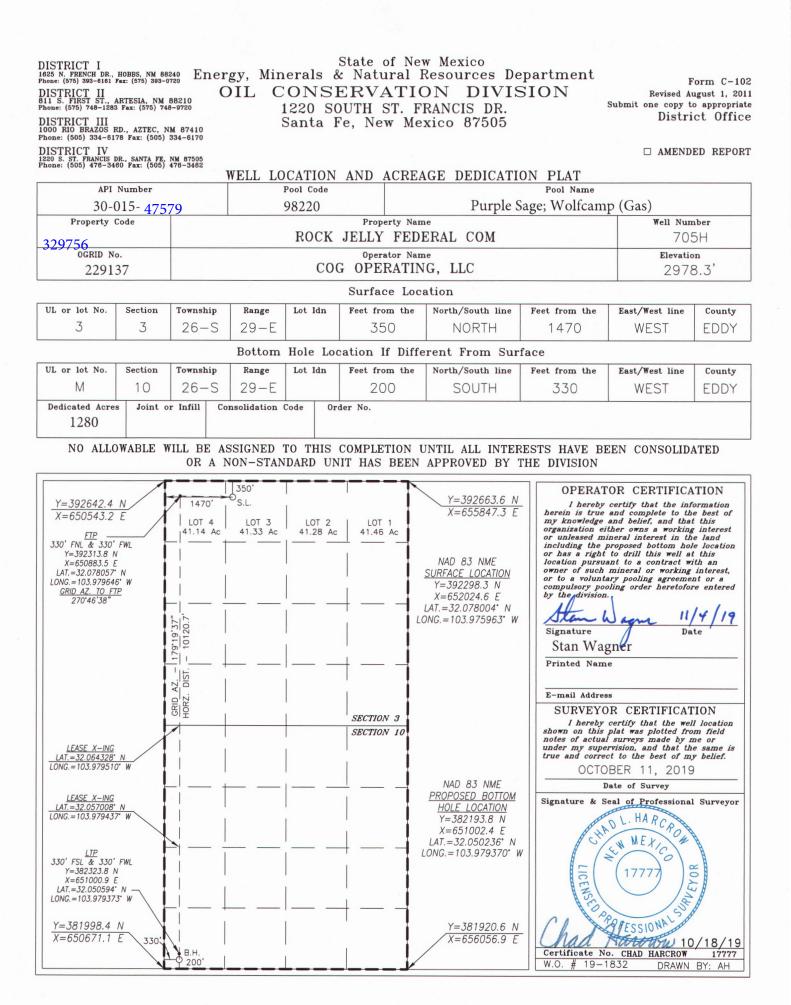
#### OCD Received 10/9/2020

Form 3160-3 (June 2015) UNITED STA	TES	FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018
DEPARTMENT OF TH BUREAU OF LAND MA	5. Lease Serial No.	
APPLICATION FOR PERMIT TO	6. If Indian, Allotee or Tribe Name	
1a. Type of work:   DRILL	REENTER	7. If Unit or CA Agreement, Name and No.
1b. Type of Well:   Oil Well   Gas Well     1c. Type of Completion:   Hydraulic Fracturing	Other       Single Zone       Multiple Zone	8. Lease Name and Well No.
2. Name of Operator		9. API Well No. 30 015 47579
3a. Address	3b. Phone No. <i>(include area code)</i>	10. Field and Pool, or Exploratory
4. Location of Well <i>(Report location clearly and in accordan</i> At surface	nce with any 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	t office*	12. County or Parish 13. State
<ul> <li>15. Distance from proposed*</li> <li>location to nearest</li> <li>property or lease line, ft.</li> <li>(Also to nearest drig. unit line, if any)</li> </ul>	16. No of acres in lease 17. S	spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 20. F	BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
	24. Attachments	
The following, completed in accordance with the requiremen (as applicable)	ts of Onshore Oil and Gas Order No. 1, and	the Hydraulic Fracturing rule per 43 CFR 3162.3-3
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest S SUPO must be filed with the appropriate Forest Service Of</li> </ol>	ystem Lands, the 5. Operator certification.	rations unless covered by an existing bond on file (see information and/or plans as may be requested by the
25. Signature	Name (Printed/Typed)	Date
Title		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	
Application approval does not warrant or certify that the appl applicant to conduct operations thereon. Conditions of approval, if any, are attached.	licant holds legal or equitable title to those r	ights in the subject lease which would entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 121 of the United States any false, fictitious or fraudulent stateme		
nuds are not to be used until fresh water zones are cased a diesel. This includes synthetic oils. Oil based mud, drilling f ed loop system.		Once the well is spud, to prevent ground water contamination through whole or partial conduits from surface, the operator shall drill without interruption the fresh water zone or zones and shall immediately
Will require a directional survey with the C-104	WITH CONDITION	cement the water protection string
(Continued on page 2)	ROVED WITH CO	KP 10/19/2020 GEO Review *(Instructions on page 2)

Approval Date: 10/08/2020 Entered - KMS NMOCD



Intent X As Drilled		
API # 30-015-		
Operator Name:	Property Name:	Well Number
COG Operating LLC	Rock Jelly Federal Com	705H

Kick Off Point (KOP)

UL	Section 3	Township 26S	Range 29E	Lot 4	Feet	From N/S	Feet	From E/W	County Eddy
Latitu	de				Longitude				NAD
									83

#### First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
	3	26S	29E	4	330	North	330	West	Eddy
	Latitude 32.078057			Longitude -103.979	646		NAD NAD 83		

#### Last Take Point (LTP)

ul M	Section 10	Township 26S	Range 29E	Lot	Feet 330	From N/S South	Feet 330	From E/W West	County Eddy
Latitude				Longitud	Longitude			NAD	
32.050594				-103.9	-103.979373			NAD 83	

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

Yes

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # 30-015-		
Operator Name:	Property Name:	Well Number
COG Operating LLC	Rock Jelly Federal Com	703H

KZ 06/29/2018

### PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

<b>OPERATOR'S NAME:</b>	COG Operating, LLC
LEASE NO.:	NMNM-0138834
WELL NAME & NO.:	Rock Jelly Federal Com 705H
SURFACE HOLE FOOTAGE:	0350 FNL & 1470 FWL
<b>BOTTOM HOLE FOOTAGE</b>	0200 FSL & 0330 FWL Sec. 10, T.26 S., R.29 E.
LOCATION:	Section 03, T.26 S., R.29 E., NMPM
COUNTY:	Eddy County, New Mexico

#### COA

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

#### Medium Cave/Karst

Possibility of water flows in the Salado and Castile. Possibility of lost circulation in the Rustler and Delaware. Abnormal pressures can be expected near the base of the Third Bone Spring Sandstone into the top of the Wolfcamp Formation.

#### A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet 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 **13-3/8** inch surface casing shall be set at approximately **390** feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

# Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:
  - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst.
  - In <u>Medium Cave/Karst Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

#### C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).

Page 2 of 7

#### Approval Date: 10/08/2020

- 2. 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.
- 3. 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 REQUIREMENT (S)**

#### **Communitization Agreement**

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

### **GENERAL REQUIREMENTS**

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

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
  - Eddy County Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. 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 submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. 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.
- <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.
- 3. 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.
- 4. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 5. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 6. 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.

