| Form 3160-3 (June 2015) UNITED STATES | | | OMB No | APPROVED 0. 1004-0137 nuary 31, 2018 |
|---|--|--------------------------|--|---|
| DEPARTMENT OF THE INTE BUREAU OF LAND MANAGE | | | 5. Lease Serial No. | |
| APPLICATION FOR PERMIT TO DRIL | | 2 | 6. If Indian, Allotee | or Tribe Name |
| 1a. Type of work: DRILL REENT | TER | | 7. If Unit or CA Agr | eement, Name and No. |
| 1b. Type of Well: Oil Well Gas Well Other 1c. Type of Completion: Hydraulic Fracturing Single 2 | Zone Multiple 2 | Zone | 8. Lease Name and V | |
| 2. Name of Operator [229137] | | | 9. API Well No. 30 | -015-47308 |
| 3a. Address 3b. 1 | Phone No. (include an | rea code) | 10. Field and Pool, o | r Exploratory |
| 4. Location of Well (Report location clearly and in accordance with a At surface At prepaged page | ny State requirements | .*) | 11. Sec., T. R. M. or | Blk. and Survey or Area |
| At proposed prod. zone 14. Distance in miles and direction from nearest town or post office* | | | 12. County or Parish | 13. State |
| location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | No of acres in lease Proposed Depth | | ng Unit dedicated to th /BIA Bond No. in file | is well |
| | Approximate date wo | rk will start* | 23. Estimated duration | on |
| The following, completed in accordance with the requirements of Onsl (as applicable) | | er No. 1, and the F | Iydraulic Fracturing ru | ale per 43 CFR 3162.3-3 |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lar SUPO must be filed with the appropriate Forest Service Office). | Item 20 a 5. Operator | bove). certification. | - | existing bond on file (see may be requested by the |
| 25. Signature | Name (Printed/Type | ed) | | Date |
| Title | | | | |
| Approved by (Signature) | Name (Printed/Type | ed) | | Date |
| Title Application approval does not warrant or certify that the applicant hold applicant to conduct operations thereon. Conditions of approval, if any, are attached. | Office Is legal or equitable ti | tle to those rights | in the subject lease wh | nich would entitle the |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make i of the United States any false, fictitious or fraudulent statements or rep | | | | ny department or agency |
| GCP Rec 07/22/2020 | | | ./ | |
| Standard Location per R-21254 | D WITH CON | DITIONS | 07/3 | 2 0/2020 |
| (Continued on page 2) | | | *(Ins | structions on page 2) |

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PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

| OPERATOR'S NAME: | COG Operating LLC |
|----------------------------|--------------------------------|
| LEASE NO.: | NMNM092757 |
| WELL NAME & NO.: | Tomahawk Federal Unit 704H |
| SURFACE HOLE FOOTAGE: | 500' FSL & 1618' FWL |
| BOTTOM HOLE FOOTAGE | 200' FSL & 1618' FWL |
| LOCATION: | Section 20, T 24S, R 28E, NMPM |
| COUNTY: | Eddy County, New Mexico |

| H2S | O Yes | 🖲 No | |
|----------------------|------------------|----------------|------------|
| Potash | None | O Secretary | © R-111-P |
| Cave/Karst Potential | O Low | Medium | O High |
| Variance | O None | Flex Hose | O Other |
| Wellhead | Conventional | O Multibowl | O Both |
| Other | □4 String Area | Capitan Reef | WIPP |
| Other | □ Fluid Filled | Cement Squeeze | Pilot Hole |
| Special Requirements | □ Water Disposal | COM | ✓ Unit |

A. HYDROGEN SULFIDE

1. 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 Onshore Order 6 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 **10-3/4**" surface casing shall be set a minimum of 25' above the top of the salt and cemented to surface.
 - a. **If cement does not circulate to 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 **6 hours** after pumping cement, ideally between 8-10 hours after.
 - b. WOC time for a primary cement job will be a minimum of <u>8 hours</u> or <u>500 psi</u> compressive strength, whichever is greater. This is to include the lead cement.
 - c. If cement falls back, remedial cementing will be done prior to drilling out the shoe.
 - d. WOC time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is greater.

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- 2. The **7-5/8''** intermediate casing shall be set be cemented to surface.
 - a. If cement does not circulate to surface, see B.1.a, c & d.
- 3. The **5-1/2**" production casing shall be cemented with at least **200' tie-back** into the previous casing. Operator shall provide method of verification.
 - a. 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.

C. PRESSURE CONTROL

- 1. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000** (**3M**) psi.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **5000** (**5M**) psi.

D. SPECIAL REQUIREMENTS

- 2. The well sign for a unit well shall include the unit number (when applied for) in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number once it has been established.
 - a. A commercial well determination shall be submit after production has been established for at least six months. Secondary recovery unit wells are exempt from this requirement.

DR 7/20/2020

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GENERAL REQUIREMENTS

- 1. The BLM is to be notified in advance for a representative to witness:
 - a. Spudding the well (minimum of 24 hours)
 - b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
 - c. BOP/BOPE tests (minimum of 4 hours)

Eddy County: Call the Carlsbad Field Office, (575) 361-2822

Lea County: Call the Hobbs Field Station, (575) 393-3612

- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig:
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - iii. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 3. 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.
- 4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be available upon request. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the

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following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least $\underline{24}$ hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

- 3. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity 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 the portion of well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 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. If the operator has proposed a multi-bowl wellhead assembly in the APD, it must meet or exceed the pressure rating of the BOP system. Additionally, the following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. 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 Onshore Order 2 III.A.2.i must be followed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the BOP/BOPE tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test which can be initiated immediately after bumping the plug (only applies to single-stage cement jobs).
 - c. The tests shall be done by an independent service company utilizing a test plug. The results of the test shall be made available upon request.
 - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - e. The 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. This test shall be performed prior

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to the test at full stack pressure.

f. BOP/BOPE must be tested 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 Onshore Order No. 2.

C. DRILLING MUD

1. 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

- 1. 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.
- 2. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.



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

APD ID: 10400055548

Operator Name: COG OPERATING LLC Well Name: TOMAHAWK FEDERAL UNIT Well Type: OIL WELL Submission Date: 03/26/2020 Federal/Indian APD: FED Well Number: 704H Well Work Type: Drill Highlighted data reflects the most recent changes

07/21/2020

APD Print Report

Show Final Text

Application

| Section 1 - General | | |
|------------------------------------|-----------------------------------|-----------------------------------|
| APD ID: 10400055548 | Tie to previous NOS? N | Submission Date: 03/26/2020 |
| BLM Office: CARLSBAD | User: MAYTE REYES | Title: Regulatory Analyst |
| Federal/Indian APD: FED | Is the first lease penetrated for | production Federal or Indian? FED |
| Lease number: NMNM102909 | Lease Acres: 160 | |
| Surface access agreement in place? | Allotted? Rese | ervation: |
| Agreement in place? NO | Federal or Indian agreement: | |
| Agreement number: | | |
| Agreement name: | | |
| Keep application confidential? YES | | |
| Permitting Agent? NO | APD Operator: COG OPERATIN | IG LLC |
| Operator letter of designation: | | |
| | | |

Operator Info

Operator Organization Name: COG OPERATING LLC Operator Address: 600 West Illinois Ave Operator PO Box: Operator City: Midland State: TX Operator Phone: (432)683-7443 Operator Internet Address: RODOM@CONCHO.COM

Section 2 - Well Information

Well in Master Development Plan? NO Well in Master SUPO? NO Master Development Plan name: Master SUPO name:

Zip: 79701

| Operator Name: COG OPERATING | LLC | | Ň |
|--------------------------------------|-------------------|--|--|
| Well Name: TOMAHAWK FEDERAL | UNIT | Well Number: 704H | |
| Well in Master Drilling Plan? NO | | Master Drilling Plan na | me: |
| Well Name: TOMAHAWK FEDERAL | JNIT | Well Number: 704H | Well API Number: |
| Field/Pool or Exploratory? Field and | Pool | Field Name: Malaga | Pool Name: PURPLE SAGE WOLFCAMP GAS |
| Is the proposed well in an area cont | aining other mine | ral resources? USEABLE | EWATER |
| Is the proposed well in a Helium pro | oduction area? N | Use Existing Well Pad? | N New surface disturbance? |
| Type of Well Pad: MULTIPLE WELL | | Multiple Well Pad Name | Number: 703H, 704H and 705H |
| Well Class: HORIZONTAL | | Tomahawk Federal Unit Number of Legs: 1 | |
| Well Work Type: Drill | | | |
| Well Type: OIL WELL | | | |
| Describe Well Type: | | | |
| Well sub-Type: EXPLORATORY (WI | _DCAT) | | |
| Describe sub-type: | | | |
| Distance to town: 3 Miles | Distance to ne | arest well: 30 FT | Distance to lease line: 200 FT |
| Reservoir well spacing assigned ac | res Measurement: | 1280 Acres | |
| Well plat: COG_Tomahawk_704H | _C102_202004220 |)75532.pdf | |
| Well work start Date: 07/01/2020 | | Duration: 30 DAYS | |
| Section 3 - Well Location | on Table | | |
| Survey Type: RECTANGULAR | | | |
| Describe Survey Type: | | | |

Datum: NAD83

Survey number:

Vertical Datum: NAVD88

Reference Datum: GROUND LEVEL

| | | | | _ | | | | | | | | | | | | | | | |
|----------|---------|--------------|---------|--------------|------|-------|---------|-------------------|----------|-----------|--------|-------|----------|------------|--------------|-----------|----|-----|--|
| Wellbore | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD | Will this well produce from this lease? |
| SHL | 500 | FSL | 161 | FW | 24S | 28E | 20 | Aliquot | 32.19732 | - | EDD | NEW | NEW | F | FEE | 304 | 0 | 0 | Y |
| Leg | | | 8 | L | | | | SESW | 5 | 104.1129 | Y | MEXI | MEXI | | | 7 | | | |
| #1 | | | | | | | | | | 88 | | co | со | | | | | | |
| KOP | 500 | FSL | 161 | FW | 24S | 28E | 20 | Aliquot | 32.19732 | - | EDD | NEW | NEW | F | FEE | 304 | 0 | 0 | Y |
| Leg | | | 8 | L | | | | SESW | 5 | 104.1129 | Y | | MEXI | | | 7 | | | |
| #1 | | | | | | | | | | 88 | | co | CO | | | | | | |

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

| \sim | | | _ | | | | | | | | | | | _ | | | | | |
|--------------------|----------|--------------|----------|--------------|------|-------|---------|-------------------|---------------|---------------------|----------|-------------------|-------------------|------------|----------------|---------------|-----------|----------|--|
| Wellbore | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD | Will this well produce from this lease? |
| PPP Leg #1-1 | 132 1 | FNL | 161 8 | FW L | 24S | 28E | 32 | Aliquot SENW | 32.17755 3 | - 104.1129 84 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 102909 | - 635 0 | 162 50 | 939 7 | Y |
| PPP Leg #1-2 | 131 9 | FSL | 161 8 | FW L | 24S | 28E | 29 | Aliquot SESW | 32.18491 3 | - 104.1129 83 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 110829 | - 634 3 | 136 00 | 939 0 | Y |
| PPP Leg #1-3 | 263 9 | FSL | 161 8 | FW L | 24S | 28E | 29 | Aliquot NESW | 32.18859 2 | - 104.1129 82 | EDD Y | | NEW MEXI CO | F | NMNM 092757 | - 634 0 | 123 00 | 938 7 | Y |
| PPP Leg #1-4 | 10 | FNL | 161 8 | FW L | 24S | 28E | 29 | Aliquot NENW | 32.19592 3 | - 104.1129 8 | EDD Y | NEW MEXI CO | | F | FEE | - 633 4 | 980 0 | 938 1 | Y |
| EXIT Leg #1 | 330 | FSL | 161 8 | FW L | 24S | 28E | 32 | Aliquot SESW | 32.16742 5 | - 104.1129 86 | EDD Y | NEW MEXI CO | | S | STATE | - 635 9 | 200 12 | 940 6 | Y |
| BHL Leg #1 | 200 | FSL | 161 8 | FW L | 24S | 28E | 32 | Aliquot SESW | 32.16706 7 | - 104.1129 86 | EDD Y | NEW MEXI CO | 1 | S | STATE | - 633 4 | 201 42 | 938 1 | Y |

