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. 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: 1b. Type of Well: Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing Single Zone Multiple Zone 2. Name of Operator 9. API Well No. 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 4. Location of Well (Report location clearly and in accordance with any State requirements.\*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface At proposed prod. zone 14. Distance in miles and direction from nearest town or post office\* 12. County or Parish 13. State 15. Distance from proposed\* 16. No of acres in lease 17. Spacing Unit dedicated to this well location to nearest property or lease line, ft. (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, applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start\* 23. Estimated duration 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 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 25. Signature Name (Printed/Typed) Date Title Approved by (Signature) Name (Printed/Typed) Date Title Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

APPROVED WITH CONDITIONS

\*(Instructions on page 2)

### **INSTRUCTIONS**

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

### NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48( d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

# **Additional Operator Remarks**

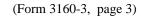
### **Location of Well**

0. SHL: LOT 7 / 327 FSL / 375 FWL / TWSP: 20S / RANGE: 28E / SECTION: 6 / LAT: 32.5961729 / LONG: -104.2245698 ( TVD: 0 feet, MD: 0 feet ) PPP: LOT 1 / 330 FNL / 100 FWL / TWSP: 20S / RANGE: 28E / SECTION: 7 / LAT: 32.594365 / LONG: -104.2254886 ( TVD: 8183 feet, MD: 8981 feet ) PPP: NWNW / 330 FNL / 0 FEL / TWSP: 20S / RANGE: 28E / SECTION: 7 / LAT: 32.5944239 / LONG: -104.2082294 ( TVD: 8660 feet, MD: 14246 feet ) BHL: NENE / 330 FNL / 10 FEL / TWSP: 20S / RANGE: 28E / SECTION: 8 / LAT: 32.5944653 / LONG: -104.1910056 ( TVD: 8660 feet, MD: 19128 feet )

### **BLM Point of Contact**

Name: JANET D ESTES Title: ADJUDICATOR Phone: (575) 234-6233

Email: JESTES@BLM.GOV



# **Review and Appeal Rights**

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



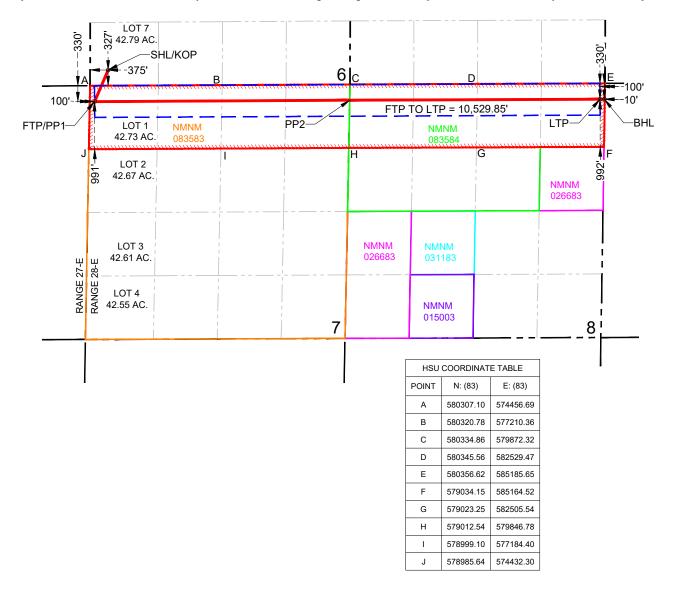
Energy, Minerals						ew Mexico ral Resources Depart TION DIVISION	ment		Revised July 9, 2024			
	Electronically D Permitting	Ý		OIL (	JONSERVA	TION DIVISION			☐ Initial S	ubmittal		
1								Submitta Type:	1 🛛 Amende	ed Report		
Ì								Турс.	☐ As Drill	ed		
					WELL LOCA	ATION INFORMATION	-					
API Nu	umber 30-015-5	7293	Pool Code		73520	Pool Name BURTON FLA	ATS: WOLFC	AMP, NO	ORTH (GAS)			
Propert	ty Code		Property Na				,	Well Number				
OGRII	335843		Operator Na		WALLAB	Y 7 FED COM			Ground Lou	vel Elevation		
OGKIL	3721	65	Operator Na		ERMIAN RESOU	RCES OPERATING, LLC			Ground Lev	3370.58'		
Surface	e Owner: 🗆 S	State 🗆 Fee 🗆	Tribal 🔀 Fed	eral		Mineral Owner:	State  Fee	□ Tribal 🏻	Federal			
					Con	rface Location						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	1	Longitude	County		
7	6	20-S	28-E	Lot	327' S	375' W	32.596		-104.22457	EDDY		
/	0	20-3					32.390	17	-104.22437	EDDY		
UL	Section	Township	Range	Lot	Ft. from N/S	m Hole Location  Ft. from E/W	Latitude		Longitude	County		
A	8	20-S	28-E	Lot	330' N	10' E	32.594		-104.19101	EDDY		
А	0	20-5			330 IV	10 Е	32.374	- 7	-104.17101	LDD1		
Dedica	ited Acres	Infill or Defi	ning Well	Defining	g Well API	Overlapping Spacin	g Unit (Y/N)	Consolida	tion Code			
_	322.61	Defini	ng	Per	nding	Y		C,	0			
Order 1	Numbers.	Pending				Well setbacks are un	nder Common (	Ownership:	¥Yes □No			
					Viole	Off Point (KOP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	1	Longitude	County		
7	6	20-S	28-E	200	327' S	375' W			_	EDDY		
	0	20-3	26-E			Take Point (FTP)	32.596	17	-104.22457	EDD1		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County		
A	7	20-S	28-E		330' N	100' W	32.594	.37	-104.22549	EDDY		
	,					Take Point (LTP)	52.57	<i>3</i> ,	101122313			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County		
A	8	20-S	28-E		330' N	100' E	32.594	46	-104.19130	EDDY		
	1		1		.1	L		· · · · · · · · · · · · · · · · · · ·		1		
Unitize	ed Area or Are	ea of Uniform I	nterest	Spacing	Unit Type X Hor	rizontal   Vertical	Grou	nd Floor Ele	evation:			
						1						
OPER.	ATOR CERT	IFICATIONS				SURVEYOR CERTIF						
my knov organize includin location interest,	wledge and belication either own ag the proposed a pursuant to a c	ef, and, if the well is a working inter bottom hole loca contract with an o	l is a vertical or rest or unleased tion or has a rig owner of a worki	directional v mineral inter tht to drill thi ing interest o	rest in the land	I hereby certify that the v surveys made by me or un my beliefs.	1 (8)	MEXICO	lat was plotted freshe same is true ar			
consent in each	of at least one i tract (in the tar	lessee or owner o	f a working inter ution) in which a	rest or unlea ny part of the g order from	has received the sed mineral interest e well's completed the division. 0/15/2025	(A	harte	ONAL SUR	) Vivie	a		
Signatur		V	Date			Signature and Seal of Profe	essional Surveyor					
Jer	nrifer Elr	od						(				
Printed 1	Name					Certificate Number	Date of Surve	y				
jelro	d@ntglo	obal.com										
Email A						-						

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.

#### 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 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.



SURFACE HOLE LOCATION (SHL) KICK OFF POINT (KOP) NEW MEXICO EAST - NAD 83 X=574832.91 LAT:= 32.59617° N Y=580635.54 LONG.= 104.22457° W NEW MEXICO EAST - NAD 27 X=533652.81 LAT.= 32.59606° N Y=580574.12 LONG.= 104.22406° W 327' FSL, 375' FWL - SECTION 6 FIRST TAKE POINT (FTP)
PENETRATION POINT 1 (PP1)
NEW MEXICO EAST - NAD 83
X=574550.63 LAT.= 32.59437° N
Y=579977.57 LONG.= 104.22549° W
NEW MEXICO EAST - NAD 27
X=533370.52 LAT.= 32.59425° N
Y=579916.16 LONG.= 104.22498° W
330' FNL, 100' FWL - SECTION 7
330' FNL, 100' FWL - LEASE

PENETRATION POINT 2 (PP2) NEW MEXICO EAST - NAD 83 X=579865.95 LAT.= 32.59442° N Y=580004.92 LONG.= 104.20823° W NEW MEXICO EAST - NAD 27 X=538685.83 LAT.= 32.59431° N Y=579943.47 LONG.= 104.20772° W 330' FNL, 0' FEL - SECTION 7 330' FNL, 0' FEL - LEASE

LAST TAKE POINT (LTP)
NEW MEXICO EAST - NAD 83
X=585080.36 LAT.= 32.59446° N
Y=580026.18 LONG.= 104.19130° W
NEW MEXICO EAST - NAD 27
X=543900.23 LAT.= 32.59435° N
Y=579964.69 LONG.= 104.19079° W
330' FNL, 100' FEL - SECTION 8
330' FNL, 100' FEL - LEASE

BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST - NAD 83 X=585170.38 LAT.= 32.59447° N Y=580026.56 LONG.= 104.19101° W NEW MEXICO EAST - NAD 27 X=543990.24 LAT.= 32.59435° N Y=579965.06 LONG.= 104.19050° W 330' FNL, 10' FEL - SECTION 8 330' FNL, 10' FEL - LEASE 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: Colgate O	perating, LI	LC	OGRID: <u>371</u>	449	Date:(	02/24 /2022
II. Type: x Original □	] Amendmer	nt due to □ 19.15.27.9	9.D(6)(a) NMAC	□ 19.15.27.9.D(	6)(b) NMAC □ C	Other.
If Other, please describe	e:					
III. Well(s): Provide the be recompleted from a s					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
Vallaby 7 Fed Com 121H	30-015-	2 – 7 – 20S – 27E	2235 FNL 166 FEL	1700	3400	4400
Vallaby 7 Fed Com 131H	30-015-	2 – 7 – 20S – 27E	2234 FNL 226 FEL	1300	3100	3300
Vallaby 7 Fed Com 201H	30-015-	2 – 7 – 20S – 27E	2235 FNL 136 FEL	1300	2400	1900
Vallaby 7 Fed Com 122H	30-015-	2 – 7 – 20S – 27E	2235 FNL 196 FEL	1700	3400	4400
Vallaby 7 Fed Com 132H	30-015-	2 – 7 – 20S – 27E	2234 FNL 256 FEL	1300	3100	3300
Vallaby 7 Fed Com 123H	30-015-	3 – 7 – 20S – 27E	387 FSL 375 FWL	1700	3400	4400
Vallaby 7 Fed Com 133H	30-015-	3 – 7 – 20S – 27E	447 FSL 375 FWL	1300	3100	3300
Wallaby 7 Fed Com 202H	30-015-	2 – 7 – 20S – 27E	507 FSL 375 FWL	1300	2400	1900
Vallaby 7 Fed Com 134H	30-015-	3 – 7 – 20S – 27E	417 FSL 375 FWL	1300	3100	3300
Vallaby 7 Fed Com 124H	30-015-	3 – 7 – 20S – 27E	357 FSL 375 FWL	1700	3400	4400
Vallaby 7 Fed Com 203H	30-015-	3 – 7 – 20S – 27E	477 FSL	1300	2400	1900
Wallaby 7 Fed Com 203H  IV. Central Delivery P			477 FSL 375 FWL	1300		9.15.27.9(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

TD ReachedDate

06/01/2022 (Estimated)

06/01/2022 (Estimated)

06/01/2022 (Estimated)

Completion

Not Yet Scheduled

Not Yet Scheduled

Not Yet Scheduled

Date

Commencement

**Initial Flow** 

**Back Date** 

Not Yet Scheduled

Not Yet Scheduled

Not Yet Scheduled

First

Productio

nDate

Not Yet Scheduled

Not Yet Scheduled

Not Yet Scheduled

proposed to be recompleted from a single well pad or connected to a central delivery point.

Spud Date

05/01/2022 (Estimated)

05/01/2022 (Estimated)

05/01/2022 (Estimated)

API

Well Name

Wallaby 7 Fed Com 131H

Wallaby 7 Fed Com 121H 30-015-

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Wallaby 7 Fed Com 122H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 132H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 123H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 133H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 202H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 134H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 124H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled
Wallaby 7 Fed Com 203H	30-015-	05/01/2022 (Estimated)	06/01/2022 (Estimated)	Not Yet Scheduled	Not Yet Scheduled	Not Yet Scheduled

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

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# Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

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

X 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	<b>Production:</b>
-----	-------------	---------	-----	--------------------

	1									
W	ell	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF						
X. Natural Gas Ga	thering System (NG	GS):								
Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in						
the segment or porti  XII. Line Capacity  production volume	on of the natural gas  The natural gas gat from the well prior to	gathering system(s) to vehering system  will to the date of first produce	which the well(s) will be com	em(s), and the maximum daily capacity of nected. gather 100% of the anticipated natural gas ted to the same segment, or portion, of the						
				line pressure caused by the new well(s).						
☐ Attach Operator'	s plan to manage pro	duction in response to the	he increased line pressure.							
Section 2 as provide	ed in Paragraph (2) of		.27.9 NMAC, and attaches a f	SA 1978 for the information provided in full description of the specific information						

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# Section 3 - Certifications Effective May 25, 2021

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

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

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

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

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

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

## **Section 4 - Notices**

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- **(b)** Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

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

Signature: Attack
Printed Name: Mikah Thomas
Title: Operations Tech
E-mail Address: mthomas@colgateenergy.com
Date: 03.17.2022
Phone: 432-695-4272
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Permian Resources Operating, LLC (372165)

### **Natural Gas Management Plan Descriptions**

### **VI. Separation Equipment:**

Permian utilizes a production forecast from our Reservoir Engineering team to appropriately size each permanent, 3-phase separator and heater treater utilized for production operations. Our goal is to maintain 5 minutes of retention time in the test vessel and 20 minutes in the heater treater at peak production rates. The gas produced is routed from the separator to the gas sales line.

### **VII. Operational Practices:**

## Drilling

During Permian's drilling operations it is uncommon for venting or flaring to occur. If flaring is needed due to safety concerns, gas will be routed to a flare and volumes will be estimated.

### **Flowback**

During completion/recompletion flowback operations, after separation flowback begins and as soon as it is technically feasible, Permian routes gas though a permanent separator and the controlled facility where the gas is either sold or flared through a high-pressure flare if needed.

#### Production

Per 19.15.27.8.D, Permian's facilities are designed to minimize waste. Our produced gas will only be vented or flared in an emergency or malfunction situation, except as allowed for normal operations noted in 19.15.27.8.D(2) & (4). All gas that is flared is metered. All gas that may be vented will be estimated.

### Performance Standards

Permian utilizes a production forecast from our Reservoir Engineering team to appropriately size each permanent, 3-phase separator and heater treater utilized for production operations.

All of Permian's permanent storage tanks associated with production operations which are routed to a flare or control device are equipped with an automatic gauging system.

All of Permian's flare stacks, both currently installed and for future installation, are:

- 1) Appropriately sized and designed to ensure proper combustion efficiency.
- 2) Equipped with an automatic ignitor or continuous pilot.
- 3) Anchored and located at least 100 feet from the well and storage tanks.

Permian's field operations and HSE teams have implemented an AVO inspection schedule that adheres to the requirements of 19.15.27.8.E(5).

All of our operations and facilities are designed to minimize waste. We routinely employ the following methods and practices:

- Closed-loop systems
- Enclosed and properly sized tanks

### Permian Resources Operating, LLC (372165)

- Vapor recovery units to maximize recovery of low-pressure gas streams and potential unauthorized emissions
- Low-emitting or electric engines whenever practical
- Combustors and flare stacks in the event of a malfunction or emergency
- Routine facility inspections to identify leaking components, functioning control devices, such as flares and combustors, and repair / replacement of malfunctioning components where applicable

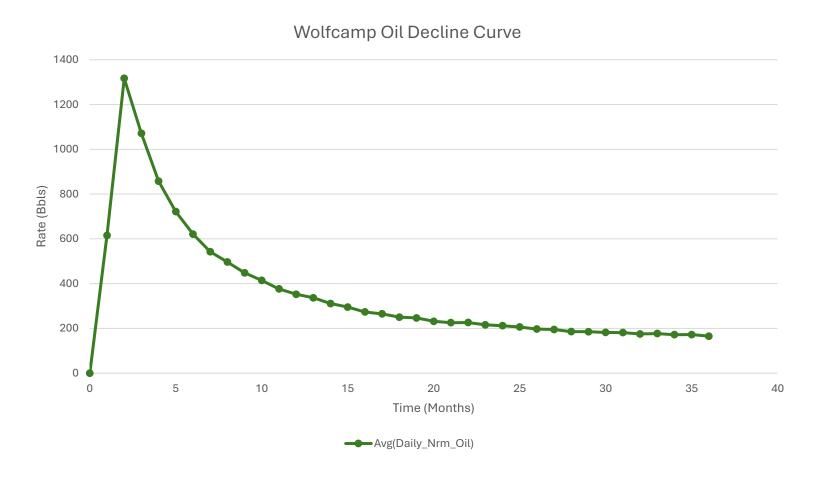
#### Measurement or estimation

Permian measures or estimates the volumes of natural gas vented, flared and/or beneficially used for all of our drilling, completing and producing wells. We utilize accepted industry standards and methodology which can be independently verified. Annual GOR testing is completed on our wells and will be submitted as required by the OCD. None of our equipment is designed to allow diversion around metering elements except during inspection, maintenance and repair operations.

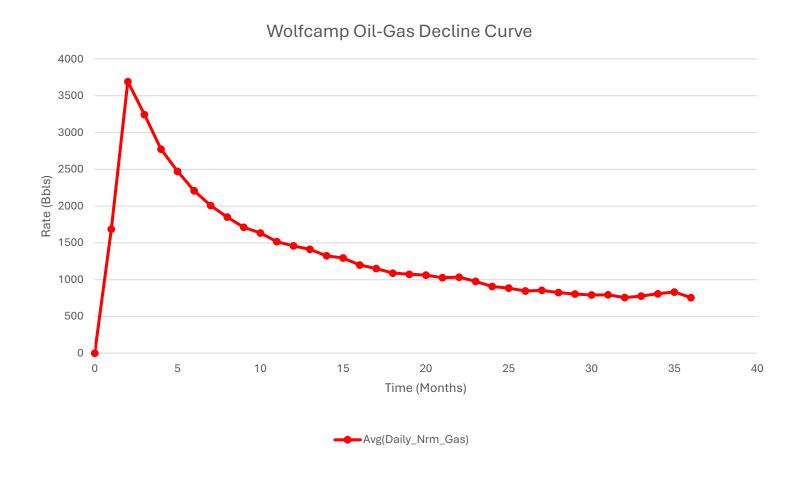
### **VIII. Best Management Practices:**

Permian utilizes the following BMPs to minimize venting during active and planned maintenance activities:

- Use a closed-loop process wherever possible during planned maintenance activities, such as blowdowns, liquid removal, and work over operations.
- Employ low-emitting or electric engines for equipment, such as compressors
- Adhere to a strict preventative maintenance program which includes routine facility inspections, identification of component malfunctions, and repairing or replacing components such as hatches, seals, valves, etc. where applicable
- Utilize vapor recovery units (VRU's) to maximize recovery of volumes of low-pressure gas streams and potential unauthorized emissions
- Route low pressure gas and emissions streams to a combustion device to prevent venting where necessary



- 1. Represented curve is generic based on 3-Years available information for the Bone Spring formation and may not be representative of forecasted production or actual volumes.
- 2. Decline curves are based on an average 10,000ft lateral length. Multiple factors may influence production and decline curves, including but not limited to: lateral length and completion type.