#### 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. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the 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. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- c. 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.
- d. The results of the test shall be reported to the appropriate BLM office.
- e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

#### C. DRILLING MUD

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

#### D. WASTE MATERIAL AND FLUIDS

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

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

#### JAM 10052020

#### Approval Date: 10/08/2020

#### **1. Geologic Formations**

TVD of target	10,094' EOC	Pilot hole depth	NA
MD at TD:	20,343'	Deepest expected fresh water:	250'

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface	Water	
Rustler	279	Water	
Top of Salt	621	Salt	
Base of Salt	2824	Salt	
Lamar	3053	Salt Water	
Bell Canyon	3082	Water	
Cherry Canyon	3895	Oil/Gas	
Brushy Canyon	5200	Oil/Gas	
Bone Spring Lime	6753	Oil/Gas	
Upper Avalon Shale	7353	Oil/Gas	
1st Bone Spring Sand	7668	Oil/Gas	
2nd Bone Spring Sand	8352	Oil/Gas	
3rd Bone Spring Sand	9545	Oil/Gas	
Wolfcamp	9911	Oil/Gas	
Wolfcamp A Shale	10042	Target Oil/Gas	

#### 2. Casing Program

Hole Size	Casing Interval		Csg. Size	Weight	Grade	Conn.	SF	SF Burst	SF
	From	То	eeg. e. <u>.</u> .e	(lbs)	0.440		Collapse		Tension
17.5"	0	305	13.375''	54.5	J55	BTC	11.87	25.03	51.32
12.25"	0	9465	9.625''	40	L80 HC	BTC	1.30	1.10	2.42
8.75''	0	20,343	5.5"	20	P110	BTC	2.48	2.09	3.18
	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
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary?	N
Is well located in SOPA but not in R-111-P?	N
	N
If yes, are the first 2 strings cemented to surface and 3 <sup>rd</sup> string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 <sup>nd</sup> string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

#### 3. Cementing Program

Casing	# Sks	Wt. lb/ gal	YId ft3/ sack	H₂0 gal/sk	500# Comp. Strength (hours)	Slurry Description
Surf.	100	13.5	1.75	9	12	Lead: Class C + 4% Gel + 1% CaCl2
Sun.	390	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl2
Inter Stage 1	1300	12.7	2.0	9.6	16	Lead: 35:65:6 C Blend
Inter.Stage 1	360	14.8	1.34	6.34	8	Tail: Class H
	DV/ECP @ 3010					
Inter, Stage 2	580	12.7	1.98	10.6	16	Lead: 35:65:6 C Blend
inter, Stage 2	180	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl
5.5 Prod	940	11.9	2.5	19	72	Lead: 50:50:10 H Blend
5.5 FIU	4950	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 <sup>st</sup> Intermediate	0'	50%
Production	2,982'	35% OH in Lateral (KOP to EOL) – 40% OH in Vertical

#### 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	Ту	pe	x	Tested to:				
			Ann	ular	Х	2500				
	13-5/8"	ЗM	Blind Ram		Х	3M				
12.25			Pipe Ram		Х					
			Double Ram		e Ram		SIVI			
			Other*							
			Ann	ular	Х	2500				
	13-5/8"	5M		Blind	Ram	Х				
8.75			Pipe Ram		Х	<b>C</b> 1 4				
						Double		e Ram		5M
			Other*							

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

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

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

#### 5. Mud Program

	Depth	Turno	Weight	Viscosity	Water Loss
From	То	Туре	(ppg)	viscosity	Water Loss
0	Surf. Shoe	FW Gel	8.6 - 8.8	28-34	N/C
Surf. Shoe	9-5/8" Int shoe	Brine Diesel	9 - 9.4	32-45	N/C
9-5/8" Int shoe	Lateral TD	OBM	10.5 - 12	55-65	N/C

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

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.		
Y	No Logs are planned based on well control or offset log information.		
Ν	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		

#### 7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	6300 psi at 10094' TVD
Abnormal Temperature	NO 160 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.

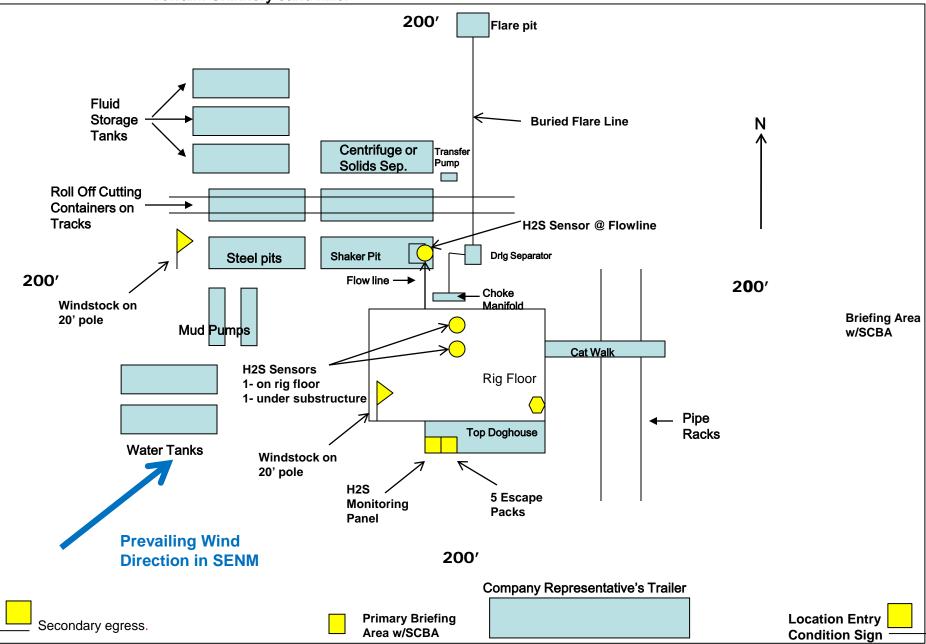
NH2S is presentYH2S Plan attached

#### 8. Other Facets of Operation

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

x	H2S Plan.
x	BOP & Choke Schematics.
х	Directional Plan

COG Operating LLC  $H_2S$  Equipment Schematic Terrain: Shinnery sand hills.



#### 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 (H<sub>2</sub>S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H<sub>2</sub>S 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 H<sub>2</sub>S 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>H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS</u>

Note: All H<sub>2</sub>S 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.

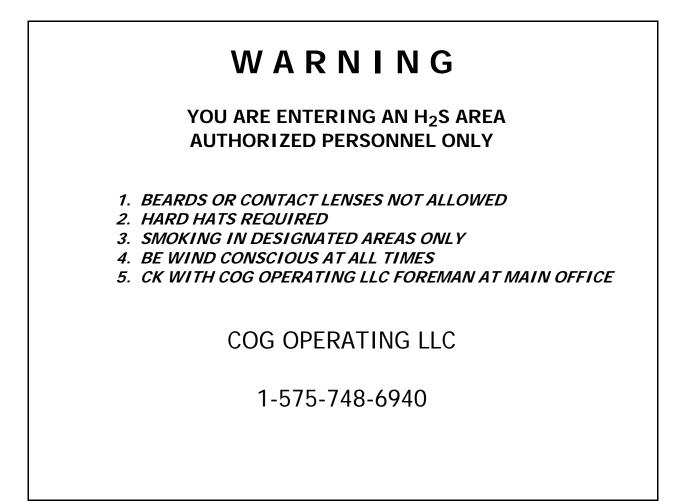
- b. Protective equipment for essential personnel: Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:
  - 2 portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible 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.