Drilling Plan

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|-----------------|----------------|-----------|------------------------|-------------------|-------------|-------------------|------------------------|
| 698968 | QUATERNARY | 3047 | 0 | 0 | ALLUVIUM | NONE | N |
| 698963 | RUSTLER | 2647 | 400 | 400 | ANHYDRITE | USEABLE WATER | N |
| 698964 | TOP SALT | 2121 | 926 | 926 | SALT | NONE | N |
| 698973 | BASE OF SALT | 772 | 2275 | 2275 | SALT | NONE | N |
| 698966 | LAMAR | 565 | 2482 | 2482 | LIMESTONE | NONE | N |
| 698967 | BELL CANYON | 529 | 2518 | 2518 | SANDSTONE | NONE | N |
| 698974 | CHERRY CANYON | -283 | 3330 | 3330 | SANDSTONE | NATURAL GAS, OIL | N |

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|-----------------|--------------------|-----------|------------------------|-------------------|-------------|-------------------|------------------------|
| 698975 | BRUSHY CANYON | -1450 | 4497 | 4497 | SANDSTONE | NATURAL GAS, OIL | N |
| 698976 | BONE SPRING LIME | -2967 | 6014 | 6014 | LIMESTONE | NATURAL GAS, OIL | N |
| 698983 | UPPER AVALON SHALE | -3160 | 6207 | 6207 | SANDSTONE | NATURAL GAS, OIL | N |
| 698982 | | -3542 | 6589 | 6589 | GILSONITE | NATURAL GAS, OIL | N |
| 698977 | BONE SPRING 1ST | -3925 | 6972 | 6972 | SANDSTONE | NATURAL GAS, OIL | N |
| 698978 | BONE SPRING 2ND | -4669 | 7716 | 7716 | SANDSTONE | NATURAL GAS, OIL | N |
| 698970 | BONE SPRING 3RD | -5845 | 8892 | 8892 | SANDSTONE | NATURAL GAS, OIL | N |
| 698965 | WOLFCAMP | -6227 | 9274 | 9274 | SHALE | NATURAL GAS, OIL | Y |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 8745

Equipment: BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor. **Requesting Variance?** YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to choke manifold. See attached for specs and hydrostatic test chart. 5M Annular variance requested. A variance is requested to use a multibowl wellhead. **Testing Procedure:** The BOP and BOPE will be fully tested per Onshore Order #2 when initially installed, whenever any seal subject to test pressure is broken, and/or following related repairs.

Choke Diagram Attachment:

COG_Tomahawk_704H_3M_Choke_20200326160212.pdf

BOP Diagram Attachment:

COG_Tomahawk_704H_Flex_Hose_20200326160231.pdf

COG_Tomahawk_704H_3M_BOP_20200326160302.pdf

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Pressure Rating (PSI): 5M

Rating Depth: 9381

Equipment: BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor. **Requesting Variance?** YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to choke manifold. See attached for specs and hydrostatic test chart. 5M Variance is requested. A variance is requested to use a multibowl wellhead. **Testing Procedure:** The BOP and BOPE will be fully tested per Onshore Order #2 when initially installed, whenever any seal subject to test pressure is broken, and/or following related repairs.

Choke Diagram Attachment:

COG_Tomahawk_704H_5M_Choke_20200326160353.pdf

BOP Diagram Attachment:

COG_Tomahawk_704H_5M_BOP_20200326160400.pdf

COG_Tomahawk_704H_Flex_Hose_20200326160411.pdf

Section 3 - Casing

| | | | | | | | | | | | | | | | | | 1 | | | | | Τ- |
|-----------|------------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|--------------------------------|------------|--------|--------------------|-------------|----------|---------------|-----------|--------------|---------|
| 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 | |
| 1 | SURFACE | 14.7 5 | 10.75 | NEW | API | N | 0 | 815 | 0 | 815 | 3047 | 2232 | 815 | J-55 | 45.5 | ST&C | 5.73 | 11.3 | DRY | 13.2 9 | DRY | 13 9 |
| | INTERMED IATE | 9.87 5 | 7.625 | NEW | API | N | 0 | 8745 | 0 | 8745 | 3585 | -5698 | 8745 | HCL -80 | | OTHER - BTC | 2.03 | 1.5 | DRY | 2.78 | DRY | 2. |
| - | PRODUCTI ON | 6.75 | 5.5 | NEW | API | N | 0 | 20142 | 0 | 9381 | 3585 | -6334 | 20142 | P- 110 | - | OTHER - SF Torq | 2.48 | 2.95 | DRY | 3.04 | DRY | 3. |

Casing Attachments

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Tomahawk_704H_Casing_Prog_20200326160453.pdf

Casing ID:2String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Tomahawk_704H_Casing_Prog_20200326160551.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Tomahawk_704H_Casing_Prog_20200326160703.pdf

Section 4 - Cement

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|--------------------------------|-----------|
| SURFACE | Lead | | 0 | 815 | 300 | 1.75 | 13.5 | 525 | 50 | Class C +4% Gel | As needed |
| SURFACE | Tail | | | 815 | 250 | 1.34 | 14.8 | 335 | 50 | Class C + 2% CaCl2 | As needed |
| INTERMEDIATE | Lead | | 0 | 8745 | 1400 | 2.8 | 11 | 3920 | 50 | NeoCem | N/A |
| INTERMEDIATE | Tail | | | 8745 | 300 | 1.1 | 16.4 | 330 | 50 | Class H | N/A |
| PRODUCTION | Lead | | 8245 | 2014 2 | 750 | 2 | 12.7 | 1500 | 35 | Lead: 35:65:6 H Blend | As needed |
| PRODUCTION | Tail | | 8245 | 2014 2 | 1200 | 1.24 | 14.4 | 1488 | 35 | Tail: 50:50:2 Class H Blend | As needed |

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 mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

| Top Depth 812 | Hottom Depth 8745 | OTHER : Diesel Brine Emulsion | 8 Min Weight (Ibs/gal) | G Max Weight (Ibs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | Hd | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics Diesel Brine Emulsion |
|------------------|----------------------|----------------------------------|------------------------|------------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|---|
| 8745 | 2014 2 | OIL-BASED MUD | 10.5 | 12 | | | | | | | ОВМ |

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

| - | | | | | | | | | | | | |
|---|-----------|--------------|---------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| | Top Depth | Bottom Depth | Mud Type | Min Weight (Ibs/gal) | Max Weight (Ibs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | Hd | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
| | 0 | 815 | OTHER : Fresh | 8.4 | 8.6 | | | | | | | Fresh water gel |
| | | | water gel | | | | | | | | | |

Section 6 - Test, Logging, Coring

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

None planned

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

CEMENT BOND LOG, COMPENSATED NEUTRON LOG, GAMMA RAY LOG,

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5855

Anticipated Surface Pressure: 3785

Anticipated Bottom Hole Temperature(F): 150

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

COG_Tomahawk_704H_H2S_Schem_20200326161113.pdf COG_Tomahawk_704H_H2S_SUP_20200326161122.pdf

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_TOMAHAWK_704H_AC_RPT_20200326161154.pdf COG_TOMAHAWK_704H_Directional_Plan_20200326161202.pdf COG_TOMAHAWK_704H_Direct_Plan_Plot_20200326161208.pdf

Other proposed operations facets description:

Drilling Plan attached. GCP attached. Cement Plan attached.

Other proposed operations facets attachment:

COG_Tomahawk_704H_Drilling_Program_20200326161219.pdf COG_Tomahawk_704H_Cement_Prog_20200326161233.pdf COG_Tomahawk_704H_GCP_20200326161309.pdf

Other Variance attachment:

SUPO

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

COG_Tomahawk_704H_Vicinity_Map_20200326142921.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: Existing roads will be maintained in the same condition or better.

Existing Road Improvement Attachment:

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

COG_Tomahawk_704H_Road_Plat_Maps_20200326143000.pdf

Feet

New road type: RESOURCE

Length: 1303.04

Width (ft.): 30

Max grade (%): 1

Max slope (%): 33

...

Army Corp of Engineers (ACOE) permit required? N

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns. **New road access plan or profile prepared?** N

New road access plan attachment:

Access road engineering design? N

Access road engineering design attachment:

Turnout? N

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Blading

Access other construction information: No turnouts are planned.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: None necessary

Road Drainage Control Structures (DCS) description: None needed.

Road Drainage Control Structures (DCS) attachment:

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Access Additional Attachments

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

COG_Tomahawk_704H_1_Mile_Data_20200326143020.pdf COG_Tomahawk_704H_1_Mile_Map_20200326143026.pdf

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: The new Tomahawk Fed Unit 20 O Central Tank Battery (CTB) proposed in Sec. 20, T24S, R28E will be utilized for the production of 10 Wolfcamp wells. Each well head will be connected to a buried 4 FP 601HT that will be used to carry oil, water and gas production from each wellhead to the inlet manifold of the CTB; the route for these flowlines will follow the flowline corridor route as shown in the exhibit drawing and in the attached plats. Additionally, each well pad will have one buried 6 FP 150 line for gas lift supply from the CTB; the route for this gas lift line will start on the CTB pad where designated by gas line in the exhibit drawing and then following the flowline corridor in the attached plats. **Production Facilities map:**

COG_Tomahawk_Federal_Unit_20_O_CTB_Schematic_20200325143519.pdf COG_Tomahawk_704H_CTB_Flowline_Powerline_20200326143053.pdf

Section 5 - Location and Types of Water Supply

| Water Source Tabl | e | |
|-----------------------------------|-----------------------------------|-------------------------------------|
| Water source type: OTHER | | |
| Describe type: Brine Water | | |
| Water source use type: | INTERMEDIATE/PRODUCTION CASING | |
| Source latitude: | | Source longitude: |
| Source datum: | | |
| Water source permit type: | PRIVATE CONTRACT | |
| Water source transport method: | TRUCKING | |
| Source land ownership: COMMER | CIAL | |
| | | |
| Source transportation land owners | ship: COMMERCIAL | |
| Water source volume (barrels): 30 | 000 | Source volume (acre-feet): 3.866793 |
| | | |

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Source volume (gal): 1260000

| Water source type: OTHER | | | | | | | |
|--|--|--------------------------------------|--|--|--|--|--|
| Describe type: Fresh Water | | | | | | | |
| Water source use type: | ICE PAD CONSTRUCTION & MAINTENANCE SURFACE CASING STIMULATION | | | | | | |
| Source latitude: | | Source longitude: | | | | | |
| Source datum: | | | | | | | |
| Water source permit type: | PRIVATE CONTRACT | | | | | | |
| Water source transport method: | PIPELINE | | | | | | |
| Source land ownership: PRIVATE | | | | | | | |
| Source transportation land owners | ship: PRIVATE | | | | | | |
| Water source volume (barrels): 45 | | Source volume (acre-feet): 58.001892 | | | | | |
| Source volume (gal): 18900000 | | | | | | | |
| Water source and transportation map | | | | | | | |
| COG_Tomahawk_704H_Brine_H2O_20 COG_Tomahawk_704H_Fresh_H2O_2 | | | | | | | |
| Water source comments: See attache | | | | | | | |
| New water well? N | | | | | | | |
| | | | | | | | |
| New Water Well I | nto | | | | | | |
| Well latitude: | Well Longitude: | Well datum: | | | | | |
| Well target aquifer: | | | | | | | |
| Est. depth to top of aquifer(ft): | Est thickness of | aquifer: | | | | | |
| Aquifer comments: | | | | | | | |
| Aquifer documentation: | | | | | | | |
| Well depth (ft): | Well casing type: | | | | | | |
| Well casing outside diameter (in.): Well casing inside diameter (in.): | | | | | | | |
| New water well casing? | Used casing sourc | e: | | | | | |
| | Approval Date: 07/21/2020 | Page 12 of 23 | | | | | |

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

| Drilling method: | Drill material: |
|---------------------------------------|--|
| Grout material: | Grout depth: |
| Casing length (ft.): | Casing top depth (ft.): |
| Well Production type: | Completion Method: |
| Water well additional information: | |
| State appropriation permit: | |
| Additional information attachment: | |
| Section 6 - Construction Materi | als |
| Using any construction materials: YES | |
| • | be obtained from the actual well site. If caliche does not exist of from the Hayhurst Caliche Pit located in Sec 18-T24S-R28E. |

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil land water while drilling and completion operations

Amount of waste: 6000 barrels

Waste disposal frequency : One Time Only

Safe containment description: All drilling waste will be stored safely and disposed of properly

Safe containmant attachment:

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

FACILITY **Disposal type description:**

Disposal location description: Trucked to an approved disposal facility

Waste type: SEWAGE

Waste content description: Human waste and gray water

Amount of waste: 1000 gallons

Waste disposal frequency : One Time Only

Safe containment description: Waste will be properly contained and disposed of properly at a state approved disposal facility.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL **Disposal location ownership: PRIVATE** FACILITY Disposal type description:

Disposal location description: Trucked to an approved disposal facility

caliche does not exist or is not

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations.

