Sante Fe Main Office Phone: (505) 476-3441 General Information Phone: (505) 629-6116

Online Phone Directory

https://www.emnrd.nm.gov/ocd/contact-us

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

Form C-101 August 1, 2011

Permit 378820

#### APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address		2. OGRID Number
Spur Energy Partners LLC	328947	
9655 Katy Freeway	3. API Number	
Houston, TX 77024		30-015-55846
4. Property Code	5. Property Name	6. Well No.
336571	STALEY 30 STATE COM	010H

7. Surface Location Feet From

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County		
	D	29	17S	28E		945	N	785	W	Eddy		
_	8. Proposed Bottom Hole Location											
	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County		
	D	20	170	200	4	1100	l N	E0.	14/	Eddy		

#### 9. Pool Information

RED LAKE; GLORIETA-YESC	, NORTHEAST	96836

#### **Additional Well Information**

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation	
New Well	OIL		State	3594	
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date	
N	9196	Paddock		3/1/2025	
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water	

#### ⊠ We will be using a closed-loop system in lieu of lined pits

#### 21. Proposed Casing and Cement Program

			ropeceu euc;	, and coment regram		
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	1000	231	0
Prod	8.75	7	32	3750	1514	0
Prod	8.75	5.5	20	9196	1514	0

#### **Casing/Cement Program: Additional Comments**

#### 22. Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	5	5000	SHAFFER

knowledge and b	pelief.	true and complete to the best of my NMAC ⊠ and/or 19.15.14.9 (B) NMAC		OIL CONSERVATION	ON DIVISION	
Signature:						
Printed Name:	Electronically filed by Sarah Cha	oman	Approved By:	Ward Rikala		
Title:	Regulatory Director		Title:	Petroleum Specialist Supervisor		
Email Address: schapman@spurenergy.com			Approved Date:	12/12/2024 Expiration Date: 12/12/2026		
Date:	12/2/2024	Phone: 832-930-8613	Conditions of Appro	oval Attached		

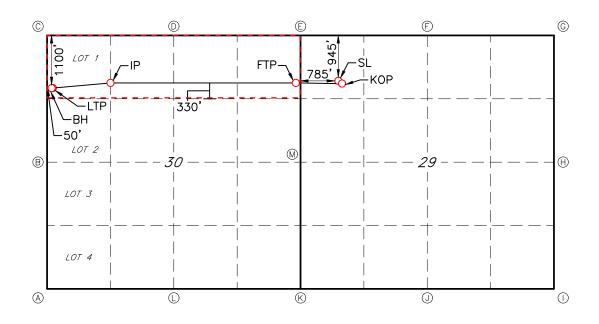
<u>C-102</u>	_		Ene		erals & N	Vatura	ew Mexico Revised July 9, 20 ral Resources Department					uly 9, 2024		
	t Electronica CD Permittii			OIL	CONSE	RVAT	ION DIV	/ISION		}			Initial Submit	tal
V 14 O	CD I CHIIIIIII	15									Subm		☐ Amended Rep	
							Type:							
					WELLI	LOCAT	ION INFO	RMATIC	)N	·			1	
API Nu		)15- <u>55846</u>	Pool Code 9683	en 96	6836		ool Name	Artesi	a; Gl			YES	O, NORTHEA	ST
Propert	y Code 3365	571	Property Na	70		LEY	30 ST	ATE C		.,		1	Number	10H
OGRID	No.		Operator Na	ame	PUR E	יאידים	TV DAI	סיוודים	סכ דו	I C		Grou	ınd Level Elevation	3594'
Cumfo a a	3289		] T		FUR E	INEIN					¬ т		Jamel	3394
Surface	Owner: X	State ☐ Fee ☐	J I ribal ∐ F	ederal			Minera	I Owner:	State	e Fee [	_ I ribal	⊔ге	deral	
						Surfa	ce Location	n						
UL	Section	Township	Range	Lot	Ft. from	N/S	Ft. from	E/W	Latitu	ıde		Long	gitude	County
D	29	17S	28E		945	FNL	785	FWL	32.8	809803	32°N	104	.2037573°W	EDDY
						Bottom	Hole Loca	tion	,					,
UL	Section	Township	Range	Lot	Ft. from	N/S	Ft. from	E/W	Latitu	ıde		Long	gitude	County
D	30	17S	28E	1	1100	FNL	50	FWL	32.8	B09282	23°N	104	.2234954°W	EDDY
	1		<u> </u>	L			-1							
Dedicat	ted Acres	Infill or Defin	ning Well	Defining	Well API		Overlap	ping Spa	cing U	nit (Y/N)	Consoli	dation	Code	
160	)	N/A		N/A				N C				C and F		
Order N	Numbers.	R-23549	9 and NSL	PENDING	3		Well se	tbacks ar	e under	Common	Owners	hip: 🔀	<b>(</b> Yes □ No	
						Kick Of	f Point (K	OP)						
UL	Section	Township	Range	Lot	Ft. from		Ft. from	-	Latitu	ıde		Long	gitude	County
D	29	17S	28E		974	FNL	841	FWL	32.8	809724	17°N	ı ~	.2035755°W	EDDY
							ke Point (F							
UL	Section	Township	Range	Lot	Ft. from		Ft. from		Latitu	ıde		Long	vitude	County
A	30	17S	28E	200	990		100		1	 809685				EDDY
		1.5					ce Point (L		0.0.	104.2066391 W ED.				
UL	Section	Township	Range	Lot	Ft. from		Ft. from		Latitu	ıde		Long	gitude	County
D	30	17S	28E	1	1096		100		1		13°N		.2233328°W	EDDY
	50	175	~OB	1	1000	TIVE	100	TWL	0~	00020	10 11	101	.220020 11	EDD1
Unitize	d Area or A	rea of Uniform	Interest	Spacing	Unit Type	<b>X</b> Hori	zontal 🗆 V	ertical		Groun	d Floor	Elevat	ion: 3594' GR	
				I										
OPER.	ATOR CER	TIFICATIONS	}				SURVEY	OR CER	RTIFICA	ATIONS				
		information conto											us plotted from field no	
		ef, and , if the well ns a working inter					surveys ma my belief.	de by me u	inder my	supervision,	, and that	the san	ne is true and correct t	to the best of
		bottom hole locati contract with an o				ineral							JEE. R	
interest,	or to a volunta	ary pooling agreen										/	DALL	
	by the division.												W MEXIC	· / / ·
		tal well, I further o lessee or owner of										- [	[44400]	$\circ$ $\setminus$
in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.										17	1 (14400)	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		
interval will be located or obtained a compulsory pooling order from the division.  Sarah (hapman 12/02/2024											\3	12/02/2024	12/	
Signature		C. Suggerin	Date				Signature and	Seal of Pro	fessional S	Surveyor		<del></del>	SONAL S	JRY
SAR	RAH CHA	PMAN							2/3	self			ONALS	
Printed Na		0001155	IEDOV 6	214			Certificate No	ımber		Date of Surve	у			
SCF	IAPMAN(	@SPUREN	IERGY.C	UΜ		_ 1	1 4	1400			ſ	)5 /r	06/2024	
Email Address						17					.5, 0	, ~U~±		

#### ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

#### STALEY 30 STATE COM #10H



NAD 83 GRID - NM EAST

<u>SURFACE LOCATION (SL)</u> N: 658363.4 - E: 581147.5

LAT: 32.8098032° N LONG: 104.2037573° W

<u>KICK OFF POINT (KOP)</u> 974' FNL & 841' FWL - SEC 29 N: 658334.9 - E: 581203.4

> LAT: 32.8097247° N LONG: 104.2035755° W

FIRST TAKE POINT (FTP) 990' FNL & 100' FEL - SEC 30 N: 658319.4 - E: 580262.2

> LAT: 32.8096852° N LONG: 104.2066391° W

<u>INFLECTION POINT (IP)</u> 990' FNL & 1410' FWL - SEC 30 N: 658287.7 - E: 576442.7

> LAT: 32.8096100° N LONG: 104.2190710° W

LAST TAKE POINT (LTP) 1096' FNL & 100' FWL - SEC 30 N: 658171.4 - E: 575133.5

> LAT: 32.8092943° N LONG: 104.2233328° W

<u>BOTTOM HOLE (BH)</u> N: 658167.0 - E: 575083.5

LAT: 32.8092823° N LONG: 104.2234954° W CORNER DATA
NAD 83 GRID — NM EAST

A: FOUND BRASS CAP "1941" N: 653983.4 - E: 575058.5

B: FOUND BRASS CAP "1941" N: 656625.0 - E: 575043.2

C: FOUND BRASS CAP "1941" N: 659266.3 - E: 575026.6

D: FOUND BRASS CAP "1941" N: 659287.7 - E: 577748.5

E: FOUND BRASS CAP "1941" N: 659309.9 - E: 580369.6

F: FOUND BRASS CAP "1941' N: 659304.4 - E: 582986.4

G: FOUND BRASS CAP "1941" N: 659297.8 - E: 585602.6

H: FOUND BRASS CAP "1941" N: 656702.1 — E: 585573.1

I: FOUND BRASS CAP "1941" N: 654104.0 - E: 585547.5

J: FOUND BRASS CAP "1941" N: 654060.8 - E: 582941.9

K: FOUND BRASS CAP "1941" N: 654017.3 - E: 580331.9

L: FOUND BRASS CAP "1941' N: 653999.6 - E: 577752.7

M: FOUND BRASS CAP "1941' N: 656663.6 - E: 580349.6



Sante Fe Main Office Phone: (505) 476-3441 General Information

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

Form APD Conditions

Permit 378820

#### PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
Spur Energy Partners LLC [328947]	30-015-55846
9655 Katy Freeway	Well:
Houston, TX 77024	STALEY 30 STATE COM #010H

OCD	Condition
Reviewer	
ward.rikala	Notify the OCD 24 hours prior to casing & cement.
ward.rikala	File As Drilled C-102 and a directional Survey with C-104 completion packet.
ward.rikala	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing.
ward.rikala	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
ward.rikala	A [C-103] Sub. Drilling (C-103N) is required within (10) days of spud.