- 1. Represented curve is generic based on 3-Years available information for the Bone Spring formation and may not be representative of forecasted production or actual volumes.
- 2. Decline curves are based on an average 10,000ft lateral length. Multiple factors may influence production and decline curves, including but not limited to: lateral length and completion type.



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

# Drilling Plan Data Report

Operator Name: CENTENNIAL RESOURCE PRODUCTION LLC

Well Name: WALLABY 7 FED COM Well Number: 200H

Well Type: OIL WELL Well Work Type: Drill

Highlighted data reflects the most recent changes

**Show Final Text** 

# **Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
14550124	RUSTLER	3148	200	200	SANDSTONE	USEABLE WATER	N
14550125	TOP SALT	2848	300	300	ANHYDRITE, SALT	NONE	N
14550137	TANSILL	2548	600	600	SHALE	NATURAL GAS, OIL	N
14550128	YATES	2409	739	739	SHALE	NATURAL GAS, OIL	N
14550129	SEVEN RIVERS	2013	1135	1135	SANDSTONE, SHALE	NATURAL GAS, OIL	N
14550126	CAPITAN REEF	808	2340	2340	ANHYDRITE, SALT	NONE	N
14550127	DELAWARE SAND	278	2870	2870	SANDSTONE	NATURAL GAS, OIL	N
14550134	BONE SPRING LIME	-1302	4450	4450	SANDSTONE	NATURAL GAS, OIL	N
14550138	FIRST BONE SPRING SAND	-2912	6060	6060	SANDSTONE, SHALE	NATURAL GAS, OIL	N
14550139	BONE SPRING 2ND	-3872	7020	7020	SANDSTONE	NATURAL GAS, OIL	N
14550140	BONE SPRING 3RD	-5002	8150	8150	SANDSTONE	NATURAL GAS, OIL	N
14550123		-5372	8520	8520	SHALE	NATURAL GAS, OIL	Y

## **Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M Rating Depth: 8760

**Equipment:** BOPE with working pressure ratings in excess of anticipated maximum surface pressure will be utilized for well control from drill out of surface casing to TMD. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested. All BOPE connections shall be flanged, welded or clamped. All choke lines shall be straight unless targeted with running tees or tee blocks are used, and choke lines shall be anchored to prevent whip and reduce vibrations. All valves in the choke line & the choke manifold shall be full opening as to not cause restrictions and to allow for straight fluid paths to minimize potential erosion. All

Well Name: WALLABY 7 FED COM Well Number: 200H

gauges utilized in the well control system shall be of a type designed for drilling fluid service. A top drive inside BOP valve will be utilized at all times. Subs equipped with full opening valves sized to fit the drill pipe and collars will be available on the rig floor in the open position. The key to operate said valve equipped subs will be on the rig floor at all times. The accumulator system will have sufficient capacity to open the HCR and close all three sets of rams plus the annular preventer while retaining at least 300 psi above precharge on the closing manifold (accumulator system shall be capable of doing so without using the closing unit pumps). The fluid reservoir capacity will be double the usable fluid volume of the accumulator system capacity, and the fluid level will be maintained at the manufacturer's recommended level. Prior to connecting the closing unit to the BOP stack, an accumulator precharge pressure test shall be performed to ensure the precharge pressure is within 100 psi of the desired precharge pressure (only nitrogen gas will be used to precharge). Two independent power sources will be made available at all times to power the closing unit pumps so that the pumps can automatically start when the closing valve manifold pressure has decreased to the preset level. Closing unit pumps will be sized to allow opening of HCR and closing of annular preventer on 5" drill pipe achieving at least 200 psi above precharge pressure with the accumulator system isolated from service in less than two minutes. A valve shall be installed in the closing line as close to the annular preventer as possible to act as a locking device; the valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative. Remote controls capable of opening and closing all preventers & the HCR shall be readily accessible to the driller; master controls with the same capability will be operable at the accumulator. The wellhead will be a multibowl speed head allowing for hangoff of intermediate casing & isolation of the 133/8 x 95/8 annulus without breaking the connection between the BOP & wellhead to install an additional casing head. A wear bushing will be installed & inspected frequently to guard against internal wear to wellhead. VBRs (variable bore rams) will be run in upper rambody of BOP stack to provide redundancy to annular preventer while RIH w/ production casing;

### Requesting Variance? YES

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

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

### **Choke Diagram Attachment:**

Michelada5MChokeDiagram\_20230426152919.pdf

### **BOP Diagram Attachment:**

5M\_BOP\_20240401121054.pdf

Well Name: WALLABY 7 FED COM Well Number: 200H

# **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	225	0	225	3371	3146	225	J-55		OTHER - BTC	10.1 7	4.56	DRY	8.1	DRY	7.6
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	2820	0	2820	3758	551	2820	J-55		OTHER - BTC	2.64	1.58	DRY	3.17	DRY	2.8
3	PRODUCTI ON	8.75	5.5	NEW	API	N	0	8981	0	8660	3371	-5289	8981	OTH ER		OTHER - GEOCONN	1.66	1.73	DRY	2.21	DRY	2.21
4	PRODUCTI ON	7.87 5	5.5	NEW	API	N	8981	19128	8660	8660	-5289	-5289	10147	OTH ER		OTHER - GEOCONN	1.66	1.66	DRY	2.21	DRY	2.21

# **Casing Attachments**

Casing ID: 1 String SURFACE

**Inspection Document:** 

**Spec Document:** 

**Tapered String Spec:** 

Casing Design Assumptions and Worksheet(s):

 $Casing\_Design\_Assumptions\_20230428154612.pdf$ 

Operator Name: CENTENNIAL RESOURCE PRODUCTION LLC Well Name: WALLABY 7 FED COM Well Number: 200H **Casing Attachments** Casing ID: 2 String **INTERMEDIATE Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Casing\_Design\_Assumptions\_20230428154651.pdf Casing ID: 3 String **PRODUCTION Inspection Document: Spec Document: Tapered String Spec:** Casing Design Assumptions and Worksheet(s): Casing\_Design\_Assumptions\_20230428154750.pdf Wallaby\_7\_Fed\_Com\_200H\_Prod\_Csg\_Spec\_Sheet\_20230428154819.pdf Casing ID: 4 **PRODUCTION** String **Inspection Document: Spec Document: Tapered String Spec:** 

**Section 4 - Cement** 

Casing Design Assumptions and Worksheet(s):

Well Name: WALLABY 7 FED COM Well Number: 200H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	0	0	0	0	0	0	0	0
SURFACE	Tail		0	225	180	1.34	14.8	240	50	Class C	Accelerator
INTERMEDIATE	Lead		0	2250	500	2.08	12.7	1040	50	Class C	EconoCem-HLC +5% Salt +5% Kol-Seal
INTERMEDIATE	Tail		2250	2820	210	1.34	14.8	270	50	Class C	Retarder
PRODUCTION	Lead		2320	8232	860	2.41	11.5	2440	40	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
PRODUCTION	Tail		8232	1912 8	1420	1.73	12.5	2440	25	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
PRODUCTION	Lead		2320	8232	860	2.41	11.5	2050	40	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
PRODUCTION	Tail		8232	1912 8	1420	1.73	12.5	2440	25	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder

# **Section 5 - Circulating Medium**

Mud System Type: Closed

Will an air or gas system be Used? NO

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

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

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

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

# **Circulating Medium Table**

Well Name: WALLABY 7 FED COM Well Number: 200H

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	225	WATER-BASED MUD	8.6	9.5							
8981	1912 8	OIL-BASED MUD	9	10							
2820	8981	OTHER : Brine	9	10							
225	2820	SALT SATURATED	10	10							

# **Section 6 - Test, Logging, Coring**

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

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

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

DIRECTIONAL SURVEY, GAMMA RAY LOG,

Coring operation description for the well:

N/A

# **Section 7 - Pressure**

Anticipated Bottom Hole Pressure: 4510 Anticipated Surface Pressure: 2604

Anticipated Bottom Hole Temperature(F): 143

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

Colgate\_H2S\_Contingency\_Plan\_20230428154018.pdf

Well Name: WALLABY 7 FED COM Well Number: 200H

## **Section 8 - Other Information**

### Proposed horizontal/directional/multi-lateral plan submission:

Wallaby\_7\_Fed\_Com\_200H\_PWP0\_20230428154147.pdf

Wallaby\_7\_Fed\_Com\_200HPWP0\_\_\_AC\_Summary\_20230428154154.pdf

### Other proposed operations facets description:

Please see attached Drilling pla including multi-bowl diagram and procedure, proposed WBD, and casing connection data sheet. We also plan to batch drill this well along with offline cementing, see details under variance request below. Permian Resources Operating, LLC requests to use a flex hose on H&P choke manifold for this well. The Flex Hose specifications are attached below.

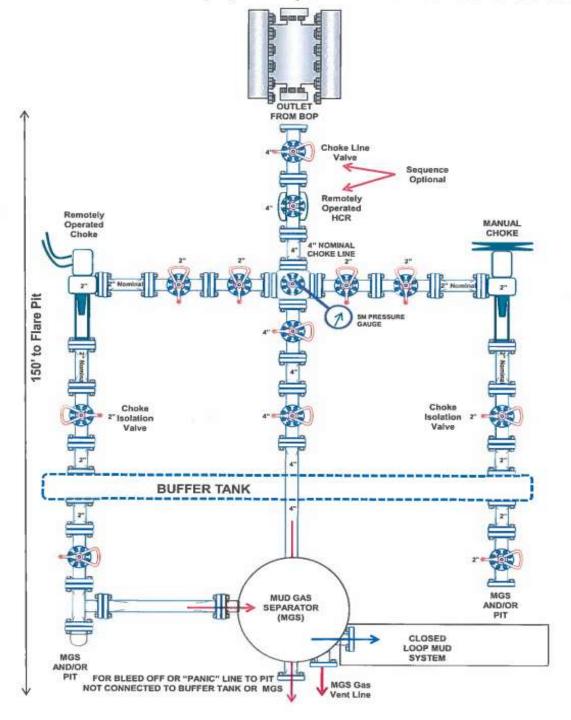
## Other proposed operations facets attachment:

Wallaby\_7\_Fed\_Com\_200H\_Drilling\_Packet\_20230428154204.pdf

### Other Variance attachment:

Batch\_\_\_Offline\_Cement\_variance\_20230421152735.pdf Choke\_\_\_Flex\_Hose\_Variance\_20230421152544.pdf

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





CONTITECH RUBBER No:QC-DB- 210/ 2014 Industrial Kft. Page: 9 / 113

QU	ALITY CON N AND TES		ATE		CERT.	V*:	504	
PURCHASER:	ContiTech	Oil & Marine (	Corp.		P.O. Nº	į (š	450040965	9
CONTITECH RUBBER order	Nº: 538236	HOSE TYPE:	3*	ID:		Choke and	Kill Hose	
HOSE SERIAL Nº:	67255	NOMINAL / AC	TUAL L	ENGTH		10,67 m	/ 10,77 m	
W.P. 68,9 MPa	10000 psi	T.P. 103,4	MPa	1500	00 pei	Duration:	60	min
12000	lin. IPs	See attachm	ent. (	l page	))			
COUPLINGS 1	Гуре	Seria	e Nº		c	lubity	Heat	No.
3" coupling w	rith:	9251	925	4	AIS	31 4130	A0578	iN
4 1/16" 10K API b.w.	Flange end				Alt	31 4130	03560	88
Not Designed  All metal parts are flawless we certify that the abo	James School States		DETO NA A	ccoss	INCE INT	Temp	PI Spec 16 erature rat	te:"B"
WE CERTIFY THAT THE ABC INSPECTED AND PRESSURE STATEMENT OF CONFORMI conditions and openications accordance with the reference	TESTED AS ABO TY: We hereby of the above Puro I standards, codes	OVE WITH SATISFI certify that the aborthaser Order and to	ve demoi hat these and med	equipme femsie the relev	nt supplied quipment vant accep	t by us are in o	onformity with the	te terms,
				- Control				ments.

Contributive Multiple Multiple III. I Suppose at 10: 44 8729 Elegant | H. 6707 P.O. Nov. 162 Elegant | H. 4707 P.O. Nov. 162 E

# Permian Resources - Wallaby 7 Fed Com 200H

# 1. Geologic Formations

Formation	Elevation	TVD	Target
Rustler	-3201	200	No
Top of Salt	-3101	300	No
Capitan	-1061	2340	No
Tansill	-2801	600	No
Yates	-2662	739	No
Seven Rivers	-2266	1135	No
Queen	-1771	1630	No
Grayburg	-1521	1880	No
San Andres	-841	2560	No
Delaware Sands	-531	2870	No
Bone Spring Lime	1049	4450	No
1st Bone Spring Sand	2659	6060	No
2nd Bone Spring Sand	3619	7020	No
3rd Bone Spring Sand	4749	8150	No
Wolfcamp	5119	8520	Yes

## 2. Blowout Prevention

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		x	Tested to:		
			Annular		Х	2500 psi		
			Blind Ram Pipe Ram Double Ram		Х			
12.25	13-5/8"	5M			<u> </u>		Х	5000 psi
								Sooo psi
			Other*					
			Anr	nular	Х	2500 psi		
			Blind	Ram	Х			
8.75	13-5/8"	5M	Pipe	Ram	Х	5000 poi		
				Double Ram			5000 psi	
			Other*					

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

#### **Requesting Variance?** YES

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

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

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

Permian Resources Operating, LLC will utilize a Closed Loop System while drilling.

### 3. Casing

String	Hole Size	Casing Size	Тор	Bottom	Тор ТVD	Bottom TVD	Length	Grade	Weight	Connection	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
Surface	17.5	13.375	0	225	0	225	225	J55	54.5	втс	10.17	4.56	Dry	8.10	Dry	7.60
Intermediate	12.25	9.625	0	2820	0	2820	2820	J55	36	ВТС	2.64	1.58	Dry	3.17	Dry	2.80
Production	8.75	5.5	0	8981	0	8660	8981	P110RY	17	GeoConn	1.66	1.73	Dry	2.21	Dry	2.21
Production	7.875	5.5	8981	19128	8660	8660	10147	P110RY	17	GeoConn	1.66	1.73	Dry	2.21	Dry	2.21
								BLM Mi	n Safe	ety Factor	1.125	1		1.6		1.6

Non API casing spec sheets and casing design assumptions attached.

#### 4. Cement

String	Lead/Tail	Тор МБ	Bottom MD	Quanity (sx)	Yield	Density	Cu Ft	Excess %	Cement Type	Additives
Surface	Tail	0	225	180	1.34	14.8	240	50%	Class C	Accelerator
Intermediate	Lead	0	2250	500	2.08	12.7	1040	50%	Class C	Salt, Extender, and LCM
Intermediate	Tail	2250	2820	210	1.34	14.8	270	50%	Class C	Accelerator
Production	Lead	2320	8232	860	2.41	11.5	2050	40%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder
Production	Tail	8232	19128	1420	1.73	12.5	2440	25%	Class H	POZ, Extender, Fluid Loss, Dispersant, Retarder

### 5. Circulating Medium

Mud System Type: Closed

Will an air or gas system be used: No

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

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

**Cuttings Volume: 8510 Cu Ft** 

### **Circulating Medium Table**

Top Depth	Bottom Depth	Mud Type	Min Weight	Max Weight
0	225	Water Based Mud	8.6	9.5
225	2820	Salt Saturated	10	10
2820	8981	Brine	9	10
8981	19128	OBM	9	10

## 6. Test, Logging, Coring

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

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

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

DIRECTIONAL SURVEY, GAMMA RAY LOG,

Coring operation description for the well:

N/A

### 7. Pressure

Anticipated Bottom Hole Pressure	4510	psi
Anticipated Surface Pressure	2598	psi
Anticipated Bottom Hole Temperature	143	°F
Anticipated Abnormal pressure, temp, or geo hazards	No	

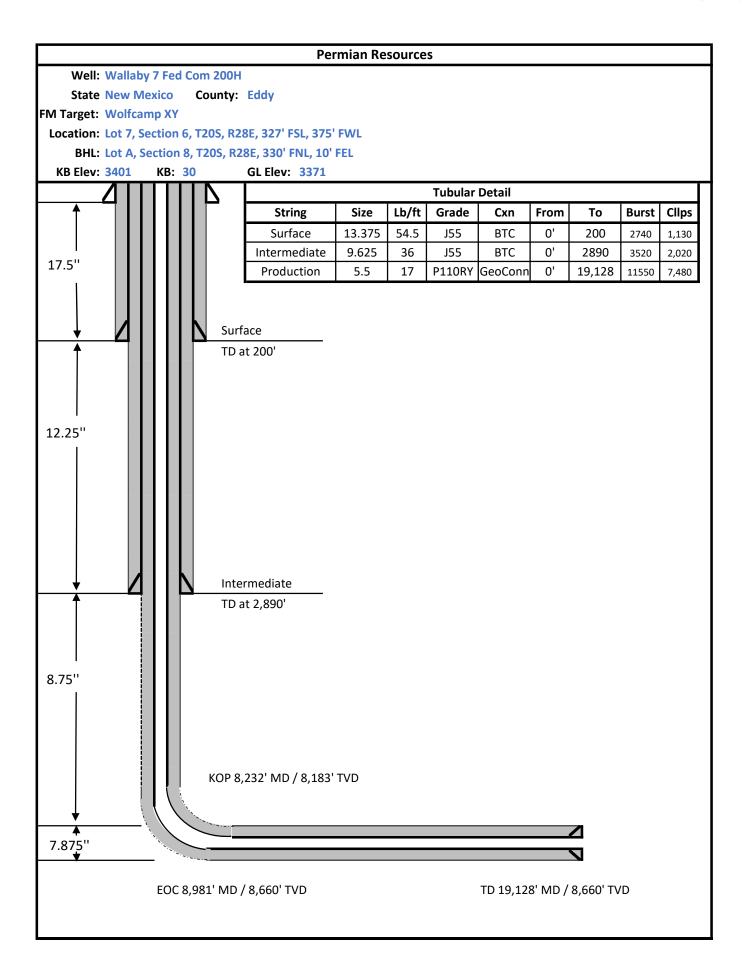
#### 8. Other Information

Well Plan and AC Report: attached Batching Drilling Procedure: attached

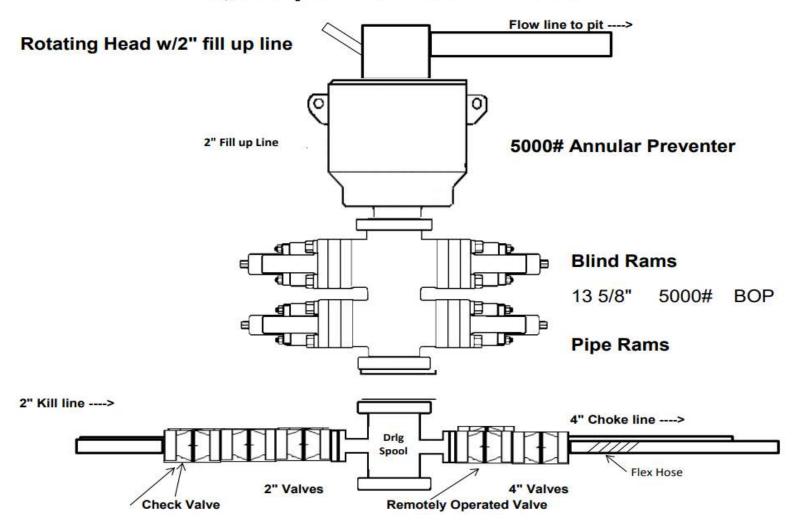
WBD: attached

Flex Hose Specs: attached

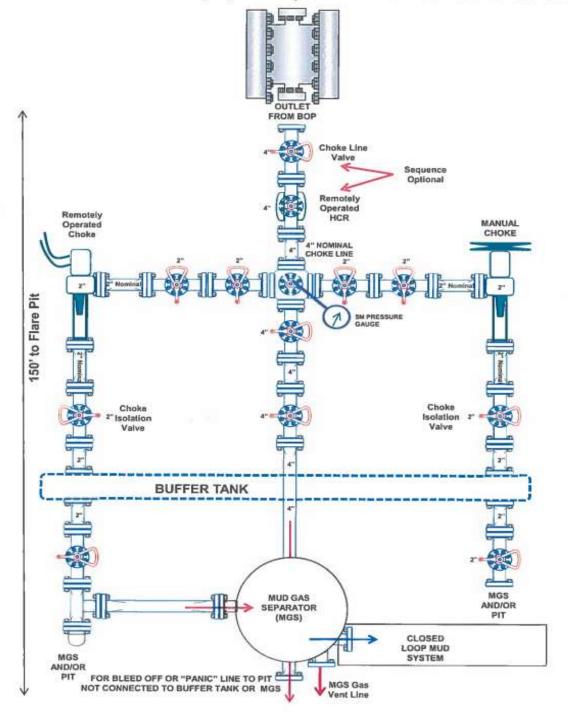
Offline Cementing Procedure Attached:



# 5,000 psi BOP Schematic



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





CONTITECH RUBBER No:QC-DB- 210/ 2014 Industrial Kft. Page: 9 / 113

INSPECTIO	ALITY CON N AND TES		CERT, Nº: 504					
PURCHASER:	ContiTech	Oil & Marine Co	orp.		P.O. N°:		4500409659	
CONTITECH RUBBER order	Nº: 538236	HOSETYPE: 3" ID			Choke and Kill Hose			
HOSE SERIAL Nº:	67255	NOMINAL / ACTU	IGTH:	10,67 m / 10,77 m				
W.P. 68,9 MPa	MPs 10000 psi T.P. 103,4 MPs 15000		) pel	Duration:	60	min		
	ğ	See attachmer	nt. (1)	page	)			
NORTH RECEIPT	lin. IPs							
100000000000000000000000000000000000000	IPs .	Serial N	4-	_	0	unity.	Heat	Nº
→ 10 mm = 20 M	IPs Type	Serial N 9251	9254			luelity SI 4130	Heat A057	
→ 10 mm = 20 M COUPLINGS 1	tPs Type vith	0.015070.5			AIS		11000	SN
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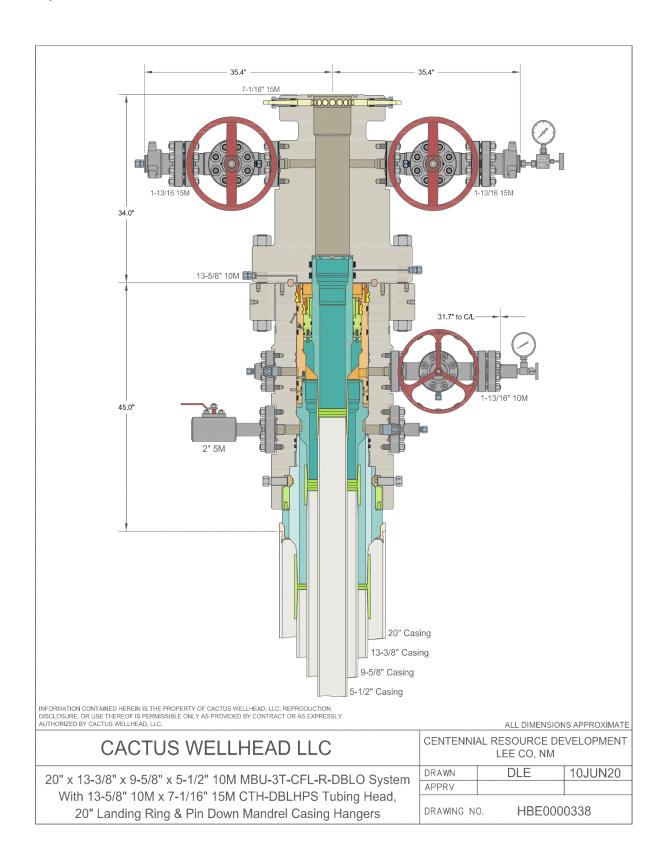
15 / 113 Page:

ContiTech

### **Hose Data Sheet**

CRI Order No.	538236
Customer	ContiTech Oil & Marine Corp.
Customer Order No	4500409659
Item No.	1
Hose Type	Flexible Hose
Standard	API SPEC 16 C
Inside dia in inches	3
Length	35 ft
Type of coupling one end	FLANGE 4.1/16" 10K API SPEC 6A TYPE 6BX FLANGE C/W BX 156 R.GR.SOUR
Type of coupling other end	FLANGE 4.1/16* 10K API SPEC 6A TYPE 6BX FLANGE CAV BX155 R.GR.SOUR
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psi
Test Pressure	15 000 psi
Safety Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St.steel outer wrap
Internal stripwound tube	No
Lining	OIL + GAS RESISTANT SOUR
Safety clamp	No
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
Min. Bend Radius operating [m]	0,90
Min. Bend Radius storage [m]	0,90
Electrical continuity	The Hose is electrically continuous
Type of packing	WOODEN CRATE ISPM-15

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### Permian Resources Casing Design Criteria

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

### Casing Design Assumptions:

### Surface

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

### Intermediate I

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

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

#### Intermediate or Intermediate II

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

#### Production

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

# Permian Resources Multi-Well Pad Batch Drilling Procedure

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

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

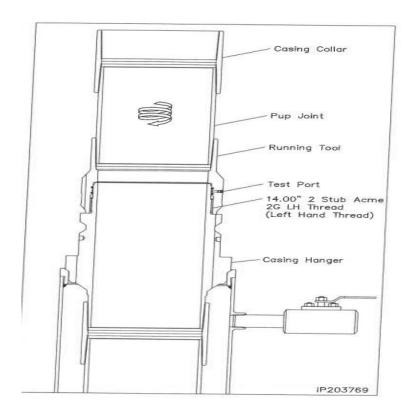
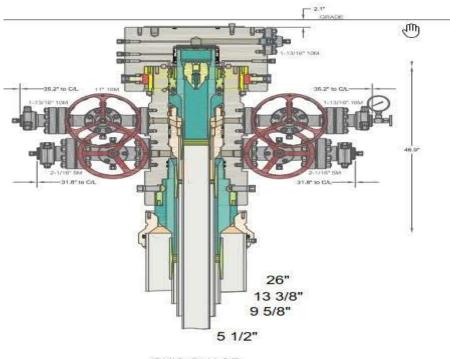


Illustration 1-1

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

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



SKID PHASE

Illustration 2-2

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

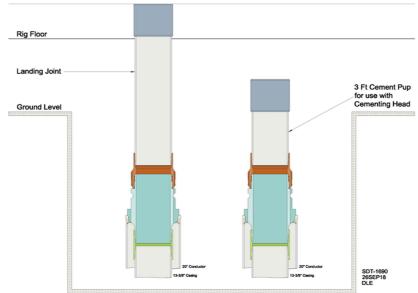
- 1. Big Rig will remove the nightcap and install and test BOPE.
- 2. Install wear bushing then drill Intermediate shoe-track plus 20' and conduct FIT to minimum MW equivalent to control the formation pressure to TD of well.
- 3. Drill Vertical hole to KOP Trip out for Curve BHA.
- 4. Drill Curve, landing in production interval Trip for Lateral BHA.
- 5. Drill Lateral / Production hole to Permitted BHL, perform cleanup cycles and trip out to run 51/2" Production Casing.
- 6. Remove wear bushing then run 5-1/2" production casing to TD landing casing mandrel in wellhead.
- 7. Cement 5-1/2" Production string with floats holding.
- 8. Run in with wash tool and wash wellhead area install pack-off and test void to 5,000psi for 15 minutes.
- 9. Install BPV in 5-1/2" mandrel hanger Nipple down BOPE and install nightcap.
- 10. Test nightcap void to 5,000psi for 30 minutes per illustration 2-2
- 11. Skid rig to adjacent well on pad to drill production hole.

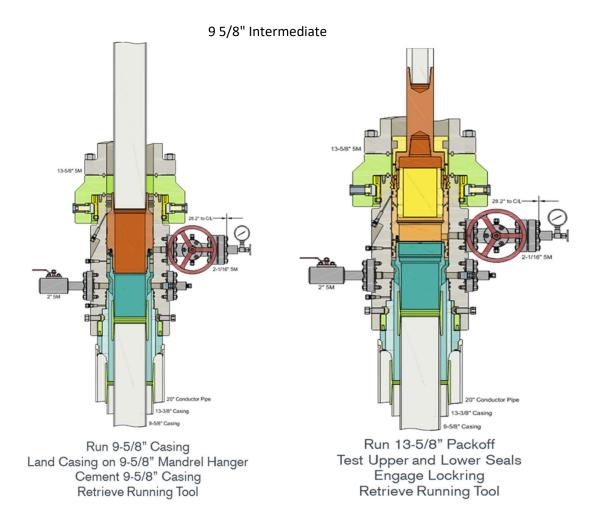
# Permian Resources Offline Cementing Procedure 13-3/8" & 9-5/8" Casing

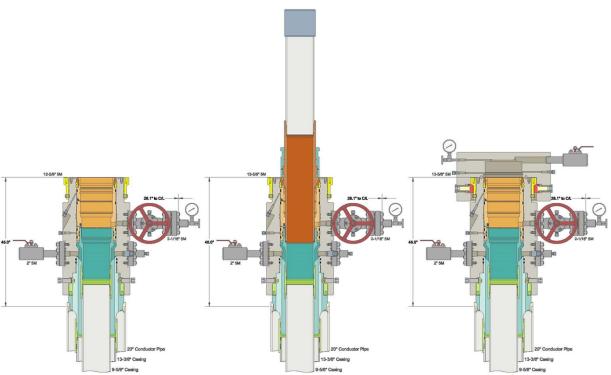
- 1. Drill hole to Total Depth with Rig and perform wellbore cleanup cycles.
- 2. Run and casing to Depth.
- 3. Land casing with mandrel.
- 4. Circulate 1.5 csg capacity.
- 5. Flow test Confirm well is static and floats are holding.
- 6. Set Annular packoff and pressure test. Test to 5k.
- 7. Nipple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

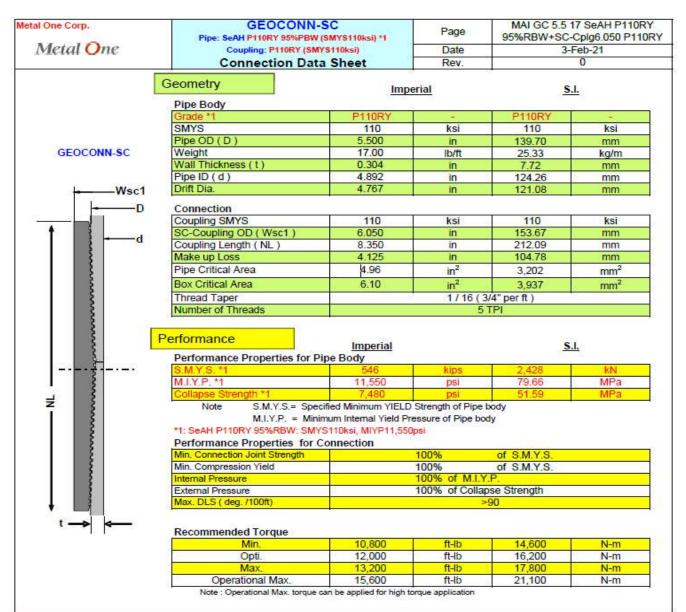
#### 13 3/8" Surface

### **CFL Off-Line Cementing Tool**









Legal Notice

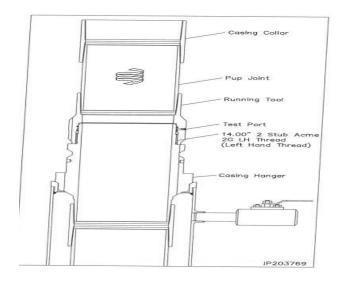
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Statements regarding the suitability of products for certain types of applications are based on Metal One's knowledge of typical requirements that are often placed on Metal One products in standard well configurations. Such statements are not binding statements about the suitability of products for a particular application. It is the customer's responsibility to validate that a particular product with the properties described in the product specification is suitable for use in a particular application. The products described in this Connection Data Sheet are not recommended for use in deep water offshore applications. For more information, please refer to <a href="http://www.mito.co.jp/mo-con/">http://www.mito.co.jp/mo-con/</a> Inages/fop/Website Terms. Active 20333287 1.pdf the contents of which are incorporated by reference into this Connection Data Sheet.

# Permian Resources Multi-Well Pad Batch Drilling & Off Line Cement Procedure

<u>20" Surface Casing</u> - PR intends to Batch set and offline cement all 20" casing to a depth approved in the APD. 24" Surface Holes will be batch drilled by a big rig. Appropriate notifications will be made prior to spudding the well, running, and cementing casing and prior to skidding to the rig to the next well on pad.

- 1. Drill 24" Surface hole to Approved Depth with Surface Preset Rig and perform wellbore cleanup cycles. Trip out and rack back drilling BHA.
- 2. Run casing with Cactus Multibowl system, with 32" baseplate supported by both 30" Conductor.
- 3. Circulate 1.5 csg capacity.
- 4. Flow test Confirm well is static.
- 5. Install cap flange.
- 6. Skid rig to next well on pad
- 7. Remove cap flange (confirm well is static before removal)
  - a) If well is not static use the casing outlet valves to kill well
  - b) Drillers method will be used in well control event
  - c) High pressure return line will be rigged up to lower casing valve and run to choke manifold to control annular pressure
  - d) Kill mud will be circulated once influx is circulated out of hole
  - e) Confirm well is static and remove cap flange to start offline cement operations
- 8. Install offline cement tool.
- 9. Rig up cementers.
- 10. Circulate bottoms up with cement truck
- 11. Commence planned cement job, take returns through the annulus wellhead valve
- 12. After plug is bumped confirm floats hold and well is static
- 13. Perform green cement casing test.
  - a) Test Surface casing (.22 psi/ft or 1500 psi whichever is greater) not to exceed 70% casing burst.
- 14. Rig down cementers and equipment
- 15. Install night cap with pressure gauge to monitor.

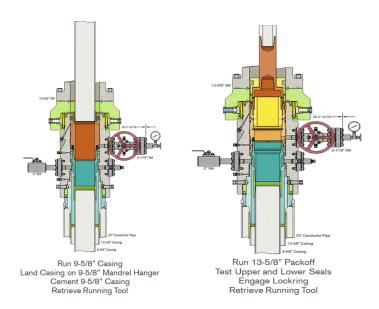


<u>Intermediate 1 Casing</u> – PR intends to Batch set all intermediate 1 casing strings to a depth approved in the APD, typically set into end of salts. Appropriate notifications will be made prior Testing BOPE, and prior to running/cementing all casing strings.

Rig will remove the nightcap and install and test BOPE (testing will be performed on the first intermediate 1 as per requested break testing variance).

Install wear bushing then drill out 20" shoe-track.

- 1. Drill 17.5" Intermediate 1 hole to approved casing point. Trip out of hole with BHA to run Casing.
- 2. Remove wear bushing then run and land Intermediate 13 3/8" 54.5# J-55 BTC casing with mandrel hanger in wellhead.
- 3. Flow test Confirm well is static.
- 4. Set Annular packoff and pressure test. Test to 5k.
- 5. Install BPV, Nipple down BOP and install cap flange.
- 6. Skid rig to next well on pad
- 7. Remove cap flange (confirm well is static before removal)
  - a) If well is not static use the casing outlet valves to kill well
  - b) Drillers method will be used in well control event
  - c) High pressure return line will be rigged up to lower casing valve and run to choke manifold to control annular pressure
  - d) Kill mud will be circulated once influx is circulated out of hole
  - e) Confirm well is static and remove cap flange to start offline cement operations
- 8. Install offline cement tool.
- 9. Rig up cementers.
- 10. Circulate bottoms up with cement truck
- 11. Commence planned cement job, take returns through the annulus wellhead valve
- 12. After plug is bumped confirm floats hold and well is static
- 13. Perform green cement casing test.
  - Test casing (.22 psi/ft or 1500 psi whichever is greater) not to exceed 70% casing burst.
- 14. Rig down cementers and equipment
- 15. Install night cap with pressure gauge to monitor.



<u>Intermediate 2 Casing</u> – PR intends to Batch set all intermediate 2 casing strings to a depth approved in the APD, typically set into Captain past losses. Appropriate notifications will be made prior Testing BOPE, and prior to running/cementing all casing strings.

- 1. Rig will remove the nightcap and install and test BOPE (testing will be performed on the first intermediate 2 as per requested break testing variance).
- 2. Install wear bushing then drill out 13-3/8" shoe-track.
- 3. Drill Intermediate 12.25" hole to approved casing point. Trip out of hole with BHA to run Casing.
- 4. Remove wear bushing then run and land Intermediate 9.625" 40# J-55 BTC casing with mandrel hanger in wellhead.
- 5. Flow test Confirm well is static.
- 6. Set Annular packoff and pressure test. Test to 5k.
- 7. Install BPV, Nipple down BOP and install cap flange.
- 8. Skid rig to next well on pad
- 9. Remove cap flange (confirm well is static before removal)
  - a) If well is not static use the casing outlet valves to kill well
  - b) Drillers method will be used in well control event
  - c) High pressure return line will be rigged up to lower casing valve and run to choke manifold to control annular pressure
  - d) Kill mud will be circulated once influx is circulated out of hole
  - e) Confirm well is static and remove cap flange to start offline cement operations
- 10. Install offline cement tool.
- 11. Rig up cementers.
- 12. Circulate bottoms up with cement truck
- 13. Commence planned cement job, take returns through the annulus wellhead valve
- 14. After plug is bumped confirm floats hold and well is static
- 15. Perform green cement casing test.
  - a) Test casing (.22 psi/ft or 1500 psi whichever is greater) not to exceed 70% casing burst.
- 16. Rig down cementers and equipment
- 17. Install night cap with pressure gauge to monitor.