Amount of waste: 500 pounds

Waste disposal frequency : One Time Only

Safe containment description: Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to an approved disposal facility.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit? NO

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

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Cuttings area width (ft.)

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

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? Y

Description of cuttings location Roll off cutting containers on tracks

Cuttings area length (ft.)

Cuttings area depth (ft.)

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

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

WCuttings area liner

Cuttings area liner specifications and installation description

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: N

Ancillary Facilities attachment:

Comments: Gas Capture Plan attached

Section 9 - Well Site Layout

Well Site Layout Diagram:

COG_Tomahawk_704H_Layout_20200326143339.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: Tomahawk Federal Unit

Multiple Well Pad Number: 703H, 704H and 705H

Recontouring attachment:

COG_Tomahawk_704H_RECLAMATION_20200326143359.pdf

Drainage/Erosion control construction: Proper erosion control methods will be used at the well site to control erosion, runoff, and siltation of the surrounding area. Straw waddles will be used as necessary at the well site to reduce sediment impacts to fragile/sensitive soils.

Drainage/Erosion control reclamation: The interim reclamation will be monitored periodically to ensure that vegetation has re-established and that erosion is controlled.

| Well pad proposed disturbance (acres): 3.67 | Well pad interim reclamation (acres): 0.06 | Well pad long term disturbance (acres): 3.21 |
|--|--|---|
| Road proposed disturbance (acres): 0.42 | Road interim reclamation (acres): 0.42 | Road long term disturbance (acres): |
| Powerline proposed disturbance (acres): 2.62 Pipeline proposed disturbance (acres): 1.44 Other proposed disturbance (acres): | Powerline interim reclamation (acres): 2.62 Pipeline interim reclamation (acres): 1.44 Other interim reclamation (acres): 5.74 | Powerline long term disturbance (acres): 2.62 Pipeline long term disturbance (acres): 1.44 |
| 5.74 Total proposed disturbance: 13.89 | Total interim reclamation: 10.28000000000000000 | 5.74 Total long term disturbance: 13.43 |

Disturbance Comments:

Reconstruction method: If needed, portions of the pad not needed for production operations will be re-contoured to its original state as much as possible. The caliche that is removed will be reused. The stockpiled topsoil will be spread out over reclaimed area and reseeded with BLM approved seed mixture. **Topsoil redistribution:** North

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Soil treatment: None

Existing Vegetation at the well pad: Shinnery Oak/Mesquite grassland Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Shinnery Oak/Mesquite grassland
Existing Vegetation Community at the road attachment:
Existing Vegetation Community at the pipeline: Shinnery Oak/Mesquite grassland
Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: N/A Existing Vegetation Community at other disturbances attachment:

Non native seed used? N Non native seed description: Seedling transplant description:

Will seedlings be transplanted for this project? N

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? N Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed Summary
Seed Type Pounds/Acre

Total pounds/Acre:

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name:

Last Name:

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Phone: Email: Seedbed prep: Seed BMP: Seed method: Existing invasive species? N Existing invasive species treatment description: Existing invasive species treatment attachment: Weed treatment plan description: N/A Weed treatment plan attachment: Monitoring plan description: N/A Monitoring plan attachment: Success standards: N/A Pit closure description: N/A Pit closure attachment: COG_Tomahawk_704H_Closed_Loop_20200326143419.pdf

Section 11 - Surface Ownership

Disturbance type: WELL PAD Describe: Surface Owner: PRIVATE OWNERSHIP Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: Wilitary Local Office: USFWS Local Office: USFS Region: USFS Forest/Grassland:

USFS Ranger District:

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Use APD as ROW?

| Fee Owner: Pecos Valley Artesian Conservancy District Phone: (575)622-7000 | Fee Owner Address: P.O. Box 1346 Email: |
|--|--|
| Surface use plan certification: NO Surface use plan certification document: | |

Surface access agreement or bond: AGREEMENT

Surface Access Agreement Need description: COG and Pecos Valley Artesian Conservancy District are working on the Surface Agreement. Surface Access Bond BLM or Forest Service:

BLM Surface Access Bond number:

USFS Surface access bond number:

Section 12 - Other Information

Right of Way needed? N

ROW Type(s):

ROW Applications

SUPO Additional Information: Surface Use & Operating Plan. Attached On-site was done by Gerald Herrera (COG); Zane Kirsch (BLM); on February 13th, 2020. Use a previously conducted onsite? N

Previous Onsite information:

Other SUPO Attachment

COG_Tomahawk_Federal_Unit_20_O_CTB_Schematic_20200325152424.pdf

COG_Tomahawk_704H_C102_20200326143903.pdf

COG_Tomahawk_704H_CTB_Flowline_Powerline_20200326143929.pdf

COG_Tomahawk_704H_Road_Plat_Maps_20200326143944.pdf

COG_Tomahawk_704H_SUP_20200327095036.pdf

PWD

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD surface owner:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

PWD disturbance (acres):

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? N

Produced Water Disposal (PWD) Location:

PWD disturbance (acres):

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Well Number: 704H

Section 4 - Injection

Would you like to utilize Injection PWD options? N Produced Water Disposal (PWD) Location: PWD surface owner: **PWD disturbance (acres):** Injection PWD discharge volume (bbl/day): Injection well mineral owner: Injection well type: Injection well number: Assigned injection well API number? Injection well new surface disturbance (acres): Minerals protection information: **Mineral protection attachment: Underground Injection Control (UIC) Permit? UIC Permit attachment:** Section 5 - Surface Discharge Would you like to utilize Surface Discharge PWD options? N Produced Water Disposal (PWD) Location: **PWD** surface owner: **PWD disturbance (acres):** Surface discharge PWD discharge volume (bbl/day): Surface Discharge NPDES Permit? Surface Discharge NPDES Permit attachment: Surface Discharge site facilities information: Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? N

Produced Water Disposal (PWD) Location: **PWD surface owner:** Other PWD discharge volume (bbl/day): Other PWD type description:

PWD disturbance (acres):

Injection well name: Injection well API number:

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Info

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000215

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Operator Certification

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: MAYTE REYESSigned on: 03/26/2020Title: Regulatory AnalystStreet Address: 2208 West Main StreetCity: ArtesiaState: NMZip: 88210Phone: (575)748-6940Email address: MREYES1@CONCHO.COM

Well Name: TOMAHAWK FEDERAL UNIT

Well Number: 704H

Field Representative

Representative Name: Gerald HerreraStreet Address: 2208 West Main StreetCity: ArtesiaState: NMPhone: (575)748-6940

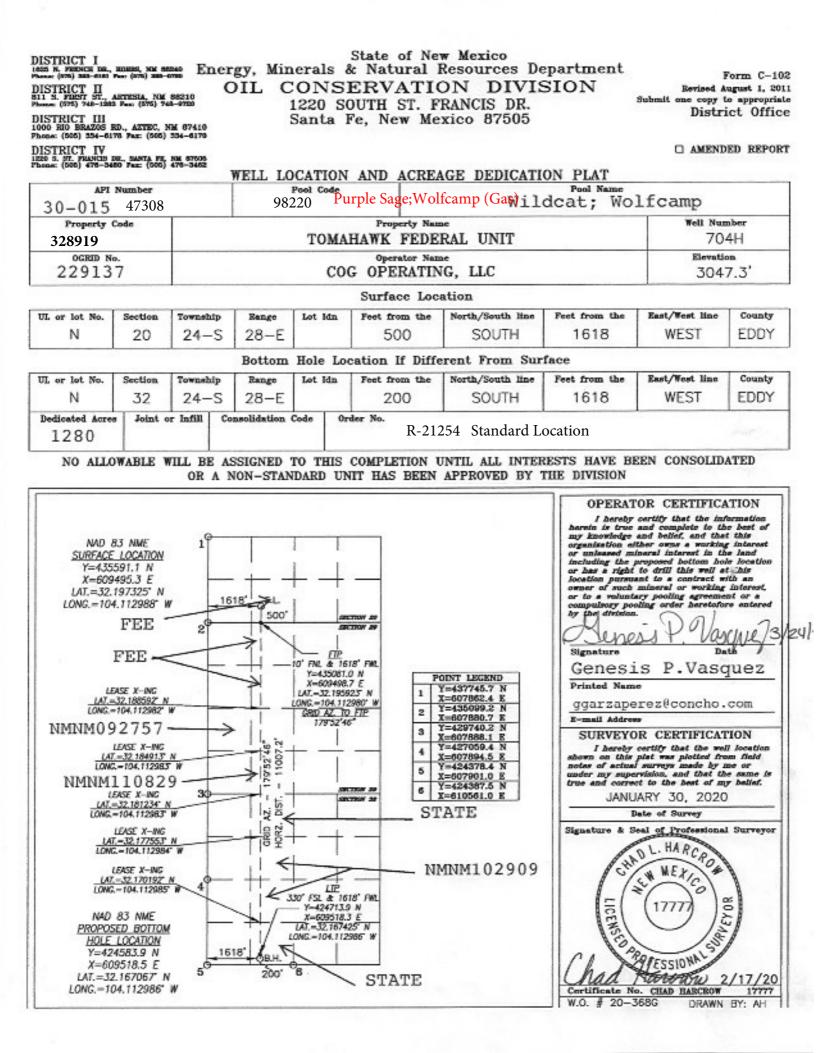
Email address: gherrera@concho.com

Zip: 88210

Payment Info

Payment

APD Fee Payment Method: PAY.GOV pay.gov Tracking ID: 260F7JDP



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

GAS CAPTURE PLAN

Date: 3/12/2020

 \boxtimes Original

Operator & OGRID No.: COG Operating LLC, OGRID 229137

□ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

| Well Name | API | Well Location (ULSTR) | Footages | Expected MCF/D | Flared or Vented | Comments |
|-------------------------------|-------------------------|--------------------------|-------------------------|-------------------|---------------------|-------------------------------|
| Tomahawk Federal Unit 704H | 30-015- 47308 | N-20-24S-28E | 500' FSL & 1618' FWL | 3,677 MCFD | | Gas will connect on well pad. |

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to <u>Crestwood Midstream</u> and will be connected to <u>Willow Lake</u> <u>low/high</u> pressure gathering system located in <u>Reeves County, Texas</u>. It will require approximately <u>0</u>' of pipeline on lease to connect the facility to <u>low/high</u> pressure gathering system. <u>COG Operating LLC</u> provides (periodically) to <u>Crestwood Midstream</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>COG Operating LLC</u> and <u>Crestwood Midstream</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Orla</u> Processing Plant located in <u>Sec 19-Blk 56-T2</u> <u>Reeves County, Texas</u>. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

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

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

Alternatives to Reduce Flaring

•

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

- Power Generation On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

1. Geologic Formations

| TVD of target | 9,381' EOL | Pilot hole depth | NA |
|---------------|------------|-------------------------------|-----|
| MD at TD: | 20,142' | Deepest expected fresh water: | 50' |