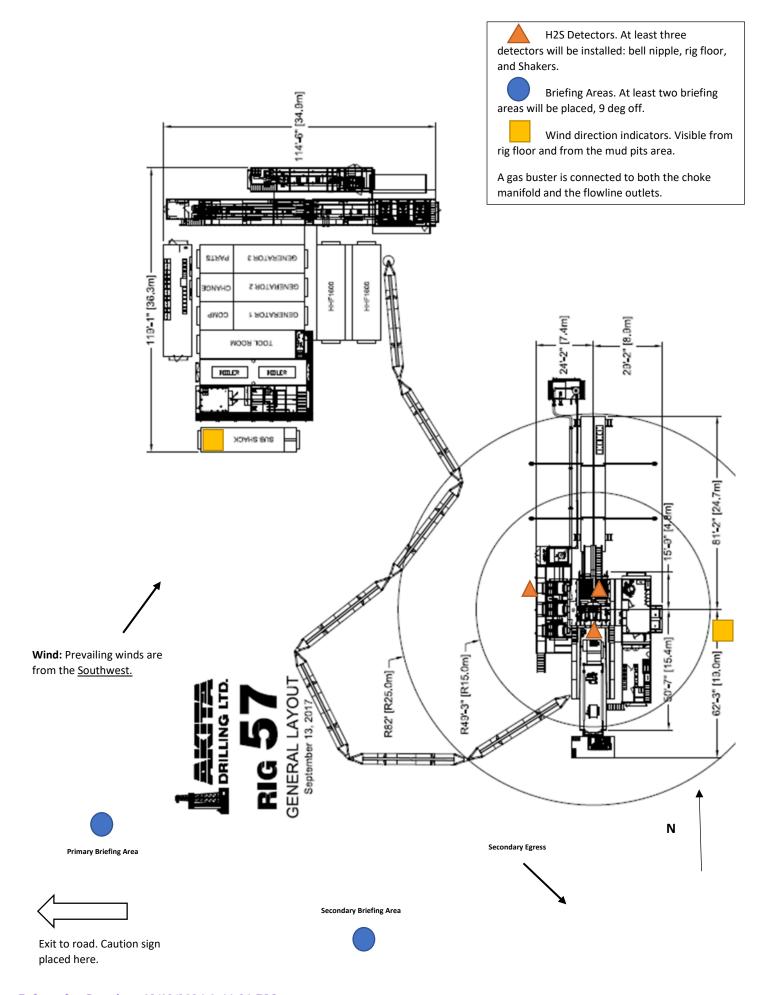
### **Permian Drilling**

## Hydrogen Sulfide Drilling Operations Plan STALEY 30 STATE COM DEVELOPMENT

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

#### 1. Escape

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



#### 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: SPU	JR ENERGY P	PARTNERS LLC	_ OGRID:	328947	Date: _	07 / 29 / 2024					
II. Type:   ✓ Original   ☐ Amendment due to  ☐ 19.15.27.9.D(6)(a) NMAC  ☐ 19.15.27.9.D(6)(b) NMAC  ☐ Other.											
If Other, please descr	If Other, please describe:										
	III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.										
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D					
STALEY 30 STATE COM 10H	30-015-	D-29-17S-28E	945' FNL 785' FWL	469 BBL/D	738 MCF/D	3127 BBL/D					
STALEY 30 STATE COM 20H	30-015-	D-29-17S-28F	905' FNL 785' FWI	469 BBL/D	738 MCF/D	3127 BBL/D					
STALEY 30 STATE COM 70H	30-015-	D-29-17S-28E	925' FNL 785' FWL	436 BBL/D	474 MCF/D	2751 BBL/D					
IV. Central Delivery	IV. Central Delivery Point Name: STALEY 30 STATE COM TANK BATTERY [See 19.15.27.9(D)(1) NMAC]										

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

Well Name	API	Spud Date	TD Reached	Completion	Initial Flow	First Production
			Date	Commencement Date	Back Date	Date
STALEY 30 STATE COM 10H	30-015-	04/17/2025	04/25/2025	05/21/2025	06/02/2025	06/11/2025
STALEY 30 STATE COM 20H	30-015-	04/25/2025	05/03/2025	05/21/2025	06/02/2025	06/11/2025
STALEY 30 STATE COM 70H	30-015-	05/03/2025	05/12/2025	05/21/2025	06/02/2025	06/11/2025

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

  ✓ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.
- **VIII. Best Management Practices:** X Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

#### Section 2 – Enhanced Plan <u>EFFECTIVE APRIL 1, 2022</u>

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

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

#### IX. Anticipated Natural Gas Production:

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

#### X. Natural Gas Gathering System (NGGS):

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

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

XII. Line Capacity. The natural	gas gathering system	☐ will ☐ will not	have capacity to	gather 1009	% of the anticipated	natural ga
production volume from the well	prior to the date of first	production.				

<b>XIII. Line Pressure.</b> Operator $\square$ does $\square$ does not anticipate that its existing well(s) connected to the same segment, or p	ortion,	of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the	new we	ell(s).

	Attach	C	)perator'	s p	lan t	o mana	ge	product	ion	in	respon	se to	) the	increase	d	line	pressi	ıre
--	--------	---	-----------	-----	-------	--------	----	---------	-----	----	--------	-------	-------	----------	---	------	--------	-----

XIV. Confidentiality: Uperator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information processing the property of the information process.	ovided 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 in	formation
for which confidentiality is asserted and the basis for such assertion.	

## Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 💢 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC: or Venting and Flaring Plan. 

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: (a) power generation on lease; **(b)** power generation for grid; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; (g) reinjection for enhanced oil recovery; fuel cell production; and (h)

#### Section 4 - Notices

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

other alternative beneficial uses approved by the division.

- (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.

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:	Sarah Chapman
Printed Name:	SARAH CHAPMAN
Title:	REGULATORY DIRECTOR
E-mail Address:	SCHAPMAN@SPURENERGY.COM
Date:	JULY 29, 2024
Phone:	832-930-8613
	OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:	
Title:	
Approval Date:	
Conditions of A	pproval:



-250

Spur Energy Partners

Well Name: Staley 30 State Com #10H

Project: Eddy County, NM Wellbore: Wellbore #1

Plan: Plan #1 Rig: Akita 57

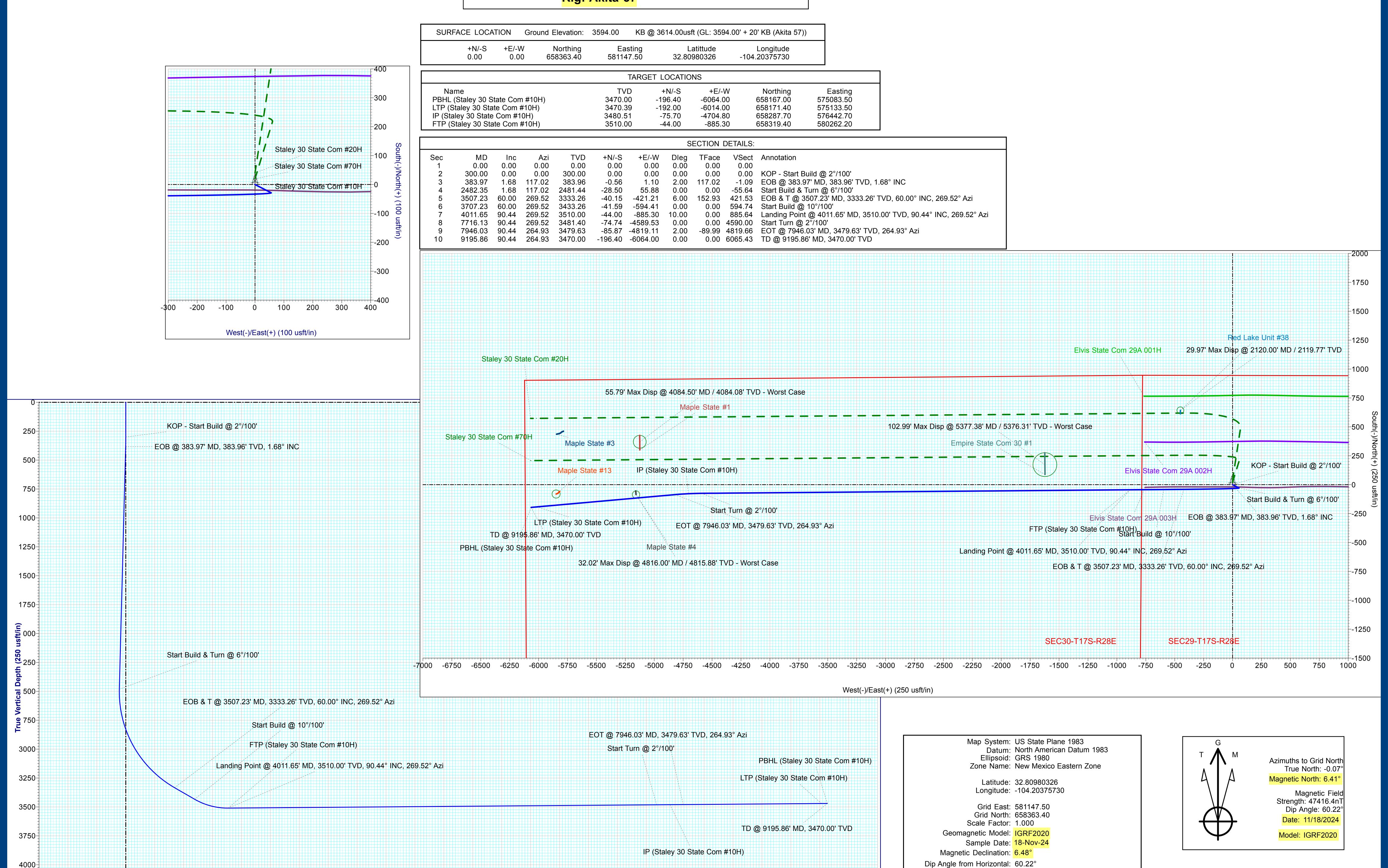
1000 1250 1500 1750 2000 2250 2500 2750 3000 3250 3500 3750 4000 4250 4500 4750 5000 5250 5500 5750 6000 6250 6500

Vertical Section at 269.52° (250 usft/in)



Well Planning: Chris Thomas

17:18, November 18 2024



Magnetic Field Strength: 47416.39443155nT

To convert a Magnetic Direction to a Grid Direction, Add 6.41°



## **Spur Energy Partners**

Eddy County, NM Staley 30 State Com Staley 30 State Com #10H

Wellbore #1

Plan: Plan #1

## **Standard Planning Report**

18 November, 2024





**Project** 

#### **Patriot Drilling Services**

#### Planning Report

**TVD Reference:** 

MD Reference:

North Reference:



EDM 5000.15 Single User Db Database: Company:

Spur Energy Partners

**Local Co-ordinate Reference:** 

**Survey Calculation Method:** 

KB @ 3614.00usft (GL: 3594.00' + 20' KB

Well Staley 30 State Com #10H

(Akita 57))

KB @ 3614.00usft (GL: 3594.00' + 20' KB (Akita 57))

Minimum Curvature

Eddy County, NM Project:

Site: Staley 30 State Com Well: Staley 30 State Com #10H

Wellbore: Wellbore #1 Design: Plan #1

Eddy County, NM

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

System Datum:

Mean Sea Level

Staley 30 State Com Site

Northing: 658,363.40 usft 32.80980326 Site Position: Latitude: From: Мар Easting: 581,147.50 usft Longitude: -104.20375731 **Position Uncertainty:** 0.00 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.07

Well Staley 30 State Com #10H

0.00 usft **Well Position** +N/-S 658,363.40 usft 32.80980326 Northing: Latitude:

+E/-W 0.00 usft Easting: 581,147.50 usft Longitude: -104.20375731

**Position Uncertainty** 0.00 usft Wellhead Elevation: **Ground Level:** 3,594.00 usft

Wellbore #1 Wellbore **Model Name** Declination Dip Angle Field Strength Magnetics Sample Date (°) (°) (nT) IGRF2020 11/18/2024 6.48 60.22 47,416.39443155

Plan #1 Design Audit Notes: Version: Phase: **PLAN** Tie On Depth: 0.00 +N/-S +E/-W Vertical Section: Depth From (TVD) Direction (usft) (usft) (usft) (°) 0.00 269.52 0.00 0.00