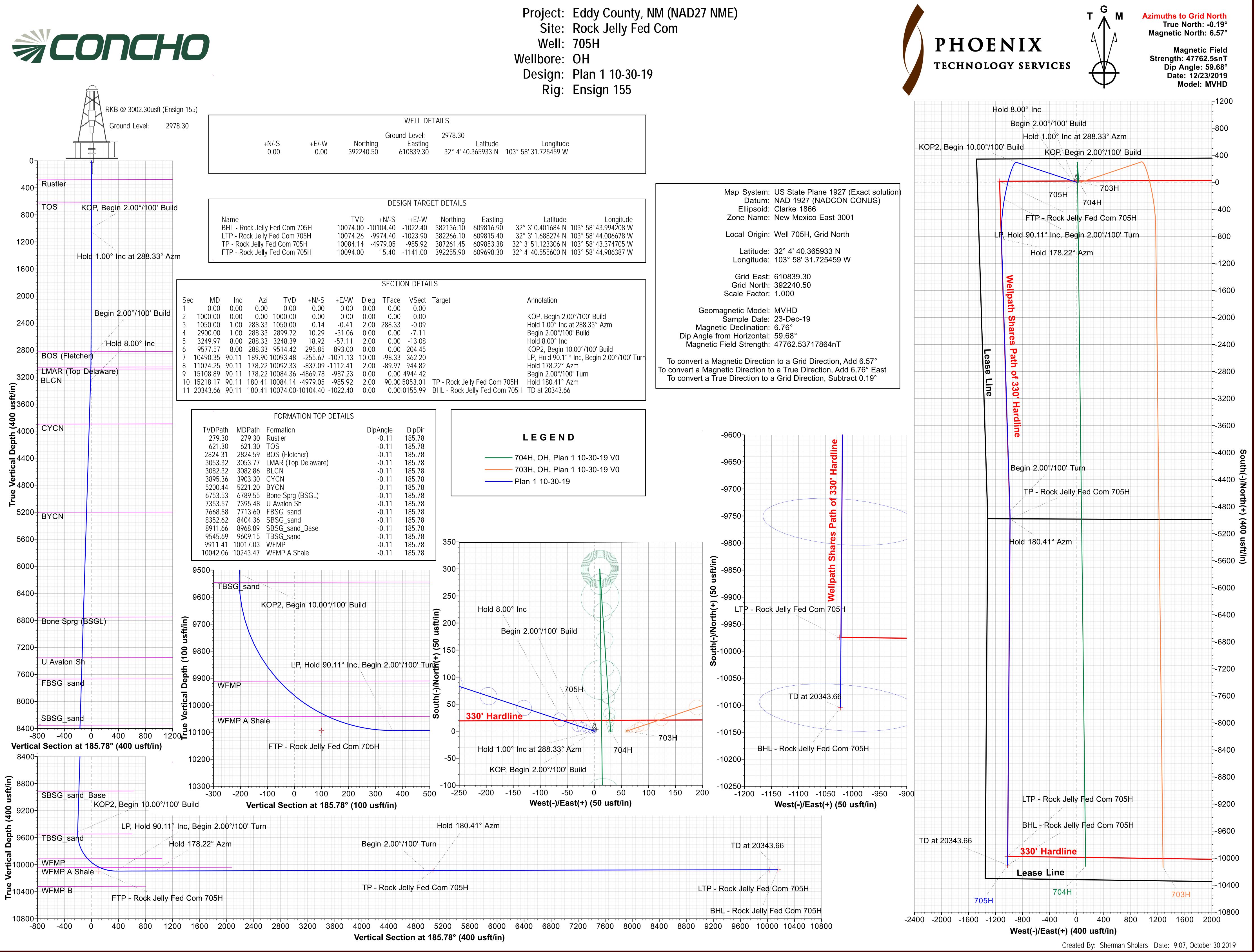


# **EMERGENCY CALL LIST**

	<u>OFFICE</u>	MOBILE
COG OPERATING LLC OFFICE	575-748-6940	
SETH WILD	432-683-7443	432-528-3633
JOHN COFFMAN	432-685-4310	432-631-9762

## **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



		Site: Well: Wellbore: Design:	Eddy County, N Rock Jelly Fed 705H OH Plan 1 10-30-19 Ensign 155
WELL DE Ground Level: Northing Easting 392240.50 610839.30	2978.30 Latitude	Longitude 103° 58' 31.725459 W	
DESIGN TARGE TVD +N/-S +E/-W	T DETAILS Northing Easting	Latitude	Longitude
10074.00-10104.40-1022.4010074.26-9974.40-1023.9010084.14-4979.05-985.9210094.0015.40-1141.00	382136.10609816.90382266.10609815.40387261.45609853.38392255.90609698.30	32° 3' 1.688274 N 32° 3' 51.123306 N	103° 58' 43.994208 W 103° 58' 44.006678 W 103° 58' 43.374705 W 103° 58' 44.986387 W
SECTION DETAIL	S		
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Target TP - Rock Jelly Fed Com BHL - Rock Jelly Fed Com	Begin 2.00°/10 Hold 8.00° Inc KOP2, Begin 1 LP, Hold 90.11 Hold 178.22° / Begin 2.00°/10 705H Hold 180.41° /	at 288.33° Azm 00' Build ° Inc, Begin 2.00°/100' Turn Azm 00' Turn Azm
TAILS DipAngle DipDir			
$\begin{array}{c ccccc} \text{DipAligle} & \text{DipDir}\\ & -0.11 & 185.78\\ & -0.11 &$	350	LEGEN 	1 10-30-19 V0 1 10-30-19 V0
00' Build	300- 250- C Hold 8.0	00° Inc	