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/ Target Zone? | Hazards* |
|----------------------|------------------------|--|----------|
| Quaternary Fill | Surface | Water | |
| Rustler | 400 | Water | |
| Top of Salt | 926 | Salt | |
| Base of Salt | 2275 | Salt | |
| Lamar | 2482 | Salt Water | |
| Bell Canyon | 2518 | Salt Water | |
| Cherry Canyon | 3300 | Oil/Gas | |
| Brushy Canyon | 4497 | Oil/Gas | |
| Bone Spring Lime | 6014 | Oil/Gas | |
| U. Avalon Shale | 6207 | Oil/Gas | |
| L. Avalon Shale | 6589 | Oil/Gas | |
| 1st Bone Spring Sand | 6972 | Oil/Gas | |
| 2nd Bone Spring Sand | 7716 | Oil/Gas | |
| 3rd Bone Spring Sand | 8892 | Oil/Gas | |
| Wolfcamp | 9274 | Target Oil/Gas | |

2. Casing Program

| Hole Size | Casing Interval | | Cog | Csg. Size Weight | | Grade Conn | | SF | SF Burst | SF |
|-----------|-----------------|--------|--------|---------------------------|------|------------|------------|----------|----------|--------------------|
| HOIE SIZE | From | То | Csy. S | (lbs) | | Graue | Conn. | Collapse | SF Buist | Tension |
| 14.75 | 0 | 815 | 10.75 | 5 | 45.5 | J55 | STC | 5.73 | 11.30 | 13.29 |
| 9.875 | 0 | 8745 | 7.625 | 5 | 29.7 | HCL80 | BTC | 2.03 | 1.50 | 2.78 |
| 6.75 | 0 | 20,142 | 5.5" | | 23 | P110 | SF Torq | 2.48 | 2.95 | 3.04 |
| | | | | BLM Minimum Safety Factor | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing.to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface. All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

| | Y or N |
|--|----------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Y |
| Does casing meet API specifications? If no, attach casing specification sheet. | Y |
| Is premium or uncommon casing planned? If yes attach casing specification sheet. | Ν |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? | Y |
| la suell la seta durithin Osnitan Dest0 | |
| Is well located within Capitan Reef? | <u>N</u> |
| If yes, does production casing cement tie back a minimum of 50' above the Reef? | |
| Is well within the designated 4 string boundary? | |
| Is well located in SOPA but not in R-111-P? | N |
| If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back | |
| 500' into previous casing? | |
| Is well located in R-111-P and SOPA? | N |
| | N |
| If yes, are the first three strings cemented to surface? | |
| Is 2 nd string set 100' to 600' below the base of salt? | |
| Is well located in high Cave/Karst? | N |
| If yes, are there two strings cemented to surface? | |
| (For 2 string wells) If yes, is there a contingency casing if lost circulation occurs? | |
| la wall la sata d in critical Cava (Karat) | |
| Is well located in critical Cave/Karst? | <u>N</u> |
| If yes, are there three strings cemented to surface? | |

3. Cementing Program

| Casing | # Sks | Wt. lb/ gal | Yld ft3/ sack | H₂0 gal/sk | 500# Comp. Strength (hours) | Slurry Description |
|----------|-------|----------------|------------------|------------|-----------------------------------|-----------------------------|
| Surf. | 300 | 13.5 | 1.75 | 9 | 12 | Lead: Class C + 4% Gel |
| Sull. | 250 | 14.8 | 1.34 | 6.34 | 8 | Tail: Class C + 2% CaCl2 |
| Inter. | 1400 | 11 | 2.8 | 19 | 48 | Lead: NeoCem |
| IIILEI. | 300 | 16.4 | 1.1 | 5 | 8 | Tail: Class H |
| 5.5 Prod | 750 | 12.7 | 2 | 10.6 | 16 | Lead: 35:65:6 H Blend |
| 5.5 FIU | 1200 | 14.4 | 1.24 | 5.7 | 19 | Tail: 50:50:2 Class H Blend |

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

| Casing String | TOC | % Excess |
|------------------------------|--------|----------|
| Surface | 0' | 50% |
| 1 st Intermediate | 0' | 50% |
| Production | 8,245' | 35% |

4. Pressure Control Equipment

N A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

| BOP installed and tested before drilling which hole? | Size? | Min. Required WP | Туре | | x | Tested to: |
|---|---------|------------------------|------------|--|---|---------------|
| 12-1/4" | 13-5/8" | 3M | Annular | | Х | 2500 psi |
| | | | Blind Ram | | | ЗМ |
| | | | Pipe Ram | | Х | |
| | | | Double Ram | | Х | |
| | | | Other* | | | |
| 8 1/2" | 13-5/8" | 5M | 5M Annular | | Х | 2500 psi |
| | | | Blind Ram | | | 5M |
| | | | Pipe Ram | | Х | |
| | | | Double Ram | | Х | |
| | | | Other* | | | |

BOP and BOPE will be installed per Onshore Order #2 requirements prior to drilling below the surface casing and will be rated to the above pressure rating or greater, see attached diagrams. Required safety valves, with appropriate wrenches and subs for the drill string being utilized, will be in the open position and accessible on the rig floor. BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

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

| | Formation integrity test will be performed per Onshore Order #2. | | | | | | |
|---|--|--|--|--|--|--|--|
| Y | On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i. | | | | | | |
| Y | A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart. | | | | | | |
| | N Are anchors required by manufacturer? | | | | | | |
| Y | A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. | | | | | | |

4

COG Operating, LLC - Tomahawk Federal Unit #704H

5. Mud Program

| | Depth | Туре | Weight | Viscosity | Water Loss | |
|----------|------------|-------------------|-----------|-----------|------------|--|
| From To | | туре | (ppg) | VISCOSILY | water Loss | |
| 0 | Surf. Shoe | FW Gel | 8.4 - 8.6 | 28-29 | N/C | |
| Surf csg | Int shoe | Diesel Brine Emul | 8.6 - 9.4 | 30-40 | N/C | |
| Int shoe | Lateral TD | OBM | 10.5 - 12 | 30-40 | 20 | |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

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

6. Logging and Testing Procedures

| Logging, Coring and Testing. | |
|------------------------------|---|
| Y | Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
| N | Are Logs are planned based on well control or offset log information. |
| N | Drill stem test? If yes, explain. |
| N | Coring? If yes, explain. |

| Additional logs planned | | Interval |
|-------------------------|-------------|--|
| Ν | Resistivity | Pilot Hole TD to ICP |
| Ν | Density | Pilot Hole TD to ICP |
| Y | CBL | Production casing (If cement not circulated to surface) |
| Υ | Mud log | Intermediate shoe to TD |
| Ν | PEX | |

COG Operating, LLC - Tomahawk Federal Unit #704H

7. Drilling Conditions

| Condition | Specify what type and where? |
|----------------------------|------------------------------|
| BH Pressure at deepest TVD | 5855 psi at 9381' TVD |
| Abnormal Temperature | NO 150 Deg. F. |

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

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

N H2S is present Y H2S Plan attached

8. Other Facets of Operation

| Y | Is it a walking operation? |
|---|----------------------------|
| Y | Is casing pre-set? |

| x | H2S Plan. |
|---|-------------------------|
| x | BOP & Choke Schematics. |
| x | Directional Plan |
| x | 5M Annular Variance |

NORTHERN DELAWARE BASIN

EDDY COUNTY, NM ATLAS TOMAHAWK FEDERAL UNIT #704H

OWB

Plan: PWP1

Standard Survey Report

17 March, 2020

Survey Report

| Project: Site: Well: Wellbore: | NORTHERN DELAWARE BASIN EDDY COUNTY, NM ATLAS TOMAHAWK FEDERAL UNIT #704H OWB PWP1 | | | Local Co-ordinate Reference:Well TOMAHAWK FEDERAL UNIT #704HTVD Reference:KB=24' @ 3071.3usft (E 155)MD Reference:KB=24' @ 3071.3usft (E 155)North Reference:GridSurvey Calculation Method:Minimum CurvatureDatabase:edm | | | | | | |
|---|--|---|--|--|--|---|---|--|---|----------|
| Project | EDDY COUNTY, NM | | | | | | | | | |
| Map System: Geo Datum: Map Zone: | US State Pl NAD 1927(New Mexico | System | n Datum: | | Mean Sea Le | evel | | | | |
| Well | TOMAHAW | /K FEDERAL UN | NIT #704H | | | | | | | |
| Well Position | +N/-S | 0.0 usft | Northing: | | 435,532. | 80 usft | Latitude: | | 32° 11' 49 | .934 N |
| | +E/-W | 0.0 usft | Easting: | | 568,311. | | Longitude: | | 104° 6' 44. | .982 W |
| Position Uncerta | ainty | 3.0 usft | Wellhead El | evation: | | usfl | Ground Leve | l: | 3,047 | 7.3 usft |
| Wellbore | OWB | | | | | | | | | |
| Magnetics | Model I | Name S | ample Date | | ination (°) | Di | p Angle (°) | | l Strength (nT) | |
| | IG | RF2015 | 3/16/2020 | | 6.91 | | 59.92 | 2 47, | 585.81027010 | |
| Design | PWP1 | | | | | | | | | |
| Audit Notes: | | | | | | | | | | |
| Version: | | | Phase: | PLAN | | Tie On Dept | h: | | | 0.0 |
| | | | | | | | | | | |
| Vertical Section | : | Depth Fro | | +N/-S | | +E/-W | I | Direction | | |
| Vertical Section | : | Depth Fro (us | sft) | (usft) |) | (usft) | l | (°) | 70.88 | |
| Vertical Section | : | | | (usft) | | | | (°) | 79.88 | |
| Vertical Section Survey Tool Pro | | | s ft) 0.0 | (usft) |) | (usft) | | (°) | 79.88 | |
| Survey Tool Pro From | ogram To | (us Date 3/17/2 | sft) 0.0 020 | (usft) |) | (usft) | | (°) | 79.88 | |
| Survey Tool Pro From (usft) | ogram To (usft) | (แร | sft) 0.0 020 | (usft) (|) D.O | (usft) 0.0 | Description | (°) | | |
| Survey Tool Pro From (usft) 0 | ogram To (usft) .0 20,141. | (us Date 3/17/2 Survey (Wellb | sft) 0.0 020 | (usft) (|) D.O Tool Name | (usft) 0.0 | Description | (°) 17 | | |
| Survey Tool Pro From (usft) | ogram To (usft) .0 20,141. | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) | sft) 0.0 020 | (usft) (|) D.O Tool Name | (usft) 0.0 | Description | (°) 17 | | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 | ogram To (usft) .0 20,141. d Inclinatior (°) | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) n Azimuth (°) 0 0.00 | sft) 0.0 020 bore) Vertical Depth (usft) 0.0 | (usft) (+N/-S (usft) 0.0 |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 | Description OWSG MWE Dogleg Rate (°/100usft) 0.00 | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 | R Correction Turn Rate (°/100usft) 0.00 | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 PWP1 (OWB) 0 0.00 0 0.00 | 5ft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 | (usft) (+N/-S (usft) 0.0 0.0 |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 | Vertical Section (usft) 0.0 0.0 0.0 | Description OWSG MWE Dogleg Rate (°/100usft) 0.00 0.00 | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 PWP1 (OWB) 0 0.00 0 0.00 0 0.00 | sft) 0.0 020 bore) Vertical Depth (usft) 0.0 100.0 200.0 | (usft) (+N/-S (usft) 0.0 0.0 0.0 0.0 |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 | Description OWSG MWE Dogleg Rate (°/100usft) 0.00 0.00 0.00 | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 | 5ft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 | (usft) (+N/-S (usft) 0.0 0.0 0.0 0.0 0.0 |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 | Description OWSG MWE 000000000000000000000000000000000000 | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 | (usft) (((((((((((((((((((|) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 | Description OWSG MWE 000000000000000000000000000000000000 | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 | (usft) (((((((((((((((((((|) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 | Description OWSG MWE 000000000000000000000000000000000000 | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 | (usft) (((((((((((((((((((|) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 | Description OWSG MWE Compared and the second compared | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 700 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 .0 0.0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 700.0 | (usft) (usft) (usft) (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 | Description OWSG MWE Compared and the second compared | (°) 17 Build Rate (°/100usft) 0.00 0.0 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 | (usft) (((((((((((((((((((|) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 | Description OWSG MWE Compared and the second compared | (°) 17 0 + IFR1 + FDI Build Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 700 800 900 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 700.0 800.0 900.0 | (usft) (usft) (usft) (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | Description OWSG MWE (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | (°) 17 Build Rate (°/100usft) 0.00 0.0 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 700 800 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) A Azimuth (°) 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 700.0 800.0 | (usft) (u |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | Description OWSG MWE Compared and the second compared | (°) 17 Build Rate (°/100usft) 0.00 0.0 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0 | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 700 800 900 1,000 | ogram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) A Azimuth (°) 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 700.0 800.0 900.0 1,000.0 | (usft) (u |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | Description OWSG MWE (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | (°) 17 Build Rate (°/100usft) 0.00 0.0 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0. | |
| Survey Tool Pro From (usft) 0 Planned Survey Measured Depth (usft) 0 100 200 300 400 500 600 700 800 900 1,000 1,100 | bgram To (usft) .0 20,141. d Inclination (°) .0 0.0 .0 | (us Date 3/17/2 Survey (Wellb 0 PWP1 (OWB) A Azimuth (°) 0 0.00 0 0.00 | sft) 0.0 020 00re) Vertical Depth (usft) 0.0 100.0 200.0 300.0 400.0 500.0 600.0 700.0 800.0 900.0 1,000.0 1,100.0 | (usft) (u |) D.0 Tool Name MWD+IFR1+ +E/-W (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | (usft) 0.0 FDIR Vertical Section (usft) 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0. | Description OWSG MWE Compared and the second compared | (°) 17 Build Rate (°/100usft) 0.00 0.0 | R Correction Turn Rate (°/100usft) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0 | |