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

- 1. Rig will remove the nightcap and install and test BOPE.
- 2. Install wear bushing then drill Intermediate shoe-track.
- 3. 3. Drill Vertical hole to KOP Trip out for Curve BHA.
- 4. Drill Curve, landing in production interval Trip for Lateral BHA.
- 5. Drill Lateral / Production hole to Permitted BHL, perform cleanup cycles and trip out to run 5-1/2" Production Casing.
- 6. Remove wear bushing then run 5-1/2" production casing to TD landing casing mandrel in wellhead.
- 7. Cement 5-1/2" Production string to surface with floats holding.



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PURCHASER:	ContiTech	Oil & Marine Co	orp.		P.O. N°: 4500409659					
CONTITECH RUBBER order	Nº: 538236	HOSE TYPE:	3" 1	D.		Choke an	d Kill Hose			
HOSE SERIAL Nº:	67255	NOMINAL / ACTU	UAL LEN	IGTH:		10,67 n	n / 10,77 m			
W.P. 68,9 MPa	10000 psi	T.P. 103,4	MPa	15000	) pel	Duration:	60	min		
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CONTITECH RUBBER No:QC-DB- 210/ 2014 Industrial Kft. Page: 15 / 113 Page: 15 / 113

ContiTech

#### **Hose Data Sheet**

CRI Order No.	538236
Customer	ContiTech Oil & Marine Corp.
Customer Order No	4500409659
Item No.	1
Hose Type	Flexible Hose
Standard	API SPEC 16 C
Inside dia in inches	3
Length	35 ft
Type of coupling one end	FLANGE 4.1/16" 10K API SPEC 6A TYPE 6BX FLANGE C/W BX155 R.GR.SOUR
Type of coupling other end	FLANGE 4.1/16* 10K API SPEC 6A TYPE 6BX FLANGE CAV BX155 R.GR.SOUR
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psi
Test Pressure	15 000 psi
Safety Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St.steel outer wrap
Internal stripwound tube	No
Lining	OIL + GAS RESISTANT SOUR
Safety clamp	No
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
Min. Bend Radius operating [m]	0,90
Min. Bend Radius storage [m]	0,90
Electrical continuity	The Hose is electrically continuous
Type of packing	WOODEN CRATE ISPM-15

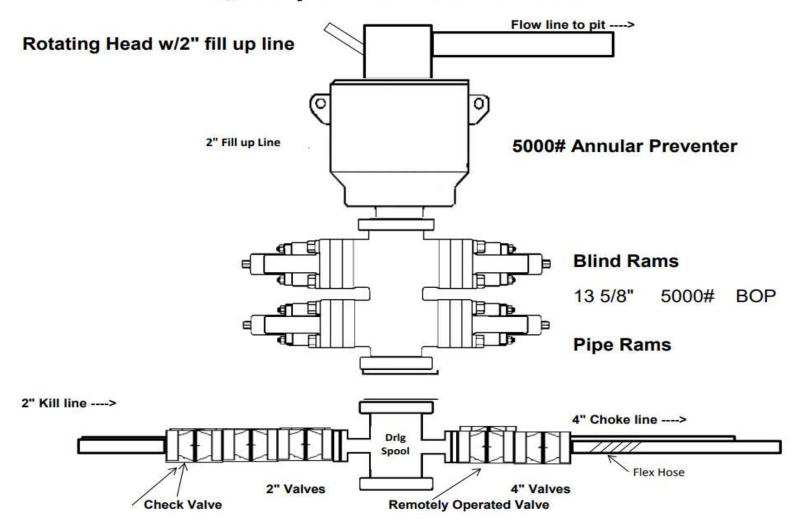
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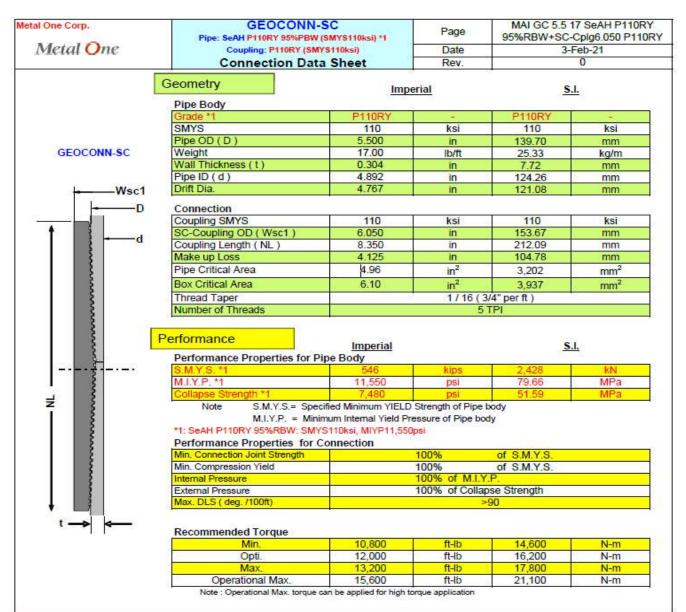
ATTACHMENT OF QUALITY CONTROL INSPECTION AND TEST CERTIFICATE No: 501, 504, 505

Page: 1/1

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# 5,000 psi BOP Schematic





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Statements regarding the suitability of products for certain types of applications are based on Metal One's knowledge of typical requirements that are often placed on Metal One products in standard well configurations. Such statements are not binding statements about the suitability of products for a particular application. It is the customer's responsibility to validate that a particular product with the properties described in the product specification is suitable for use in a particular application. The products described in this Connection Data Sheet are not recommended for use in deep water offshore applications. For more information, please refer to <a href="http://www.mito.co.jp/mo-con/">http://www.mito.co.jp/mo-con/</a> Inages/fop/Website Terms. Active 20333287 1.pdf the contents of which are incorporated by reference into this Connection Data Sheet.



## **NEW MEXICO**

(SP) EDDY WALLABY 7 FED COM WALLABY 7 FED COM 200H

**OWB** 

Plan: PWP0

## **Standard Planning Report - Geographic**

13 April, 2023



#### Planning Report - Geographic

Database: Compass Company: **NEW MEXICO** Project: (SP) EDDY

Site: WALLABY 7 FED COM Well: WALLABY 7 FED COM 200H

Wellbore: **OWB** PWP0 Design:

**Local Co-ordinate Reference:** 

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well WALLABY 7 FED COM 200H

GL @ 3370.5usft GL @ 3370.5usft

Grid

Minimum Curvature

Project (SP) EDDY

US State Plane 1983 Map System: North American Datum 1983 Geo Datum:

Map Zone: New Mexico Eastern Zone System Datum: Mean Sea Level

WALLABY 7 FED COM Site

Northing: 578,295.91 usft Site Position: Latitude: 32° 35' 23.070 N 104° 13' 27.828 W 574,888.67 usft Мар Easting: From: Longitude: Position Uncertainty: 0.0 usft Slot Radius: 13-3/16 " 0.06 **Grid Convergence:** 

Well WALLABY 7 FED COM 200H

0.0 usft **Well Position** +N/-S Northing: 580,635.54 usft Latitude: 32° 35' 46.222 N +E/-W 0.0 usft Easting: 574,832.91 usft Longitude: 104° 13' 28.451 W

Ground Level: **Position Uncertainty** 0.0 usft Wellhead Elevation: 3,370.5 usft

**OWB** Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (°) (°) (nT) IGRF200510 8.08 60.47 48,943.90105848 12/31/2009

PWP0 Design Audit Notes: Version: Phase: **PROTOTYPE** Tie On Depth: 0.0 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 93.37

4/13/2023 **Plan Survey Tool Program** Date

Depth From Depth To

Tool Name (usft) (usft) Survey (Wellbore) Remarks

0.0 19,127.9 PWP0 (OWB) MWD+IFR1+MS

OWSG\_Rev2\_ MWD + IFR1 +

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,400.0	8.00	203.50	2,398.7	-25.6	-11.1	2.00	2.00	0.00	203.50	
7,155.0	8.00	203.50	7,107.4	-632.4	-275.0	0.00	0.00	0.00	0.00	
7,555.0	0.00	0.00	7,506.1	-658.0	-286.1	2.00	-2.00	0.00	180.00	
8,232.0	0.00	0.00	8,183.1	-658.0	-286.1	0.00	0.00	0.00	0.00	
8,981.1	90.00	89.74	8,660.0	-655.9	190.8	12.01	12.01	0.00	89.74	
9,061.7	90.00	89.74	8,660.0	-655.5	271.3	0.00	0.00	0.00	0.00	
19,127.9	90.00	89.74	8,660.0	-609.0	10,337.5	0.00	0.00	0.00	0.00	WALLABY 7 FED CO



#### Planning Report - Geographic

Database: Compass
Company: NEW MEXICO

 Project:
 (SP) EDDY

 Site:
 WALLABY 7 FED COM

 Well:
 WALLABY 7 FED COM 200H

Wellbore: OWB
Design: PWP0

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

**Survey Calculation Method:** 

Well WALLABY 7 FED COM 200H

GL @ 3370.5usft GL @ 3370.5usft

Grid

Minimum Curvature

Design:	PWP	<u> </u>							
Planned Survey		_							
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.0	0.00	0.00	0.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
100.0	0.00	0.00	100.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
200.0	0.00	0.00	200.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
300.0	0.00	0.00	300.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
400.0	0.00	0.00	400.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
500.0	0.00	0.00	500.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
600.0	0.00	0.00	600.0	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
700.0	0.00	0.00	700.0	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
800.0	0.00	0.00	0.008	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
900.0	0.00	0.00	900.0	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
1,000.0	0.00	0.00	1,000.0	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
1,100.0	0.00	0.00	1,100.0	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
1,200.0	0.00	0.00	1,200.0	0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
1,300.0	0.00	0.00	1,300.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
1,400.0	0.00	0.00	1,400.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
1,500.0	0.00	0.00	1,500.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
1,600.0	0.00	0.00	1,600.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
1,700.0	0.00	0.00	1,700.0	0.0	0.0	580,635.54	574,832.91	32° 35' 46.222 N	104° 13' 28.451 W
1,800.0	0.00	0.00	1,800.0	0.0 0.0	0.0	580,635.54	574,832.91	32° 35′ 46.222 N	104° 13' 28.451 W
1,900.0 2,000.0	0.00	0.00 0.00	1,900.0 2,000.0	0.0	0.0 0.0	580,635.54 580,635.54	574,832.91 574,832.91	32° 35' 46.222 N 32° 35' 46.222 N	104° 13' 28.451 W 104° 13' 28.451 W
2,100.0	2.00	203.50	2,000.0	-1.6	-0.7	580,633.94	574,832.22	32° 35' 46.206 N	104° 13' 28.460 W
2,200.0	4.00	203.50	2,100.0	-6.4	-0. <i>1</i> -2.8	580,629.14	574,830.13	32° 35' 46.159 N	104° 13' 28.484 W
2,300.0	6.00	203.50	2,299.5	-14.4	-6.3	580,621.15	574,826.66	32° 35' 46.080 N	104° 13' 28.525 W
2,400.0	8.00	203.50	2,398.7	-25.6	-11.1	580,609.98	574,821.80	32° 35' 45.969 N	104° 13' 28.582 W
2,500.0	8.00	203.50	2,497.7	-38.3	-16.7	580,597.21	574,816.25	32° 35' 45.843 N	104° 13' 28.647 W
2,600.0	8.00	203.50	2,596.8	-51.1	-22.2	580,584.45	574,810.70	32° 35' 45.717 N	104° 13' 28.712 W
2,700.0	8.00	203.50	2,695.8	-63.9	-27.8	580,571.69	574,805.15	32° 35' 45.591 N	104° 13' 28.777 W
2,800.0	8.00	203.50	2,794.8	-76.6	-33.3	580,558.92	574,799.60	32° 35' 45.464 N	104° 13' 28.842 W
2,900.0	8.00	203.50	2,893.8	-89.4	-38.9	580,546.16	574,794.05	32° 35' 45.338 N	104° 13' 28.907 W
3,000.0	8.00	203.50	2,992.9	-102.1	-44.4	580,533.40	574,788.50	32° 35' 45.212 N	104° 13' 28.972 W
3,100.0	8.00	203.50	3,091.9	-114.9	-50.0	580,520.63	574,782.95	32° 35′ 45.086 N	104° 13' 29.037 W
3,200.0	8.00	203.50	3,190.9	-127.7	-55.5	580,507.87	574,777.40	32° 35′ 44.959 N	104° 13' 29.102 W
3,300.0	8.00	203.50	3,289.9	-140.4	-61.1	580,495.11	574,771.85	32° 35′ 44.833 N	104° 13' 29.167 W
3,400.0	8.00	203.50	3,389.0	-153.2	-66.6	580,482.35	574,766.30	32° 35′ 44.707 N	104° 13' 29.232 W
3,500.0	8.00	203.50	3,488.0	-166.0	-72.2	580,469.58	574,760.75	32° 35′ 44.581 N	104° 13' 29.297 W
3,600.0	8.00	203.50	3,587.0	-178.7	-77.7	580,456.82	574,755.20	32° 35' 44.454 N	104° 13' 29.362 W
3,700.0	8.00	203.50	3,686.0	-191.5	-83.3	580,444.06	574,749.65	32° 35' 44.328 N	104° 13' 29.427 W
3,800.0	8.00	203.50	3,785.1	-204.2	-88.8	580,431.29	574,744.10	32° 35' 44.202 N	104° 13' 29.492 W
3,900.0	8.00	203.50	3,884.1	-217.0	-94.4	580,418.53	574,738.55	32° 35' 44.076 N	104° 13' 29.557 W
4,000.0	8.00	203.50	3,983.1	-229.8	-99.9	580,405.77	574,733.00	32° 35' 43.950 N	104° 13' 29.622 W
4,100.0	8.00	203.50	4,082.2	-242.5	-105.5	580,393.00	574,727.45	32° 35' 43.823 N	104° 13' 29.687 W
4,200.0	8.00	203.50	4,181.2	-255.3	-111.0	580,380.24	574,721.90	32° 35' 43.697 N	104° 13' 29.752 W
4,300.0	8.00	203.50	4,280.2	-268.1	-116.6	580,367.48	574,716.35	32° 35' 43.571 N	104° 13' 29.817 W
4,400.0 4,500.0	8.00 8.00	203.50 203.50	4,379.2 4,478.3	-280.8 -293.6	-122.1 -127.7	580,354.72 580,341.95	574,710.81 574,705.26	32° 35' 43.445 N 32° 35' 43.318 N	104° 13' 29.882 W 104° 13' 29.947 W
4,600.0	8.00	203.50	4,476.3 4,577.3	-293.6 -306.4	-127.7 -133.2	580,329.19	574,705.26	32° 35' 43.192 N	104° 13' 30.012 W
4,700.0	8.00	203.50	4,676.3	-300. <del>4</del> -319.1	-133.2	580,316.43	574,694.16	32° 35' 43.066 N	104° 13' 30.077 W
4,800.0	8.00	203.50	4,775.3	-331.9	-144.3	580,303.66	574,688.61	32° 35' 42.940 N	104° 13' 30.142 W
4,900.0	8.00	203.50	4,874.4	-344.6	-149.9	580,290.90	574,683.06	32° 35' 42.813 N	104° 13' 30.207 W
5,000.0	8.00	203.50	4,973.4	-357.4	-155.4	580,278.14	574,677.51	32° 35' 42.687 N	104° 13' 30.272 W
5,100.0	8.00	203.50	5,072.4	-370.2	-161.0	580,265.37	574,671.96	32° 35' 42.561 N	104° 13' 30.337 W
5,200.0	8.00	203.50	5,171.5	-382.9	-166.5	580,252.61	574,666.41	32° 35' 42.435 N	104° 13' 30.402 W
5,300.0	8.00	203.50	5,270.5	-395.7	-172.1	580,239.85	574,660.86	32° 35' 42.308 N	104° 13' 30.467 W
5,400.0	8.00	203.50	5,369.5	-408.5	-177.6	580,227.09	574,655.31	32° 35′ 42.182 N	104° 13' 30.532 W
			•						