# **COG Operating LLC**

Eddy County, NM (NAD27 NME) Rock Jelly Fed Com 705H

OH

Plan: Plan 1 10-30-19

# **Standard Planning Report**

30 October, 2019





Planning Report



Company: Project: Site: Well: Wellbore: Design:	USA Compa COG Opera Eddy County Rock Jelly F 705H OH Plan 1 10-30	ting LLC y, NM (NAD27 N ed Com	IME)	TVD Reference MD Reference North Referen	e	0	0usft (Ensign 155) 0usft (Ensign 155) ature
Project	Eddy County	, NM (NAD27 NI	ME)				
Map System: Geo Datum: Map Zone:		e 1927 (Exact so DCON CONUS) ast 3001	,	System Datum		Mean Sea Level	
Site	Rock Jelly Fe	ed Com					
Site Position: From: Position Uncertainty:	Мар	0.00 usft	Northing: Easting: Slot Radius:	613,615	-		32° 4' 41.768994 N 103° 57' 59.447893 W 0.19 °
Well	705H						
Well Position Position Uncertainty	+N/-S +E/-W	-151.10 usft -2,776.60 usft 1.00 usft	Northing: Easting: Wellhead Ele	e	92,240.50 usft 10,839.30 usft	Latitude: Longitude: Ground Level:	32° 4' 40.365933 N 103° 58' 31.725459 W 2,978.30 usft
Wellbore	ОН						
Wellbore Magnetics	OH Model Na	ame	Sample Date	Declination (°)	1	Dip Angle (°)	Field Strength (nT)
		ame MVHD	Sample Date 12/23/2019	(°)	6.76		•
		MVHD		(°)		(°)	(nT)
Magnetics	Model Na	MVHD		(°)		(°)	(nT) 47,762.53717864
Magnetics Design Audit Notes: Version:	Model Na	MVHD -19	12/23/2019 Phase:	(°) PLAN	6.76 Tie On Dep	(°) 59.68	(nT) 47,762.53717864 0.00
Magnetics Design Audit Notes:	Model Na	MVHD 19 Depth F (u	. 12/23/2019	(°)	6.76	(°) 59.68 oth:	(nT) 47,762.53717864
Magnetics Design Audit Notes: Version: Vertical Section: Plan Survey Tool Pro Depth From	Model Na Plan 1 10-30- ogram Depth To	MVHD 19 Depth F (u 0 Date 10/29	12/23/2019 Phase: rom (TVD) isft) .00 /2019	(°) PLAN +N/-S (usft) 0.00	6.76 Tie On Dep +E/-W (usft) 0.00	(°) 59.68 oth: 1	(nT) 47,762.53717864 0.00 rection (°)
Magnetics Design Audit Notes: Version: Vertical Section: Plan Survey Tool Pro	Model Na Plan 1 10-30-	MVHD 19 Depth F (u 0	12/23/2019 Phase: rom (TVD) (sft) .00 /2019 pre)	(°) PLAN +N/-S (usft)	6.76 Tie On Dep +E/-W (usft)	(°) 59.68 oth: 1	(nT) 47,762.53717864 0.00 rection (°)





Database:	USA Compass	Local Co-ordinate Reference:	Well 705H
Company:	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project:	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site:	Rock Jelly Fed Com	North Reference:	Grid
Well:	705H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 1 10-30-19		

Ы	an	Se	ctio	ns

Measured			Vertical			Dogleg	Build	Turn		
Depth (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)	TFO (°)	Target
(4011)	()	()	(0.010)	(0011)	(don)	( ) ) • • • • • • • • • • • • • • • • •	( ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) )	( ) ) • • • • • • • • • • • • • • • • •	()	iungot
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,050.00	1.00	288.33	1,050.00	0.14	-0.41	2.00	2.00	0.00	288.33	
2,900.00	1.00	288.33	2,899.72	10.29	-31.06	0.00	0.00	0.00	0.00	
3,249.97	8.00	288.33	3,248.39	18.92	-57.11	2.00	2.00	0.00	0.00	
9,577.57	8.00	288.33	9,514.42	295.85	-893.00	0.00	0.00	0.00	0.00	
10,490.35	90.11	189.90	10,093.48	-255.67	-1,071.13	10.00	9.00	-10.78	-98.33	
11,074.25	90.11	178.22	10,092.33	-837.09	-1,112.41	2.00	0.00	-2.00	-89.97	
15,108.89	90.11	178.22	10,084.36	-4,869.78	-987.23	0.00	0.00	0.00	0.00	
15,218.17	90.11	180.41	10,084.14	-4,979.05	-985.92	2.00	0.00	2.00	90.00	TP - Rock Jelly Fed
20,343.66	90.11	180.41	10,074.00	-10,104.40	-1,022.40	0.00	0.00	0.00	0.00	BHL - Rock Jelly Fed





Database: U	JSA Compass	Local Co-ordinate Reference:	Well 705H
Company: C	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project: E	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site: R	Rock Jelly Fed Com	North Reference:	Grid
Well: 70	'05H	Survey Calculation Method:	Minimum Curvature
Wellbore: O	Н		
Design: P	Plan 1 10-30-19		

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)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
279.30	0.00	0.00	279.30	0.00	0.00	0.00	0.00	0.00	0.00
Rustler 621.30	0.00	0.00	621.30	0.00	0.00	0.00	0.00	0.00	0.00
TOS	0.00	0.00	021.50	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP, Begin	2.00°/100' Build								
1,050.00	1.00	288.33	1,050.00	0.14	-0.41	-0.09	2.00	2.00	0.00
Hold 1.00° Ir	nc at 288.33° Azm	ı							
1,100.00	1.00	288.33	1,099.99	0.41	-1.24	-0.28	0.00	0.00	0.00
1,200.00	1.00	288.33	1,199.97	0.96	-2.90	-0.66	0.00	0.00	0.00
1,300.00	1.00	288.33	1,299.96	1.51	-4.56	-1.04	0.00	0.00	0.00
1,400.00	1.00	288.33	1,399.94	2.06	-6.21	-1.42	0.00	0.00	0.00
1,500.00	1.00	288.33	1,499.93	2.61	-7.87	-1.80	0.00	0.00	0.00
1,600.00	1.00	288.33	1,599.91	3.16	-9.53	-2.18	0.00	0.00	0.00
1,700.00	1.00	288.33	1,699.90	3.70	-11.18	-2.56	0.00	0.00	0.00
1,800.00	1.00	288.33	1,799.88	4.25	-12.84	-2.94	0.00	0.00	0.00
1,900.00	1.00	288.33	1,899.87	4.80	-14.50	-3.32	0.00	0.00	0.00
2,000.00	1.00	288.33	1,999.85	5.35	-16.15	-3.70	0.00	0.00	0.00
2,100.00	1.00	288.33	2,099.84	5.90	-17.81	-4.08	0.00	0.00	0.00
2,200.00	1.00	288.33	2,199.82	6.45	-19.47	-4.46	0.00	0.00	0.00
2,300.00	1.00	288.33	2,299.81	7.00	-21.12	-4.84	0.00	0.00	0.00
2,400.00	1.00	288.33	2,399.79	7.55	-22.78	-5.22	0.00	0.00	0.00
2,500.00	1.00	288.33	2,499.78	8.10	-24.44	-5.59	0.00	0.00	0.00
2,600.00	1.00	288.33	2,599.76	8.64	-26.09	-5.97	0.00	0.00	0.00
2,700.00	1.00	288.33	2,699.75	9.19	-27.75	-6.35	0.00	0.00	0.00
2,800.00	1.00	288.33	2,799.73	9.74	-29.41	-6.73	0.00	0.00	0.00
2,824.59	1.00	288.33	2,824.31	9.88	-29.81	-6.83	0.00	0.00	0.00
BOS (Fletch	er)								
2,900.00	1.00	288.33	2,899.72	10.29	-31.06	-7.11	0.00	0.00	0.00
Begin 2.00°/	100' Build								
3,000.00	3.00	288.33	2,999.65	11.39	-34.38	-7.87	2.00	2.00	0.00
3,053.77	4.08	288.33	3,053.32	12.43	-37.53	-8.59	2.00	2.00	0.00
LMAR (Top I	,								
3,082.86	4.66	288.33	3,082.32	13.13	-39.63	-9.07	2.00	2.00	0.00
3 100 00	E 00	200.22	2 000 40	12 59	44.00	0.20	2.00	2.00	0.00
3,100.00 3,200.00	5.00 7.00	288.33 288.33	3,099.40 3,198.85	13.58 16.87	-41.00 -50.92	-9.39 -11.66	2.00 2.00	2.00 2.00	0.00 0.00
3,249.97	8.00	288.33	3,248.39	18.92	-57.11	-13.08	2.00	2.00	0.00
Hold 8.00° Ir		200.22	3 207 02	21 11	62 70	14 50	0.00	0.00	0.00
3,300.00	8.00	288.33	3,297.93	21.11	-63.72	-14.59	0.00	0.00	0.00 0.00
3,400.00 3,500.00	8.00	288.33	3,396.96 3,495.99	25.49	-76.93 -90.14	-17.61 -20.64	0.00	0.00	0.00
3,500.00	8.00 8.00	288.33 288.33	3,495.99 3,595.01	29.86 34.24	-90.14 -103.35	-20.64 -23.66	0.00 0.00	0.00 0.00	0.00
3,700.00	8.00	288.33	3,694.04	38.62	-116.56	-26.69	0.00	0.00	0.00
3,800.00	8.00	288.33	3,793.07	42.99	-129.77	-29.71	0.00	0.00	0.00
3,900.00	8.00	288.33	3,892.10	47.37	-142.98	-32.73	0.00	0.00	0.00
3,903.30	8.00	288.33	3,895.36	47.51	-143.42	-32.83	0.00	0.00	0.00
CYCN									
4,000.00	8.00	288.33	3,991.12	51.75	-156.19	-35.76	0.00	0.00	0.00
4,100.00	8.00	288.33	4,090.15	56.12	-169.40	-38.78	0.00	0.00	0.00
4,200.00	8.00	288.33	4,189.18	60.50	-182.61	-41.81	0.00	0.00	0.00
4,300.00	8.00	288.33	4,288.20	64.88	-195.82	-44.83	0.00	0.00	0.00