Survey Report

| Company: | NORTHERN DELAWARE BASIN | Local Co-ordinate Reference: | Well TOMAHAWK FEDERAL UNIT #704H |
|-----------|-----------------------------|------------------------------|----------------------------------|
| Project: | EDDY COUNTY, NM | TVD Reference: | KB=24' @ 3071.3usft (E 155) |
| Site: | ATLAS | MD Reference: | KB=24' @ 3071.3usft (E 155) |
| Well: | TOMAHAWK FEDERAL UNIT #704H | North Reference: | Grid |
| Wellbore: | OWB | Survey Calculation Method: | Minimum Curvature |
| Design: | PWP1 | Database: | edm |

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 1,500.0 | 0.00 | 0.00 | 1,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 1,600.0 | 0.00 | 0.00 | 1,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 1,700.0 | 0.00 | 0.00 | 1,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 1,800.0 | 0.00 | 0.00 | 1,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 1,900.0 | 0.00 | 0.00 | 1,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,000.0 | 0.00 | 0.00 | 2,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,100.0 | 0.00 | 0.00 | 2,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,200.0 | 0.00 | 0.00 | 2,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,300.0 | 0.00 | 0.00 | 2,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,400.0 | 0.00 | 0.00 | 2,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,500.0 | 0.00 | 0.00 | 2,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,600.0 | 0.00 | 0.00 | 2,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,700.0 | 0.00 | 0.00 | 2,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,800.0 | 0.00 | 0.00 | 2,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 2,900.0 | 0.00 | 0.00 | 2,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,000.0 | 0.00 | 0.00 | 3,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,100.0 | 0.00 | 0.00 | 3,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,200.0 | 0.00 | 0.00 | 3,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,300.0 | 0.00 | 0.00 | 3,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,400.0 | 0.00 | 0.00 | 3,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 3,500.0 | 0.00 | 0.00 | 3,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,600.0 | 0.00 | 0.00 | 3,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,700.0 | 0.00 | 0.00 | 3,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,800.0 | 0.00 | 0.00 | 3,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 3,900.0 | 0.00 | 0.00 | 3,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,000.0 | 0.00 | 0.00 | 4,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,100.0 | 0.00 | 0.00 | 4,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,200.0 | 0.00 | 0.00 | 4,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,300.0 | 0.00 | 0.00 | 4,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,400.0 | 0.00 | 0.00 | 4,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 4,500.0 | 0.00 | 0.00 | 4,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,600.0 | 0.00 | 0.00 | 4,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,700.0 | 0.00 | 0.00 | 4,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,800.0 | 0.00 | 0.00 | 4,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 4,900.0 | 0.00 | 0.00 | 4,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,000.0 | 0.00 | 0.00 | 5,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,100.0 | 0.00 | 0.00 | 5,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,200.0 | 0.00 | 0.00 | 5,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,300.0 | 0.00 | 0.00 | 5,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,400.0 | 0.00 | 0.00 | 5,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,500.0 | 0.00 | 0.00 | 5,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 5,600.0 | 0.00 | 0.00 | 5,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,700.0 | 0.00 | 0.00 | 5,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 5,800.0 | 0.00 | 0.00 | 5,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |

Survey Report

| Company: | NORTHERN DELAWARE BASIN | Local Co-ordinate Reference: | Well TOMAHAWK FEDERAL UNIT #704H |
|-----------|-----------------------------|------------------------------|----------------------------------|
| Project: | EDDY COUNTY, NM | TVD Reference: | KB=24' @ 3071.3usft (E 155) |
| Site: | ATLAS | MD Reference: | KB=24' @ 3071.3usft (E 155) |
| Well: | TOMAHAWK FEDERAL UNIT #704H | North Reference: | Grid |
| Wellbore: | OWB | Survey Calculation Method: | Minimum Curvature |
| Design: | PWP1 | Database: | edm |

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 5,900.0 | 0.00 | 0.00 | 5,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,000.0 | 0.00 | 0.00 | 6,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,100.0 | 0.00 | 0.00 | 6,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,200.0 | 0.00 | 0.00 | 6,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,300.0 | 0.00 | 0.00 | 6,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,400.0 | 0.00 | 0.00 | 6,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6 500 0 | 0.00 | 0.00 | 6 500 0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,500.0 | 0.00 | 0.00 | 6,500.0 6,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,600.0 | 0.00 | 0.00 | | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,700.0 | 0.00 | 0.00 | 6,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,800.0 | 0.00 | 0.00 | 6,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 6,900.0 | 0.00 | 0.00 | 6,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,000.0 | 0.00 | 0.00 | 7,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,100.0 | 0.00 | 0.00 | 7,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,200.0 | 0.00 | 0.00 | 7,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,300.0 | 0.00 | 0.00 | 7,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,400.0 | 0.00 | 0.00 | 7,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,500.0 | 0.00 | 0.00 | 7,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,600.0 | 0.00 | 0.00 | 7,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,700.0 | 0.00 | 0.00 | 7,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,800.0 | 0.00 | 0.00 | 7,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 7,900.0 | 0.00 | 0.00 | 7,900.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,000.0 | 0.00 | 0.00 | 8,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,100.0 | 0.00 | 0.00 | 8,100.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,200.0 | 0.00 | 0.00 | 8,200.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,300.0 | 0.00 | 0.00 | 8,300.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,400.0 | 0.00 | 0.00 | 8,400.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,500.0 | 0.00 | 0.00 | 8,500.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,600.0 | 0.00 | 0.00 | 8,600.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,700.0 | 0.00 | 0.00 | 8,700.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,800.0 | 0.00 | 0.00 | 8,800.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| 8,808.0 | 0.00 | 0.00 | 8,808.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| Start Build | | 0.00 | 0,000.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| | | 4=0=0 | 0.000.0 | | • - | | 10.0- | 10.05 | 0.00 |
| 8,900.0 | 9.20 | 179.70 | 8,899.6 | -7.4 | 0.0 | 7.4 | 10.00 | 10.00 | 0.00 |
| 9,000.0 | 19.20 | 179.70 | 8,996.4 | -31.9 | 0.2 | 31.9 | 10.00 | 10.00 | 0.00 |
| 9,100.0 | 29.20 | 179.70 | 9,087.5 | -72.8 | 0.4 | 72.8 | 10.00 | 10.00 | 0.00 |
| 9,200.0 | 39.20 | 179.70 | 9,170.1 | -128.9 | 0.7 | 128.9 | 10.00 | 10.00 | 0.00 |
| 9,300.0 | 49.20 | 179.70 | 9,241.7 | -198.6 | 1.0 | 198.6 | 10.00 | 10.00 | 0.00 |
| 9,400.0 | 59.20 | 179.70 | 9,300.1 | -279.6 | 1.5 | 279.6 | 10.00 | 10.00 | 0.00 |
| 9,500.0 | 69.20 | 179.70 | 9,343.6 | -369.5 | 1.9 | 369.5 | 10.00 | 10.00 | 0.00 |
| 9,600.0 | 79.20 | 179.70 | 9,370.8 | -465.6 | 2.4 | 465.6 | 10.00 | 10.00 | 0.00 |
| 9,700.0 | 89.20 | 179.70 | 9,380.9 | -565.0 | 3.0 | 565.0 | 10.00 | 10.00 | 0.00 |
| 9,706.6 | 89.86 | 179.70 | 9,381.0 | -571.5 | 3.0 | 571.6 | 10.00 | 10.00 | 0.00 |
| | 2.00 TFO 89.2 | | | | | | | | |
| | | | | | | | | | |

Survey Report

| Company: | NORTHERN DELAWARE BASIN | Local Co-ordinate Reference: | Well TOMAHAWK FEDERAL UNIT #704H |
|-----------|-----------------------------|------------------------------|----------------------------------|
| Project: | EDDY COUNTY, NM | TVD Reference: | KB=24' @ 3071.3usft (E 155) |
| Site: | ATLAS | MD Reference: | KB=24' @ 3071.3usft (E 155) |
| Well: | TOMAHAWK FEDERAL UNIT #704H | North Reference: | Grid |
| Wellbore: | OWB | Survey Calculation Method: | Minimum Curvature |
| Design: | PWP1 | Database: | edm |

