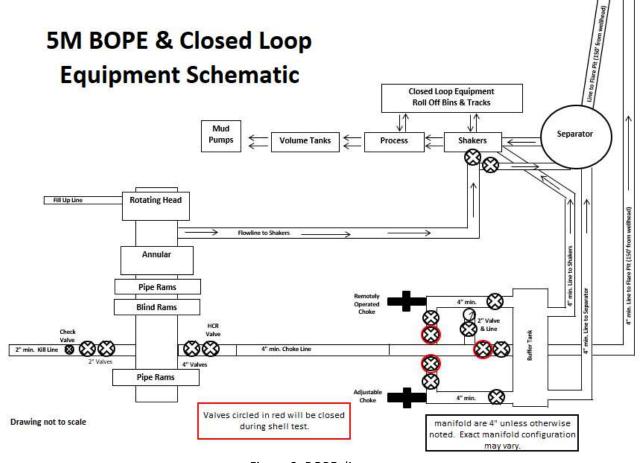


Figure 2. BOPE diagram





Figure 3. BOP handling system





Figure 4. BOP handling system



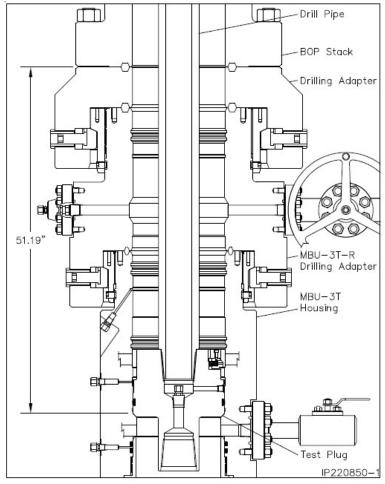


Figure 5. Cactus 5M wellhead with BOP quick connect

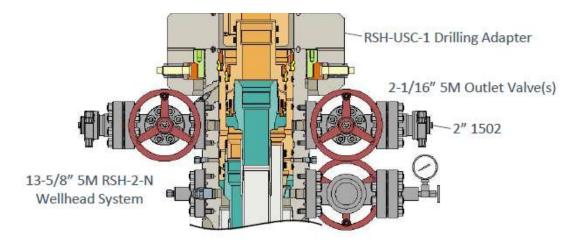


Figure 6. Vault 5M wellhead with BOP quick connect

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design A						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	10907'	10902'	7" 26# HCP110 LTC	1.38	1.75	2.44	2.93
Liner	6.125'	10707'	10702'	16404'	11475'	4.5" 13.5# P110 LTC	3.27	3.81	4.39	5.49

Cement Program

Casing		# Sacks	Wt. lb/gal	Yield ft ³ /sack	TOC/BOC	Volume ft ³	% Excess	Slurry Description			
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM			
13.3/5 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder			
1st Stg 9.625 in	LEAD	320	12.5	2.12	2500' - 4204'	680	25%	Class C: Salt, Gel, Extender, LCM			
18t Stg 9.025 III	TAIL	200	14.8	1.34	4204' - 4875'	268	23%	Class C: Retarder			
9 5/8" DV Tool @ 2500'											
2nd Stg 9.625 in	LEAD	400	12.5	2.12	0' - 2160'	850	25%	Class C: Salt, Gel, Extender, LCM			
2110 Stg 9.025 III	TAIL	100	14.8	1.34	2160' - 2500'	134	2370	Class C: Retarder			
1st Stg 7 in	LEAD	200	12.5	2.12	6200' - 8444'	430	25%	Class C: Salt, Gel, Extender, LCM, Defoamer			
ist stg / m	TAIL	400	15.6	1.18	8444' - 10907'	472	25%	Class H: Retarder, Fluid Loss, Defoamer			
					7" DV	7 Tool @ 6200'					
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer			
Ziiu Sig / iii	TAIL	100	14.8	1.34	5480' - 6200'	134	2370	Class C: Retarder, Fluid Loss, Defoamer			
4.5 in	LEAD	370	13.5	1.85	10707' - 16404'	690	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent			

Design A - Mud Program

Depth	Mud Wt	Mud Type		
0' - 1120'	8.4	Fresh Water		
1120' - 4875'	9	Brine		
4875' - 10907'	10	Cut-Brine		
10907' - 16404'	11	OBM		

Geology

Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design B						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	11807'	11475'	7" 26# HCP110 LTC	1.27	1.62	2.26	2.70
Liner	6.125'	10907'	10902'	16404'	11475'	4.5" 13.5# P110 LTC	3.39	3.95	4.55	5.69

Design B - Cement Program

Design B - Cement i	resign b - Cement Frogram										
Casing		# Sacks	Wt. lb/gal	Yield cu.ft/sack	TOC	Slurry Description					
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM			
15.575 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder			
1st Stg 9.625 in	LEAD	130	12.5	2.12	2500' - 4203'	280	25%	Class C: Salt, Gel, Extender, LCM			
18t Stg 9.025 III	TAIL	200	14.8	1.34	4203' - 4875'	268	2370	Class C: Retarder			
9 5/8" DV Tool @ 2500'											
2nd Stg 9.625 in	LEAD	580	12.5	2.12	0' - 3156'	1230	25%	Class C: Salt, Gel, Extender, LCM			
2110 Stg 9.025 III	TAIL	100	14.8	1.34	3156' - 3500'	134	2370	Class C: Retarder			
1st Stg 7 in	LEAD	280	12.5	2.12	6200' - 9338'	600	25%	Class C: Salt, Gel, Extender, LCM, Defoamer			
ist Stg / iii	TAIL	400	15.6	1.18	9338' - 11807'	472	23%	Class H: Retarder, Fluid Loss, Defoamer			
					7" DV	Tool @ 6200'					
2-4 64-7 :-	LEAD	70	12.5	2.12	4675' - 5480'	150	250/	Class C: Salt, Gel, Extender, LCM, Defoamer			
2nd Stg 7 in	TAIL	100	14.8	1.34	5480' - 6200'	134	25%	Class C: Retarder, Fluid Loss, Defoamer			
4.5 in	LEAD	350	13.5	1.85	10907' - 16404'	650	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent			

Design B - Mud Program

Depth	Mud Wt	Mud Type		
0' - 1120'	8.4	Fresh Water		
1120' - 4875'	9	Brine		
4875' - 11807'	10	Cut-Brine		
11807' - 16404'	11	OBM		

Geology

Geology					
Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design A						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	10907'	10902'	7" 26# HCP110 LTC	1.38	1.75	2.44	2.93
Liner	6.125'	10707'	10702'	16404'	11475'	4.5" 13.5# P110 LTC	3.27	3.81	4.39	5.49

Cement Program

Casing		# Sacks	Wt. lb/gal	Yield ft ³ /sack	TOC/BOC	Volume ft ³	% Excess	Slurry Description
	LEAD	610	12.5	2.12	0' - 929'	1300		Class C: Salt, Gel, Extender, LCM
13.375 in	TAIL	200					100%	Class C: Retarder
			14.8	1.34	929' - 1120'	268		
1st Stg 9.625 in	LEAD	320	12.5	2.12	2500' - 4204'	680	25%	Class C: Salt, Gel, Extender, LCM
1st 3tg 7.025 III	TAIL	200	14.8	1.34	4204' - 4875'	268	2370	Class C: Retarder
9 5/8" DV Tool @ 2500'								
2nd Stg 9.625 in	LEAD	400	12.5	2.12	0' - 2160'	850	25%	Class C: Salt, Gel, Extender, LCM
2110 Stg 9.025 III	TAIL	100	14.8	1.34	2160' - 2500'	134	2370	Class C: Retarder
1st Stg 7 in	LEAD	200	12.5	2.12	6200' - 8444'	430	25%	Class C: Salt, Gel, Extender, LCM, Defoamer
ist stg / iii	TAIL	400	15.6	1.18	8444' - 10907'	472	2370	Class H: Retarder, Fluid Loss, Defoamer
					7" DV	' Tool @ 6200'		
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer
Znu Stg / III	TAIL	100	14.8	1.34	5480' - 6200'	134	2370	Class C: Retarder, Fluid Loss, Defoamer
4.5 in	LEAD	370	13.5	1.85	10707' - 16404'	690	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent

Design A - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 10907'	10	Cut-Brine
10907' - 16404'	11	OBM

Geology

Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design B						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	11807'	11475'	7" 26# HCP110 LTC	1.27	1.62	2.26	2.70
Liner	6.125'	10907'	10902'	16404'	11475'	4.5" 13.5# P110 LTC	3.39	3.95	4.55	5.69