#### Planning Report - Geographic

Database: Compass
Company: NEW MEXICO
Project: (SP) EDDY

 Site:
 WALLABY 7 FED COM

 Well:
 WALLABY 7 FED COM 200H

Wellbore: OWB
Design: PWP0

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

**Survey Calculation Method:** 

Well WALLABY 7 FED COM 200H

GL @ 3370.5usft GL @ 3370.5usft

Grid Minimum Curvature

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
5,500.0	8.00	203.50	5,468.5	-421.2	-183.2	580,214.32	574,649.76	32° 35' 42.056 N	104° 13' 30.597 W
5,600.0	8.00	203.50	5,567.6	-434.0	-188.7	580,201.56	574,644.21	32° 35' 41.930 N	104° 13' 30.662 W
5,700.0	8.00	203.50	5,666.6	-446.7	-194.3	580,188.80	574,638.66	32° 35' 41.803 N	104° 13' 30.728 W
5,800.0	8.00	203.50	5,765.6	-459.5	-199.8	580,176.03	574,633.11	32° 35' 41.677 N	104° 13' 30.793 W
5,900.0	8.00	203.50	5,864.6	-472.3	-205.4	580,163.27	574,627.56	32° 35' 41.551 N	104° 13' 30.858 W
6,000.0	8.00	203.50	5,963.7	-485.0	-210.9	580,150.51	574,622.01	32° 35' 41.425 N	104° 13' 30.923 W
6,100.0	8.00	203.50	6,062.7	-497.8	-216.4	580,137.74	574,616.46	32° 35' 41.298 N	104° 13' 30.988 W
6,200.0	8.00	203.50	6,161.7	-510.6	-222.0	580,124.98	574,610.91	32° 35' 41.172 N	104° 13' 31.053 W
6,300.0	8.00	203.50	6,260.7	-523.3	-227.5	580,112.22	574,605.36	32° 35' 41.046 N	104° 13' 31.118 W
6,400.0	8.00	203.50	6,359.8	-536.1	-233.1	580,099.46	574,599.82	32° 35′ 40.920 N	104° 13' 31.183 W
6,500.0	8.00	203.50	6,458.8	-548.9	-238.6	580,086.69	574,594.27	32° 35' 40.794 N	104° 13' 31.248 W
6,600.0	8.00	203.50	6,557.8	-561.6	-244.2	580,073.93	574,588.72	32° 35' 40.667 N	104° 13' 31.313 W
6,700.0	8.00	203.50	6,656.9	-574.4	-249.7	580,061.17	574,583.17	32° 35' 40.541 N	104° 13' 31.378 W
6,800.0	8.00	203.50	6,755.9	-587.1	-255.3	580,048.40	574,577.62	32° 35' 40.415 N	104° 13' 31.443 W
6,900.0	8.00	203.50	6,854.9	-599.9	-260.8	580,035.64	574,572.07	32° 35' 40.289 N	104° 13' 31.508 W
7,000.0	8.00	203.50	6,953.9	-612.7	-266.4	580,022.88	574,566.52	32° 35′ 40.162 N	104° 13' 31.573 W
7,100.0	8.00	203.50	7,053.0	-625.4	-271.9	580,010.11	574,560.97	32° 35′ 40.036 N	104° 13' 31.638 W
7,155.0	8.00	203.50	7,107.4	-632.4	-275.0	580,003.09	574,557.92	32° 35′ 39.967 N	104° 13' 31.674 W
7,200.0	7.10	203.50	7,152.0	-637.9	-277.4	579,997.67	574,555.56	32° 35' 39.913 N	104° 13' 31.701 W
7,300.0	5.10	203.50	7,251.5	-647.6	-281.6	579,987.93	574,551.32	32° 35' 39.817 N	104° 13' 31.751 W
7,400.0	3.10	203.50	7,351.2	-654.2	-284.4	579,981.37	574,548.47	32° 35′ 39.752 N	104° 13' 31.784 W
7,500.0	1.10	203.50	7,451.1	-657.5	-285.9	579,978.01	574,547.01	32° 35′ 39.719 N	104° 13' 31.801 W
7,555.0	0.00	0.00	7,506.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
7,600.0	0.00	0.00	7,551.1	-658.0	-286.1	579,977.53	574,546.80	32° 35' 39.714 N	104° 13' 31.804 W
7,700.0	0.00	0.00	7,651.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
7,800.0	0.00	0.00	7,751.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
7,900.0	0.00	0.00	7,851.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
8,000.0	0.00	0.00	7,951.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
8,100.0	0.00	0.00	8,051.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
8,200.0	0.00	0.00	8,151.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
8,232.0	0.00	0.00	8,183.1	-658.0	-286.1	579,977.53	574,546.80	32° 35′ 39.714 N	104° 13' 31.804 W
8,300.0	8.17	89.74	8,250.9	-658.0	-281.3	579,977.55	574,551.64	32° 35′ 39.714 N	104° 13' 31.747 W
8,400.0	20.19	89.74	8,347.7	-657.9	-256.8	579,977.66	574,576.09	32° 35' 39.715 N	104° 13' 31.461 W
8,500.0	32.20	89.74	8,437.2	-657.7	-212.8	579,977.86	574,620.14	32° 35′ 39.716 N	104° 13' 30.946 W
8,600.0	44.21	89.74	8,515.7	-657.4	-151.0	579,978.14	574,681.88	32° 35' 39.718 N	104° 13' 30.225 W
8,700.0	56.23	89.74	8,579.5	-657.1	-74.3	579,978.49	574,758.59	32° 35' 39.721 N	104° 13' 29.328 W
8,800.0	68.24	89.74	8,626.0	-656.7	14.0	579,978.89	574,846.92	32° 35′ 39.724 N	104° 13' 28.296 W
8,900.0	80.26	89.74	8,653.1	-656.2	110.1	579,979.32	574,942.99	32° 35′ 39.728 N	104° 13' 27.173 W
8,981.1	90.00	89.74	8,660.0	-655.9	190.8	579,979.69	575,023.67	32° 35′ 39.730 N	104° 13' 26.230 W
9,000.0	90.00	89.74	8,660.0	-655.8	209.7	579,979.78	575,042.60	32° 35' 39.731 N	104° 13' 26.008 W
9,061.7	90.00	89.74	8,660.0	-655.5	271.3	579,980.06	575,104.26	32° 35′ 39.733 N	104° 13' 25.287 W
9,100.0	90.00	89.74	8,660.0	-655.3	309.7	579,980.23	575,142.60	32° 35' 39.735 N	104° 13' 24.839 W
9,200.0	90.00	89.74	8,660.0	-654.9	409.7	579,980.69	575,242.60	32° 35′ 39.738 N	104° 13' 23.670 W
9,300.0	90.00	89.74	8,660.0	-654.4	509.7	579,981.14	575,342.59	32° 35' 39.741 N	104° 13' 22.501 W
9,400.0	90.00	89.74	8,660.0	-653.9	609.7	579,981.60	575,442.59	32° 35' 39.745 N	104° 13' 21.333 W
9,500.0	90.00	89.74	8,660.0	-653.5	709.7	579,982.05	575,542.59	32° 35' 39.748 N	104° 13' 20.164 W
9,600.0	90.00	89.74	8,660.0	-653.0	809.7	579,982.50	575,642.59	32° 35' 39.752 N	104° 13' 18.995 W
9,700.0	90.00	89.74	8,660.0	-652.6	909.7	579,982.96	575,742.59	32° 35' 39.755 N	104° 13' 17.826 W
9,800.0	90.00	89.74	8,660.0	-652.1	1,009.7	579,983.41	575,842.59	32° 35' 39.759 N	104° 13' 16.657 W
9,900.0	90.00	89.74	8,660.0	-651.7	1,109.7	579,983.86	575,942.59	32° 35' 39.762 N	104° 13' 15.488 W
10,000.0	90.00	89.74	8,660.0	-651.2	1,209.7	579,984.32	576,042.59	32° 35' 39.766 N	104° 13' 14.319 W
10,100.0	90.00	89.74	8,660.0	-650.8	1,309.7	579,984.77	576,142.59	32° 35' 39.769 N	104° 13' 13.150 W
10,200.0	90.00	89.74	8,660.0	-650.3	1,409.7	579,985.23	576,242.58	32° 35' 39.772 N	104° 13' 11.981 W
10,300.0	90.00	89.74	8,660.0	-649.9	1,509.7	579,985.68	576,342.58	32° 35' 39.776 N	104° 13' 10.812 W
10,400.0	90.00	89.74	8,660.0	-649.4	1,609.7	579,986.13	576,442.58	32° 35' 39.779 N	104° 13' 9.643 W



#### Planning Report - Geographic

Database: Compass
Company: NEW MEXICO
Project: (SP) EDDY

Site: WALLABY 7 FED COM
Well: WALLABY 7 FED COM 200H

Wellbore: OWB
Design: PWP0

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

**Survey Calculation Method:** 

Well WALLABY 7 FED COM 200H

GL @ 3370.5usft GL @ 3370.5usft

Grid

Minimum Curvature

esign:	FVVF	-							
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,500.0	90.00	89.74	8,660.0	-649.0	1,709.7	579,986.59	576,542.58	32° 35' 39.783 N	104° 13' 8.474 V
10,600.0	90.00	89.74	8,660.0	-648.5	1,809.7	579,987.04	576,642.58	32° 35' 39.786 N	104° 13' 7.305 V
10,700.0	90.00	89.74	8,660.0	-648.0	1,909.7	579,987.49	576,742.58	32° 35' 39.790 N	104° 13' 6.136 V
10,800.0	90.00	89.74	8,660.0	-647.6	2,009.7	579,987.95	576,842.58	32° 35' 39.793 N	104° 13' 4.968 V
10,900.0	90.00	89.74	8,660.0	-647.1	2,109.7	579,988.40	576,942.58	32° 35' 39.796 N	104° 13' 3.799 V
11,000.0	90.00	89.74	8,660.0	-646.7	2,209.7	579,988.86	577,042.58	32° 35' 39.800 N	104° 13' 2.630 V
11,100.0	90.00	89.74	8,660.0	-646.2	2,309.7	579,989.31	577,142.58	32° 35' 39.803 N	104° 13' 1.461 V
11,200.0	90.00	89.74	8,660.0	-645.8	2,409.7	579,989.76	577,242.57	32° 35′ 39.807 N	104° 13' 0.292 V
11,300.0	90.00	89.74	8,660.0	-645.3	2,509.7	579,990.22	577,342.57	32° 35′ 39.810 N	104° 12' 59.123 V
11,400.0	90.00	89.74	8,660.0	-644.9	2,609.7	579,990.67	577,442.57	32° 35′ 39.814 N	104° 12' 57.954 V
11,500.0	90.00	89.74	8,660.0	-644.4	2,709.7	579,991.12	577,542.57	32° 35′ 39.817 N	104° 12' 56.785 V
11,600.0	90.00	89.74	8,660.0	-644.0	2,809.7	579,991.58	577,642.57	32° 35′ 39.820 N	104° 12' 55.616 V
11,700.0	90.00	89.74	8,660.0	-643.5	2,909.7	579,992.03	577,742.57	32° 35′ 39.824 N	104° 12' 54.447 V
11,800.0	90.00	89.74	8,660.0	-643.1	3,009.7	579,992.49	577,842.57	32° 35′ 39.827 N	104° 12' 53.278 V
11,900.0	90.00	89.74	8,660.0	-642.6	3,109.7	579,992.94	577,942.57	32° 35′ 39.830 N	104° 12' 52.109 V
12,000.0	90.00	89.74	8,660.0	-642.1	3,209.7	579,993.39	578,042.57	32° 35′ 39.834 N	104° 12' 50.940 V
12,100.0	90.00	89.74	8,660.0	-641.7	3,309.7	579,993.85	578,142.57	32° 35′ 39.837 N	104° 12' 49.771 V
12,200.0	90.00	89.74	8,660.0	-641.2	3,409.7	579,994.30	578,242.56	32° 35′ 39.841 N	104° 12' 48.602 V
12,300.0	90.00	89.74	8,660.0	-640.8	3,509.7	579,994.75	578,342.56	32° 35′ 39.844 N	104° 12' 47.434 V
12,400.0	90.00	89.74	8,660.0	-640.3	3,609.6	579,995.21	578,442.56	32° 35′ 39.847 N	104° 12' 46.265 \
12,500.0	90.00	89.74	8,660.0	-639.9	3,709.6	579,995.66	578,542.56	32° 35′ 39.851 N	104° 12' 45.096 \
12,600.0	90.00	89.74	8,660.0	-639.4	3,809.6	579,996.12	578,642.56	32° 35′ 39.854 N	104° 12' 43.927 \
12,700.0	90.00	89.74	8,660.0	-639.0	3,909.6	579,996.57	578,742.56	32° 35′ 39.857 N	104° 12' 42.758 \
12,800.0	90.00	89.74	8,660.0	-638.5	4,009.6	579,997.02	578,842.56	32° 35' 39.861 N	104° 12' 41.589 \
12,900.0	90.00	89.74	8,660.0	-638.1	4,109.6	579,997.48	578,942.56	32° 35′ 39.864 N	104° 12' 40.420 \
13,000.0	90.00	89.74	8,660.0	-637.6	4,209.6	579,997.93	579,042.56	32° 35' 39.868 N	104° 12' 39.251 \
13,100.0	90.00	89.74	8,660.0	-637.2	4,309.6	579,998.39	579,142.56	32° 35' 39.871 N	104° 12' 38.082 \
13,200.0	90.00	89.74	8,660.0	-636.7	4,409.6	579,998.84	579,242.55	32° 35' 39.874 N	104° 12' 36.913 \
13,300.0	90.00	89.74	8,660.0	-636.3	4,509.6	579,999.29	579,342.55	32° 35' 39.878 N	104° 12' 35.744 \
13,400.0	90.00	89.74	8,660.0	-635.8	4,609.6	579,999.75	579,442.55	32° 35' 39.881 N	104° 12' 34.575 \
13,500.0	90.00	89.74	8,660.0	-635.3	4,709.6	580,000.20	579,542.55	32° 35' 39.884 N	104° 12' 33.406 \
13,600.0	90.00	89.74	8,660.0	-634.9	4,809.6	580,000.65	579,642.55	32° 35' 39.888 N	104° 12' 32.237 \
13,700.0	90.00	89.74	8,660.0	-634.4	4,909.6	580,001.11	579,742.55	32° 35' 39.891 N	104° 12' 31.069 \
13,800.0	90.00	89.74	8,660.0	-634.0	5,009.6	580,001.56	579,842.55	32° 35' 39.894 N	104° 12' 29.900 \
13,900.0	90.00	89.74	8,660.0	-633.5	5,109.6	580,002.02	579,942.55	32° 35' 39.898 N	104° 12' 28.731 \
14,000.0	90.00	89.74	8,660.0	-633.1	5,209.6	580,002.47	580,042.55	32° 35' 39.901 N	104° 12' 27.562 \
14,100.0	90.00	89.74	8,660.0	-632.6	5,309.6	580,002.92	580,142.54	32° 35' 39.904 N	104° 12' 26.393 \
14,200.0	90.00	89.74	8,660.0	-632.2	5,409.6	580,003.38	580,242.54	32° 35' 39.908 N	104° 12' 25.224 \
14,300.0	90.00	89.74	8,660.0	-631.7	5,509.6	580,003.83	580,342.54	32° 35' 39.911 N	104° 12' 24.055 \
14,400.0	90.00	89.74	8,660.0	-631.3	5,609.6	580,004.28	580,442.54	32° 35' 39.914 N	104° 12' 22.886 \
14,500.0	90.00	89.74	8,660.0	-630.8	5,709.6	580,004.74	580,542.54	32° 35' 39.917 N	104° 12' 21.717 \
14,600.0	90.00	89.74	8,660.0	-630.4	5,809.6	580,005.19	580,642.54	32° 35' 39.921 N	104° 12' 20.548 \
14,700.0	90.00	89.74	8,660.0	-629.9	5,909.6	580,005.65	580,742.54	32° 35' 39.924 N	104° 12' 19.379 V
14,800.0	90.00	89.74	8,660.0	-629.4	6,009.6	580,006.10	580,842.54	32° 35' 39.927 N	104° 12' 18.210 \
14,900.0	90.00	89.74	8,660.0	-629.0	6,109.6	580,006.55	580,942.54	32° 35' 39.931 N	104° 12' 17.041 \
15,000.0	90.00	89.74	8,660.0	-628.5	6,209.6	580,007.01	581,042.54	32° 35' 39.934 N	104° 12' 15.872 \
15,100.0	90.00	89.74	8,660.0	-628.1	6,309.6	580,007.46	581,142.53	32° 35' 39.937 N	104° 12' 14.703 \
15,200.0	90.00	89.74	8,660.0	-627.6	6,409.6	580,007.91	581,242.53	32° 35' 39.941 N	104° 12' 13.535 \
15,300.0	90.00	89.74	8,660.0	-627.2	6,509.6	580,008.37	581,342.53	32° 35' 39.944 N	104° 12' 12.366 \
15,400.0	90.00	89.74	8,660.0	-626.7	6,609.6	580,008.82	581,442.53	32° 35' 39.947 N	104° 12' 11.197 \
15,500.0	90.00	89.74	8,660.0	-626.3	6,709.6	580,009.28	581,542.53	32° 35' 39.950 N	104° 12′ 10.028 \
15,600.0	90.00	89.74	8,660.0	-625.8	6,809.6	580,009.73	581,642.53	32° 35' 39.954 N	104° 12' 8.859 \
15,700.0	90.00	89.74	8,660.0	-625.4	6,909.6	580,010.18	581,742.53	32° 35' 39.957 N	104° 12' 7.690 V
15,800.0	90.00	89.74	8,660.0	-624.9	7,009.6	580,010.64	581,842.53	32° 35' 39.960 N	104° 12' 6.521 V
15,900.0	90.00	89.74	8,660.0	-624.5	7,109.6	580,011.09	581,942.53	32° 35' 39.963 N	104° 12' 5.3



#### Planning Report - Geographic

Database: Compass
Company: NEW MEXICO
Project: (SP) EDDY

Site: WALLABY 7 FED COM
Well: WALLABY 7 FED COM 200H

Wellbore: OWB
Design: PWP0

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well WALLABY 7 FED COM 200H

GL @ 3370.5usft GL @ 3370.5usft

Grid

Minimum Curvature

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
16,000.0	90.00	89.74	8,660.0	-624.0	7,209.6	580,011.54	582,042.53	32° 35′ 39.967 N	104° 12' 4.183
16,100.0	90.00	89.74	8,660.0	-623.5	7,309.6	580,012.00	582,142.52	32° 35' 39.970 N	104° 12' 3.014
16,200.0	90.00	89.74	8,660.0	-623.1	7,409.6	580,012.45	582,242.52	32° 35' 39.973 N	104° 12' 1.845
16,300.0	90.00	89.74	8,660.0	-622.6	7,509.6	580,012.91	582,342.52	32° 35′ 39.976 N	104° 12' 0.676
16,400.0	90.00	89.74	8,660.0	-622.2	7,609.6	580,013.36	582,442.52	32° 35' 39.980 N	104° 11' 59.507
16,500.0	90.00	89.74	8,660.0	-621.7	7,709.6	580,013.81	582,542.52	32° 35' 39.983 N	104° 11' 58.338
16,600.0	90.00	89.74	8,660.0	-621.3	7,809.6	580,014.27	582,642.52	32° 35' 39.986 N	104° 11' 57.17
16,700.0	90.00	89.74	8,660.0	-620.8	7,909.6	580,014.72	582,742.52	32° 35' 39.989 N	104° 11' 56.00
16,800.0	90.00	89.74	8,660.0	-620.4	8,009.6	580,015.18	582,842.52	32° 35' 39.993 N	104° 11' 54.83
16,900.0	90.00	89.74	8,660.0	-619.9	8,109.6	580,015.63	582,942.52	32° 35' 39.996 N	104° 11' 53.66
17,000.0	90.00	89.74	8,660.0	-619.5	8,209.6	580,016.08	583,042.52	32° 35' 39.999 N	104° 11' 52.49
17,100.0	90.00	89.74	8,660.0	-619.0	8,309.6	580,016.54	583,142.51	32° 35' 40.002 N	104° 11' 51.32
17,200.0	90.00	89.74	8,660.0	-618.6	8,409.6	580,016.99	583,242.51	32° 35' 40.006 N	104° 11' 50.15
17,300.0	90.00	89.74	8,660.0	-618.1	8,509.6	580,017.44	583,342.51	32° 35' 40.009 N	104° 11' 48.98
17,400.0	90.00	89.74	8,660.0	-617.6	8,609.6	580,017.90	583,442.51	32° 35′ 40.012 N	104° 11' 47.81
17,500.0	90.00	89.74	8,660.0	-617.2	8,709.6	580,018.35	583,542.51	32° 35' 40.015 N	104° 11' 46.64
17,600.0	90.00	89.74	8,660.0	-616.7	8,809.6	580,018.81	583,642.51	32° 35' 40.018 N	104° 11' 45.48
17,700.0	90.00	89.74	8,660.0	-616.3	8,909.6	580,019.26	583,742.51	32° 35' 40.022 N	104° 11' 44.31
17,800.0	90.00	89.74	8,660.0	-615.8	9,009.6	580,019.71	583,842.51	32° 35′ 40.025 N	104° 11' 43.14
17,900.0	90.00	89.74	8,660.0	-615.4	9,109.6	580,020.17	583,942.51	32° 35' 40.028 N	104° 11' 41.97
18,000.0	90.00	89.74	8,660.0	-614.9	9,209.6	580,020.62	584,042.50	32° 35' 40.031 N	104° 11' 40.80
18,100.0	90.00	89.74	8,660.0	-614.5	9,309.6	580,021.07	584,142.50	32° 35' 40.035 N	104° 11' 39.63
18,200.0	90.00	89.74	8,660.0	-614.0	9,409.6	580,021.53	584,242.50	32° 35′ 40.038 N	104° 11' 38.46
18,300.0	90.00	89.74	8,660.0	-613.6	9,509.6	580,021.98	584,342.50	32° 35' 40.041 N	104° 11' 37.29
18,400.0	90.00	89.74	8,660.0	-613.1	9,609.6	580,022.44	584,442.50	32° 35' 40.044 N	104° 11' 36.12
18,500.0	90.00	89.74	8,660.0	-612.7	9,709.6	580,022.89	584,542.50	32° 35' 40.047 N	104° 11' 34.96
18,600.0	90.00	89.74	8,660.0	-612.2	9,809.6	580,023.34	584,642.50	32° 35' 40.050 N	104° 11' 33.79
18,700.0	90.00	89.74	8,660.0	-611.7	9,909.6	580,023.80	584,742.50	32° 35' 40.054 N	104° 11' 32.62
18,800.0	90.00	89.74	8,660.0	-611.3	10,009.6	580,024.25	584,842.50	32° 35' 40.057 N	104° 11' 31.45
18,900.0	90.00	89.74	8,660.0	-610.8	10,109.6	580,024.70	584,942.50	32° 35′ 40.060 N	104° 11' 30.28
19,000.0	90.00	89.74	8,660.0	-610.4	10,209.6	580,025.16	585,042.49	32° 35' 40.063 N	104° 11' 29.11
19,100.0	90.00	89.74	8,660.0	-609.9	10,309.6	580,025.61	585,142.49	32° 35′ 40.066 N	104° 11' 27.94
19,127.9	90.00	89.74	8,660.0	-609.0	10,337.5	580,026.56	585,170.38	32° 35' 40.075 N	104° 11' 27.62