Plan Survey Tool Program Date 11/18/2024 Depth From Depth To (usft) (usft) Survey (Wellbore) **Tool Name** Remarks 0.00 9,195.86 MWD+IFR1+MS Plan #1 (Wellbore #1) OWSG Rev. 2 MWD + IFR1 + I

11/18/2024 10:08:56AM COMPASS 5000.15 Build 93A Page 2



Project:

#### **Patriot Drilling Services**

Planning Report



Database: EDM 5000.15 Single User Db

Company: Spur Energy Partners

Eddy County, NM

Staley 30 State Com
Well: Staley 30 State Com #10H

Wellbore: Wellbore #1
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: Survey Calculation Method: Well Staley 30 State Com #10H

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

lan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
383.97	1.68	117.02	383.96	-0.56	1.10	2.00	2.00	0.00	117.02	
2,482.35	1.68	117.02	2,481.44	-28.50	55.88	0.00	0.00	0.00	0.00	
3,507.23	60.00	269.52	3,333.26	-40.15	-421.21	6.00	5.69	14.88	152.93	
3,707.23	60.00	269.52	3,433.26	-41.59	-594.41	0.00	0.00	0.00	0.00	
4,011.65	90.44	269.52	3,510.00	-44.00	-885.30	10.00	10.00	0.00	0.00	FTP (Staley 30 State
7,716.13	90.44	269.52	3,481.40	-74.74	-4,589.53	0.00	0.00	0.00	0.00	
7,946.03	90.44	264.93	3,479.63	-85.87	-4,819.11	2.00	0.00	-2.00	-89.99	
9,195.86	90.44	264.93	3,470.00	-196.40	-6,064.00	0.00	0.00	0.00	0.00	PBHL (Staley 30 State



#### **Patriot Drilling Services**

Planning Report



EDM 5000.15 Single User Db Database: Company:

Spur Energy Partners

Project: Eddy County, NM

Staley 30 State Com Site: Staley 30 State Com #10H Well:

Wellbore: Wellbore #1 Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

**Survey Calculation Method:** 

Well Staley 30 State Com #10H

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

ned Surv	vey									
De	sured epth sft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
	200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
		Build @ 2°/100'	447.00	000.00	0.50	4.40	4.00	0.00	0.00	0.00
	383.97	1.68	117.02	383.96	-0.56	1.10	-1.09	2.00	2.00	0.00
EOE	B @ 383.9	97' MD, 383.96' T	VD, 1.68° INC							
	400.00	1.68	117.02	399.98	-0.77	1.51	-1.51	0.00	0.00	0.00
	500.00	1.68	117.02	499.94	-2.10	4.13	-4.11	0.00	0.00	0.00
	600.00	1.68	117.02	599.90	-3.44	6.74	-6.71	0.00	0.00	0.00
	700.00	1.68	117.02	699.85	-4.77	9.35	-9.31	0.00	0.00	0.00
	800.00	1.68	117.02	799.81	-6.10	11.96	-11.91	0.00	0.00	0.00
	900.00	1.68	117.02	899.77	-7.43	14.57	-14.51	0.00	0.00	0.00
1,	,000.00	1.68	117.02	999.72	-8.76	17.18	-17.11	0.00	0.00	0.00
1,	,100.00	1.68	117.02	1,099.68	-10.09	19.79	-19.71	0.00	0.00	0.00
1,	,200.00	1.68	117.02	1,199.64	-11.43	22.40	-22.30	0.00	0.00	0.00
1,	,300.00	1.68	117.02	1,299.59	-12.76	25.01	-24.90	0.00	0.00	0.00
	400.00	1.60	117.02	1 200 55	14.00	27.62	-27.50	0.00	0.00	0.00
	,400.00	1.68		1,399.55	-14.09					
	,500.00	1.68	117.02	1,499.51	-15.42	30.23	-30.10	0.00	0.00	0.00
	,600.00	1.68	117.02	1,599.47	-16.75	32.84	-32.70	0.00	0.00	0.00
	,700.00	1.68	117.02	1,699.42	-18.08	35.46	-35.30	0.00	0.00	0.00
1,	,800.00	1.68	117.02	1,799.38	-19.42	38.07	-37.90	0.00	0.00	0.00
1.	,900.00	1.68	117.02	1,899.34	-20.75	40.68	-40.50	0.00	0.00	0.00
	,000.00	1.68	117.02	1,999.29	-22.08	43.29	-43.10	0.00	0.00	0.00
	,100.00	1.68	117.02	2,099.25	-23.41	45.90	-45.70	0.00	0.00	0.00
	,200.00	1.68	117.02	2,199.21	-24.74	48.51	-48.30	0.00	0.00	0.00
	,300.00	1.68	117.02	2,299.16	-26.07	51.12	-50.90	0.00	0.00	0.00
_,	,000.00	1.00								
2,	,400.00	1.68	117.02	2,399.12	-27.40	53.73	-53.50	0.00	0.00	0.00
2,	,482.35	1.68	117.02	2,481.44	-28.50	55.88	-55.64	0.00	0.00	0.00
Star	rt Build &	Turn @ 6°/100'								
2,	,500.00	0.88	150.22	2,499.08	-28.74	56.18	-55.94	6.00	-4.53	188.08
	,600.00	5.62	262.17	2,598.93	-30.07	51.71	-51.46	6.00	4.74	111.95
	,700.00	11.59	266.24	2,697.76	-31.40	36.83	-36.56	6.00	5.97	4.07
	,800.00	17.58	267.55	2,794.49	-32.70	11.69	-11.42	6.00	5.99	1.32
	,900.00	23.57	268.21	2,888.07	-33.97	-23.41	23.70	6.00	6.00	0.66
	,000.00	29.57	268.62	2,977.47	-35.19	-68.11	68.40	6.00	6.00	0.40
	,100.00	35.57	268.90	3,061.70	-36.35	-121.91	122.21	6.00	6.00	0.28
3,	,200.00	41.57	269.10	3,139.85	-37.43	-184.22	184.52	6.00	6.00	0.21
3	,300.00	47.57	269.27	3.211.06	-38.42	-254.35	254.67	6.00	6.00	0.16
,	,400.00	53.57	269.40	3,274.55	-39.31	-331.55	331.87	6.00	6.00	0.13
	,500.00	59.57	269.52	3,329.62	-40.10	-414.96	415.28	6.00	6.00	0.13
	,500.00	60.00	269.52	3,333.26	-40.10 -40.15	-421.21	421.53	6.00	6.00	0.12
						- <del>7</del> 41.41	741.00	0.00	0.00	0.11
				0° INC, 269.52° A		F04 F5	F04.0=	0.00	0.00	0.00
3,	,600.00	60.00	269.52	3,379.64	-40.82	-501.55	501.87	0.00	0.00	0.00
3.	,700.00	60.00	269.52	3,429.64	-41.53	-588.15	588.47	0.00	0.00	0.00
	,707.23	60.00	269.52	3,433.26	-41.59	-594.41	594.74	0.00	0.00	0.00
		00.00 0 10°/100'	_00.02	5, .50.20	. 1.00	JU 1. 11	30 1.7 7	0.00	0.00	0.00
			260.52	3 472 05	42.20	670 14	670 17	10.00	10.00	0.00
	,800.00	69.28	269.52	3,472.95	-42.28 42.08	-678.14	678.47	10.00	10.00	0.00
	,900.00	79.28	269.52	3,500.01	-43.08 43.00	-774.28	774.61	10.00	10.00	0.00
4,	,000.00	89.28	269.52	3,509.97	-43.90	-873.65	873.99	10.00	10.00	0.00
1	,011.65	90.44	269.52	3,510.00	-44.00	-885.30	885.64	10.00	10.00	0.00