Design B - Cement Program

Design B - Cement I	Togram								
Casing		# Sacks	Wt. lb/gal	Yield cu.ft/sack	TOC	Slurry Description			
13.375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM	
15.575 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder	
1st Stg 9.625 in	LEAD	130	12.5	2.12	2500' - 4203'	280	25%	Class C: Salt, Gel, Extender, LCM	
18t Stg 9.025 III	TAIL	200	14.8	1.34	4203' - 4875'	268	2370	Class C: Retarder	
9 5/8" DV Tool @ 2500'									
2nd Stg 9.625 in	LEAD	580	12.5	2.12	0' - 3156'	1230	25%	Class C: Salt, Gel, Extender, LCM	
2110 Stg 9.025 III	TAIL	100	14.8	1.34	3156' - 3500'	134	2370	Class C: Retarder	
1st Stg 7 in	LEAD	280	12.5	2.12	6200' - 9338'	600	25%	Class C: Salt, Gel, Extender, LCM, Defoamer	
ist Stg / iii	TAIL	400	15.6	1.18	9338' - 11807'	472	23%	Class H: Retarder, Fluid Loss, Defoamer	
					7" DV	Tool @ 6200'			
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer	
2nu Stg / in	TAIL	100	14.8	1.34	5480' - 6200'	134	1 45%	Class C: Retarder, Fluid Loss, Defoamer	
4.5 in	LEAD	350	13.5	1.85	10907' - 16404'	650	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent	

Design B - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 11807'	10	Cut-Brine
11807' - 16404'	11	OBM

Geology

Geology					
Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

Is easing new? If used, attach certification as required in Onshore Order #1 s casing API approved? If no, attach casing specification sheet. PY is casing API approved? If no, attach casing specification sheet. No Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). Yell the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? Yell the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? See well located within Capitan Reef? If yes, does production casing cement tie back a minimum of 50' above the Reef? Is well within the designated 4 string boundary. Is well located in SOPA but not in R-111-P? If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing? If yes, are the first three strings cemented to surface? Is 2 rd string set 100' to 600' below the base of salt? Is an open annulus used to satisfy R-111-Q? If yes, see cement design. If yes, at what depth is the weak point planned? If yes, at what depth is the weak point planned? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface?		
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Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? If yes, does production casing cement tie back a minimum of 50' above the Reef? Is well within the designated 4 string boundary. Is well located in SOPA but not in R-111-P? If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing? If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing? If yes, are the first three strings cemented to surface? Is 2 rd string set 100' to 600' below the base of salt? Is an engineered weak point used to satisfy R-111-Q? If yes, at what depth is the weak point planned? If yes, at what depth is the weak point planned? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, are there two strings cemented to surface? If yes, is there a contingency casing if lost circulation occurs? In yes, are the contingency casing if lost circulation occurs?	Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
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Is an open annulus used to satisfy R-111-Q? If yes, see cement design. Is an engineered weak point used to satisfy R-111-Q? If yes, at what depth is the weak point planned? If yes, at what depth is the weak point planned? If yes, are there two strings cemented to surface? (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs? Is well located in critical Cave/Karst?	If yes, are the first three strings cemented to surface?	
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Is well located in high Cave/Karst? If yes, are there two strings cemented to surface? (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs? (s well located in critical Cave/Karst?	Is an engineered weak point used to satisfy R-111-Q?	
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SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

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Cement Program

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					7" DV	7 Tool @ 6200'		
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer
Ziiu Sig / iii	TAIL	L 100 14.8 1.34 5480' - 6200' 134	2370	Class C: Retarder, Fluid Loss, Defoamer				
4.5 in	LEAD	370	13.5	1.85	10707' - 16404'	690	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent

Design A - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 10907'	10	Cut-Brine
10907' - 16404'	11	OBM

Geology

Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
			Formation	Est. 10p (1 vD)	Willier at Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach easing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above easing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, easing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production easing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	N
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	• • • • • • • • • • • • • • • • • • • •
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is an open annulus used to satisfy R-111-0? If yes, see cement design.	
Is an engineered weak point used to satisfy R-111-Q?	
If yes, at what depth is the weak point planned?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design B						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	11807'	11475'	7" 26# HCP110 LTC	1.27	1.62	2.26	2.70
Liner	6.125'	10907'	10902'	16404'	11475'	4.5" 13.5# P110 LTC	3.39	3.95	4.55	5.69

Design B - Cement Program

Design B - Centent Frogram									
Casing		# Sacks	Wt. lb/gal	Yield cu.ft/sack	TOC	Slurry Description			
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM	
13.375 111	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder	
1st Stg 9.625 in	LEAD	130	12.5	2.12	2500' - 4203'	280	25%	Class C: Salt, Gel, Extender, LCM	
18t 5tg 9.025 III	TAIL	200	14.8	1.34	4203' - 4875'	268	2370	Class C: Retarder	
9 5/8" DV Tool @ 2500'									
2nd Stg 9.625 in	LEAD	580	12.5	2.12	0' - 3156'	1230	25%	Class C: Salt, Gel, Extender, LCM	
2nd Stg 9.025 m	TAIL	100	14.8	1.34	3156' - 3500'	134	25%	Class C: Retarder	
1st Stg 7 in	LEAD	280	12.5	2.12	6200' - 9338'	600	25%	Class C: Salt, Gel, Extender, LCM, Defoamer	
ist Stg / III	TAIL	400	15.6	1.18	9338' - 11807'	472	23%	Class H: Retarder, Fluid Loss, Defoamer	
					7" DV	Tool @ 6200'			
2-4-64-71-	LEAD	70	12.5	2.12	4675' - 5480'	150	250/	Class C: Salt, Gel, Extender, LCM, Defoamer	
2nd Stg 7 in	TAIL	100	14.8	1.34	5480' - 6200'	134	25%	Class C: Retarder, Fluid Loss, Defoamer	
4.5 in	LEAD	350	13.5	1.85	10907' - 16404'	650	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent	

Design B - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 11807'	10	Cut-Brine
11807' - 16404'	11	OBM

Geology

Geology					
Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design A						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Тор МД	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	3837'	3837'	9.625" 36# J55 LTC	1.12	1.96	2.52	3.14
Int	12.25'	3837'	3837'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	12.52	15.17
Production	8.75'	0'	0'	9248'	9248'	7" 26# N-80 LTC	1.12	1.51	1.87	2.18
Production	8.75'	9248'	9248'	10650'	10650'	7" 26# P110 LTC	1.12	1.80	19.01	22.77
Liner	6.125'	10707'	10702'	16404'	11475'	4.5" 13.5# P110 LTC	3.00	3.49	4.39	5.49

Cement Program

Casing		# Sacks	Wt. lb/gal	Yield ft ³ /sack	ТОС/ВОС	Volume ft ³	% Excess	Slurry Description	
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM	
13.373 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder	
1st Stg 9.625 in	LEAD	320	12.5	2.12	2500' - 4204'	680	25%	Class C: Salt, Gel, Extender, LCM	
18t Stg 9.025 III	TAIL	200	14.8	1.34	4204' - 4875'	268	2370	Class C: Retarder	
9 5/8" DV Tool @ 2500'									
2nd Stg 9.625 in	LEAD	400	12.5	2.12	0' - 2160'	850	25%	Class C: Salt, Gel, Extender, LCM	
2110 Stg 9.025 III	TAIL	100	14.8	1.34	2160' - 2500'	0	2370	Class C: Retarder	
1st Stg 7 in	LEAD	200	12.5	2.12	6200' - 8444'	430	25%	Class C: Salt, Gel, Extender, LCM, Defoamer	
ist Stg / III	TAIL	400	15.6	1.18	8444' - 10907'	472	2370	Class H: Retarder, Fluid Loss, Defoamer	
					7" DV	Tool @ 6200'			
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer	
Ziiu Sig / iii	TAIL	100	14.8	1.34	5480' - 6200'	134	25%	Class C: Retarder, Fluid Loss, Defoamer	
4.5 in	LEAD	370	13.5	1.85	10707' - 16404'	690	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent	

Design A - Mud Program

Depth	Mud Wt	Mud Type	
0' - 1120'	8.4	Fresh Water	
1120' - 4875'	9	Brine	
4875' - 10907'	10	Cut-Brine	
10907' - 16404'	12	OBM	

Geology

Geology					
Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design B						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	3837'	3837'	9.625" 36# J55 LTC	1.12	1.96	2.52	3.14
Int	12.25'	3837'	3837'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	12.52	15.17
Production	8.75'	0'	0'	9248'	9248'	7" 26# N-80 LTC	1.12	1.51	1.69	1.97
Production	8.75'	9248'	9248'	11807'	11475'	7" 26# HCP110 LTC	1.27	1.62	10.42	12.47
Liner	6.125'	10907'	10902'	16404'	11475'	4.5" 13.5# P110 LTC	3.11	3.62	4.55	5.69