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
WALLABY 7 FED COM: - plan misses target - Point		0.00 .1usft at 860	8,660.0 0.0usft MD (	-658.0 8515.7 TVD, -	-282.3 -657.4 N, -151	579,977.57 .0 E)	574,550.63	32° 35′ 39.714 N	104° 13' 31.759 W
WALLABY 7 FED COM: - plan misses target - Point		0.01 usft at 19037	8,660.0 .9usft MD (8	-609.4 660.0 TVD, -6	10,247.4 610.2 N, 10247	580,026.18 7.5 E)	585,080.36	32° 35′ 40.073 N	104° 11' 28.673 W
WALLABY 7 FED COM: - plan hits target cen - Point	0.00 ter	0.01	8,660.0	-609.0	10,337.5	580,026.56	585,170.38	32° 35' 40.075 N	104° 11' 27.620 W

# PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

Environmental Assessment DOI-BLM-NM-P020-2022-0684-EA
Colgate Energy, LLC
Wallaby 7 Fed Com Wells, Well Pads, Satellite Battery,
Multi-Pipeline Corridors, and Access Roads
Wallaby 7 Fed Com Well Project

NMNM-015003

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

☐ General Provisions
Permit Expiration
☐ Archaeology, Paleontology, and Historical Sites
<b>☐</b> Noxious Weeds
Special Requirements
Cave/Karst
Special Status Plant Species
☐ Construction
Notification
Topsoil
Closed Loop System
Federal Mineral Material Pits
Well Pads
Roads
☐ Road Section Diagram
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Pipelines
Electric Lines
☐ Interim Reclamation
Final Abandonment & Reclamation

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**Approval Date: 11/22/2024** 

#### I. GENERAL PROVISIONS

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

#### II. PERMIT EXPIRATION

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

#### III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

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

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

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

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

Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

#### IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

#### V. SPECIAL REQUIREMENT(S)

#### **Cave/Karst Surface Mitigation**

The following stipulations will be applied to minimize impacts during construction, drilling and production:

#### **Construction:**

#### **General Construction:**

- No blasting
- The BLM, Carlsbad Field Office, will be informed immediately if any subsurface drainage channels, cave passages, or voids are penetrated during construction, and no additional construction shall occur until clearance has been issued by the Authorized Officer.
- All linear surface disturbance activities will avoid sinkholes and other karst
  features to lessen the possibility of encountering near surface voids during
  construction, minimize changes to runoff, and prevent untimely leaks and spills
  from entering the karst drainage system.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

#### **Pad Construction:**

- The pad will be constructed and leveled by adding the necessary fill and caliche

   no blasting.
- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity
  of the berm height surrounding the well pad is not compromised (i.e. an access
  road crossing the berm cannot be lower than the berm height).

• Following a rain event, all fluids will vacuumed off of the pad and hauled offsite and disposed at a proper disposal facility.

#### **Tank Battery Construction:**

- The pad will be constructed and leveled by adding the necessary fill and caliche

   no blasting.
- All tank battery locations and facilities will be lined and bermed.
- The liner should be at least 20 mil in thickness and installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures.
- Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

#### **Road Construction:**

- Turnout ditches and drainage leadoffs will not be constructed in such a manner as to alter the natural flow of water into or out of cave or karst features.
- Special restoration stipulations or realignment may be required if subsurface features are discovered during construction.

#### **Buried Pipeline/Cable Construction:**

 Rerouting of the buried line(s) may be required if a subsurface void is encountered during construction to minimize the potential subsidence/collapse of the feature(s) as well as the possibility of leaks/spills entering the karst drainage system.

#### **Powerline Construction:**

- Smaller powerlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize changes to runoff or possible leaks and spills from entering karst systems.
- Larger powerlines will adjust their pole spacing to avoid cave and karst features.
- Special restoration stipulations or realignment may be required if subsurface voids are encountered.

#### **Surface Flowlines Installation:**

• Flowlines will be routed around sinkholes and other karst features to minimize the possibility of leaks/spills from entering the karst drainage system.

#### **Leak Detection System:**

- A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present.
- A leak detection plan will be submitted to BLM that incorporates an automatic shut off system (see below) to minimize the effects of an undesirable event that could negatively sensitive cave/karst resources.

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Well heads, pipelines (surface and buried), storage tanks, and all supporting
equipment should be monitored regularly after installation to promptly identify
and fix leaks.

#### **Automatic Shut-off Systems:**

 Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

#### **Cave/Karst Subsurface Mitigation**

The following stipulations will be applied to protect cave/karst and groundwater concerns:

#### **Closed Loop System:**

- A closed loop system using steel tanks will be utilized during drilling no pits
- All fluids and cuttings will be hauled off-site and disposed of properly at an authorized site

#### **Rotary Drilling with Fresh Water:**

• Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

#### **Directional Drilling:**

 The kick off point for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

#### **Lost Circulation:**

- ALL lost circulation zones between surface and the base of the cave occurrence zone will be logged and reported in the drilling report.
- If a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, regardless of the type of drilling machinery used, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

#### **Abandonment Cementing:**

- Additional plugging conditions of approval may be required upon well abandonment in high and medium karst potential occurrence zones.
- The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

#### **Pressure Testing:**

• The operator will perform annual pressure monitoring on all casing annuli and reported in a sundry notice.

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• If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

#### VI. CONSTRUCTION

#### A. NOTIFICATION

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

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

#### B. TOPSOIL

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

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

#### C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

#### D. FEDERAL MINERAL MATERIALS PIT

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

#### E. WELL PAD SURFACING

Surfacing of the well pad is not required.

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

#### F. EXCLOSURE FENCING (CELLARS & PITS)

#### **Exclosure Fencing**

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

#### G. ON LEASE ACCESS ROADS

#### Road Width

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

#### Surfacing

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

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

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

#### **Crowning**

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

#### **Ditching**

Ditching shall be required on both sides of the road.

#### Turnouts

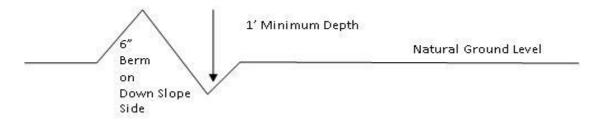
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

#### **Drainage**

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

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

#### **Cross Section of a Typical Lead-off Ditch**



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

#### Formula for Spacing Interval of Lead-off Ditches

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

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

#### Cattle guards

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

#### **Fence Requirement**

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

#### **Public Access**

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

#### **Construction Steps**

- 1. Salvage topsoil
- 3. Redistribute topsoil
- 2. Construct road
- 4. Revegetate slopes

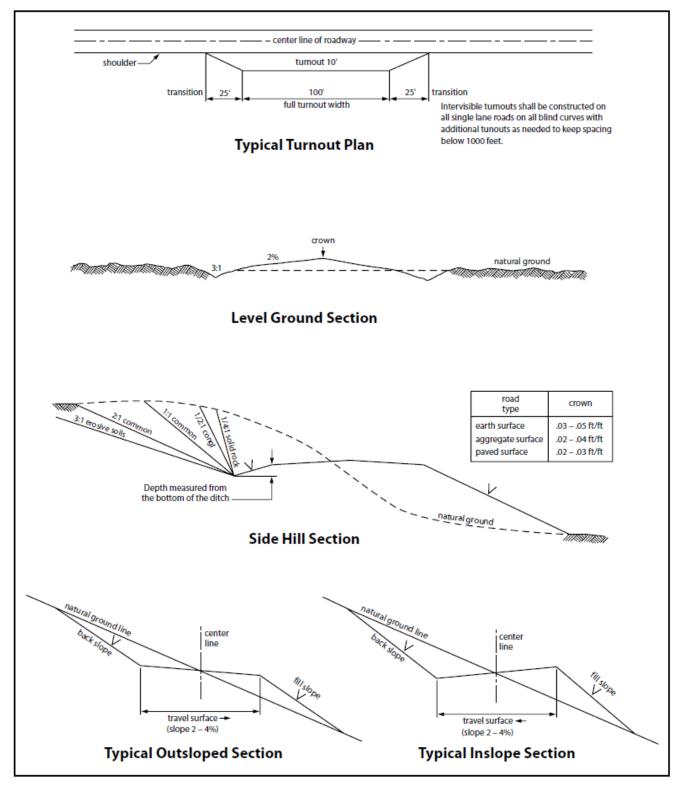


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

#### VII. PRODUCTION (POST DRILLING)

#### A. WELL STRUCTURES & FACILITIES

#### Placement of Production Facilities

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

#### **Exclosure Netting (Open-top Tanks)**

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

#### Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1½ inches.

#### **Open-Vent Exhaust Stack Exclosures**

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

#### **Containment Structures**

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

#### **Painting Requirement**

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

#### B. PIPELINES

#### STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review a copy of your permit during construction to ensure compliance with all stipulations.

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

- 1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (*see* 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.
- 4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

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

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

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

- 5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.
- 6. All construction and maintenance activity shall be confined to the authorized right-of-way width of <u>30</u> feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.
- 7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.
- 8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.
- 9. The pipeline shall be buried with a minimum of \_\_\_\_\_\_ 6 \_\_\_\_ inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.
- 10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

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- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.
- 14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

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

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 16 for more information.

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

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

excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

- 17. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 18. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 19. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.
- 20. Special Stipulations:

# **BURIED PIPELINE STIPULATIONS**

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

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

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

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- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.
- 5. All construction and maintenance activity will be confined to the authorized right-of-way.
- 6. The pipeline will be buried with a minimum cover of \_\_\_\_\_\_ inches between the top of the pipe and ground level.
- 7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
  - Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation*.)
  - Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed <u>30</u> feet. The trench and bladed area are included in this area. (Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.)
  - The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (Compressing can be caused by vehicle tires, placement of equipment, etc.)
- 8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately \_\_\_6\_\_ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
- 9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the

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owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

- 10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
- 11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

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

- 13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2.
- 14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.
- 15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.
- 16. Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

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

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 17 for more information.

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

- 17. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."
- 18. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.
- 19. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.
- 20. <u>Escape Ramps</u> The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

#### C. ELECTRIC LINES

#### STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES.

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

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

- 1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.
- 5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of

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large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

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

- 6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.
- 8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.
- 9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.
- 10. Any cultural resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

OR

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

The proponent has contributed funds commensurate to the undertaking into an account for offsite mitigation. Participation in the PA serves as mitigation for the effects of this project on cultural resources. If any human skeletal remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered at any time during construction, all construction activities shall halt and the BLM will be notified as soon as possible within 24 hours. Work shall not resume until a Notice to Proceed is issued by the BLM. See Stipulation 11 for more information.

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

11. The holder is hereby obligated to comply with procedures established in the Native American Graves Protection and Repatriation Act (NAGPRA) to protect such cultural items as human

remains, associated funerary objects, sacred objects, and objects of cultural patrimony discovered inadvertently during the course of project implementation. In the event that any of the cultural items listed above are discovered during the course of project work, the proponent shall immediately halt the disturbance and contact the BLM within 24 hours for instructions. The proponent or initiator of any project shall be held responsible for protecting, evaluating, reporting, excavating, treating, and disposing of these cultural items according to the procedures established by the BLM in consultation with Indian Tribes."

12. Any paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

# VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

# IX. FINAL ABANDONMENT & RECLAMATION

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At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

# **Seed Mixture 1 for Loamy Sites**

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

# <u>Species</u>

	<u>lb/acre</u>
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

11- /- - ...

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

# **Seed Mixture 2, for Sandy Sites**

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where

<sup>\*</sup>Pounds of pure live seed:

drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

# **Species**

			I <u>b/acre</u>
Sand dropseed (Sporobolus cryptandrus) Sand love grass (Eragrostis trichodes)	1.0	1.0	
Plains bristlegrass (Setaria macrostachya)	1.0	2.0	

<sup>\*</sup>Pounds of pure live seed:

Pounds of seed  $\mathbf{x}$  percent purity  $\mathbf{x}$  percent germination = pounds pure live seed

# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Centennial Resource Production LLC
WELL NAME & NO.: Wallaby 7 Fed Com 200H
LOCATION: Sec 06-20S-28E-NMP

COUNTY: Eddy County, New Mexico

COA

$H_2S$	•	No	0	Yes
Potash /	None	Secretary	C R-111-Q	☐ Open Annulus
WIPP				$\square$ WIPP
Cave / Karst	C Low	Medium	High	Critical
Wellhead	Conventional	<ul><li>Multibowl</li></ul>	Both	O Diverter
Cementing	☐ Primary Squeeze	☐ Cont. Squeeze	☐ EchoMeter	□ DV Tool
Special Req	☐ Capitan Reef	☐ Water Disposal	▼ COM	Unit
Waste Prev.	C Self-Certification	C Waste Min. Plan	APD Submitted p	prior to 06/10/2024
Additional	▼ Flex Hose	☐ Casing Clearance	☐ Pilot Hole	☐ Break Testing
Language	☐ Four-String	Offline Cementing	☐ Fluid-Filled	

Break testing is not approved on this well. BOP description and procedure request break testing, but the appropriate documents were not attached. Must sundry if operator wishes break testing to be approved.

# A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet 43 CFR 3176 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

# **B. CASING**

- 1. The **13-3/8** inch surface casing shall be set at approximately **225** feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping

- cement and ideally between 8-10 hours after completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
  - 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, Capitan Reef, or potash.
  - ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - 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, Capitan Reef, or potash.

#### 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. 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.
  - 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
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. If the cement does not circulate and one-inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
  - e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

# **D. SPECIAL REQUIREMENT (S)**

# **Communitization Agreement**

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3171 and 3172.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

# **Offline Cementing**

• Contact the BLM prior to the commencement of any offline cementing procedure.

# **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 Eddy County Petroleum Engineering Inspection Staff:**

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

- 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 2<sup>nd</sup> 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 2<sup>nd</sup> Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. 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.

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- 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 crew-intensive operations.



# H<sub>2</sub>S Contingency Plan



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# I. EMERGENCY ASSISTANCE TELEPHONE LIST

PUBLIC SAFETY	911 or
Sheriff's Department:	_
Eddy County Sherriff's Office	(575) 887-7551
Fire Department:	
Carlsbad Fire Department	(575) 885-3125
Artesia Fire Department	(575) 746-5051
Ambulance:	
Elite Medical Transport (Carlsbad)	(915) 542-1144
Trans Aero MedEvac (Artesia)	(970) 657-7449
Hospitals:	
Carlsbad Medical Center	(575) 887-4100
Artesia General Hospital	(575) 748-3333
New Mexico Dept. of Transportation:	
Highway & Transportation Department	(505) 795- 1401
New Mexico Railroad Commission:	
Main Line	(505) 476-3441
OSHA 24 Hr. Reporting	(800) 321-6742
(8 hrs. after death or 24 hrs. after in-patient, amputation, loss of an eye)	

Office Contacts	911 or
Colgate Energy LLC.	(432) 695-4222
Vice President of Operations:	
Casey McCain	(432) 664-6140
Drilling Engineering Supervisor	
Rafael Madrid	(432) 556-6387
Drilling Engineering Technical Adviser	
Steven Segrest	(405) 550-0277
Operations Superintendent	
Rick Lawson	(432) 530- 3188
Drilling Superintendent	
Daniel Cameron	(405) 933-0435
Onsite Supervision (H&P 481 Rig Managers)	
Juan Gutierrez	(970)394-4768
Jonathan Jackson	(970)394-4768
Onsite Supervision (H&P 481 Company Men)	
Pierre Dupuis	(432)438-0114
Eric Rutherford	(432)438-0114
Rolando Torres	(432)438-0114
Trevor Hein	(432)438-0114
Emergency Accommodations	
Safety Solutions Office	(432) 563-0400
Safety Solutions Dispatch	(432) 556-2002
Craig Strasner	(432) 894-0341 (Cel

# II. H<sub>2</sub>S CONTINGENCY PLAN SECTION

# Scope:

This contingency plan provides an organized plan of action for alerting and protecting the public within an area of exposure prior to an intentional release or following the accidental release of a potentially hazardous volume of hydrogen sulfide. The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas ( $H_2S$ ).

# **Objective:**

Prevent any and all accidents and prevent the uncontrolled release of  $H_2S$  into the atmosphere. Provide proper evacuation procedures to cope with emergencies. Provide immediate and adequate medical attention should an injury occur.

# Purpose, Distribution and Updating of Contingency Plan:

The Purpose of this contingency plan is to protect the general public from the harmful effects of  $H_2S$  accidentally escaping from the subject producing well. This plan is designed to accomplish its purpose by assuring the preparedness necessary to:

- 1. Minimize the possibility of releasing H<sub>2</sub>S into the atmosphere during related operations.
- 2. Provide for the logical, efficient, and safe emergency actions required to protect the general public in the event of an accidental release of a potentially hazardous quantity of H₂S.