Database:	USA Compass	Local Co-ordinate Reference:	Well 705H
Company:	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project:	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site:	Rock Jelly Fed Com	North Reference:	Grid
Well:	705H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 1 10-30-19		

Measured Depth (usft)	nclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,400.00	8.00	288.33	4,387.23	69.25	-209.03	-47.86	0.00	0.00	0.00
4,500.00	8.00	288.33	4,486.26	73.63	-222.24	-50.88	0.00	0.00	0.00
4 600 00	8.00	000 00	1 505 00	70.01	-235.45	F2 01	0.00	0.00	0.00
4,600.00	8.00	288.33	4,585.28	78.01		-53.91	0.00	0.00	0.00
4,700.00	8.00	288.33	4,684.31	82.38	-248.66	-56.93	0.00	0.00	0.00
4,800.00	8.00	288.33	4,783.34	86.76	-261.87	-59.95	0.00	0.00	0.00
4,900.00	8.00	288.33	4,882.36	91.13	-275.08	-62.98	0.00	0.00	0.00
5,000.00	8.00	288.33	4,981.39	95.51	-288.29	-66.00	0.00	0.00	0.00
5,100.00	8.00	288.33	5,080.42	99.89	-301.50	-69.03	0.00	0.00	0.00
5,200.00	8.00	288.33	5,179.45	104.26	-314.71	-72.05	0.00	0.00	0.00
5,221.20	8.00	288.33	5,200.44	105.19	-317.51	-72.69	0.00	0.00	0.00
BYCN									
5,300.00	8.00	288.33	5,278.47	108.64	-327.92	-75.08	0.00	0.00	0.00
5,400.00	8.00	288.33	5,377.50	113.02	-341.13	-78.10	0.00	0.00	0.00
5,500.00	8.00	288.33	5,476.53	117.39	-354.34	-81.13	0.00	0.00	0.00
5,600.00	8.00	288.33	5,575.55	121.77	-367.55	-84.15	0.00	0.00	0.00
5,700.00	8.00	288.33	5,674.58	126.15	-380.76	-87.17	0.00	0.00	0.00
5,800.00	8.00	288.33	5,773.61	130.52	-393.97	-90.20	0.00	0.00	0.00
5,900.00	8.00	288.33	5,872.63	134.90	-407.18	-93.22	0.00	0.00	0.00
6,000.00	8.00	288.33	5,971.66	139.28	-420.40	-96.25	0.00	0.00	0.00
6,100.00	8.00	288.33	6,070.69	143.65	-433.61	-99.27	0.00	0.00	0.00
6,200.00	8.00	288.33	6,169.71	148.03	-446.82	-102.30	0.00	0.00	0.00
6,300.00	8.00	288.33	6,268.74	152.41	-460.03	-105.32	0.00	0.00	0.00
6,400.00	8.00	288.33	6,367.77	156.78	-473.24	-108.35	0.00	0.00	0.00
6,500.00	8.00	288.33	6,466.80	161.16	-486.45	-111.37	0.00	0.00	0.00
6,600.00	8.00	288.33	6.565.82	165.54	-499.66	-114.39	0.00	0.00	0.00
6,700.00	8.00	288.33	6,664.85	169.91	-499.00	-117.42	0.00	0.00	0.00
6,789.55	8.00	288.33	6,753.53	173.83	-524.70	-120.13	0.00	0.00	0.00
,		200.00	0,700.00	175.05	-524.70	-120.15	0.00	0.00	0.00
Bone Sprg (BS		000.00	6 762 99	174.00	E26 08	100.44	0.00	0.00	0.00
6,800.00	8.00	288.33	6,763.88	174.29	-526.08	-120.44	0.00	0.00	0.00
6,900.00	8.00	288.33	6,862.90	178.67	-539.29	-123.47	0.00	0.00	0.00
7,000.00	8.00	288.33	6,961.93	183.04	-552.50	-126.49	0.00	0.00	0.00
7,100.00	8.00	288.33	7,060.96	187.42	-565.71	-129.52	0.00	0.00	0.00
7,200.00	8.00	288.33	7,159.98	191.79	-578.92	-132.54	0.00	0.00	0.00
7,300.00	8.00	288.33	7,259.01	196.17	-592.13	-135.57	0.00	0.00	0.00
7,395.48	8.00	288.33	7,353.57	200.35	-604.74	-138.45	0.00	0.00	0.00
U Avalon Sh			.,						
7,400.00	8.00	288.33	7,358.04	200.55	-605.34	-138.59	0.00	0.00	0.00
7,500.00	8.00	288.33	7,457.07	200.00	-618.55	-141.61	0.00	0.00	0.00
7,600.00	8.00	288.33	7,556.09	209.30	-631.76	-144.64	0.00	0.00	0.00
7,700.00	8.00	288.33	7,655.12	213.68	-644.97	-147.66	0.00	0.00	0.00
7,713.60	8.00	288.33	7,668.58	214.27	-646.77	-148.07	0.00	0.00	0.00
FBSG_sand									
7,800.00	8.00	288.33	7,754.15	218.05	-658.18	-150.69	0.00	0.00	0.00
7,900.00	8.00	288.33	7,853.17	222.43	-671.39	-153.71	0.00	0.00	0.00
8,000.00	8.00	288.33	7,952.20	226.81	-684.60	-156.74	0.00	0.00	0.00
8,100.00	8.00	288.33	8,051.23	231.18	-697.81	-159.76	0.00	0.00	0.00
8,200.00	8.00	288.33	8,150.25	235.56	-711.02	-162.79	0.00	0.00	0.00
8,300.00	8.00	288.33	8,249.28	239.94	-724.23	-165.81	0.00	0.00	0.00
8,400.00	8.00	288.33	8,348.31	244.31	-737.44	-168.83	0.00	0.00	0.00
8,404.36	8.00	288.33	8,352.62	244.50	-738.02	-168.97	0.00	0.00	0.00
SBSG_sand			-,						
8,500.00	8.00	288.33	8,447.33	248.69	-750.65	-171.86	0.00	0.00	0.00
8,600.00	8.00	288.33	8,546.36	253.07	-763.86	-174.88	0.00	0.00	0.00