Design B - Cement Program

Design D Content I	toigh D - Cement Fregram									
Casing		# Sacks	Wt. lb/gal	Yield cu.ft/sack	TOC	Slurry Description				
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM		
13.373 111	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder		
1st Stg 9.625 in	LEAD	130	12.5	2.12	2500' - 4203'	280	25%	Class C: Salt, Gel, Extender, LCM		
18t Stg 9.025 III	TAIL	200	14.8	1.34	4203' - 4875'	268		Class C: Retarder		
9 5/8" DV Tool @ 2500'										
2nd Stg 9.625 in	LEAD	580	12.5	2.12	0' - 3156'	1230	25%	Class C: Salt, Gel, Extender, LCM		
2110 Stg 9.025 III	TAIL	100	14.8	1.34	3156' - 3500'	0		Class C: Retarder		
1st Stg 7 in	LEAD	280	12.5	2.12	6200' - 9338'	600	25%	Class C: Salt, Gel, Extender, LCM, Defoamer		
ist stg / iii	TAIL	400	15.6	1.18	9338' - 11807'	472	2370	Class H: Retarder, Fluid Loss, Defoamer		
					7" DV	Tool @ 6200'				
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer		
Znu Stg / III	TAIL	100	14.8	1.34	5480' - 6200'	134	25%	Class C: Retarder, Fluid Loss, Defoamer		
4.5 in	LEAD	350	13.5	1.85	10907' - 16404'	650	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent		

Design B - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 11807'	10	Cut-Brine
11807' - 16404'	12	OBM

Geology

Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	N
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is an open annulus used to satisfy R-111-Q? If yes, see cement design.	
Is an engineered weak point used to satisfy R-111-Q?	
If yes, at what depth is the weak point planned?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	N
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
1. 0. 2 string mensy it jee, as mere to commigency casing it now encountered.	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

	Casing Program Design A						1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Тор МД	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	3837'	3837'	9.625" 36# J55 LTC	1.12	1.96	2.52	3.14
Int	12.25'	3837'	3837'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	12.52	15.17
Production	8.75'	0'	0'	9248'	9248'	7" 26# N-80 LTC	1.12	1.51	1.87	2.18
Production	8.75'	9248'	9248'	10650'	10650'	7" 26# P110 LTC	1.12	1.80	19.01	22.77
Liner	6.125'	10707'	10702'	16404'	11475'	4.5" 13.5# P110 LTC	3.00	3.49	4.39	5.49

Cement Program

Casing		# Sacks	Wt. lb/gal	Yield ft ³ /sack	TOC/BOC	Volume ft ³	% Excess	Slurry Description		
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM		
13:373 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder		
1st Stg 9.625 in	LEAD	320	12.5	2.12	2500' - 4204'	680	25%	Class C: Salt, Gel, Extender, LCM		
18t Stg 9.025 III	TAIL	200	14.8	1.34	4204' - 4875'	268	2570	Class C: Retarder		
	9 5/8" DV Tool @ 2500'									
2nd Stg 9.625 in	LEAD	400	12.5	2.12	0' - 2160'	850	25%	Class C: Salt, Gel, Extender, LCM		
211d Stg 9.025 III	TAIL	100	14.8	1.34	2160' - 2500'	0	2370	Class C: Retarder		
1st Stg 7 in	LEAD	200	12.5	2.12	6200' - 8444'	430	25%	Class C: Salt, Gel, Extender, LCM, Defoamer		
1st Stg / III	TAIL	400	15.6	1.18	8444' - 10907'	472	2370	Class H: Retarder, Fluid Loss, Defoamer		
					7" DV	Tool @ 6200'				
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	250/	Class C: Salt, Gel, Extender, LCM, Defoamer		
2nd Stg / m	TAIL	100	14.8	1.34	5480' - 6200'	134	25%	Class C: Retarder, Fluid Loss, Defoamer		
4.5 in	LEAD	370	13.5	1.85	10707' - 16404'	690	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent		

Design A - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 10907'	10	Cut-Brine
10907' - 16404'	12	OBM

Geology

Geology					
Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach easing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	N
Is well within the designated 4 string boundary.	N
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous easing?	14
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?	
Is an open annulus used to satisfy R-111-Q? If yes, see cement design.	
Is an engineered weak point used to satisfy R-111-Q?	
If yes, at what depth is the weak point planned?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	N

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

		Casing Prog	ram Design B			BLM Minimum Safety	1.125	1.0	1.6 Dry	1.6 Dry
						Factors			1.8 Wet	1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body
Strang	Trote Sine	100.12	TOPICE	201.122	DOLLAR	Cogi onic	эт сонирье	Dr Duist	DI OT TENSION	Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	3837'	3837'	9.625" 36# J55 LTC	1.12	1.96	2.52	3.14
Int	12.25'	3837'	3837'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	12.52	15.17
Production	8.75'	0'	0'	9248'	9248'	7" 26# N-80 LTC	1.12	1.51	1.69	1.97
Production	8.75'	9248'	9248'	11807'	11475'	7" 26# HCP110 LTC	1.27	1.62	10.42	12.47
Liner	6.125'	10907'	10902'	16404'	11475'	4.5" 13.5# P110 LTC	3.11	3.62	4.55	5.69

Design B - Cement Program

Design B - Cement Program											
Casing		# Sacks	Wt. lb/gal	Yield cu.ft/sack	тос		Slurry Description				
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM			
13.373 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder			
1st Stg 9.625 in	LEAD	130	12.5	2.12	2500' - 4203'	280	25%	Class C: Salt, Gel, Extender, LCM			
18t Stg 9.025 III	TAIL	200	14.8	1.34	4203' - 4875'	268	2370	Class C: Retarder			
					9 5/8'' Г	OV Tool @ 2500'					
2nd Stg 9.625 in	LEAD	580	12.5	2.12	0' - 3156'	1230	25%	Class C: Salt, Gel, Extender, LCM			
2110 Stg 9.025 III	TAIL	100	14.8	1.34	3156' - 3500'	0	23%	Class C: Retarder			
1st Stg 7 in	LEAD	280	12.5	2.12	6200' - 9338'	600	25%	Class C: Salt, Gel, Extender, LCM, Defoamer			
ist stg / iii	TAIL	400	15.6	1.18	9338' - 11807'	472	2370	Class H: Retarder, Fluid Loss, Defoamer			
					7" DV	Tool @ 6200'					
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer			
2nd Stg / in	TAIL	100	14.8	1.34	5480' - 6200'	134	23%	Class C: Retarder, Fluid Loss, Defoamer			
4.5 in	LEAD	350	13.5	1.85	10907' - 16404'	650	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent			

Design B - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 11807'	10	Cut-Brine
11807' - 16404'	12	OBM

Geology

Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

Casing Program Design A						BLM Minimum Safety Factors	1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	10907'	10902'	7" 26# HCP110 LTC	1.38	1.75	2.44	2.93
Liner	6.125'	10707'	10702'	16404'	11475'	4.5" 13.5# P110 LTC	3.27	3.81	4.39	5.49

Cement Program

Casing		# Sacks	Wt. lb/gal	Yield ft ³ /sack	TOC/BOC	Volume ft ³	% Excess	Slurry Description
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM
13.375 III	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder
1st Stg 9.625 in	LEAD	320	12.5	2.12	2500' - 4204'	680	25%	Class C: Salt, Gel, Extender, LCM
18t Stg 9.025 III	TAIL	200	14.8	1.34	4204' - 4875'	268	23%	Class C: Retarder
					9 5/8" Г	OV Tool @ 2500'		
2nd Stg 9.625 in	LEAD	400	12.5	2.12	0' - 2160'	850	25%	Class C: Salt, Gel, Extender, LCM
2110 Stg 9.025 III	TAIL	100	14.8	1.34	2160' - 2500'	134	2370	Class C: Retarder
1st Stg 7 in	LEAD	200	12.5	2.12	6200' - 8444'	430	25%	Class C: Salt, Gel, Extender, LCM, Defoamer
ist stg / iii	TAIL	400	15.6	1.18	8444' - 10907'	472	2370	Class H: Retarder, Fluid Loss, Defoamer
					7" DV	7 Tool @ 6200'		
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer
Ziiu Sig / iii	TAIL	100	14.8	1.34	5480' - 6200'	134	2370	Class C: Retarder, Fluid Loss, Defoamer
4.5 in	LEAD	370	13.5	1.85	10707' - 16404'	690	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent

Design A - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 10907'	10	Cut-Brine
10907' - 16404'	11	OBM

Geology

Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

Casing Program Design B						BLM Minimum Safety Factors	1.125	1.0	1.6 Dry 1.8 Wet	1.6 Dry 1.8 Wet
String	Hole Size	Top MD	Top TVD	Bot MD	Bot TVD	Csg. Size	SF Collapse	SF Burst	SF Jt Tension	SF Body Tension
Surface	17.5'	0'	0'	1120'	1120'	13.375" 48# H40 STC	1.57	3.54	5.99	10.06
Int	12.25'	0'	0'	4875'	4875'	9.625" 40# J55 LTC	1.13	1.73	2.67	3.23
Production	8.75'	0'	0'	11807'	11475'	7" 26# HCP110 LTC	1.27	1.62	2.26	2.70
Liner	6.125'	10907'	10902'	16404'	11475'	4.5" 13.5# P110 LTC	3.39	3.95	4.55	5.69

Design B - Cement Program

Casing		# Sacks	Wt. lb/gal	Yield cu.ft/sack	тос	Slurry Description				
13,375 in	LEAD	610	12.5	2.12	0' - 929'	1300	100%	Class C: Salt, Gel, Extender, LCM		
13.375 111	TAIL	200	14.8	1.34	929' - 1120'	268	100%	Class C: Retarder		
1st Stg 9.625 in	LEAD	130	12.5	2.12	2500' - 4203'	280	25%	Class C: Salt, Gel, Extender, LCM		
18t Stg 9.025 III	TAIL	200	14.8	1.34	4203' - 4875'	268	2370	Class C: Retarder		
9 5/8" DV Tool @ 2500'										
2nd Stg 9.625 in	LEAD	580	12.5	2.12	0' - 3156'	1230	25%	Class C: Salt, Gel, Extender, LCM		
2110 Stg 9.025 III	TAIL	100	14.8	1.34	3156' - 3500'	134	2370	Class C: Retarder		
1st Stg 7 in	LEAD	280	12.5	2.12	6200' - 9338'	600	25%	Class C: Salt, Gel, Extender, LCM, Defoamer		
ist Stg / III	TAIL	400	15.6	1.18	9338' - 11807'	472	2370	Class H: Retarder, Fluid Loss, Defoamer		
					7" DV	Tool @ 6200'				
2nd Stg 7 in	LEAD	70	12.5	2.12	4675' - 5480'	150	25%	Class C: Salt, Gel, Extender, LCM, Defoamer		
2nd Stg / m	TAIL	100	14.8	1.34	5480' - 6200'	134	2370	Class C: Retarder, Fluid Loss, Defoamer		
4.5 in	LEAD	350	13.5	1.85	10907' - 16404'	650	25%	Class H: Salt, Gel, Fluid Loss, Retarder, Dispersant, Defoamer, Anti- settling Agent		

Design B - Mud Program

Depth	Mud Wt	Mud Type
0' - 1120'	8.4	Fresh Water
1120' - 4875'	9	Brine
4875' - 11807'	10	Cut-Brine
11807' - 16404'	11	OBM

Geology

Geology					
Formation	Est. Top (TVD)	Mineral Resources	Formation	Est. Top (TVD)	Mineral Resources
Rustler	920'	Usable Water	Yeso		
Castile			Delaware (Lamar)	4983'	Oil/Natural Gas
Salt Top	1290'	None	Bell Canyon	5023'	Oil/Natural Gas
Salt Base	4747'	None	Cherry Canyon	5990'	Oil/Natural Gas
Yates			Manzanita Marker	6240'	Oil/Natural Gas
Seven Rivers			Basal Brushy Canyon	7610'	Oil/Natural Gas
Queen			Bone Spring	9186'	Oil/Natural Gas
Capitan			1st Bone Spring	10156'	Oil/Natural Gas
Grayburg			2nd Bone Spring	10610'	Oil/Natural Gas
San Andres			3rd Bone Spring		
Glorieta			Wolfcamp		

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

Mewbourne Oil Company

Lea County, New Mexico NAD 83 Salado Draw 10 Fed #576H Sec 10, T26S, R33E

SHL: 275' FSL & 1560' FEL (Sec 10) BHL: 100' FNL & 1430' FEL (Sec 10)

Plan: Design #1

Standard Planning Report

17 January, 2024

Database:HobbsCompany:Mewbourne Oil CompanyProject:Lea County, New Mexico NAD 83Site:Salado Draw 10 Fed #576HWell:Sec 10, T26S, R33E

BHL: 100' FNL & 1430' FEL (Sec 10)

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Site Salado Draw 10 Fed #576H WELL @ 3350.0usft (Original Well Elev) WELL @ 3350.0usft (Original Well Elev)

Minimum Curvature

Project Lea County, New Mexico NAD 83

Design #1

Map System:US State Plane 1983Geo Datum:North American Datum 1983Map Zone:New Mexico Eastern Zone

Wellbore:

Design:

System Datum: Mean Sea Level

Site Salado Draw 10 Fed #576H

 Site Position:
 Northing:
 383,334.10 usft
 Latitude:
 32.0514862

 From:
 Map
 Easting:
 781,957.60 usft
 Longitude:
 -103.5566857

Position Uncertainty: 0.0 usft Slot Radius: 13-3/16 "

Sec 10, T26S, R33E Well **Well Position** +N/-S 0.0 usft 383,334.10 usft 32.0514862 Northing: Latitude: +E/-W 0.0 usft Easting: 781,957.60 usft Longitude: -103.5566857 0.0 usft Ground Level: 3,322.0 usft **Position Uncertainty** Wellhead Elevation: 3,350.0 usft **Grid Convergence:** 0.41°

BHL: 100' FNL & 1430' FEL (Sec 10) Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) 59.94 IGRF2010 12/31/2014 48,160.54217395 7.13

Design Design #1 Audit Notes: PROTOTYPE Version: Phase: Tie On Depth: 0.0 +N/-S +E/-W Direction Vertical Section: Depth From (TVD) (usft) (usft) (usft) (°) 0.0 0.0 0.0 1.10

 Plan Survey Tool Program
 Date
 1/17/2024

 Depth From (usft)
 Depth To (usft)
 Survey (Wellbore)
 Tool Name
 Remarks

 1
 0.0
 16,404.0
 Design #1 (BHL: 100' FNL & 1430)

Plan Sections Vertical Dogleg Build Measured Turn +N/-S Depth Inclination Azimuth Depth +E/-W Rate Rate Rate TFO (usft) (°) (°) (usft) (usft) (usft) (°/100usft) (°/100usft) (°/100usft) **Target** (°) 0.0 0.00 0.00 0.0 0.0 0.0 0.00 0.00 0.00 0.00 2,500.0 0.00 0.00 2,500.0 0.0 0.0 0.00 0.00 0.00 0.00 2,601.8 2,601.8 2.00 2.00 0.00 153.52 2.04 153.52 -1.6 0.8 10,805.4 2.04 153.52 10,800.2 -262.6 130.8 0.00 0.00 0.00 0.00 10,907.2 0.00 0.00 10,902.0 -264.2 131.6 2.00 -2.00 0.00 180.00 KOP: 10' FSL & 1430' 11,811.7 90.44 359.58 11,475.0 313.2 127.4 10.00 10.00 0.00 -0.42 16,404.0 90.44 359.58 11,440.0 4,905.2 93.9 0.00 0.00 0.00 0.00 BHL: 100' FNL & 1430

Database: Hobbs
Company: Mewbourne Oil Company
Project: Lea County, New Mexico NAD 83
Site: Salado Draw 10 Fed #576H

Well: Sec 10, T26S, R33E
Wellbore: BHL: 100' FNL & 1430' FEL (Sec 10)

Design: Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Salado Draw 10 Fed #576H WELL @ 3350.0usft (Original Well Elev) WELL @ 3350.0usft (Original Well Elev)