Supplemental information is included with this plan and is intended as reference material for anyone needing a more detailed understanding of the many factors pertinent to  $H_2S$  drilling operations safety. The release of a potentially hazardous quantity of  $H_2S$  is highly unlikely. If such a release should occur however, obviously the exact time, rate, duration, and other pertinent facts will be known in advance thus, this contingency plan must necessarily be somewhat general. The plan does review in detail, as is reasonably possible, the type of accidental release that could possibly endanger the general public, the probable extent of such danger, and the emergency actions generally appropriate. In the event of such an accidental release, the specific actions to be taken will have to be determined at the time of release by the responsible personnel at the drilling location. Complete familiarity with this plan will help such personnel make the proper decisions rapidly. Familiarity with this plan is so required all operators, operator representatives, and drilling contractor supervisory personnel who could possibly be on duty at the drilling location at the time of an  $H_2S$  emergency.

IT IS THE RESPONSIBILITY OF THE OPERATOR TO ASSURE SUCH FAMILIARITY BEFORE DRILLING WITHIN 1000' OR THREE DAYS PRIOR TO PENETRATION OF THE SHALLOWEST FORMATION KNOWN OR SUSPECTED TO CONTAIN H₂S IN POTENTIALLY HAZARDOUS QUANTITIES, AND ALSO TO ASSURE THE TIMELY ACCOMPLISHMENT OF ALL THE OTHER ACTION SPECIFIED HERE IN.

As this contingency plan was prepared considerably in advance of the anticipated  $H_2S$  operation, the plan must be kept current if it is to effectively serve its purpose. The operators will be responsible for seeing that all copies are updated. Updating the plan is required when any changes to the personnel Call List (Section ) including telephone numbers occur or when any pertinent data or plans for the well are altered. The plan must also be updated when any changes in the general public likely to be within the exposure area in the event of an

accidental release from the well bore of a potentially hazardous quantity of H<sub>2</sub>S. Two copies of this plan shall be retained at the office of Colgate Energy. Two copies shall be retained at the drilling location.

#### **Discussion of Plan:**

#### **Suspected Problem Zones:**

*Implementation:* This plan, with all details, is to be fully implemented 1000' before drilling into the first sour zone.

**Emergency Response Procedure:** This section outlines the conditions and denotes steps to be taken in the event of an emergency.

**Emergency Equipment and Procedure:** This section outlines the safety and emergency equipment that will be required for the drilling of this well.

**Training Provisions:** This section outlines the training provisions that must be adhered to 1000' before drilling into the first sour zone.

*Emergency call list:* Included are the telephone numbers of all persons that would need to be contacted, should an H<sub>2</sub>S emergency occur.

Briefing: This section deals with the briefing of all persons involved with the drilling of this well.

Public Safety: Public Safety Personnel will be made aware of the drilling of this well.

Check Lists: Status check lists and procedural check lists have been included to ensure adherence to the plan.

**General Information:** A general information section has been included to supply support information.

# III. OPERATING PROCEDURES

#### A. Blowout Preventer Drills

Due to the special piping and Mani folding necessary to handle poisonous gas, particular care will be taken to ensure that all rig personnel are completely familiar with their jobs during the drills. The Drilling Consultant and Tool Pusher (Rig Superintendent) are thoroughly familiar with the additional controls and piping necessary.

#### B. H<sub>2</sub>S Alarm Drills

The Company Man and/ or designee will conduct frequent  $H_2S$  alarm drills for each crew by injecting a trace of  $H_2S$  where the detector will give an alarm. Under these conditions all personnel on location will put on air equipment and remain masked until all clear is announced.

# C. Surface Annular Preventer/ Diverter System Testing

After installation of the surface annular preventer, Hydraulic Control Valve and diverter system, both are to be function tested. They also should be function tested frequently while drilling surface hole.

# D. Blowout Preventer

After installation of the Blowout Preventer Stack, the stack will be pressure tested. The Choke manifold is also to be pressure tested at this time. This procedure will be repeated as required by the NMOCD, the BLM, or if any of the stack is nipped down. Also, at this time, the Blind and Pipe Rams are checked for correct operation.

# E. Well Control Practice Drills and Safety Meeting for Crew Members

Pit drills are for the purpose of acquainting each member of the drilling crew with his duties in the event of an emergency. Drills will be held with each crew as frequently as required to thoroughly familiarize each man with his duties. Drills are to be held at least weekly from that time forward.

#### 1. BOP Drill while on Bottom Drilling:

- A. Signal will be three or more long blast given by driller on the horn.
- B. Procedure will be as follows:
  - 1. Tool Pusher: Supervises entire operation.
  - 2. Driller
    - a. Gives signal.
    - b. Picks up Kelly.
    - c. Stops pumps.
    - d. Observes flow.
    - e. Signal to close (pipe rams if necessary).
    - f. Check that Choke Manifold is closed.
    - g. Record drill pipe pressure, casing pressure and determine mud volume gain.
  - 3. Motorman
    - a. Go to closing unit and standby for signal to close BOP.
    - b. Close BOP in signal.
    - c. Check on BOP closing.
    - d. Go to floor to assist driller. (NOTE: During test drills the BOP

need not be completely closed at the discretion of the supervisor. Supervisor should make it very clear that it is a test drill only!)

- 4. Derrickman
  - a. Check pumps.
  - b. Go to floor for directions from the driller.
- 5. Floorman
  - a. Go to manifold.
  - b. Observe and record pressure.
  - c. Check manifold and BOP for leaks.
  - d. Check with driller for additional instructions.
- 2. BOP Drill While Making Trip:
  - A. During trip driller will fill hole every five (5) stands and check the pits to be sure hole is taking mud.
  - B. Drill Procedure is as follows:
    - 1. Driller
      - a. Order Safety valve installed.
      - b. Alert those not on the floor.
      - c. Go to stations as described in above drill.
- 3. Safety Meetings
  - A. Every person involved in the operating will be informed of the characteristics of H<sub>2</sub>S, its danger and safety procedures to be used when it is encountered, and recommended first-aid procedure for regular rig personnel. This will be done through a series of talks made before spud.
  - B. The Safety Advisor or Drilling Supervisor will conduct these training sessions and will repeat them as deemed necessary by him or as instructed by Colgate Energy. Talks may include the following subjects:
    - 1. Dangers of Hydrogen Sulfide (H<sub>2</sub>S).
    - 2. Use and limitations of air equipment.
    - 3. Use of resuscitator.
    - 4. Organize Buddy System.
    - 5. First Aid procedures.
    - 6. Use of H₂S detection devices.
    - 7. Designate responsible people.
    - 8. Explain rig layout and policy to visitors.
      - a. Designate smoking and safety or Muster area.
      - b. Emphasize the importance of wind directions.
    - Describe and explain operation of BOP stack, manifold, separator, and pit piping. Include maximum allowable pressure for casing procedure.
    - 10. Explain functions of Safety Supervisor.
    - 11. Explain organize H<sub>2</sub>S Drills.
    - 12. Explain the overall emergency plan with emphasis given to the evacuation phase of the plans.

• Note: The above talks will be attended by every person involved in the operation. When drilling has reached a depth where H<sub>2</sub>S is anticipated, temporary service personnel and visitors will be directed to the Drilling Consultant, who will designate the air equipment to be used by them in case of emergency, acquaint them with the dangers involved and be sure of their safety while they are in the area. He will point out the Briefing Areas, Windsocks, and Smoking Areas. He may refuse entrance to anyone, who in his opinion should not be admitted because of lack of safety equipment, special operations in progress or for other reasons involving personnel safety.

#### F. Outside Service Personnel

All service people such as cementing crews, logging crews, specialist, mechanics, and welders will furnish their own safety equipment. The Company Man/ or designee will be sure that the number of people on location does not exceed the number of masks on location, and they have been briefed regarding safety procedures. He will also be sure each of these people know about smoking and "Briefing Areas" and know what to do in case of an emergency alert or drill. Visitors will be restricted, except with special permission from the Drilling Consultant, when H<sub>2</sub>S might be encountered. They will be briefed as to what to do in case of an alert or drill.

#### G. Onsite/ off shift workers

All workers that are staying on site must be identified as to where they are staying while off tour. If a drill/ or emergency takes place related to an H<sub>2</sub>S release, each crew must have a designated person(s) that will wake them up and ensure that they are cleared to the appropriate muster area immediately.

# H. Simultaneous Operations (SIMOPS)

If work is going on adjacent to the location is the responsibility of the Drilling Consultant or designee to communicate any applicable risks that may affect personnel working on that adjacent location. In the case of an H2S drill or event, there should be a designated crew member that is responsible for contacting personnel on adjacent locations. This could include just communication on potential events or in case of an event, notification to evacuate location. Drilling Consultant or designee are the Point of Contact and oversee all activities at such point of an H<sub>2</sub>S event occurrence.

#### I. <u>Area Residences/ Occupied Locations/ Public Roads</u>

Any occupied residences/ businesses that are within a reasonable perimeter of the location (attached map will identify a 3000' radius around location) should be identified as part of this contingency and a reasonable effort will be made to gain contact information for them. As part of the briefing of the contingency plan, the team reviewing should identify where these potential receptors are and plan on who will contact them in case of a release that may impact that area.

#### J. Drilling Fluids

<u>Drilling Fluid Monitoring</u> – On Any Hazardous  $H_2S$  gas well, the earlier the warning of danger the better chance to control operations. Mud Company will be in daily contact with Colgate Energy Consultant. The Mud Engineer will take samples of the mud, analyze these samples, and make necessary recommendations to prevent  $H_2S$  gas from the formation, the pH will be increased as necessary for corrosion control.

<u>pH Control</u> – For normal drilling, pH of 10.5 - 11.5. Would be enough for corrosion protection. If there is an influx of H<sub>2</sub>S gas from the formation, the pH will be increased as necessary for corrosion control.

 $\underline{\text{H}_2\text{S} \text{ Scavengers}}$  – If necessary  $\underline{\text{H}_2\text{S}}$  scavengers will be added to the drilling mud.

# IV. OPERATING CONDITIONS

# A. Posting Well Condition Flags

Post the green, yellow or red well condition flag, as appropriate, on the well condition sign at the location entrance, and take necessary precautions as indicated below:

- 1. **Green Flag**: Potential Danger- When Drilling in known H<sub>2</sub>S zones or when H<sub>2</sub>S has been detected in the drilling fluid atmosphere. Protective breathing equipment shall be inspected, and all personnel on duty shall be alerted to be ready to use this equipment.
- 2. **Yellow Flag**: Potential Danger- When the threshold limit value of H<sub>2</sub>S (10 PPM) or of SO<sub>2</sub> (5 PPM) is reached. If the concentration of H<sub>2</sub>S or SO<sub>2</sub> reaches 10 PPM, protective breathing equipment shall be worn by all working personnel, and non-working personnel shall go to the upwind Safe Briefing Area.
- 3. **Red Flag**: Extreme danger\*- When the ambient concentration of  $H_2S$  or  $SO_2$  is reasonably believed or determined to have exceeded the potentially hazardous level. All non-essential personnel shall leave the drilling location taking the route most likely to exposure to escaping gas.

#### B. Requiring Air Masks Conditions

- Whenever air masks are used, the person must be clean shaven as shown in the APC Guidelines
- 2. When breaking out any line where  $H_2S$  can reasonably be expected.
- 3. When sampling air in areas to determine if toxic concentrations of H<sub>2</sub>S exist.
- 4. When working in areas where 10 PPM or more of H<sub>2</sub>S has been detected.
- 5. At any time, there is doubt as to the H<sub>2</sub>S level in the area to be entered.

#### C. Kick Procedure

- 1. It is very important that the driller be continuously alert, especially when approaching a gas formation.
- 2. Should gas come into the well bore, it is very important to be aware of a kick at the earliest time.
- 3. If a kick is identified, follow appropriate diverter or shut in procedures according to the situation that is presented utilizing appropriate kick procedures.

# V. EMERGENCY PROCEDURES

- I. In the event of any evidence of H<sub>2</sub>S level above 10ppm, take the following steps immediately:
  - a. Secure breathing apparatus.
  - b. Order non-essential personnel out of the danger zone.
  - c. Take steps to determine if the H<sub>2</sub>S level can be corrected or suppressed, and if so, proceed with normal operations.
- II. If uncontrollable conditions occur, proceed with the following:
  - a. Take steps to protect and/or remove any public downwind of the rig, including partial evacuation or isolation. Notify necessary public safety personnel.
  - b. Remove all personnel to the Safe Briefing Area.
  - c. Notify public safety personnel for help with maintaining roadblocks, thus limiting traffic and implementing evacuation.
  - d. Determine and proceed with the best possible plan to regain control of the well. Maintain tight security and safety measures.

# III. Responsibility

- a. The Company Approved Supervisor shall be responsible for the total implementation of the plan.
- b. The Company Approved Supervisor shall be in complete command during any emergency.
- c. The Company Approved Supervisor shall designate a backup Supervisor if he/she is not available.

#### IV. Actions to be taken

- a. Assign specific tasks to drilling location personnel
- b. Evacuate the general public from the exposure area
- c. Cordon off the exposure area to prevent entry by unauthorized persons
- d. Request assistance if and as needed and initiate emergency notifications
- e. Stop the dispersion of H<sub>2</sub>S
- f. Complete emergency notifications as required
- g. Return the situation to normal

#### **EMERGENCY PROCEDURE IMPLEMENTATION**

# I. Drilling or Tripping

#### a. All Personnel

- i. When alarm sounds, don escape unit and report to upwind Safe Briefing Area.
- ii. Check status of other personnel (buddy system).
- iii. Secure breathing apparatus.
- iv. Wait for orders from supervisor.

#### b. Drilling Consultant

- i. Report to the upwind Safe Briefing Area.
- ii. Don Breathing Apparatus and return to the point of release with the Tool Pusher or Driller (buddy system).
- iii. Determine the concentration of H<sub>2</sub>S.
- iv. Assess the situation and take appropriate control measures.

# c. <u>Tool Pusher</u>

- i. Report to the upwind Safe Briefing Area.
- ii. Don Breathing Apparatus and return to the point of release with the Drilling Consultant or the Driller (buddy system).
- iii. Determine the concentration of H<sub>2</sub>S.
- iv. Assess the situation and take appropriate control measures.

# d. Driller

- i. Check the status of other personnel (in a rescue attempt, always use the buddy system).
- ii. Assign the least essential person to notify the Drilling Consultant and Tool Pusher, in the event of their absence.
- iii. Assume the responsibility of the Drilling Consultant and the Tool Pusher until they arrive, in the event of their absence.

# e. Derrick Man and Floor Hands

i. Remain in the upwind Safe Briefing Area until otherwise instructed by a supervisor.

# f. <u>Mud Engineer</u>

- i. Report to the upwind Safe Briefing Area.
- ii. When instructed, begin check of mud for pH level and H<sub>2</sub>S level.

#### g. Safety Personnel

- i. Don Breathing Apparatus.
- ii. Check status of personnel.
- iii. Wait for instructions from Drilling Consultant or Tool Pusher.

# II. Taking a Kick

- a. All Personnel report to the upwind Safe Briefing Area.
- b. Follow standard BOP/ diverter procedures.

# III. Open Hole Logging

- a. All unnecessary personnel should leave the rig floor.
- b. Drilling Consultant and Safety Personnel should monitor the conditions and make necessary safety equipment recommendations.

# IV. Running Casing or Plugging

- a. Follow "Drilling or Tripping" procedures.
- **b.** Assure that all personnel have access to protective equipment.

# VI. POST EMERGENCY ACTIONS

In the event this plan is activated, the following post emergency actions shall be taken in an effort to reduce the possibility of a reoccurrence of the type of problem that required its activation, and/or assure that any future activation of a similar plan will be as effective as possible.

- A. Review the factors that caused or permitted the emergency occur, and if the need is indicated, modify operating, maintance and/or surveillance procedures.
- B. If the need is indicated, retrain employees in blowout prevention, H<sub>2</sub>S emergency procedures and etc.
- C. Clean up, recharge, restock, reapair, and/ or repalce H<sub>2</sub>S emergency equipment as necessary, and return it to its proper place. (For whatever rental equipment is used, this will be the resposibility of Rental Company).
- D. See that future H<sub>2</sub>S drilling contingency plans are modified accordingly, if the need is indicated.

# VII. IGNITION PROCEDURES

# **Responsibilities:**

The decision to ignite the well is the responsibility of the DRILLING CONSULTANT in concurrence with the STATE POLICE. In the event the Drilling Consultant is incapacitated, it becomes the responsibility of the RIG TOOL PUSHER. This decision should be made only as a last resort and in a situation where it is clear that:

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

If time permits, notify the main office, but do not delay if human life is in danger. Initiate the first phase of the evacuation plan.

# **Instructions for Igniting the Well:**

- 1. Two people are required for the actual igniting operation. Both men must wear self-contained breathing apparatus and must use a full body harness and attach a retrievable safety line to the D-Ring in the back. One man must monitor the atmosphere for explosive gases with the LEL monitor, while the Drilling Consultant is responsible for igniting the well.
- 2. The primary method to ignite is a 25mm flare gun with a range of approximately 500 feet.
- 3. Ignite from upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best suited for protection and which offers an easy escape route.
- 5. Before igniting, check for the presence of combustible gases.
- 6. After igniting, continue emergency actions and procedures as before.
- 7. All unassigned personnel will limit their actions to those directed by the Drilling Consultant.

**Note**: After the well is ignited, burning Hydrogen Sulfide will convert to Sulfur Dioxide, which is also highly toxic. Also, both are heavier than air. Do not assume the area is safe even after the well is ignited.

# VIII. TRAINING PROGRAM

When working in an area where Hydrogen Sulfide ( $H_2S$ ) might be encountered, definite training requirements must be carried out. The Company Supervisor will ensure that all personnel, at the well site, have had adequate training in the following:

- 1. Hazards and characteristics of Hydrogen Sulfide (H<sub>2</sub>S).
- **2.** Physicals effects of Hydrogen Sulfide on the human body.
- **3.** Toxicity of Hydrogen Sulfide and Sulfur Dioxide.
- **4.** H<sub>2</sub>S detection, Emergency alarm and sensor location.
- **5.** Don and Doff of SCBA and be clean shaven.
- **6.** Emergency rescue.
- **7.** Resuscitators.
- **8.** First aid and artificial resuscitation.
- **9.** The effects of Hydrogen Sulfide on metals.
- **10.** Location safety.

Service company personnel and visiting personnel must be notified if the zone contains H<sub>2</sub>S, and each service company must provide adequate training and equipment for their employees before they arrive at the well site.

# IX. EMERGENCY EQUIPMENT

# **Lease Entrance Sign:**

Should be located at the lease entrance with the following information:

# CAUTION – POTENTIAL POISON GAS HYDROGEN SULFIDE NO ADMITTANCE WITHOUT AUTHORIZATION

# **Respiratory Equipment:**

- Fresh air breathing equipment should be placed at the safe briefing areas and should include the following:
- Two SCBA's at each briefing area.
- Enough airline units to operate safely, anytime the H<sub>2</sub>S concentration reaches the IDLH level (100 ppm).

• Cascade system with enough breathing air hose and manifolds to reach the rig floor, the derrickman and the other operation areas.

#### Windsocks or Wind Streamers:

- A minimum of two 10" windsocks located at strategic locations so that they may be seen from any point on location.
- Wind streamers (if preferred) should always be placed at various locations on the well site to ensure wind consciousness. (Corners of location).

# **Hydrogen Sulfide Detector and Alarms:**

- 1 Four channel H<sub>2</sub>S monitor with alarms.
- Three (3) sensors located as follows: #1 Rig Floor, #2 Shale Shaker, #3 Cellar.
- Gastec or Draeger pump with tubes.
- Sensor test gas.

# Well Condition Sign and Flags:

The Well Condition Sign w/flags should be placed a minimum of 150' before you enter the location. It should have three (3) color coded flags (green, yellow and red) that will be used to denote the following location conditions:

GREEN – Normal Operating Conditions YELLOW – Potential Danger RED – Danger, H₂S Gas Present

## **Auxiliary Rescue Equipment:**

- Stretcher
- 2 100' Rescue lines.
- First Aid kit properly stocked.

# **Mud Inspection Equipment:**

Garret Gas Train or Hach Tester for inspection of Hydrogen Sulfide in the drilling mud system.

## **Fire Extinguishers:**

Adequate fire extinguishers shall be located at strategic locations.

#### **Blowout Preventer:**

- The well shall have hydraulic BOP equipment for the anticipated bottom hole pressure (BHP).
- The BOP should be tested upon installation.
- BOP, Choke Line and Kill Line will be tested as specified by Operator.

## **Confined Space Monitor:**

There should be a portable multi-gas monitor with at least 3 sensors ( $O_2$ , LEL  $H_2S$ ), preferably 4 ( $O_2$ , LEL,  $H_2S$ , CO). This instrument should be used to test the atmosphere of any confined space before entering. It should also be used for atmospheric testing for LEL gas before beginning any type of Hot Work. Proper calibration documentation will need to be provided.

## **Communication Equipment:**

- Proper communication equipment such as cell phones or 2-way radios should be available at the rig.
- Radio communication shall be available for communication between the company man's trailer, rig floor and the tool pusher's trailer.
- Communication equipment shall be available on the vehicles.

# **Special Control Equipment:**

- Hydraulic BOP equipment with remote control on the ground.
- Rotating head at the surface casing point.

#### **Evacuation Plan:**

- Evacuation routes should be established prior to spudding the well.
- Should be discussed with all rig personnel.

# **Designated Areas:**

# Parking and Visitor area:

- All vehicles are to be parked at a pre-determined safe distance from the wellhead.
- Designated smoking area.

# Safe Briefing Areas:

- Two Safe Briefing Areas shall be designated on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds, or they are at a 180-degree angle if wind directions tend to shift in the area.
- Personal protective equipment should be stored at both briefing areas and if a moveable cascade trailer
  is used, it should be kept upwind of existing winds. When wind is from the prevailing direction, both
  briefing areas should be accessible.

#### Note:

- Additional equipment will be available at the H₂S Provider Safety office.
- Additional personal H<sub>2</sub>S monitors are available for all employees on location.
- Automatic Flare Igniters are recommended for installation on the rig.

# X. CHECKLISTS

# Rig-up & Equipment Status Check List

Note: Initial & Date each item as they are implemented. Multiple wells require additional Columns to be Dated/ Initialed

	Date & Initial	Date & Initial  2 <sup>nd</sup> Well	Date & Initial 3 <sup>rd</sup> Well	Date & Initial 4 <sup>th</sup> Well
Sign at location entrance.				
Two (2) windsocks (in required locations).				
Wind Streamers (if required).				
SCBA's on location (Minimum of 2 @ each Muster Area)				
Air packs (working packs and escape packs), inspected and ready for use.				
Spare bottles for each air pack (if required).				
Cascade system and hose line hook up.				
Choke manifold hooked-up and tested. (before drilling out surface casing.)				
Remote Hydraulic BOP control tested (before drilling out surface casing).				
BOP tested (before drilling out surface casing).				
Safe Briefing Areas set-up				
Well Condition sign and flags on location and ready.				
Hydrogen Sulfide detection/ alarm system hooked-up & tested.				
Stretcher on location				
2 – 100' Lifelines on location.				
1 – 20# Fire Extinguisher in safety trailer.				
Confined Space monitor on location and tested.				
All rig crews and supervisor trained (as required).				
All rig crews and supervision medically qualified and fit tested on proper respirators				
Access restricted for unauthorized personnel.				
Pre-spud meeting held reviewing Contingencies				
Drills on H <sub>2</sub> S and well control procedures.				
All outside service contractors advised of potential $H_2S$ on the well.				
25mm Flare Gun on location w/flares.				

## **Procedural Check List**

# Perform the following on each tour:

- 1. Check fire extinguishers to see that they have the proper charge.
- 2. Check breathing equipment to ensure that they have not been tampered with.
- 3. Check pressure on the supply air bottles to make sure they are capable of recharging.
- 4. Make sure all the Hydrogen Sulfide detection systems are operative.
- 5. Ensure that all BOP/ Surface Annular/ Diverter systems are functioning and operational.

# Perform the following each week:

- Check each piece of breathing equipment to make sure that they are fully charged and operational. This
  requires that the air cylinder be opened, and the mask assembly be put on and tested to make sure that
  the regulators and masks are properly working. Negative and Positive pressure should be conducted on
  all masks.
- 2. BOP skills.
- 3. Check supply pressure on BOP accumulator stand-by source.
- 4. Check all breathing air mask assemblies to see that straps are loosened and turned back, ready for use.
- 5. Check pressure on cascade air cylinders to make sure they are fully charged and ready to use for refill purposes if necessary.
- 6. Check all cascade system regulators to make sure they work properly.
- 7. Perform breathing drills with on-site personnel.
- 8. Check the following supplies for availability (may be with H<sub>2</sub>S Techs On-call):
  - Stretcher
  - Safety Belts and Ropes
  - Spare air Bottles
  - Spare Oxygen Bottles (if resuscitator required)
  - Gas Detector Pump and Tubes
  - Emergency telephone lists
  - Test the Confined Space Monitor to verify the batteries are good.

# XI. BRIEFING PROCEDURES

The following scheduled briefings will be held to ensure the effective drilling and operation of this project:

**Pre-Spud Meeting** 

Date: Prior to spudding the well.

Attendance: Drilling Supervisor

Drilling Engineer Drilling Consultant Rig Tool Pushers Rig Drillers Mud Engineer

All Safety Personnel

**Key Service Company Personnel** 

Purpose: Review and discuss the well program, step-by-step, to insure complete understanding of

assignments and responsibilities.

## XII. EVACUATION PLAN

#### **General Plan**

The direct lines of action prepared by Colgate Energy to protect the public from hazardous gas situations are as follows:

- 1. When the company approved supervisor (Drilling Consultant, Tool Pusher or Driller) determine that Hydrogen Sulfide gas cannot be limited to the well location, and the public will be involved, he will activate the evacuation plan. Escape routes are noted on the area map.
- 2. Company safety personnel or designee will notify the appropriate local government agency that a hazardous condition exists, and evacuation needs to be implemented.
- 3. Company approved safety personnel that have been trained in the use of the proper emergency equipment will be utilized.
- 4. Law enforcement personnel (State Police, Local Police Department, Fire Department, and the Sheriff's Department) will be called to aid in setting up and maintaining roadblocks. Also, they will aid in evacuation of the public if necessary.

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

- 5. After the discharge of gas has been controlled, "Company" personnel will determine when the area is safe for re-entry.
- 6. If a major release is secured, all exposed housing, vehicles, rig buildings, and low-lying areas and other structures downwind must be tested and clear with SCBAs donned to ensure that all residual H₂S is cleared. Fans, or opening of doors is recommended to ensure that areas are cleared out as part of this process.

# XIII. APPENDICES AND GENERAL INFORMATION

# Radius of Exposure Affected Notification List

(within a 65' radius of exposure @100ppm)

The geologic zones that will be encountered during drilling are known to contain hazardous quantities of H<sub>2</sub>S. The accompanying map illustrates the affected areas of the community. The residents within this radius will be notified via a hand delivered written notice describing the activities, potential hazards, conditions of evacuation, evacuation drill siren alarms and other precautionary measures.

# **Evacuee Description:** Residents:

#### **Notification Process:**

A continuous siren audible to all residence will be activated, signaling evacuation of previously notified and informed residents.

# **Evacuation Plan:**

All evacuees will migrate lateral to the wind direction.

The Operating Company will identify all home bound or highly susceptible individuals and make special evacuation preparations, interfacing with the local and emergency medical service as necessary.

# Toxic Effects of H<sub>2</sub>S Poisoning

Hydrogen Sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 PPM, which is .001% by volume. Hydrogen Sulfide is heavier than air (specific gravity -1.192) and is colorless and transparent. Hydrogen Sulfide is almost as toxic as Hydrogen Cyanide and is 5-6 times more toxic than Carbon Monoxide. Occupational exposure limits for Hydrogen Sulfide and other gases are compared below in Table 1. Toxicity table for  $H_2S$  and physical effects are shown in Table 2.

Table 1
Permissible Exposure Limits of Various Gases

Common Name	<u>Symbol</u>	Sp. Gravity	<u>TLV</u>	<u>STEL</u>	<u>IDLH</u>
Hydrogen Cyanide	HCN	.94	4.7 ppm	4.7 ppm	50 ppm
Hydrogen Sulfide	H <sub>2</sub> S	1.192	10 ppm	15 ppm	100 ppm
Sulfide Dioxide	SO <sub>2</sub>	2.21	2 ppm	5 ppm	100 ppm
Chlorine	CL	2.45	.5 ppm	1 ppm	10 ppm
Carbon Monoxide	СО	.97	25 ppm	200 ppm	1200 ppm
Carbon Dioxide	CO <sub>2</sub>	1.52	5000 ppm	30,000 ppm	40,000 ppm
Methane	CH <sub>4</sub>	.55	5% LEL	15% UEL	

## **Definitions**

- A. TLV Threshold Limit Value is the concentration employees may be exposed based on a TWA (time weighted average) for eight (8) hours in one day for 40 hours in one (1) week. This is set by ACGIH (American Conference of Governmental Hygienists) and regulated by OSHA.
- B. STEL Short Term Exposure Limit is the 15-minute average concentration an employee may be exposed to providing that the highest exposure never exceeds the OEL (Occupational Exposure Limit). The OEL for H<sub>2</sub>S is 20 PPM.
- C. IDLH Immediately Dangerous to Life and Health is the concentration that has been determined by the ACGIH to cause serious health problems or death if exposed to this level. The IDLH for H₂S is 100 PPM.
- D. TWA Time Weighted Average is the average concentration of any chemical or gas for an eight (8) hour period. This is the concentration that any employee may be exposed based on a TWA.

# Toxicity Table of H₂S

Percent %	<u>PPM</u>	Physical Effects
.0001	1	Can smell less than 1 ppm.
.001	10	TLV for 8 hours of exposure.
.0015	15	STEL for 15 minutes of exposure.
.01	100	Immediately Dangerous to Life & Health.
		Kills sense of smell in 3 to 5 minutes.
.02	200	Kills sense of smell quickly, may burn eyes and throat.
.05	500	Dizziness, cessation of breathing begins in a few minutes.
.07	700	Unconscious quickly, death will result if not rescued promptly.
.10	1000	Death will result unless rescued promptly. Artificial resuscitation may be necessary.

#### PHYSICAL PROPERTIES OF H<sub>2</sub>S

The properties of all gases are usually described in the context of seven major categories:

**COLOR** 

**ODOR** 

**VAPOR DENSITY** 

**EXPLOSIVE LIMITS** 

**FLAMMABILITY** 

SOLUBILITY (IN WATER)

**BOILING POINT** 

Hydrogen Sulfide is no exception. Information from these categories should be considered in order to provide a complete picture of the properties of the gas.

#### **COLOR – TRANSPARENT**

Hydrogen Sulfide is colorless, so it is invisible. This fact simply means that you can't rely on your eyes to detect its presence. In fact, that makes this gas extremely dangerous to be around.

#### **ODOR – ROTTEN EGGS**

Hydrogen Sulfide has a distinctive offensive smell, like "rotten eggs". For this reason, it earned its common name "sour gas". However, H₂S, even in low concentrations, is so toxic that it attacks and quickly impairs a victim's sense of smell, so it could be fatal to rely on your nose as a detection device.

#### VAPOR DENSITY - SPECIFIC GRAVITY OF 1.192

Hydrogen Sulfide is heavier than air, so it tends to settle in low-lying areas like pits, cellars or tanks. If you find yourself in a location where H<sub>2</sub>S is known to exist, protect yourself. Whenever possible, work in an area upwind and keep to higher ground.

#### **EXPLOSIVE LIMITS – 4.0% TO 44%**

Mixed with the right proportion of air or oxygen, H<sub>2</sub>S will ignite and burn or explode, producing another alarming element of danger besides poisoning.

#### **FLAMMABILITY**

Hydrogen Sulfide will burn readily with a distinctive clear blue flame, producing Sulfur Dioxide (SO<sub>2</sub>), another hazardous gas that irritates the eyes and lungs.

#### **SOLUBILITY – 4 TO 1 RATIO WITH WATER**

Hydrogen Sulfide can be dissolved in liquids, which means that it can be present in any container or vessel used to carry or hold well fluids including oil, water, emulsion and sludge. The solubility of  $H_2S$  is dependent on temperature and pressure, but if conditions are right, simply agitating a fluid containing  $H_2S$  may release the gas into the air.

# **BOILING POINT – (-77° Fahrenheit)**

Liquefied Hydrogen Sulfide boils at a very low temperature, so it is usually found as a gas.

#### RESPIRATOR USE

The Occupational Safety and Health Administration (OSHA) regulate the use of respiratory protection to protect the health of employees. OSHA's requirements are written in the Code of Federal Regulations, Title 29, Part 1910, Section 134, Respiratory Protection. This regulation requires that all employees who might be required to wear respirators, shall complete an OSHA mandated medical evaluation questionnaire. The employee then should be fit tested prior to wearing any respirator while being exposed to hazardous gases.

Written procedures shall be prepared covering safe use of respirators in dangerous atmospheric situations, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available respirators.

Respirators shall be inspected prior to and after each use to make sure that the respirator has been properly cleaned, disinfected and that the respirator works properly. The unit should be fully charged prior to being used.

Anyone who may use respirators shall be properly trained in how to properly seal the face piece. They shall wear respirators in normal air and then in a test atmosphere. (Note: Such items as facial hair (beard or sideburns) and eyeglass temple pieces will not allow a proper seal.) Anyone who may be expected to wear respirators should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses. Contact lenses should not be allowed.

Respirators shall be worn during the following conditions:

- A. Any employee who works near the top or on the top of any tank unless tests reveal less than 20 ppm of  $H_2S$ .
- B. When breaking out any line where H<sub>2</sub>S can reasonably be expected.
- C. When sampling air in areas where H<sub>2</sub>S may be present.
- D. When working in areas where the concentration of H<sub>2</sub>S exceeds the Threshold Limit Value for H<sub>2</sub>S (10 ppm).
- E. At any time where there is a doubt as to the  $H_2S$  level in the area to be entered.

#### **EMERGENCY RESCUE PROCEDURES**

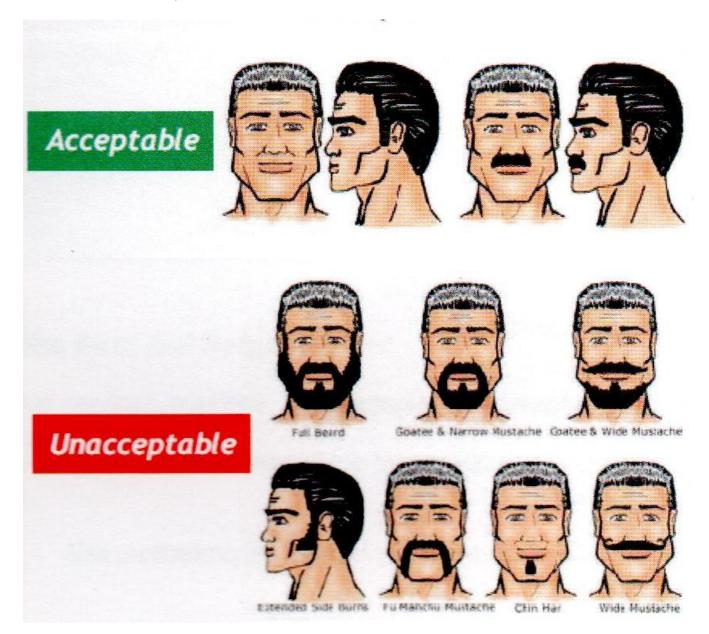
#### DO NOT PANIC!!!

#### Remain Calm - Think

- 1. Before attempting any rescue, you must first get out of the hazardous area yourself. Go to a safe briefing area.
- 2. Sound alarm and activate the 911 system.
- 3. Put on breathing apparatus. At least two persons should do this, when available use the buddy system.
- 4. Rescue the victim and return them to a safe briefing area.
- 5. Perform an initial assessment and begin proper First Aid/CPR procedures.
- 6. Keep victim lying down with a blanket or coat, etc.., under the shoulders to keep airway open. Conserve body heat and do not leave unattended.
- 7. If the eyes are affected by H<sub>2</sub>S, wash them thoroughly with potable water. For slight irritation, cold compresses are helpful.
- 8. In case a person has only minor exposure and does not lose consciousness totally, it's best if he doesn't return to work until the following day.
- 9. Any personnel overcome by H<sub>2</sub>S should always be examined by medical personnel. They should always be transported to a hospital or doctor.

# Facial Hair - Clean Shaven Examples

Purpose: To define clean shaven expectations in the field for: 1) Respirator Use, if applicable and 2) First Aid Administration, if situation occurs related to  $H_2S$  exposure, having no facial hair can greatly benefit response time and treatment ability.



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

ACKNOWLEDGMENTS

Action 506009

#### **ACKNOWLEDGMENTS**

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	506009
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

#### ACKNOWLEDGMENTS

I hereby certify that no additives containing PFAS chemicals will be added to the completion or recompletion of this well.

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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

CONDITIONS

Action 506009

#### **CONDITIONS**

Operator:	OGRID:
Permian Resources Operating, LLC	372165
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	506009
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

#### CONDITIONS

Created By	Condition	Condition Date
jelrod01	Cement is required to circulate on both surface and intermediate1 strings of casing.	9/15/2025
jelrod01	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.	9/15/2025
ward.rikala	Notify the OCD 24 hours prior to casing & cement.	9/26/2025
ward.rikala	File As Drilled C-102 and a directional Survey with C-104 completion packet.	9/26/2025
ward.rikala	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.	9/26/2025
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.	9/26/2025