Database:	USA Compass	Local Co-ordinate Reference:	Well 705H
Company:	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project:	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site:	Rock Jelly Fed Com	North Reference:	Grid
Well:	705H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 1 10-30-19		

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,700.00	8.00	288.33	8,645.39	257.44	-777.07	-177.91	0.00	0.00	0.00
8,800.00	8.00	288.33	8,744.42	261.82	-790.28	-180.93	0.00	0.00	0.00
8,900.00	8.00	288.33	8,843.44	266.20	-803.49	-183.96	0.00	0.00	0.00
8,968.89	8.00	288.33	8,911.66	269.21	-812.59	-186.04	0.00	0.00	0.00
SBSG_sand	-								
9,000.00	8.00	288.33	8,942.47	270.57	-816.70	-186.98	0.00	0.00	0.00
9,100.00	8.00	288.33	9,041.50	274.95	-829.91	-190.01	0.00	0.00	0.00
9,200.00	8.00	288.33	9,140.52	279.33	-843.12	-193.03	0.00	0.00	0.00
9,300.00 9,400.00	8.00	288.33 288.33	9,239.55 9,338.58	283.70	-856.33 -869.54	-196.05 -199.08	0.00 0.00	0.00	0.00 0.00
,	8.00			288.08				0.00	
9,500.00	8.00	288.33	9,437.60	292.46	-882.75	-202.10	0.00	0.00	0.00
9,577.57	8.00	288.33	9,514.42	295.85	-893.00	-204.45	0.00	0.00	0.00
9,600.00	in 10.00°/100' Bui 7.99	272.15	9,536.63	296.40	-896.04	-204.69	10.00	-0.06	-72.15
9,609.15	8.16	265.75	9,545.69	296.37	-897.32	-204.54	10.00	1.89	-69.97
TBSG_sand			,						
9,700.00	13.58	225.04	9,635.00	288.34	-911.33	-195.13	10.00	5.97	-44.81
9,800.00	22.45	209.58	9,730.05	263.37	-929.11	-168.50	10.00	8.87	-15.46
9,900.00	31.97	202.78	9,818.91	222.25	-948.84	-125.61	10.00	9.52	-6.79
10,000.00	41.70	198.89	9,898.86	166.24	-969.91	-67.75	10.00	9.73	-3.89
10,017.03	43.37	198.38	9,911.41	155.33	-973.59	-56.53	10.00	9.79	-3.01
WFMP									
10,100.00	51.52	196.26	9,967.48	97.02	-991.69	3.31	10.00	9.82	-2.55
10,200.00	61.38	194.27	10,022.69	16.71	-1,013.53	85.41	10.00	9.86	-1.99
10,243.47	65.67	193.52	10,042.06	-21.06	-1,022.86	123.92	10.00	9.88	-1.72
WFMP A Sh							10.00		
10,300.00	71.26	192.62	10,062.80	-72.26	-1,034.74	176.06	10.00	9.89	-1.59
10,400.00 10,490.35	81.16 90.11	191.15 189.90	10,086.61	-167.18	-1,054.69	272.51 362.20	10.00 10.00	9.90	-1.46 -1.39
,	.11° Inc, Begin 2.		10,093.48	-255.67	-1,071.13	302.20	10.00	9.90	-1.59
			10.000.10	005 47	4 070 77	074.00	0.00	0.00	0.00
10,500.00	90.11	189.71	10,093.46	-265.17	-1,072.77	371.82	2.00	0.00	-2.00
10,600.00	90.11	187.71	10,093.26	-364.02	-1,087.91	471.69	2.00	0.00	-2.00
10,700.00 10,800.00	90.11 90.11	185.71 183.71	10,093.07 10,092.88	-463.33 -562.98	-1,099.59 -1,107.79	571.67 671.65	2.00 2.00	0.00 0.00	-2.00 -2.00
10,900.00	90.11	181.71	10,092.68	-662.87	-1,112.51	771.50	2.00	0.00	-2.00
11,000.00 11,074.25	90.11 90.11	179.71 178.22	10,092.48 10,092.33	-762.85 -837.09	-1,113.75 -1,112.41	871.10 944.82	2.00 2.00	0.00 0.00	-2.00 -2.00
Hold 178.22		170.22	10,002.00	007.00	1,114.71	011.02	2.00	0.00	-2.00
11,100.00	90.11	178.22	10,092.28	-862.83	-1,111.61	970.35	0.00	0.00	0.00
11,200.00	90.11	178.22	10,092.09	-962.78	-1,108.50	1,069.48	0.00	0.00	0.00
11,300.00	90.11	178.22	10,091.89	-1,062.73	-1,105.40	1,168.61	0.00	0.00	0.00
11,400.00	90.11	178.22	10,091.69	-1,162.68	-1,102.30	1,267.74	0.00	0.00	0.00
11,500.00	90.11	178.22	10,091.49	-1,262.63	-1,099.20	1,366.88	0.00	0.00	0.00
11,600.00	90.11	178.22	10,091.30	-1,362.59	-1,096.09	1,466.01	0.00	0.00	0.00
11,700.00	90.11	178.22	10,091.10	-1,462.54	-1,092.99	1,565.14	0.00	0.00	0.00
11,800.00	90.11	178.22	10,090.90	-1,562.49	-1,089.89	1,664.27	0.00	0.00	0.00
11,900.00	90.11	178.22	10,090.70	-1,662.44	-1,086.79	1,763.40	0.00	0.00	0.00
12,000.00	90.11	178.22	10,090.50	-1,762.39	-1,083.68	1,862.53	0.00	0.00	0.00
12,100.00	90.11	178.22	10,090.31	-1,862.34	-1,080.58	1,961.67	0.00	0.00	0.00
12,200.00	90.11	178.22	10,090.11	-1,962.30	-1,077.48	2,060.80	0.00	0.00	0.00
12,300.00	90.11	178.22	10,089.91	-2,062.25	-1,074.38	2,159.93	0.00	0.00	0.00
12,400.00	90.11	178.22	10,089.71	-2,162.20	-1,071.27	2,259.06	0.00	0.00	0.00
12,500.00	90.11	178.22	10,089.52	-2,262.15	-1,068.17	2,358.19	0.00	0.00	0.00





Database:	USA Compass	Local Co-ordinate Reference:	Well 705H
Company:	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project:	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site:	Rock Jelly Fed Com	North Reference:	Grid
Well:	705H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 1 10-30-19		