Grid

d Survey									
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SHL: 275'	FSL & 1560' FEL (Sec 10)							
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0		0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0		0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0		0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0		0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0		0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0		0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0		0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0		0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0		0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0		0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0		0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,601.8		153.52	2,601.8	-1.6	8.0	-1.6	2.00	2.00	0.00
2,700.0		153.52	2,699.9	-4.7	2.4	-4.7	0.00	0.00	0.00
2,800.0		153.52	2,799.9	-7.9	3.9	-7.8	0.00	0.00	0.00
2,900.0		153.52	2,899.8	-11.1	5.5	-11.0	0.00	0.00	0.00
3,000.0		153.52	2,999.7	-14.3	7.1	-14.1	0.00	0.00	0.00
3,100.0		153.52	3,099.7	-17.5	8.7	-17.3	0.00	0.00	0.00
3,200.0		153.52	3,199.6	-20.6	10.3	-20.4	0.00	0.00	0.00
3,300.0 3,400.0		153.52 153.52	3,299.5 3,399.5	-23.8 -27.0	11.9 13.5	-23.6 -26.7	0.00 0.00	0.00 0.00	0.00 0.00
3,500.0		153.52	3,499.4	-30.2	15.0	-29.9	0.00	0.00	0.00
3,600.0		153.52	3,599.3	-33.4	16.6	-33.0	0.00	0.00	0.00
3,700.0 3,800.0		153.52 153.52	3,699.3 3,799.2	-36.6 -39.7	18.2 19.8	-36.2 -39.3	0.00 0.00	0.00 0.00	0.00 0.00
3,800.0		153.52	3,799.2 3,899.2	-39.7 -42.9	21.4	-39.3 -42.5	0.00	0.00	0.00
4,000.0 4,100.0		153.52	3,999.1 4,099.0	-46.1	23.0	-45.6	0.00	0.00	0.00
4,100.0 4,200.0		153.52 153.52	4,099.0 4,199.0	-49.3 -52.5	24.5 26.1	-48.8 -51.9	0.00 0.00	0.00 0.00	0.00 0.00
4,200.0		153.52	4,199.0	-52.5 -55.6	27.7	-51.9 -55.1	0.00	0.00	0.00
4,400.0		153.52	4,398.8	-58.8	29.3	-58.2	0.00	0.00	0.00
4,500.0 4,600.0		153.52 153.52	4,498.8 4,598.7	-62.0 -65.2	30.9 32.5	-61.4 -64.5	0.00 0.00	0.00 0.00	0.00 0.00
4,700.0		153.52	4,596.7 4,698.7	-65.2 -68.4	32.5 34.1	-64.5 -67.7	0.00	0.00	0.00
4,800.0		153.52	4,798.6	-71.5	35.6	-70.8	0.00	0.00	0.00
4,900.0		153.52	4,898.5	-74.7	37.2	-74.0	0.00	0.00	0.00
5,000.0		153.52	4,998.5	-77.9	38.8	-77.2	0.00	0.00	0.00
5,000.0		153.52	5,098.4	-77.9 -81.1	30.6 40.4	-80.3	0.00	0.00	0.00
5,200.0		153.52	5,198.3	-84.3	42.0	-83.5	0.00	0.00	0.00

Database: Hobbs
Company: Mewbourne Oil Company
Project: Lea County, New Mexico NAD 83
Site: Salado Draw 10 Fed #576H
Well: Sec 10, T26S, R33E

Wellbore: BHL: 100' FNL & 1430' FEL (Sec 10)

Design: Design #1

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Salado Draw 10 Fed #576H WELL @ 3350.0usft (Original Well Elev) WELL @ 3350.0usft (Original Well Elev)

anned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0 5,400.0	2.04 2.04	153.52 153.52	5,298.3 5,398.2	-87.5 -90.6	43.6 45.1	-86.6 -89.8	0.00 0.00	0.00 0.00	0.00 0.00
5,500.0	2.04	153.52	5,498.1	-93.8	46.7	-92.9	0.00	0.00	0.00
5,600.0	2.04	153.52	5,598.1	-97.0	48.3	-96.1	0.00	0.00	0.00
5,700.0	2.04	153.52	5,698.0	-100.2	49.9	-99.2	0.00	0.00	0.00
5,800.0	2.04	153.52	5,798.0	-103.4	51.5	-102.4	0.00	0.00	0.00
5,900.0	2.04	153.52	5,897.9	-106.5	53.1	-105.5	0.00	0.00	0.00
6,000.0	2.04	153.52	5,997.8	-109.7	54.7	-108.7	0.00	0.00	0.00
6,100.0	2.04	153.52	6,097.8	-112.9	56.2	-111.8	0.00	0.00	0.00
6,200.0	2.04	153.52	6,197.7	-116.1	57.8	-115.0	0.00	0.00	0.00
6,300.0 6,400.0	2.04 2.04	153.52 153.52	6,297.6 6,397.6	-119.3 -122.4	59.4 61.0	-118.1 -121.3	0.00 0.00	0.00 0.00	0.00 0.00
6,500.0	2.04	153.52	6,497.5	-125.6	62.6	-124.4	0.00	0.00	0.00
6,600.0	2.04	153.52	6,597.5	-128.8	64.2	-127.6	0.00	0.00	0.00
6,700.0	2.04	153.52	6,697.4	-132.0	65.7	-130.7	0.00	0.00	0.00
6,800.0 6,900.0	2.04 2.04	153.52 153.52	6,797.3 6,897.3	-135.2 -138.3	67.3 68.9	-133.9 -137.0	0.00 0.00	0.00 0.00	0.00 0.00
7,000.0	2.04	153.52	6,997.2	-141.5	70.5	-140.2	0.00	0.00	0.00
7,100.0	2.04	153.52	7,097.1	-144.7	72.1	-143.3	0.00	0.00	0.00
7,200.0	2.04	153.52	7,197.1	-147.9	73.7	-146.5	0.00	0.00	0.00
7,300.0 7,400.0	2.04 2.04	153.52 153.52	7,297.0	-151.1 -154.3	75.2 76.8	-149.6 -152.8	0.00 0.00	0.00 0.00	0.00 0.00
			7,396.9						
7,500.0	2.04	153.52	7,496.9	-157.4	78.4	-155.9	0.00	0.00	0.00
7,600.0	2.04	153.52	7,596.8	-160.6	80.0	-159.1	0.00	0.00	0.00
7,700.0	2.04	153.52	7,696.8	-163.8	81.6	-162.2	0.00	0.00	0.00
7,800.0 7,900.0	2.04 2.04	153.52 153.52	7,796.7 7,896.6	-167.0 -170.2	83.2 84.8	-165.4 -168.5	0.00 0.00	0.00 0.00	0.00 0.00
8,000.0	2.04	153.52	7,996.6	-173.3	86.3	-171.7	0.00	0.00	0.00
8,100.0	2.04	153.52	8,096.5	-176.5	87.9	-174.8	0.00	0.00	0.00
8,200.0	2.04	153.52	8,196.4	-179.7	89.5	-178.0	0.00	0.00	0.00
8,300.0 8,400.0	2.04 2.04	153.52 153.52	8,296.4 8,396.3	-182.9 -186.1	91.1 92.7	-181.1 -184.3	0.00 0.00	0.00 0.00	0.00 0.00
8,500.0	2.04	153.52	8,496.3	-189.2	94.3	-187.4	0.00	0.00	0.00
8,600.0	2.04	153.52	8,596.2	-192.4	95.8	-190.6	0.00	0.00	0.00
8,700.0 8,800.0	2.04	153.52 153.52	8,696.1 8,706.1	-195.6 -198.8	97.4	-193.7 -196.9	0.00 0.00	0.00	0.00
8,800.0 8,900.0	2.04 2.04	153.52 153.52	8,796.1 8,896.0	-198.8 -202.0	99.0 100.6	-196.9 -200.0	0.00	0.00 0.00	0.00 0.00
9,000.0	2.04	153.52	8,995.9	-205.1	102.2	-203.2	0.00	0.00	0.00
9,100.0	2.04	153.52	9,095.9	-208.3	103.8	-206.3	0.00	0.00	0.00
9,200.0 9,300.0	2.04 2.04	153.52 153.52	9,195.8 9,295.7	-211.5 -214.7	105.4 106.9	-209.5 -212.6	0.00 0.00	0.00 0.00	0.00 0.00
9,400.0	2.04 2.04	153.52	9,295.7 9,395.7	-214.7 -217.9	108.5	-212.6 -215.8	0.00	0.00	0.00
9,500.0	2.04	153.52	9,495.6	-221.1	110.1	-218.9	0.00	0.00	0.00
9,600.0	2.04	153.52	9,595.6	-224.2 227.4	111.7	-222.1	0.00	0.00	0.00
9,700.0 9,800.0	2.04 2.04	153.52 153.52	9,695.5 9,795.4	-227.4 -230.6	113.3 114.9	-225.2 -228.4	0.00 0.00	0.00 0.00	0.00 0.00
9,900.0	2.04	153.52	9,895.4	-233.8	116.4	-220.4 -231.5	0.00	0.00	0.00
10,000.0	2.04	153.52	9,995.3	-237.0	118.0	-234.7	0.00	0.00	0.00
10,100.0 10,200.0	2.04 2.04	153.52 153.52	10,095.2 10,195.2	-240.1 -243.3	119.6 121.2	-237.8 -241.0	0.00 0.00	0.00 0.00	0.00 0.00
10,200.0	2.04	153.52	10,195.2	-243.3 -246.5	121.2	-241.0 -244.1	0.00	0.00	0.00
10,400.0	2.04	153.52	10,395.1	-249.7	124.4	-247.3	0.00	0.00	0.00
10,500.0 10,600.0	2.04 2.04	153.52 153.52	10,495.0 10,594.9	-252.9 -256.0	126.0 127.5	-250.4 -253.6	0.00 0.00	0.00 0.00	0.00 0.00

Database: Hobbs
Company: Mewbourne Oil Company
Project: Lea County, New Mexico NAD 83
Site: Salado Draw 10 Fed #576H
Well: Sec 10, T26S, R33E

Wellbore: BHL: 100' FNL & 1430' FEL (Sec 10)

Design: Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Site Salado Draw 10 Fed #576H WELL @ 3350.0usft (Original Well Elev) WELL @ 3350.0usft (Original Well Elev)

Grid

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,700.0	2.04	153.52	10,694.9	-259.2	129.1	-256.7	0.00	0.00	0.00
10,700.0 10,805.4 10,907.2	2.04 2.04 0.00	153.52 153.52 0.00	10,894.9 10,800.2 10,902.0	-262.6 -264.2	130.8 131.6	-260.0 -261.6	0.00 0.00 2.00	0.00 0.00 -2.00	0.00 0.00 0.00
	0.00 L & 1430' FEL (S		10,902.0	-204.2	131.0	-201.0	2.00	-2.00	0.00
	•	•	10.044.7	262.6	101.6	200.0	10.00	10.00	0.00
10,950.0 11,000.0	4.28 9.28	359.58 359.58	10,944.7 10,994.4	-262.6 -256.7	131.6 131.5	-260.0 -254.1	10.00 10.00	10.00 10.00	0.00 0.00
11,050.0	14.28	359.58	11,043.3	-246.5	131.5	-243.9	10.00	10.00	0.00
11,100.0	19.28	359.58	11,091.2	-232.1	131.4	-229.5	10.00	10.00	0.00
11,150.0	24.28	359.58	11,137.6	-213.5	131.2	-211.0	10.00	10.00	0.00
11,200.0	29.27	359.58	11,182.2	-191.0	131.1	-188.5	10.00	10.00	0.00
11,232.8	32.56	359.58	11,210.4	-174.1	130.9	-171.6	10.00	10.00	0.00
	L & 1430' FEL (•	44.00				10.05	10.05	
11,250.0	34.27	359.58	11,224.7	-164.7	130.9	-162.2	10.00	10.00	0.00
11,300.0	39.27	359.58	11,264.7	-134.8	130.7	-132.3	10.00	10.00	0.00
11,350.0	44.27	359.58	11,302.0	-101.5	130.4	-99.0	10.00	10.00	0.00
11,400.0	49.27	359.58	11,336.2	-65.1	130.1	-62.6	10.00	10.00	0.00
11,450.0	54.27	359.58	11,367.2	-25.8	129.9	-23.3	10.00	10.00	0.00
11,500.0	59.27	359.58	11,394.6	16.0	129.6	18.5	10.00	10.00	0.00
11,550.0	64.27	359.58	11,418.2	60.1	129.2	62.5	10.00	10.00	0.00
11,600.0	69.27	359.58	11,437.9	106.0	128.9	108.4	10.00	10.00	0.00
11,650.0	74.27	359.58	11,453.6	153.5	128.6	155.9	10.00	10.00	0.00
11,700.0	79.27	359.58	11,465.0	202.1	128.2	204.5	10.00	10.00	0.00
11,750.0	84.27	359.58	11,472.2	251.6	126.2	254.0	10.00	10.00	0.00
11,800.0	89.27	359.58	11,472.2	301.5	127.6	303.9	10.00	10.00	0.00
11,807.3	90.00	359.58	11,475.0	308.8	127.4	311.2	10.00	10.00	0.00
	& 1430' FEL (S		, 47 0.0	300.0	1211	311.2	10.00	10.00	0.00
	•	,							
11,811.7	90.44	359.58	11,475.0	313.2	127.4	315.5	10.00	10.00	0.00
11,900.0	90.44	359.58	11,474.3	401.5	126.7	403.8	0.00	0.00	0.00
12,000.0	90.44	359.58	11,473.6	501.5	126.0	503.8	0.00	0.00	0.00
12,100.0	90.44	359.58	11,472.8	601.5	125.3	603.8	0.00	0.00	0.00
12,200.0	90.44	359.58	11,472.0	701.5	124.6	703.7	0.00	0.00	0.00
12,300.0	90.44	359.58	11,471.3	801.5	123.8	803.7	0.00	0.00	0.00
12,400.0	90.44	359.58	11,470.5	901.5	123.1	903.6	0.00	0.00	0.00
12,500.0	90.44	359.58	11,469.8	1,001.4	122.4	1,003.6	0.00	0.00	0.00
12,600.0	90.44	359.58	11,469.0	1,101.4	121.6	1,103.6	0.00	0.00	0.00
12,700.0	90.44	359.58	11,468.2	1,201.4	120.9	1,203.5	0.00	0.00	0.00
12,800.0	90.44	359.58	11.467.5	1.301.4		1,303.5	0.00	0.00	0.00
12,800.0	90.44 90.44	359.58 359.58	11,467.5 11,466.7	1,301.4 1,401.4	120.2 119.5	1,303.5 1,403.5	0.00	0.00	0.00
12,900.0	90.44	359.58 359.58	11,465.7	1,401.4 1,501.4	119.5	1,503.5	0.00	0.00	0.00
13,100.0	90.44	359.58	11,465.9	1,601.4	118.0	1,603.4	0.00	0.00	0.00
13,100.0	90.44	359.58	11,465.2	1,701.4	117.3	1,703.3	0.00	0.00	0.00
•									
13,300.0	90.44	359.58	11,463.7	1,801.4	116.5	1,803.3	0.00	0.00	0.00
13,400.0	90.44	359.58	11,462.9	1,901.4	115.8	1,903.3	0.00	0.00	0.00
13,500.0	90.44	359.58	11,462.1	2,001.4	115.1	2,003.2	0.00	0.00	0.00
13,600.0	90.44	359.58	11,461.4	2,101.4	114.3	2,103.2	0.00	0.00	0.00
13,700.0	90.44	359.58	11,460.6	2,201.4	113.6	2,203.2	0.00	0.00	0.00
13,800.0	90.44	359.58	11,459.8	2,301.4	112.9	2,303.1	0.00	0.00	0.00
13,900.0	90.44	359.58	11,459.1	2,401.4	112.2	2,403.1	0.00	0.00	0.00
14,000.0	90.44	359.58	11,458.3	2,501.4	111.4	2,503.0	0.00	0.00	0.00
14,100.0	90.44	359.58	11,457.6	2,601.4	110.7	2,603.0	0.00	0.00	0.00
14,200.0	90.44	359.58	11,456.8	2,701.4	110.0	2,703.0	0.00	0.00	0.00
14 200 0									
14,300.0	90.44	359.58	11,456.0	2,801.3	109.2	2,802.9	0.00	0.00	0.00
14,400.0	90.44	359.58	11,455.3	2,901.3	108.5	2,902.9	0.00	0.00	0.00

Database:HobbsCompany:Mewbourne Oil CompanyProject:Lea County, New Mexico NAD 83Site:Salado Draw 10 Fed #576HWell:Sec 10, T26S, R33E

Wellbore: BHL: 100' FNL & 1430' FEL (Sec 10)

Design: Design #1

Local Co-ordinate Reference: TVD Reference:

MD Reference:

Survey Calculation Method:

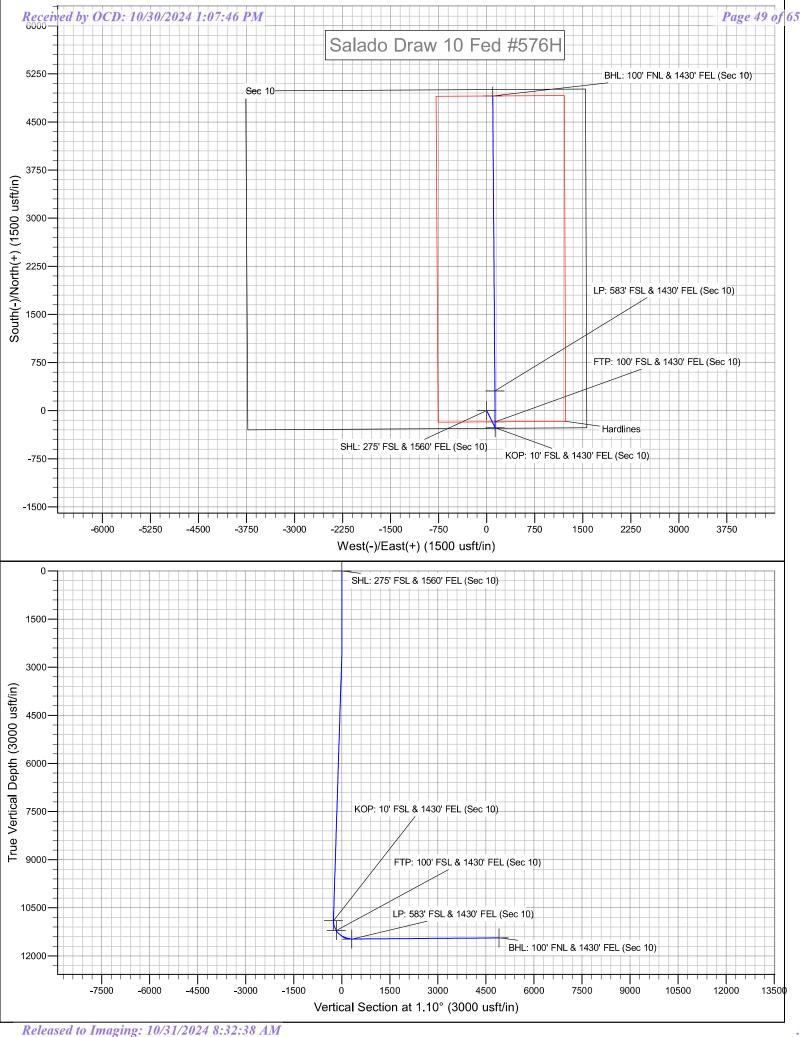
Site Salado Draw 10 Fed #576H

WELL @ 3350.0usft (Original Well Elev) WELL @ 3350.0usft (Original Well Elev)

Grid

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
14,500.0	90.44	359.58	11,454.5	3,001.3	107.8	3,002.8	0.00	0.00	0.00
14.600.0	90.44	359.58	11,453.7	3,101.3	107.1	3,102.8	0.00	0.00	0.00
14,700.0	90.44	359.58	11,453.0	3,201.3	106.3	3,202.8	0.00	0.00	0.00
14,800.0	90.44	359.58	11,452.2	3,301.3	105.6	3,302.7	0.00	0.00	0.00
14,900.0	90.44	359.58	11,451.5	3,401.3	104.9	3,402.7	0.00	0.00	0.00
15,000.0	90.44	359.58	11,450.7	3,501.3	104.1	3,502.7	0.00	0.00	0.00
15,100.0	90.44	359.58	11,449.9	3,601.3	103.4	3,602.6	0.00	0.00	0.00
15,200.0	90.44	359.58	11,449.2	3,701.3	102.7	3,702.6	0.00	0.00	0.00
15,300.0	90.44	359.58	11,448.4	3,801.3	102.0	3,802.5	0.00	0.00	0.00
15,400.0	90.44	359.58	11,447.7	3,901.3	101.2	3,902.5	0.00	0.00	0.00
15,500.0	90.44	359.58	11,446.9	4,001.3	100.5	4,002.5	0.00	0.00	0.00
15,600.0	90.44	359.58	11,446.1	4,101.3	99.8	4,102.4	0.00	0.00	0.00
15,700.0	90.44	359.58	11,445.4	4,201.3	99.0	4,202.4	0.00	0.00	0.00
15,800.0	90.44	359.58	11,444.6	4,301.3	98.3	4,302.4	0.00	0.00	0.00
15,900.0	90.44	359.58	11,443.8	4,401.3	97.6	4,402.3	0.00	0.00	0.00
16,000.0	90.44	359.58	11,443.1	4,501.3	96.8	4,502.3	0.00	0.00	0.00
16,100.0	90.44	359.58	11,442.3	4,601.2	96.1	4,602.2	0.00	0.00	0.00
16,200.0	90.44	359.58	11,441.6	4,701.2	95.4	4,702.2	0.00	0.00	0.00
16,300.0	90.44	359.58	11,440.8	4,801.2	94.7	4,802.2	0.00	0.00	0.00
16,404.0	90.44	359.58	11,440.0	4,905.2	93.9	4,906.1	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SHL: 275' FSL & 1560' F - plan hits target cent - Point	0.00 er	0.00	0.0	0.0	0.0	383,334.10	781,957.60	32.0514862	-103.5566857
KOP: 10' FSL & 1430' Ft - plan hits target cent - Point	0.00 er	0.00	10,902.0	-264.2	131.6	383,069.90	782,089.20	32.0507574	-103.5562671
FTP: 100' FSL & 1430' F - plan hits target cent - Point	0.00 er	0.00	11,210.4	-174.1	130.9	383,159.95	782,088.54	32.0510049	-103.5562672
BHL: 100' FNL & 1430' F - plan hits target cent - Point	0.00 er	0.00	11,440.0	4,905.2	93.9	388,239.30	782,051.50	32.0649674	-103.5562687
LP: 583' FSL & 1430' FE - plan hits target cent - Point	0.00 er	0.00	11,475.0	308.8	127.4	383,642.93	782,085.02	32.0523326	-103.5562673



SHL: 275' FSL 1560' FEL (Sec 10) BHL: 100' FNL 1430' FEL (Sec 10)

Operator Name:	Property Name:	Well Number
Mewbourne Oil Company	Salado Draw 10 Fed	576H

Kick	()tt P	ant	(KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
О	10	26	33	-	10'	FSL	1430'	FEL	Lea
Latitude				Longitude				NAD	
32.0507574	4				-103.55626	571			83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
О	10	26	33	-	100'	FSL	1430'	FEL	Lea
Latitude				Longitude				NAD	
32.0510049)				-103.55626	572			83

Last Take Point (LTP)

	Lucy Tune Tome (E11)									
	UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	В	10	26	33	_	100'	FNL	1430'	FEL	Lea
Latitude						Longitude				NAD
32.0649674					-103.55626	586			83	

32.0043074	-103.3302080	63
Is this well the defining well for the Horizontal Is this well an infill well?	Spacing Unit? Y	
If infill is yes please provide API if available, C Spacing Unit.	Operator Name and well number for Defining well for Horizontal	
API#		
Operator Name:	Property Name:	Well Number

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: MEWBOURNE OIL COMPANY SALADO DRAW 10 FED 576H WELL NAME & NO.: APD ID: 10400092838 **LOCATION:** Section 10, T.26 S., R.33 E. NMP. **COUNTY:**

COA

Lea County, New Mexico

H ₂ S	0	No	• Yes		
Potash /	None	O Secretary	O R-111-Q	☐ Open Annulus	
WIPP				□ WIPP	
Cave / Karst	O Low	Medium	O High	Critical	
Wellhead	Conventional	Multibowl	O Both	Diverter	
Cementing	☐ Primary Squeeze	☐ Cont. Squeeze	☐ EchoMeter	DV Tool	
Special Req	☐ Capitan Reef	☐ Water Disposal	\square COM	☐ Unit	
Waste Prev.	Self-Certification	O Waste Min. Plan	• APD Submitted 1	prior to 06/10/2024	
Additional	✓ Flex Hose	☐ Casing Clearance	☐ Pilot Hole	Break Testing	
Language	☐ Four-String	Offline Cementing	▼ Fluid-Filled		

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H₂S) Drilling Plan shall be activated **AT SPUD**. As a result, the Hydrogen Sulfide area must meet 43 CFR 3176 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING DESIGN

Primary Casing Program

- 1. The 13-3/8 inch surface casing shall be set at approximately 1,120 ft. (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic-type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or **500** psi compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The 9-5/8 inch intermediate casing shall be set in a competent bed at approximately 4,875 ft. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Option 1 (Single Stage): Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Option 2 (Two-Stage): The operator has proposed to utilize a DV tool. Operator may adjust depth of DV tool as long as cement volume is adjusted accordingly. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. **First stage to DV tool:** Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool: Cement to surface. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Note: Excess cement for the 2nd stage is below 25%. More cement might be needed.

Note: Intermediate casing must be kept fluid filled to meet minimum collapse design requirements.

- **3.** Operator has proposed to set **7 in.** (HCP-110 26#) production casing at approximately **10,907 ft.** (10,902 ft. TVD). The minimum required fill of cement behind the **7 in.** production casing is:
 - **Option 1 (Single Stage):** Cement should tie-back **at least 200 feet** into previous casing string. Operator shall provide method of verification. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.
 - **Option 2 (Two-stage):** Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. **First stage to DV tool:** Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool: Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Note: Excess cement for the 2nd stage is below 25%. More cement might be needed.