#### **Patriot Drilling Services**

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KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

d Survey									
Measure Depth	d Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
_	Point @ 4011.65' MI						0.00	0.00	0.00
4,100.		269.52	3,509.32	-44.73	-973.64	973.98	0.00	0.00	0.00
4,200.		269.52	3,508.55	-45.56	-1,073.64	1,073.98	0.00	0.00	0.00
4,300.		269.52	3,507.77	-46.39	-1,173.63	1,173.98	0.00	0.00	0.00
4,400.	.00 90.44	269.52	3,507.00	-47.22	-1,273.62	1,273.97	0.00	0.00	0.00
4,500.	.00 90.44	269.52	3,506.23	-48.05	-1,373.62	1,373.97	0.00	0.00	0.00
4,600.	.00 90.44	269.52	3,505.46	-48.88	-1,473.61	1,473.97	0.00	0.00	0.00
4,700.	.00 90.44	269.52	3,504.69	-49.71	-1,573.60	1,573.96	0.00	0.00	0.00
4,800.	.00 90.44	269.52	3,503.91	-50.54	-1,673.60	1,673.96	0.00	0.00	0.00
4,900.	.00 90.44	269.52	3,503.14	-51.37	-1,773.59	1,773.96	0.00	0.00	0.00
5,000	.00 90.44	269.52	3,502.37	-52.20	-1,873.58	1,873.96	0.00	0.00	0.00
5,100.		269.52	3,501.60	-53.03	-1,973.58	1,973.95	0.00	0.00	0.00
5,100.		269.52	3,500.83	-53.86	-1,973.56	2,073.95	0.00	0.00	0.00
5,200.		269.52	3,500.05	-54.69	-2,073.57 -2,173.56	2,073.95	0.00	0.00	0.00
5,400.		269.52	3,499.28	-55.52	-2,173.56	2,173.93	0.00	0.00	0.00
5,500.		269.52	3,498.51	-56.35	-2,373.55	2,373.94	0.00	0.00	0.00
5,600.		269.52	3,497.74	-57.18	-2,473.55	2,473.94	0.00	0.00	0.00
5,700.		269.52	3,496.97	-58.01	-2,573.54	2,573.93	0.00	0.00	0.00
5,800.		269.52	3,496.19	-58.84	-2,673.53	2,673.93	0.00	0.00	0.00
5,900.	.00 90.44	269.52	3,495.42	-59.67	-2,773.53	2,773.93	0.00	0.00	0.00
6,000.	.00 90.44	269.52	3,494.65	-60.50	-2,873.52	2,873.93	0.00	0.00	0.00
6,100.		269.52	3,493.88	-61.33	-2,973.51	2,973.92	0.00	0.00	0.00
6,200.		269.52	3,493.11	-62.16	-3,073.51	3,073.92	0.00	0.00	0.00
6,300.		269.52	3,492.34	-62.99	-3,173.50	3,173.92	0.00	0.00	0.00
6,400.		269.52	3,491.56	-63.82	-3,273.49	3,273.91	0.00	0.00	0.00
6,500.	.00 90.44	269.52	3,490.79	-64.65	-3,373.49	3,373.91	0.00	0.00	0.00
6,600.		269.52	3,490.02	-65.48	-3,473.48	3,473.91	0.00	0.00	0.00
6,700		269.52	3,489.25	-66.31	-3,573.47	3,573.91	0.00	0.00	0.00
6,800.		269.52	3,488.48	-67.14	-3,673.47	3,673.90	0.00	0.00	0.00
6,900.		269.52	3,487.70	-67.14	-3,773.46	3,773.90	0.00	0.00	0.00
7,000.		269.52	3,486.93	-68.80	-3,873.46	3,873.90	0.00	0.00	0.00
7,100.		269.52	3,486.16	-69.63	-3,973.45	3,973.89	0.00	0.00	0.00
7,200.		269.52	3,485.39	-70.46	-4,073.44	4,073.89	0.00	0.00	0.00
7,300.		269.52	3,484.62	-71.29	-4,173.44	4,173.89	0.00	0.00	0.00
7,400.	.00 90.44	269.52	3,483.84	-72.12	-4,273.43	4,273.88	0.00	0.00	0.00
7,500.	.00 90.44	269.52	3,483.07	-72.95	-4,373.42	4,373.88	0.00	0.00	0.00
7,600.		269.52	3,482.30	-73.78	-4,473.42	4,473.88	0.00	0.00	0.00
7,700.		269.52	3,481.53	-74.61	-4,573.41	4,573.88	0.00	0.00	0.00
7,716.		269.52	3,481.40	-74.74	-4,589.53	4,590.00	0.00	0.00	0.00
	rn @ 2°/100'								
7,800.	_	267.85	3,480.76	-76.67	-4,673.38	4,673.86	2.00	0.00	-2.00
7,831.		267.22	3,480.51	-78.01	-4,704.67	4,705.16	2.00	0.00	-2.00
•	ey 30 State Com #10l	,	0.470.00	00.47	4 770 00	4 770 74	0.00	0.00	0.00
7,900.		265.85	3,479.98	-82.17	-4,773.22	4,773.74	2.00	0.00	-2.00
7,946.		264.93	3,479.63	-85.87	-4,819.11	4,819.66	2.00	0.00	-2.00
_	7946.03' MD, 3479.63								
8,000.		264.93	3,479.21	-90.64	-4,872.86	4,873.45	0.00	0.00	0.00
8,100.	.00 90.44	264.93	3,478.44	-99.49	-4,972.46	4,973.12	0.00	0.00	0.00
8,200.	.00 90.44	264.93	3,477.67	-108.33	-5,072.07	5,072.80	0.00	0.00	0.00
8,300.		264.93	3,476.90	-117.17	-5,171.67	5,172.47	0.00	0.00	0.00
8,400.		264.93	3,476.13	-126.02	-5,271.28	5,272.15	0.00	0.00	0.00
8,500.		264.93	3,475.36	-134.86	-5,370.88	5,371.83	0.00	0.00	0.00



Project:

#### **Patriot Drilling Services**

#### Planning Report



Database: EDM 5000.15 Company: Spur Energy F

EDM 5000.15 Single User Db

Spur Energy Partners

Eddy County, NM

Site: Staley 30 State Com
Well: Staley 30 State Com #10H

Wellbore: Wellbore #1

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**Survey Calculation Method:** 

Well Staley 30 State Com #10H

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

KB @ 3614.00usft (GL: 3594.00' + 20' KB

(Akita 57))

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,600.00	90.44	264.93	3,474.59	-143.70	-5,470.49	5,471.50	0.00	0.00	0.00
8,700.00	90.44	264.93	3,473.82	-152.55	-5,570.10	5,571.18	0.00	0.00	0.00
8,800.00	90.44	264.93	3,473.05	-161.39	-5,669.70	5,670.85	0.00	0.00	0.00
8,900.00	90.44	264.93	3,472.28	-170.23	-5,769.31	5,770.53	0.00	0.00	0.00
9,000.00	90.44	264.93	3,471.51	-179.08	-5,868.91	5,870.20	0.00	0.00	0.00
9,100.00	90.44	264.93	3,470.74	-187.92	-5,968.52	5,969.88	0.00	0.00	0.00
LTP (Staley 3	30 State Com #1	0H)							
9.195.86	90.44	264.93	3.470.00	-196.40	-6.064.00	6.065.43	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
PBHL (Staley 30 State C - plan hits target cer - Point		0.00	3,470.00	-196.40	-6,064.00	658,167.00	575,083.50	32.80928229	-104.22349542
LTP (Staley 30 State Co - plan misses target - Point		0.00 37usft at 910	3,470.39 0.00usft MD	-192.00 (3470.74 TVE	-6,014.00 ), -187.92 N, -	658,171.40 5968.52 E)	575,133.50	32.80929424	-104.22333266
IP (Staley 30 State Com - plan misses target - Point		0.00 2usft at 7831	3,480.51 .32usft MD (	-75.70 (3480.51 TVD,	-4,704.80 -78.01 N, -47	658,287.70 04.67 E)	576,442.70	32.80961009	-104.21907102
FTP (Staley 30 State Co - plan hits target cer - Point		0.00	3,510.00	-44.00	-885.30	658,319.40	580,262.20	32.80968527	-104.20663900

lan Annotations				
Measured Vertical Depth Depth (usft) (usft)		Local Coordinates +N/-S +E/-W (usft) (usft)		Comment
300.00	300.00	0.00	0.00	KOP - Start Build @ 2°/100'
383.97	383.96	-0.56	1.10	EOB @ 383.97' MD, 383.96' TVD, 1.68° INC
2,482.35	2,481.44	-28.50	55.88	Start Build & Turn @ 6°/100'
3,507.23	3,333.26	-40.15	-421.21	EOB & T @ 3507.23' MD, 3333.26' TVD, 60.00° INC, 269.52° Azi
3,707.23	3,433.26	-41.59	-594.41	Start Build @ 10°/100'
4,011.65	3,510.00	-44.00	-885.30	Landing Point @ 4011.65' MD, 3510.00' TVD, 90.44° INC, 269.52° Azi
7,716.13	3,481.40	-74.74	-4,589.53	Start Turn @ 2°/100'
7,946.03	3,479.63	-85.87	-4,819.11	EOT @ 7946.03' MD, 3479.63' TVD, 264.93° Azi
9,195.86	3,470.00	-196.40	-6,064.00	TD @ 9195.86' MD, 3470.00' TVD

#### 1. Geologic Formations

TVD of Target	3,470'
MD at TD	9,196'

Formation	Depth	Lithology	Expected Fluids
Quaternary	0'	Dolomite, other: Caliche	Useable Water
Tansill	195'	Sandstone, Dolomite	None
Yates	295'	Dolomite, Limestone, Shale, Siltstone	None
Seven Rivers	535'	Dolomite, Limestone	Natural Gas, Oil
Queen	1095'	Anhydrite, Dolomite, Sandstone	Natural Gas, Oil
Grayburg	1535'	Anhydrite	Natural Gas, Oil
San Andres	1845'	Dolomite	Natural Gas, Oil
Glorieta	3215'	Dolomite, Siltstone	Natural Gas, Oil
Paddock	3315'	Dolomite, Limestone	Natural Gas, Oil
Blinebry	3830'	Dolomite, Limestone	Natural Gas, Oil
Abo 5370'		Dolomite, Limestone	Will Not Penetrate

#### 2. Casing Program

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

Casing		Casing Into	erval	Csg. Size	Weight		Conn.	SF		Body SF	Joint SF
Formation Set Interval	Hole Size (in)	From (ft)	To (ft)	(in)	(lbs)	Grade		Collapse	SF Burst	Tension	Tension
Seven Rivers	12.25	0	1000	9.625	36	J-55	BTC	1.125	1.2	1.4	1.4
N/A	8.75	0	3750	7	32	L-80	BK-HT	1.125	1.2	1.4	1.4
Yeso	8.75	3750	9196	5.5	20	L-80	BK-HT	1.125	1.2	1.4	1.4
							SI	Values will m	eet or Exceed		

<sup>\*</sup>H2S, water flows, loss of circulation, abnormal pressures, etc.

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

#### 3. Cementing Program

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	0	950	50%
Surface (Tail)	950	1000	100%
Production (Lead)	0	2750	100%
Production (Tail)	2750	9196	25%

Casing String	# Sks	Wt.	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	204	12	2.4	13.48	8:12	Clas C Premium Plus Cement
Surface (Tail)	27	13.2	1.87	9.92	6:59	Clas C Premium Plus Cement
Production (Lead)	287	11.4	2.42	15.29	N/A	Clas C Premium Plus Cement
Production (Tail)	1227	13.2	1.56	9.81	N/A	Clas C Premium Plus Cement

#### 4. Pressure Control Equipment

#### \*Spur Energy Partners LLC variance for flex hose\*

Spur requests a variance to use a flex line from the BOP to the choke manifold. Documentation will be attached in the APD and be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no bends).

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		✓	Tested to:
		5M	Annula	Annular		70% of working pressure
12.25" Hole	13-5/8"		Blind Ra	am	<b>✓</b>	
12.25 Hole	13-3/8	5M	Pipe Ram		✓	250 psi / 3000 psi
			Double Ram			
			Other*			
	13-5/8"	5M	Annula	r	<b>*</b>	70% of working pressure
8.75" Hole		53.6	Blind Ram Pipe Ram Double Ram		✓	
					✓	250: / 2000:
		5M				250 psi / 3000 psi
			Other*			

#### \*Spur Energy Partners LLC will be utilizing a 5M BOP\*

Condition	Specify what type and where?
BH Pressure at deepest TVD	1653 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	109°F

<sup>\*</sup>Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

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

Formation integrity test will be performed per Onshore Order #2.

On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.						
Y Are anchors required by manufacturer?						
A conventional wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days.  See attached schematics.						

#### **5.** BOP Break Testing Request

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as follows:

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill the production section, where the surface casing point is shallower than the 3 Bone Spring or 10,000 TVD.
- When skidding to drill a production section that does not penetrate the 3<sup>rd</sup> Bone Spring or deeper.

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

- 1) The void between the wellhead and the spool (this consists of two tests)
- 2) The spool between the kill lines and the choke manifold (this consists of two tests)

If the kill line is not broken prior to skid, two tests will be performed.

1) The void between the wellhead and the pipe rams

#### 6. Mud Program

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

Depth		Tymo	Weight	Vigogity	Water Loss	
From (ft)	To (ft)	Туре	(ppg)	Viscosity	water Loss	
0	1000	Water-Based Mud	8.6-8.9	32-36	N/C	
1000	9196	Water-Based Mud	8.6-8.9	32-36	N/C	

What will be used to monitor the loss or gain of fluid?	PVT/PASON/Visual Monitoring
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#### 7. Logging and Testing Procedures

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

#### 8. Drilling Conditions

PEX

No

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

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

Total estimated cuttings volume: 829.7 bbls.

#### 9. Other facets of operation

-	Yes/No
Will more than one drilling rig be used for drilling operations? If yes, describe.	Yes
Spur Energy Partners LLC. requests the option to contract a Surface Rig to drill,	
set surface casing, and cement for this well. If the timing between rigs is such that	
Spur Energy Partners LLC. would not be able to preset surface, the Primary Rig	
will MIRU and drill the well in its entirety per the APD. Please see the attached	
document for information on the spudder rig.	

#### Attachments

- \_x\_\_ Directional Plan
- \_x\_\_ H2S Contingency Plan
- \_x\_\_ Akita 57 Attachments
- \_x\_\_ BOP Schematics
- \_x\_\_ Transcend Spudder Rig Attachments

#### 10. Company Personnel

<u>Name</u>	<u>Title</u>	Office Phone	<b>Mobile Phone</b>
Christopher Hollis	D&C Manager	832-930-8629	713-380-7754
Ryan Barber	Senior D&C Engineer	832-930-8502	832-544-9267
Johnny Nabors	EVP Operations	832-930-8502	281-904-8811