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)
12,600.00	90.11	178.22	10,089.32	-2,362.10	-1,065.07	2,457.32	0.00	0.00	0.00
12,700.00	90.11	178.22	10,089.12	-2,462.05	-1,061.96	2,556.45	0.00	0.00	0.00
12,800.00	90.11	178.22	10,088.92	-2,562.01	-1,058.86	2,655.59	0.00	0.00	0.00
12,900.00	90.11	178.22	10,088.72	-2,661.96	-1,055.76	2,754.72	0.00	0.00	0.00
13,000.00	90.11	178.22	10,088.53	-2,761.91	-1,052.66	2,853.85	0.00	0.00	0.00
13,100.00	90.11	178.22	10,088.33	-2,861.86	-1,049.55	2,952.98	0.00	0.00	0.00
13,200.00	90.11	178.22	10,088.13	-2,961.81	-1,046.45	3,052.11	0.00	0.00	0.00
13,300.00	90.11	178.22	10,087.93	-3,061.76	-1,043.35	3,151.24	0.00	0.00	0.00
13,400.00	90.11	178.22	10,087.74	-3,161.72	-1,040.25	3,250.38	0.00	0.00	0.00
13,500.00	90.11	178.22	10,087.54	-3,261.67	-1,037.14	3,349.51	0.00	0.00	0.00
13,600.00	90.11	178.22	10,087.34	-3,361.62	-1,034.04	3,448.64	0.00	0.00	0.00
13,700.00	90.11	178.22	10,087.14	-3,461.57	-1,030.94	3,547.77	0.00	0.00	0.00
13,800.00	90.11	178.22	10,086.94	-3,561.52	-1,027.84	3,646.90	0.00	0.00	0.00
13,900.00	90.11	178.22	10,086.75	-3,661.47	-1,024.73	3,746.03	0.00	0.00	0.00
14,000.00	90.11	178.22	10,086.55	-3,761.43	-1,021.63	3,845.16	0.00	0.00	0.00
14,100.00	90.11	178.22	10,086.35	-3,861.38	-1,018.53	3,944.30	0.00	0.00	0.00
14,200.00	90.11	178.22	10,086.15	-3,961.33	-1,015.43	4,043.43	0.00	0.00	0.00
14,300.00	90.11	178.22	10,085.96	-4,061.28	-1,012.32	4,142.56	0.00	0.00	0.00
14,400.00	90.11	178.22	10,085.76	-4,161.23	-1,009.22	4,241.69	0.00	0.00	0.00
14,500.00	90.11	178.22	10,085.56	-4,261.18	-1,006.12	4,340.82	0.00	0.00	0.00
14,600.00	90.11	178.22	10,085.36	-4,361.14	-1,003.02	4,439.95	0.00	0.00	0.00
14,700.00	90.11	178.22	10,085.16	-4,461.09	-999.91	4,539.09	0.00	0.00	0.00
14,800.00	90.11	178.22	10,084.97	-4,561.04	-996.81	4,638.22	0.00	0.00	0.00
14,900.00	90.11	178.22	10,084.77	-4,660.99	-993.71	4,737.35	0.00	0.00	0.00
15,000.00	90.11	178.22	10,084.57	-4,760.94	-990.60	4,836.48	0.00	0.00	0.00
15,100.00	90.11	178.22	10,084.37	-4,860.89	-987.50	4,935.61	0.00	0.00	0.00
15,108.89	90.11	178.22	10,084.36	-4,869.78	-987.23	4,944.42	0.00	0.00	0.00
Begin 2.00°/	100' Turn								
15,200.00	90.11	180.04	10,084.18	-4,960.88	-985.85	5,034.92	2.00	0.00	2.00
15,218.17	90.11	180.41	10,084.14	-4,979.05	-985.92	5,053.01	2.00	0.00	2.00
Hold 180.41									
15,300.00	90.11	180.41	10,083.98	-5,060.87	-986.50	5,134.47	0.00	0.00	0.00
15,400.00	90.11	180.41	10,083.78	-5,160.87	-987.21	5,234.04	0.00	0.00	0.00
15,500.00	90.11	180.41	10,083.58	-5,260.87	-987.93	5,333.60	0.00	0.00	0.00
15,600.00	90.11	180.41	10,083.38	-5,360.87	-988.64	5,433.16	0.00	0.00	0.00
15,700.00	90.11	180.41	10,083.19	-5,460.86	-989.35	5,532.72	0.00	0.00	0.00
15,800.00	90.11	180.41	10,082.99	-5,560.86	-990.06	5,632.28	0.00	0.00	0.00
15,900.00	90.11	180.41	10,082.79	-5,660.86	-990.77	5,731.84	0.00	0.00	0.00
16,000.00	90.11	180.41	10,082.59	-5,760.85	-991.48	5,831.40	0.00	0.00	0.00
16,100.00	90.11	180.41	10,082.40	-5,860.85	-992.20	5,930.96	0.00	0.00	0.00
16,200.00	90.11	180.41	10,082.20	-5,960.85	-992.91	6,030.52	0.00	0.00	0.00
16,300.00	90.11	180.41	10,082.00	-6,060.85	-993.62	6,130.08	0.00	0.00	0.00
16,400.00	90.11	180.41	10,081.80	-6,160.84	-994.33	6,229.64	0.00	0.00	0.00
16,500.00	90.11	180.41	10,081.60	-6,260.84	-995.04	6,329.21	0.00	0.00	0.00
16,600.00	90.11	180.41	10,081.41	-6,360.84	-995.75	6,428.77	0.00	0.00	0.00
16,700.00	90.11	180.41	10,081.21	-6,460.84	-996.47	6,528.33	0.00	0.00	0.00
16,800.00	90.11	180.41	10,081.01	-6,560.83	-997.18	6,627.89	0.00	0.00	0.00
16,900.00	90.11	180.41	10,080.81	-6,660.83	-997.89	6,727.45	0.00	0.00	0.00
17,000.00	90.11	180.41	10,080.62	-6,760.83	-998.60	6,827.01	0.00	0.00	0.00
17,100.00	90.11	180.41	10,080.42	-6,860.82	-999.31	6,926.57	0.00	0.00	0.00
17,200.00	90.11	180.41	10,080.22	-6,960.82	-1,000.03	7,026.13	0.00	0.00	0.00
17,300.00	90.11	180.41	10,080.02	-7,060.82	-1,000.74	7,125.69	0.00	0.00	0.00
,000.00		180.41	10,079.82	-7,160.82	-1,001.45	7,225.25	0.00	0.00	0.00
17,400.00	90.11	10041							





Database:	USA Compass	Local Co-ordinate Reference:	Well 705H
Company:	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project:	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site:	Rock Jelly Fed Com	North Reference:	Grid
Well:	705H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 1 10-30-19		