- 4. The minimum required fill of cement behind the 4-1/2 in. production liner is:
 - Cement should tie-back at least 100 feet into previous casing string. Operator shall provide method of verification.

Alternate Casing Program

- 1. The 13-3/8 inch surface casing shall be set at approximately 1,120 ft. (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic-type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> hours or 500 psi compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The 9-5/8 inch intermediate casing shall be set in a competent bed at approximately 4,875 ft. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - **Option 1 (Single Stage): Cement to surface.** If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to **cave/karst.**
 - **Option 2 (Two-Stage):** The operator has proposed to utilize a DV tool. Operator may adjust depth of DV tool as long as cement volume is adjusted accordingly. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. **First stage to DV tool:** Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool: Cement to surface. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Note: Excess cement for the 2nd stage is below 25%. More cement might be needed.

Note: Intermediate casing must be kept fluid filled to meet minimum collapse design requirements.

3. Operator has proposed to set **7 in.** (HCP-110 26#) production casing at approximately **11,807 ft.** (11,475 ft. TVD). The minimum required fill of cement behind the **7 in.** production casing is:

Option 1 (Single Stage): Cement should tie-back **at least 200 feet** into previous casing string. Operator shall provide method of verification. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Option 2 (Two-stage): Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. **First stage to DV tool:** Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool: Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. If cement does not circulate, contact the appropriate BLM office. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.

Note: Excess cement for the 2nd stage is below 25%. More cement might be needed.

- 4. The minimum required fill of cement behind the 4-1/2 in. production liner is:
 - Cement should tie-back at least 100 feet into previous casing string. Operator shall provide method of verification.

Offline Cementing

Operator has been (Approved) to pump the proposed cement program offline in the Surface and intermediate(s) intervals. Offline cementing should commence within 24

hours of landing the casing for the interval. Notify the BLM 4hrs prior to the commencement of any offline cementing procedure at **Lea County:** 575-689-5981.

C. PRESSURE CONTROL

- 1. Variance approved to use **flex line** from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi. Before drilling the surface casing shoe out, the BOP/BOPE shall be pressure-tested in accordance with title 43 CFR 3172 and API Standard 53.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one-inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in the title 43 CFR 3172.6(b)(9) must be followed.

BOPE Break Testing Variance

- BOPE Break Testing is ONLY permitted for intervals utilizing a 5M BOPE or less. (Annular preventer must be tested to a minimum of 70% of BOPE working pressure and shall be higher than the MASP.)
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- Variance only pertains to the intermediate hole-sections and no deeper than the Bone Springs formation.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer (575-706-2779) prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required. (200' TVD tolerance between intermediate shoes is allowable).

- The BLM is to be contacted (575-689-5981 Lea County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per 43 CFR 3172.
- If in the event break testing is not utilized, then a full BOPE test would be conducted.

GENERAL REQUIREMENTS

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

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

Contact Lea County Petroleum Engineering Inspection Staff:

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

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

spacer and drilling mud. The results should be documented in the driller's log and daily reports.

A. CASING

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

- have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- **8.** Whenever a casing string is cemented in the R-111-Q potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR 3172.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- **3.** 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- **4.** If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - ii. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - iii. Manufacturer representative shall install the test plug for the initial BOP test.
 - iv. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.
 - v. If the cement does not circulate and one-inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- **5.** The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - i. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four

hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- ii. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (Only applies to single stage cement jobs, prior to the cement setting up.)
- iii. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for 8 hours or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- iv. The test shall be run on a 5000-psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one-hour chart. A circular chart shall have a maximum 2-hour clock. If a twelve hour or twenty-four-hour chart is used, tester shall make a notation that it is run with a two hour clock.
- v. The results of the test shall be reported to the appropriate BLM office.
- vi. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- vii. The BOP/BOPE test shall include a low-pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- viii. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per 43 CFR 3172.

C. DRILLING MUD

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

D. WASTE MATERIAL AND FLUIDS

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

SA 08/15/2024

Hydrogen Sulfide Drilling Operations Plan Mewbourne Oil Company

1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H2S were found. MOC will have on location and working all H2S safety equipment before the Delaware formation for purposes of safety and insurance requirements.

2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1. The hazards and characteristics of hydrogen sulfide gas.
- 2. The proper use of personal protective equipment and life support systems.
- 3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the 9 5/8" intermediate casing.

1. Well Control Equipment

- A. Choke manifold with minimum of one adjustable choke/remote choke.
- B. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- C. Auxiliary equipment including annular type blowout preventer.
- 2. <u>Protective Equipment for Essential Personnel</u>

Thirty minute self contained work unit located in the dog house and at briefing areas.

Additionally: If H2S is encountered in concentrations less than 10 ppm, fans will be placed in work areas to prevent the accumulation of hazardous amounts of poisonous gas. If higher concentrations of H2S are detected the well will be shut in and a rotating head, mud/gas separator, remote choke and flare line with igniter will be installed.

3. <u>Hydrogen Sulfide Protection and Monitoring Equipment</u>

Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.

4. Visual Warning Systems

- A. Wind direction indicators as indicated on the wellsite diagram.
- B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. If a drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

8. Emergency Phone Numbers

Eddy County Sheriff's Office	911 or 575-887-7551
Ambulance Service	911 or 575-885-2111
Carlsbad Fire Dept	911 or 575-885-2111
Loco Hills Volunteer Fire Dept.	911 or 575-677-3266
Closest Medical Facility - Columbia Medical Cer	nter of Carlsbad 575-492-5000

Mewbourne Oil Company	Hobbs District Office Fax 2 nd Fax	575-393-5905 575-397-6252 575-393-7259
District Manager	Robin Terrell	575-390-4816
Drilling Superintendent	Frosty Lathan	575-390-4103
2	Bradley Bishop	575-390-6838
Drilling Foreman	Wesley Noseff	575-441-0729

Operator Name: MEWBOURNE OIL COMPANY

Well Name: SALADO DRAW 10 FED Well Number: 576H

Disposal location description: City of Carlsbad Water Treatment facility

Waste type: GARBAGE

Waste content description: Garbage & Trash

Amount of waste: 1500 pounds

Waste disposal frequency: One Time Only

Safe containment description: Enclosed trash trailer

Safe containment attachment:

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

FACILITY

Disposal type description:

Disposal location description: Waste Management facility in Carlsbad.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit? NO

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

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

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

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? N

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.) Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Operator Name: MEWBOURNE OIL COMPANY

Well Name: SALADO DRAW 10 FED Well Number: 576H

Section 8 - Ancillary

Are you requesting any Ancillary Facilities?: N

Ancillary Facilities

Comments:

Section 9 - Well Site

Well Site Layout Diagram:

Salado_Draw_10_Fed_576H_WellSiteLayout_20230613154256.pdf

Comments: NONE

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance Multiple Well Pad Name: Salado Draw 10 578, 576, 575 & 515

Multiple Well Pad Number: 4

Recontouring

Drainage/Erosion control construction: NONE

Drainage/Erosion control reclamation: NONE

Well pad proposed disturbance Well pad interim reclamation (acres): Well pad long term disturbance

(acres): 4.21 1.25 (acres): 3.44

Road proposed disturbance (acres): Road interim reclamation (acres): 0 Road long term disturbance (acres): 0

0.53

Powerline proposed disturbance Powerline interir

Powerline proposed disturbance Powerline interim reclamation (acres): Powerline long term disturbance

(acres): 0 (acres): 0

Pipeline proposed disturbance Pipeline interim reclamation (acres): 0 Pipeline long term disturbance

(acres): 0.005

Other proposed disturbance (acres): 0 Other interim reclamation (acres): 0 Other long term disturbance (acres): 0

Total proposed disturbance: 4.745 Total interim reclamation: 1.25 Total long term disturbance: 3.445

Disturbance Comments: In areas to be heavily disturbed, the top 6 inches of soil material, will be stripped and stockpiled on the perimeter of the well location to keep topsoil viable, and to make redistribution of topsoil more efficient during interim reclamation. Stockpiled topsoil should include vegetative material. Topsoil will be clearly segregated and stored separately from subsoils. Contaminated soil will not be stockpiled, but properly treated and handled prior to topsoil salvaging.

Reconstruction method: The areas planned for interim reclamation will then be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ration, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.

Topsoil redistribution: Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations including cuts & fills. To see the area, the proper BLM seed mixture, free of noxious weeks, will be used.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

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 397405

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	397405
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	10/31/2024
pkautz	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	10/31/2024
pkautz	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	10/31/2024
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	10/31/2024
pkautz	If cement does not circulate on any string, a CBL is required for that string of casing	10/31/2024