| Meas Dep (us | oth | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|--------------------|---------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| | 716.1 | 89.86 | 179.89 | 9,381.0 | -581.1 | 3.0 | 581.1 | 2.00 | 0.03 | 2.00 |
| Star | t 10425 | 5.9 hold at 971 | 6.1 MD | | | | | | | |
| 9, | 800.0 | 89.86 | 179.89 | 9,381.2 | -664.9 | 3.2 | 665.0 | 0.00 | 0.00 | 0.00 |
| 9,9 | 900.0 | 89.86 | 179.89 | 9,381.4 | -764.9 | 3.4 | 765.0 | 0.00 | 0.00 | 0.00 |
| 10, | 0.000 | 89.86 | 179.89 | 9,381.7 | -864.9 | 3.6 | 865.0 | 0.00 | 0.00 | 0.00 |
| 10, | 100.0 | 89.86 | 179.89 | 9,381.9 | -964.9 | 3.8 | 965.0 | 0.00 | 0.00 | 0.00 |
| 10, | 200.0 | 89.86 | 179.89 | 9,382.1 | -1,064.9 | 4.0 | 1,065.0 | 0.00 | 0.00 | 0.00 |
| 10, | 300.0 | 89.86 | 179.89 | 9,382.4 | -1,164.9 | 4.1 | 1,165.0 | 0.00 | 0.00 | 0.00 |
| | 400.0 | 89.86 | 179.89 | 9,382.6 | -1,264.9 | 4.3 | 1,265.0 | 0.00 | 0.00 | 0.00 |
| | 500.0 | 89.86 | 179.89 | 9,382.9 | -1,364.9 | 4.5 | 1,365.0 | 0.00 | 0.00 | 0.00 |
| | 600.0 | 89.86 | 179.89 | 9,383.1 | -1,464.9 | 4.7 | 1,465.0 | 0.00 | 0.00 | 0.00 |
| 10, | 700.0 | 89.86 | 179.89 | 9,383.3 | -1,564.9 | 4.9 | 1,565.0 | 0.00 | 0.00 | 0.00 |
| 10, | 800.0 | 89.86 | 179.89 | 9,383.6 | -1,664.9 | 5.1 | 1,665.0 | 0.00 | 0.00 | 0.00 |
| 10, | 900.0 | 89.86 | 179.89 | 9,383.8 | -1,764.9 | 5.3 | 1,765.0 | 0.00 | 0.00 | 0.00 |
| 11, | 0.000 | 89.86 | 179.89 | 9,384.1 | -1,864.9 | 5.5 | 1,865.0 | 0.00 | 0.00 | 0.00 |
| 11, | 100.0 | 89.86 | 179.89 | 9,384.3 | -1,964.9 | 5.7 | 1,965.0 | 0.00 | 0.00 | 0.00 |
| 11, | 200.0 | 89.86 | 179.89 | 9,384.5 | -2,064.9 | 5.9 | 2,065.0 | 0.00 | 0.00 | 0.00 |
| 11, | 300.0 | 89.86 | 179.89 | 9,384.8 | -2,164.9 | 6.1 | 2,165.0 | 0.00 | 0.00 | 0.00 |
| 11,4 | 400.0 | 89.86 | 179.89 | 9,385.0 | -2,264.9 | 6.3 | 2,265.0 | 0.00 | 0.00 | 0.00 |
| 11, | 500.0 | 89.86 | 179.89 | 9,385.3 | -2,364.9 | 6.4 | 2,364.9 | 0.00 | 0.00 | 0.00 |
| 11, | 600.0 | 89.86 | 179.89 | 9,385.5 | -2,464.9 | 6.6 | 2,464.9 | 0.00 | 0.00 | 0.00 |
| 11, | 700.0 | 89.86 | 179.89 | 9,385.7 | -2,564.9 | 6.8 | 2,564.9 | 0.00 | 0.00 | 0.00 |
| 11, | 800.0 | 89.86 | 179.89 | 9,386.0 | -2,664.9 | 7.0 | 2,664.9 | 0.00 | 0.00 | 0.00 |
| 11, | 900.0 | 89.86 | 179.89 | 9,386.2 | -2,764.9 | 7.2 | 2,764.9 | 0.00 | 0.00 | 0.00 |
| 12, | 0.000 | 89.86 | 179.89 | 9,386.5 | -2,864.9 | 7.4 | 2,864.9 | 0.00 | 0.00 | 0.00 |
| 12, | 100.0 | 89.86 | 179.89 | 9,386.7 | -2,964.9 | 7.6 | 2,964.9 | 0.00 | 0.00 | 0.00 |
| 12, | 200.0 | 89.86 | 179.89 | 9,386.9 | -3,064.9 | 7.8 | 3,064.9 | 0.00 | 0.00 | 0.00 |
| 12, | 300.0 | 89.86 | 179.89 | 9,387.2 | -3,164.9 | 8.0 | 3,164.9 | 0.00 | 0.00 | 0.00 |
| 12,4 | 400.0 | 89.86 | 179.89 | 9,387.4 | -3,264.9 | 8.2 | 3,264.9 | 0.00 | 0.00 | 0.00 |
| 12, | 500.0 | 89.86 | 179.89 | 9,387.7 | -3,364.9 | 8.4 | 3,364.9 | 0.00 | 0.00 | 0.00 |
| 12, | 600.0 | 89.86 | 179.89 | 9,387.9 | -3,464.9 | 8.6 | 3,464.9 | 0.00 | 0.00 | 0.00 |
| 12, | 700.0 | 89.86 | 179.89 | 9,388.1 | -3,564.9 | 8.7 | 3,564.9 | 0.00 | 0.00 | 0.00 |
| 12, | 800.0 | 89.86 | 179.89 | 9,388.4 | -3,664.9 | 8.9 | 3,664.9 | 0.00 | 0.00 | 0.00 |
| 12, | 900.0 | 89.86 | 179.89 | 9,388.6 | -3,764.9 | 9.1 | 3,764.9 | 0.00 | 0.00 | 0.00 |
| | 0.000 | 89.86 | 179.89 | 9,388.9 | -3,864.9 | 9.3 | 3,864.9 | 0.00 | 0.00 | 0.00 |
| 13, | 100.0 | 89.86 | 179.89 | 9,389.1 | -3,964.9 | 9.5 | 3,964.9 | 0.00 | 0.00 | 0.00 |
| 13, | 200.0 | 89.86 | 179.89 | 9,389.3 | -4,064.9 | 9.7 | 4,064.9 | 0.00 | 0.00 | 0.00 |
| 13, | 300.0 | 89.86 | 179.89 | 9,389.6 | -4,164.9 | 9.9 | 4,164.9 | 0.00 | 0.00 | 0.00 |
| 13, | 400.0 | 89.86 | 179.89 | 9,389.8 | -4,264.9 | 10.1 | 4,264.9 | 0.00 | 0.00 | 0.00 |
| 13, | 500.0 | 89.86 | 179.89 | 9,390.1 | -4,364.9 | 10.3 | 4,364.9 | 0.00 | 0.00 | 0.00 |
| 13, | 600.0 | 89.86 | 179.89 | 9,390.3 | -4,464.9 | 10.5 | 4,464.9 | 0.00 | 0.00 | 0.00 |
| 13, | 700.0 | 89.86 | 179.89 | 9,390.5 | -4,564.9 | 10.7 | 4,564.9 | 0.00 | 0.00 | 0.00 |
| 13, | 800.0 | 89.86 | 179.89 | 9,390.8 | -4,664.9 | 10.9 | 4,664.9 | 0.00 | 0.00 | 0.00 |
| 13. | 900.0 | 89.86 | 179.89 | 9,391.0 | -4,764.9 | 11.0 | 4,764.9 | 0.00 | 0.00 | 0.00 |

Survey Report

| Company: | NORTHERN DELAWARE BASIN | Local Co-ordinate Reference: | Well TOMAHAWK FEDERAL UNIT #704H |
|-----------|-----------------------------|------------------------------|----------------------------------|
| Project: | EDDY COUNTY, NM | TVD Reference: | KB=24' @ 3071.3usft (E 155) |
| Site: | ATLAS | MD Reference: | KB=24' @ 3071.3usft (E 155) |
| Well: | TOMAHAWK FEDERAL UNIT #704H | North Reference: | Grid |
| Wellbore: | OWB | Survey Calculation Method: | Minimum Curvature |
| Design: | PWP1 | Database: | edm |

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 14,000.0 | 89.86 | 179.89 | 9,391.3 | -4,864.9 | 11.2 | 4,864.9 | 0.00 | 0.00 | 0.00 |
| 14,100.0 | 89.86 | 179.89 | 9,391.5 | -4,964.9 | 11.4 | 4,964.9 | 0.00 | 0.00 | 0.00 |
| 14,200.0 | 89.86 | 179.89 | 9,391.7 | -5,064.9 | 11.6 | 5,064.9 | 0.00 | 0.00 | 0.00 |
| 14,300.0 | 89.86 | 179.89 | 9,392.0 | -5,164.9 | 11.8 | 5,164.9 | 0.00 | 0.00 | 0.00 |
| 14,400.0 | 89.86 | 179.89 | 9,392.2 | -5,264.9 | 12.0 | 5,264.9 | 0.00 | 0.00 | 0.00 |
| 14,500.0 | 89.86 | 179.89 | 9,392.5 | -5,364.9 | 12.2 | 5,364.9 | 0.00 | 0.00 | 0.00 |
| 14,600.0 | 89.86 | 179.89 | 9,392.7 | -5,464.9 | 12.4 | 5,464.9 | 0.00 | 0.00 | 0.00 |
| 14,700.0 | 89.86 | 179.89 | 9,392.9 | -5,564.9 | 12.6 | 5,564.9 | 0.00 | 0.00 | 0.00 |
| 14,800.0 | 89.86 | 179.89 | 9,393.2 | -5,664.9 | 12.8 | 5,664.9 | 0.00 | 0.00 | 0.00 |
| 14,900.0 | 89.86 | 179.89 | 9,393.4 | -5,764.9 | 13.0 | 5,764.9 | 0.00 | 0.00 | 0.00 |
| 15,000.0 | 89.86 | 179.89 | 9,393.7 | -5,864.9 | 13.1 | 5,864.9 | 0.00 | 0.00 | 0.00 |
| 15,100.0 | 89.86 | 179.89 | 9,393.9 | -5,964.9 | 13.3 | 5,964.9 | 0.00 | 0.00 | 0.00 |
| 15,200.0 | 89.86 | 179.89 | 9,394.1 | -6,064.9 | 13.5 | 6,064.9 | 0.00 | 0.00 | 0.00 |
| 15,300.0 | 89.86 | 179.89 | 9,394.4 | -6,164.9 | 13.7 | 6,164.9 | 0.00 | 0.00 | 0.00 |
| 15,400.0 | 89.86 | 179.89 | 9,394.6 | -6,264.9 | 13.9 | 6,264.9 | 0.00 | 0.00 | 0.00 |
| 15,500.0 | 89.86 | 179.89 | 9,394.9 | -6,364.9 | 14.1 | 6,364.9 | 0.00 | 0.00 | 0.00 |
| 15,600.0 | 89.86 | 179.89 | 9,395.1 | -6,464.9 | 14.3 | 6,464.9 | 0.00 | 0.00 | 0.00 |
| 15,700.0 | 89.86 | 179.89 | 9,395.3 | -6,564.9 | 14.5 | 6,564.9 | 0.00 | 0.00 | 0.00 |
| 15,800.0 | 89.86 | 179.89 | 9,395.6 | -6,664.9 | 14.7 | 6,664.9 | 0.00 | 0.00 | 0.00 |
| 15,900.0 | 89.86 | 179.89 | 9,395.8 | -6,764.9 | 14.9 | 6,764.9 | 0.00 | 0.00 | 0.00 |
| 16,000.0 | 89.86 | 179.89 | 9,396.1 | -6,864.9 | 15.1 | 6,864.9 | 0.00 | 0.00 | 0.00 |
| 16,100.0 | 89.86 | 179.89 | 9,396.3 | -6,964.9 | 15.3 | 6,964.9 | 0.00 | 0.00 | 0.00 |
| 16,200.0 | 89.86 | 179.89 | 9,396.5 | -7,064.9 | 15.4 | 7,064.9 | 0.00 | 0.00 | 0.00 |
| 16,300.0 | 89.86 | 179.89 | 9,396.8 | -7,164.9 | 15.6 | 7,164.9 | 0.00 | 0.00 | 0.00 |
| 16,400.0 | 89.86 | 179.89 | 9,397.0 | -7,264.9 | 15.8 | 7,264.9 | 0.00 | 0.00 | 0.00 |
| 16,500.0 | 89.86 | 179.89 | 9,397.3 | -7,364.9 | 16.0 | 7,364.9 | 0.00 | 0.00 | 0.00 |
| 16,600.0 | 89.86 | 179.89 | 9,397.5 | -7,464.9 | 16.2 | 7,464.9 | 0.00 | 0.00 | 0.00 |
| 16,700.0 | 89.86 | 179.89 | 9,397.7 | -7,564.9 | 16.4 | 7,564.9 | 0.00 | 0.00 | 0.00 |
| 16,800.0 | 89.86 | 179.89 | 9,398.0 | -7,664.9 | 16.6 | 7,664.9 | 0.00 | 0.00 | 0.00 |
| 16,900.0 | 89.86 | 179.89 | 9,398.2 | -7,764.9 | 16.8 | 7,764.9 | 0.00 | 0.00 | 0.00 |
| 17,000.0 | 89.86 | 179.89 | 9,398.5 | -7,864.9 | 17.0 | 7,864.9 | 0.00 | 0.00 | 0.00 |
| 17,100.0 | 89.86 | 179.89 | 9,398.7 | -7,964.9 | 17.2 | 7,964.9 | 0.00 | 0.00 | 0.00 |
| 17,200.0 | 89.86 | 179.89 | 9,398.9 | -8,064.9 | 17.4 | 8,064.9 | 0.00 | 0.00 | 0.00 |
| 17,300.0 | 89.86 | 179.89 | 9,399.2 | -8,164.9 | 17.6 | 8,164.9 | 0.00 | 0.00 | 0.00 |
| 17,400.0 | 89.86 | 179.89 | 9,399.4 | -8,264.9 | 17.7 | 8,264.9 | 0.00 | 0.00 | 0.00 |
| 17,500.0 | 89.86 | 179.89 | 9,399.7 | -8,364.9 | 17.9 | 8,364.9 | 0.00 | 0.00 | 0.00 |
| 17,600.0 | 89.86 | 179.89 | 9,399.9 | -8,464.9 | 18.1 | 8,464.9 | 0.00 | 0.00 | 0.00 |
| 17,700.0 | 89.86 | 179.89 | 9,400.1 | -8,564.9 | 18.3 | 8,564.9 | 0.00 | 0.00 | 0.00 |
| 17,800.0 | 89.86 | 179.89 | 9,400.4 | -8,664.9 | 18.5 | 8,664.9 | 0.00 | 0.00 | 0.00 |
| 17,900.0 | 89.86 | 179.89 | 9,400.6 | -8,764.9 | 18.7 | 8,764.9 | 0.00 | 0.00 | 0.00 |
| 18,000.0 | 89.86 | 179.89 | 9,400.9 | -8,864.9 | 18.9 | 8,864.9 | 0.00 | 0.00 | 0.00 |
| 18,100.0 | 89.86 | 179.89 | 9,401.1 | -8,964.9 | 19.1 | 8,964.9 | 0.00 | 0.00 | 0.00 |
| 18,200.0 | 89.86 | 179.89 | 9,401.3 | -9,064.9 | 19.3 | 9,064.9 | 0.00 | 0.00 | 0.00 |

Survey Report

| Company: | NORTHERN DELAWARE BASIN | Local Co-ordinate Reference: | Well TOMAHAWK FEDERAL UNIT #704H |
|-----------|-----------------------------|------------------------------|----------------------------------|
| Project: | EDDY COUNTY, NM | TVD Reference: | KB=24' @ 3071.3usft (E 155) |
| Site: | ATLAS | MD Reference: | KB=24' @ 3071.3usft (E 155) |
| Well: | TOMAHAWK FEDERAL UNIT #704H | North Reference: | Grid |
| Wellbore: | OWB | Survey Calculation Method: | Minimum Curvature |
| Design: | PWP1 | Database: | edm |

Planned Survey

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 18,300.0 | 89.86 | 179.89 | 9,401.6 | -9,164.9 | 19.5 | 9,164.9 | 0.00 | 0.00 | 0.00 |
| 18,400.0 | 89.86 | 179.89 | 9,401.8 | -9,264.9 | 19.7 | 9,264.9 | 0.00 | 0.00 | 0.00 |
| 18,500.0 | 89.86 | 179.89 | 9,402.1 | -9,364.9 | 19.9 | 9,364.9 | 0.00 | 0.00 | 0.00 |
| 18,600.0 | 89.86 | 179.89 | 9,402.3 | -9,464.9 | 20.0 | 9,464.9 | 0.00 | 0.00 | 0.00 |
| 18,700.0 | 89.86 | 179.89 | 9,402.5 | -9,564.9 | 20.2 | 9,564.9 | 0.00 | 0.00 | 0.00 |
| 18,800.0 | 89.86 | 179.89 | 9,402.8 | -9,664.9 | 20.4 | 9,664.9 | 0.00 | 0.00 | 0.00 |
| 18,900.0 | 89.86 | 179.89 | 9,403.0 | -9,764.9 | 20.6 | 9,764.9 | 0.00 | 0.00 | 0.00 |
| 19,000.0 | 89.86 | 179.89 | 9,403.3 | -9,864.9 | 20.8 | 9,864.9 | 0.00 | 0.00 | 0.00 |
| 19,100.0 | 89.86 | 179.89 | 9,403.5 | -9,964.9 | 21.0 | 9,964.9 | 0.00 | 0.00 | 0.00 |
| 19,200.0 | 89.86 | 179.89 | 9,403.7 | -10,064.9 | 21.2 | 10,064.9 | 0.00 | 0.00 | 0.00 |
| 19,300.0 | 89.86 | 179.89 | 9,404.0 | -10,164.9 | 21.4 | 10,164.9 | 0.00 | 0.00 | 0.00 |
| 19,400.0 | 89.86 | 179.89 | 9,404.2 | -10,264.9 | 21.6 | 10,264.9 | 0.00 | 0.00 | 0.00 |
| 19,500.0 | 89.86 | 179.89 | 9,404.5 | -10,364.9 | 21.8 | 10,364.9 | 0.00 | 0.00 | 0.00 |
| 19,600.0 | 89.86 | 179.89 | 9,404.7 | -10,464.9 | 22.0 | 10,464.9 | 0.00 | 0.00 | 0.00 |
| 19,700.0 | 89.86 | 179.89 | 9,404.9 | -10,564.9 | 22.2 | 10,564.9 | 0.00 | 0.00 | 0.00 |
| 19,800.0 | 89.86 | 179.89 | 9,405.2 | -10,664.9 | 22.3 | 10,664.9 | 0.00 | 0.00 | 0.00 |
| 19,900.0 | 89.86 | 179.89 | 9,405.4 | -10,764.9 | 22.5 | 10,764.9 | 0.00 | 0.00 | 0.00 |
| 20,000.0 | 89.86 | 179.89 | 9,405.7 | -10,864.9 | 22.7 | 10,864.9 | 0.00 | 0.00 | 0.00 |
| 20,100.0 | 89.86 | 179.89 | 9,405.9 | -10,964.9 | 22.9 | 10,964.9 | 0.00 | 0.00 | 0.00 |
| 20,142.0 | 89.86 | 179.89 | 9,406.0 | -11,006.9 | 23.0 | 11,006.9 | 0.00 | 0.00 | 0.00 |
| TD at 20142 | 2.0 | | | | | | | | |

Design Targets

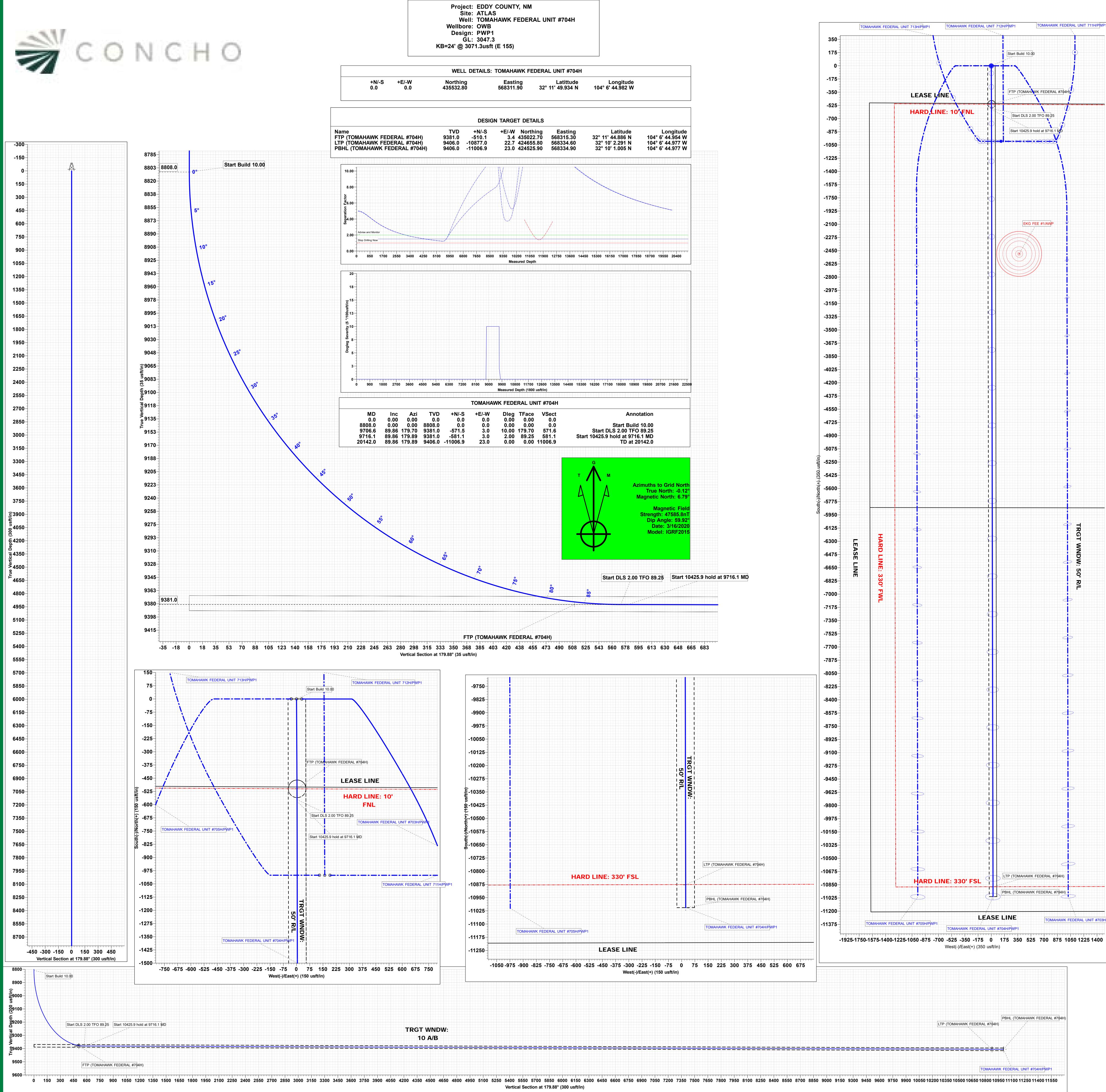
| Target Name - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
|--|------------------|-----------------|------------------------|-------------------------|---------------------|------------------------------|-------------------|------------------|------------------|
| FTP (TOMAHAWK FE - plan misses targ - Circle (radius 50 | et center by | | 9,381.0 645.4usft N | -510.1 1D (9377.5 T | 3.4 VD, -510.4 N | 435,022.70 N, 2.7 E) | 568,315.30 | 32° 11' 44.886 N | 104° 6' 44.954 W |
| LTP (TOMAHAWK FE - plan misses targe - Point | | | 9,406.0 0012.1usft | -10,877.0 MD (9405.7 | 22.7 TVD, -10877 | 424,655.80 7.0 N, 22.8 E) | 568,334.60 | 32° 10' 2.291 N | 104° 6' 44.977 W |
| PBHL (TOMAHAWK F - plan hits target c - Rectangle (sides | enter | | 9,406.0 0.0) | -11,006.9 | 23.0 | 424,525.90 | 568,334.90 | 32° 10' 1.005 N | 104° 6' 44.977 W |

Plan Annotations

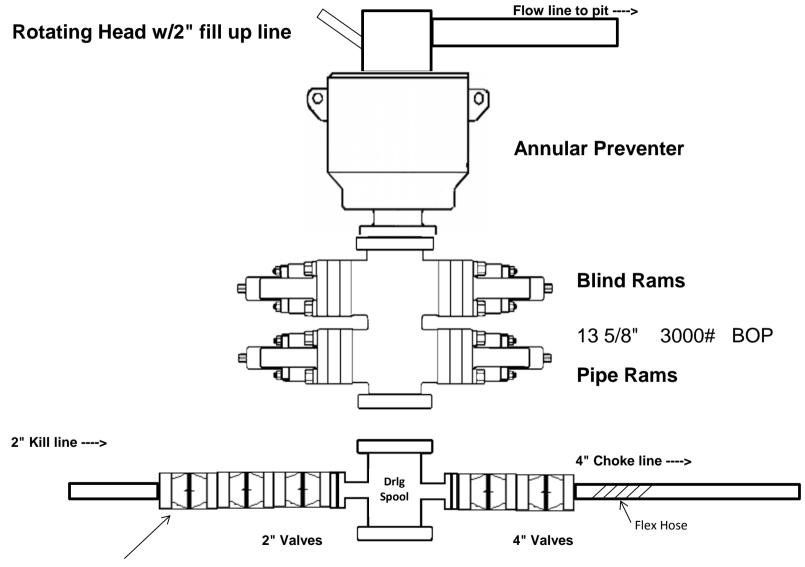
| Measured | Vertical | Local Coor | rdinates | | |
|-----------------|-----------------|-----------------|-----------------|---------------------------------|--|
| Depth (usft) | Depth (usft) | +N/-S (usft) | +E/-W (usft) | Comment | |
| 8808 | 8808 | 0 | 0 | Start Build 10.00 | |
| 9707 | 9381 | -572 | 3 | Start DLS 2.00 TFO 89.25 | |
| 9716 | 9381 | -581 | 3 | Start 10425.9 hold at 9716.1 MD | |
| 20,142 | 9406 | -11,007 | 23 | TD at 20142.0 | |

Survey Report

| Company: | NORTHERN DELAWARE BASIN | Local Co-ordinate Reference: | Well TOMAHAWK FEDERAL UNIT #704H |
|-------------|-----------------------------|------------------------------|----------------------------------|
| Project: | EDDY COUNTY, NM | TVD Reference: | KB=24' @ 3071.3usft (E 155) |
| Site: | ATLAS | MD Reference: | KB=24' @ 3071.3usft (E 155) |
| Well: | TOMAHAWK FEDERAL UNIT #704H | North Reference: | Grid |
| Wellbore: | OWB | Survey Calculation Method: | Minimum Curvature |
| Design: | PWP1 | Database: | edm |
| | | | |
| Checked By: | Appro | ved By: | Date: |

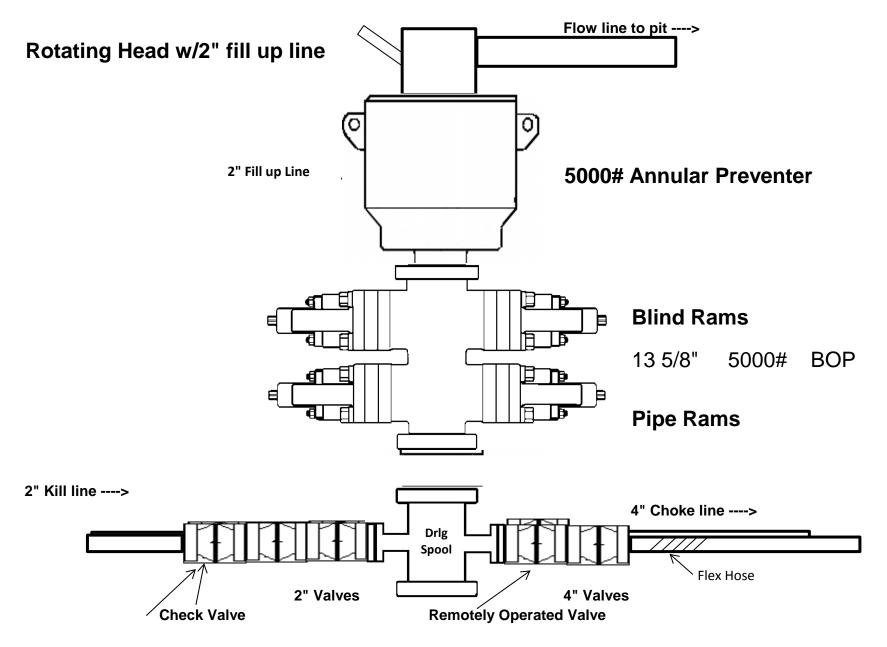


3,000 psi BOP Schematic



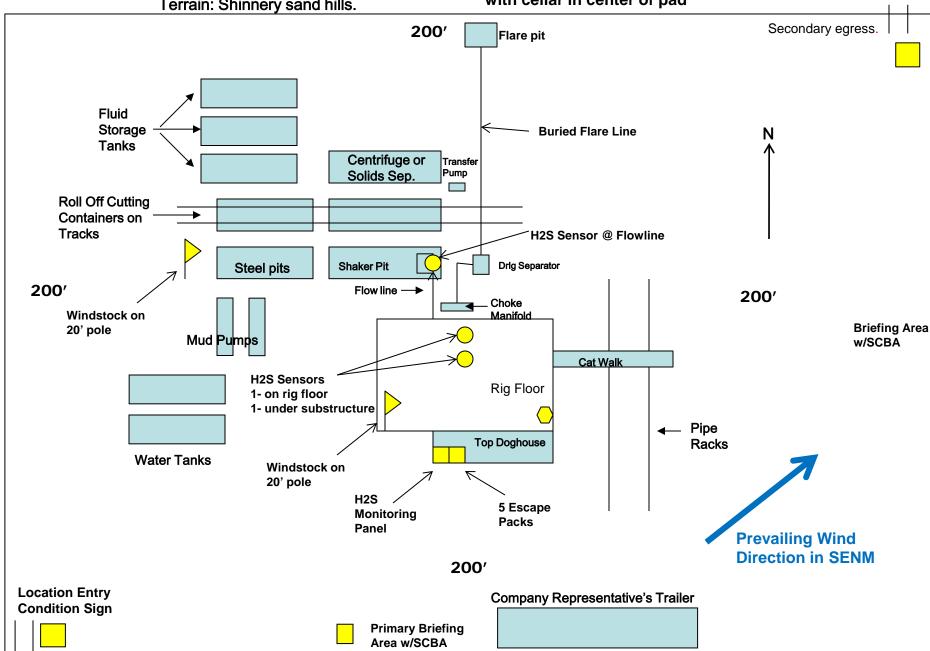
Check Valve

5,000 psi BOP Schematic



COG Operating LLC H₂S Equipment Schematic Terrain: Shinnery sand hills.

Well pad will be 400' x 400' with cellar in center of pad



COG OPERATING LLC HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- a. The hazards and characteristics of hydrogen sulfide (H₂S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- d. The proper techniques for first aid and rescue procedures.

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

- a. The effects of H2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- b. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- c. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

2. <u>H₂S SAFETY EQUIPMENT AND SYSTEMS</u>

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S. If H2S greater than 100 ppm is encountered in the gas stream we will shut in and install H2S equipment.

 a. Well Control Equipment: Flare line. Choke manifold with remotely operated choke. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit. Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

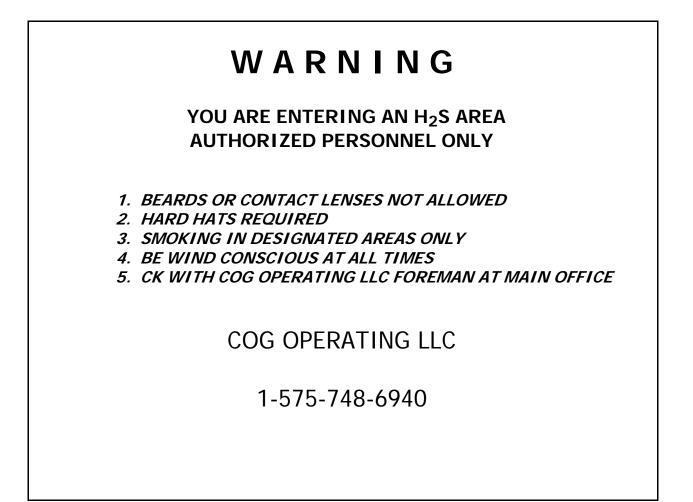
- b. Protective equipment for essential personnel: Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:
 - 2 portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- d. Visual warning systems: Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
- e. Mud Program: The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

g. Communication:

Company vehicles equipped with cellular telephone.

COG OPERATING LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

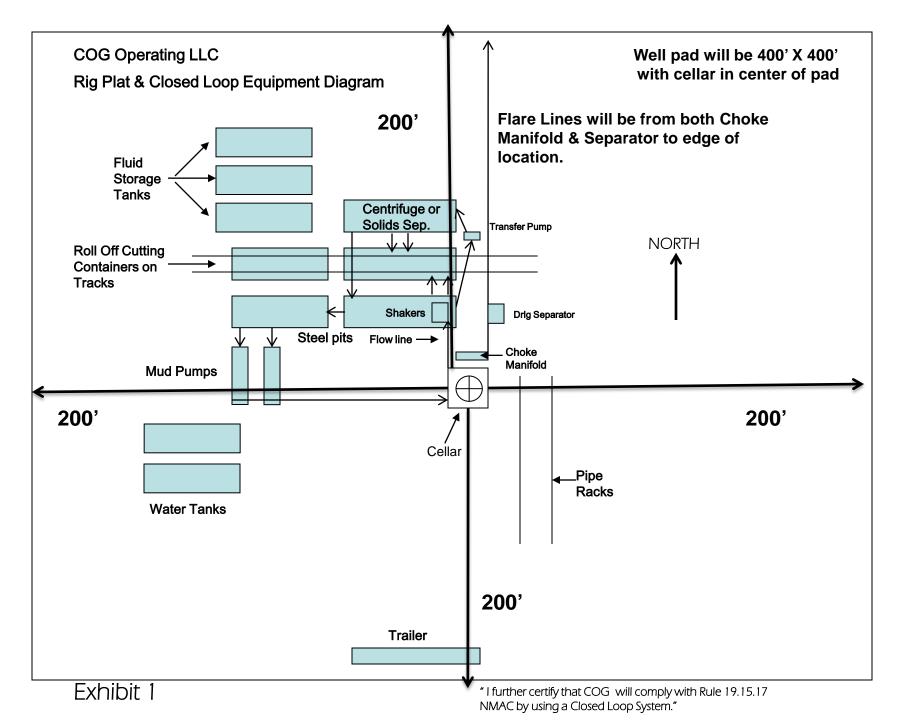


EMERGENCY CALL LIST

| | <u>OFFICE</u> | MOBILE |
|--------------------------|---------------|--------------|
| COG OPERATING LLC OFFICE | 575-748-6940 | |
| SETH WILD | 432-683-7443 | 432-528-3633 |
| WALTER ROYE | 575-748-6940 | 432-934-1886 |

EMERGENCY RESPONSE NUMBERS

| | <u>OFFICE</u> |
|--|---------------------|
| STATE POLICE | 575-748-9718 |
| EDDY COUNTY SHERIFF | 575-746-2701 |
| EMERGENCY MEDICAL SERVICES (AMBULANCE) | 911 or 575-746-2701 |
| EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS) | 575-887-9511 |
| STATE EMERGENCY RESPONSE CENTER (SERC) | 575-476-9620 |
| CARLSBAD POLICE DEPARTMENT | 575-885-2111 |
| CARLSBAD FIRE DEPARTMENT | 575-885-3125 |
| NEW MEXICO OIL CONSERVATION DIVISION | 575-748-1283 |
| INDIAN FIRE & SAFETY | 800-530-8693 |
| HALLIBURTON SERVICES | 800-844-8451 |



COG OPERATING LLC HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. HYDROGEN SULFIDE TRAINING

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- a. The hazards and characteristics of hydrogen sulfide (H₂S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- d. The proper techniques for first aid and rescue procedures.

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- c. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

2. <u>H₂S SAFETY EQUIPMENT AND SYSTEMS</u>

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S. If H2S greater than 100 ppm is encountered in the gas stream we will shut in and install H2S equipment.

a. Well Control Equipment: Flare line.
Choke manifold with remotely operated choke.
Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

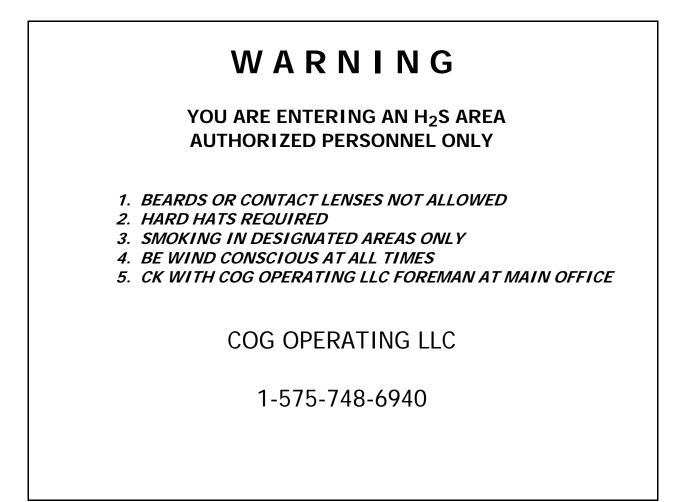
- b. Protective equipment for essential personnel: Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:
 - 2 portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- d. Visual warning systems: Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
- e. Mud Program: The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

g. Communication:

Company vehicles equipped with cellular telephone.

COG OPERATING LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.



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