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)
17,600.00	90.11	180.41	10,079.43	-7,360.81	-1,002.87	7,424.38	0.00	0.00	0.00
17,700.00 17,800.00 17,900.00 18,000.00 18,100.00	90.11 90.11 90.11 90.11 90.11	180.41 180.41 180.41 180.41 180.41	10,079.23 10,079.03 10,078.83 10,078.64 10,078.44	-7,460.81 -7,560.81 -7,660.80 -7,760.80 -7,860.80	-1,003.58 -1,004.30 -1,005.01 -1,005.72 -1,006.43	7,523.94 7,623.50 7,723.06 7,822.62 7,922.18	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
18,200.00 18,300.00 18,400.00 18,500.00 18,600.00	90.11 90.11 90.11 90.11 90.11	180.41 180.41 180.41 180.41 180.41	10,078.24 10,078.04 10,077.85 10,077.65 10,077.45	-7,960.79 -8,060.79 -8,160.79 -8,260.79 -8,360.78	-1,007.14 -1,007.85 -1,008.57 -1,009.28 -1,009.99	8,021.74 8,121.30 8,220.86 8,320.42 8,419.99	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
18,700.00 18,800.00 18,900.00 19,000.00 19,100.00	90.11 90.11 90.11 90.11 90.11	180.41 180.41 180.41 180.41 180.41 180.41	10,077.25 10,077.05 10,076.86 10,076.66 10,076.46	-8,460.78 -8,560.78 -8,660.78 -8,760.77 -8,860.77	-1,010.70 -1,011.41 -1,012.12 -1,012.84 -1,013.55	8,519.55 8,619.11 8,718.67 8,818.23 8,917.79	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
19,200.00 19,300.00 19,400.00 19,500.00 19,600.00	90.11 90.11 90.11 90.11 90.11	180.41 180.41 180.41 180.41 180.41 180.41	10,076.26 10,076.06 10,075.87 10,075.67 10,075.47	-8,960.77 -9,060.76 -9,160.76 -9,260.76 -9,360.76	-1,014.26 -1,014.97 -1,015.68 -1,016.40 -1,017.11	9,017.35 9,116.91 9,216.47 9,316.03 9,415.59	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
19,700.00 19,800.00 19,900.00 20,000.00 20,100.00	90.11 90.11 90.11 90.11 90.11	180.41 180.41 180.41 180.41 180.41 180.41	10,075.27 10,075.08 10,074.88 10,074.68 10,074.48	-9,460.75 -9,560.75 -9,660.75 -9,760.75 -9,860.74	-1,017.82 -1,018.53 -1,019.24 -1,019.95 -1,020.67	9,515.16 9,614.72 9,714.28 9,813.84 9,913.40	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
20,200.00 20,300.00 20,343.66 <b>TD at 20343.6</b>	90.11 90.11 90.11	180.41 180.41 180.41	10,074.28 10,074.09 10,074.00	-9,960.74 -10,060.74 -10,104.40	-1,021.38 -1,022.09 -1,022.40	10,012.96 10,112.52 10,155.99	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
BHL - Rock Jelly Fed Cc - plan hits target cent - Point	0.00 er	0.00	10,074.00	-10,104.40	-1,022.40	382,136.10	609,816.90	32° 3' 0.401684 N	103° 58' 43.994208 W
LTP - Rock Jelly Fed Co - plan misses target o - Point	0.00 center by 2.43		10,074.26 I3.68usft MD	-9,974.40 0 (10074.26 T∖	-1,023.90 ′D, -9974.42 N	382,266.10 , -1021.47 E)	609,815.40	32° 3' 1.688274 N	103° 58' 44.006678 W
TP - Rock Jelly Fed Con - plan hits target cent - Point	0.00 er	0.00	10,084.14	-4,979.05	-985.92	387,261.45	609,853.38	32° 3' 51.123307 N	103° 58' 43.374705 W
FTP - Rock Jelly Fed Cc - plan misses target c - Point	0.00 center by 133		-,	15.40 MD (10046.45	-1,141.00 TVD, -30.73 N	392,255.90 , -1025.17 E)	609,698.30	32° 4' 40.555600 N	103° 58' 44.986387 W





Database:	USA Compass	Local Co-ordinate Reference:	Well 705H
Company:	COG Operating LLC	TVD Reference:	RKB @ 3002.30usft (Ensign 155)
Project:	Eddy County, NM (NAD27 NME)	MD Reference:	RKB @ 3002.30usft (Ensign 155)
Site:	Rock Jelly Fed Com	North Reference:	Grid
Well:	705H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1 10-30-19		

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
279.30	279.30	Rustler		-0.11	185.78
621.30	621.30	TOS		-0.11	185.78
2,824.59	2,824.31	BOS (Fletcher)		-0.11	185.78
3,053.77	3,053.32	LMAR (Top Delaware)		-0.11	185.78
3,082.86	3,082.32	BLCN		-0.11	185.78
3,903.30	3,895.36	CYCN		-0.11	185.78
5,221.20	5,200.44	BYCN		-0.11	185.78
6,789.55	6,753.53	Bone Sprg (BSGL)		-0.11	185.78
7,395.48	7,353.57	U Avalon Sh		-0.11	185.78
7,713.60	7,668.58	FBSG_sand		-0.11	185.78
8,404.36	8,352.62	SBSG_sand		-0.11	185.78
8,968.89	8,911.66	SBSG_sand_Base		-0.11	185.78
9,609.15	9,545.69	TBSG_sand		-0.11	185.78
10,017.03	9,911.41	WFMP		-0.11	185.78
10,243.47	10,042.06	WFMP A Shale		-0.11	185.78

#### Plan Annotations Vertical Measured Local Coordinates Depth Depth +N/-S +E/-W (usft) (usft) (usft) (usft) Comment 1,000.00 1,000.00 0.00 0.00 KOP, Begin 2.00°/100' Build Hold 1.00° Inc at 288.33° Azm Begin 2.00°/100' Build 1,050.00 1,050.00 0.14 -0.41 -31.06 2,900.00 2,899.72 10.29 3,249.97 3,248.39 18.92 -57.11 Hold 8.00° Inc -893.00 KOP2, Begin 10.00°/100' Build 295.85 9,577.57 9,514.42 LP, Hold 90.11° Inc, Begin 2.00°/100' Turn 10,490.35 10,093.48 -255.67 -1,071.13 11,074.25 10,092.33 -837.09 -1,112.41 Hold 178.22° Azm 15,108.89 10,084.36 -4,869.78 -987.23 Begin 2.00°/100' Turn 15,218.17 10,084.14 -4,979.05 -985.92 Hold 180.41° Azm -10,104.40 20,343.66 10,074.00 -1,022.40 TD at 20343.66

Submit Original to Appropriate District Office

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

#### GAS CAPTURE PLAN

Date: 10/22/19

 $\boxtimes$  Original

Operator & OGRID No.: COG Operating LLC, (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
Rock Jelly Federal Com 701H	30-015-	1-3-26S-29E	210' FNL & 1055' FEL	±2500	None Planned	APD Submission Plan Subject to change
Rock Jelly Federal Com 702H	30-015-	1-3-26S-29E	210' FNL & 1085' FEL	±2500	None Planned	APD Submission Plan Subject to change
Rock Jelly Federal Com 703H	30-015-	3-3-26S-29E	350' FNL & 1530' FWL	±2500	None Planned	APD Submission Plan Subject to change
Rock Jelly Federal Com 704H	30-015-	3-3-26S-29E	350' FNL & 1500' FWL	±2500	None Planned	APD Submission Plan Subject to change
Rock Jelly Federal Com 705H	30-015-	3-3-26S-29E	350' FNL & 1470' FWL	±2500	None Planned	APD Submission Plan Subject to change

#### **Gathering System and Pipeline Notification**

Well(s) will be connected to a production facility after flow back operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to <u>ETC Field Services LLC</u> and will be connected to <u>Red Bluff</u> low pressure gathering system located in <u>Culberson</u> County, Texas. COG Operating LLC provides (periodically) to <u>ETC</u> <u>Field Services LLC</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, COG Operating LLC and <u>ETC Field Services LLC</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>ETC Field Services LLC</u> Processing Plant located in Sec. <u>35</u>, Blk. <u>57</u>, <u>T2</u>, <u>Culberson</u> County, Texas. 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
  - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines