ONSHORE ORDER NO. 1 Chevron SD WE 15 FED P12 1H Lea County, NM CONFIDENTIAL -- TIGHT HOLE DRILLING PLAN PAGE: 1

1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

| FORMATION | SUB-SEA TVD | KBTVD | MD . |
|---------------------------|-------------|---------------------------------------|---------------------------------------|
| Ground Elevation | 3149 | 0 | |
| Rustler | 2499 | 650 | |
| Castile | 149 | 3000 | |
| Lamar | -1551 | 4700 | |
| Bell Canyon | -1831 | 4980 | |
| Cherry Canyon | -2726 | 5875 | |
| Brushy Canyon | -4276 | 7425 | |
| Bone Spring Limestone | -5656 | 8805 | |
| Upper Avalon | -5726 | 8875 | |
| Lateral TD (Upper Avalon) | -5909 | 9058 | 13992 |
| | | | |
| | | · · · · · · · · · · · · · · · · · · · | · · · · · · · · · · · · · · · · · · · |
| | | | |

2. ESTIMATED DEPTH OF WATER, OIL, GAS & OTHER MINERAL BEARING FORMATIONS

The estimated depths at which the top and bottom of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered are as follows:

| Substance | Formation | Depth |
|-------------|----------------------------|-------|
| Deepest Ex | pected Base of Fresh Water | 500 |
| Water | Rustler | 650 |
| Water | Bell Canyon | 4980 |
| Water | Cherry Canyon | 5875 |
| Oil/Gas | Brushy Canyon | 7425 |
| Oil/Gas | Bone Spring Limestone | 8805 |
| Oil/Gas | Upper Avalon | 8875 |
| · · · · · · | | |
| | | |

All shows of fresh water and minerals will be reported and protected.

3. BOP EQUIPMENT

Will have a minimum of a 5000 psi rig stack (see proposed schematic) for drill out below surface casing. Stack will be tested as specified in the attached testing requirements.

Chevron requests a variance to use a FMC UH2 Multibowl wellhead, which will be run through the rig foor on surface casing. BOPE will be nippled up and tested after cementing surface casing. Subsequent tests will be performed as needed, not to exceed 30 days. The field report from FMC and BOP test information will be provided in a subsequent report at the end of the well. Please see the attached wellhead schematic. An installation manual has been placed on file with the BLM office and remains unchanged from previous submittal.

CONFIDENTIAL -- TIGHT HOLE DRILLING PLAN PAGE: 2

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4. CASING PROGRAM

a. The proposed casing program will be as follows:

| Purpose | From | То | TVD | Hole Size | Csg Size | Weight | Grade | Thread | Condition |
|--------------|------|--------|--------|-----------|----------|--------|---------|-----------|-----------|
| Surface | 0' | 650' | 650' | 17-1/2" | 13-3/8" | 54.5 # | J55 | STC | New |
| Intermediate | 0' | 4,530' | 4,487' | 12-1/4" | 9-5/8" | 40 # | HCK-55 | LTC | New |
| Production | 0' | 13,992 | 9,058' | 8-3/4" | 5-1/2" | 20.0 # | HCP-110 | TXP BTC S | New |

b. Casing design subject to revision based on geologic conditions encountered.

C. ***A "Worst Case" casing design for wells in a particular area is used below to calculate the Casing Safety Factors. If for any reason the casing design for a particular well requires setting casing deeper than the following "worst case" design, then the Casing Safety Factors will be recalcuated & sent to the BLM prior to drilling.

d. Chevron will fill casing at a minimum of every 20 jts (840') while running for intermediate and production casing in order to maintain collapse SF.

SF Calculations based on the following "Worst Case" casing design:

| | W 90 deg mc) |
|--|--------------|
| Production Casing: 22,000' MD/9,200' TVD (12,800' VS | |
| Intermediate Casing: 4800' | |
| Surface Casing: 850' | |

| Casing String | Min SF Burst | Min SF Collapse | Min SF Tension | Min SF Tri-Axial |
|---------------|--------------|-----------------|----------------|------------------|
| Surface | 1.40 | 1.92 | 2.40 | 1.75 |
| Intermediate | 1.21 | 3.02 | 2.15 | 1.48 |
| Production | 1.30 | 2.51 | 2.48 | 1.51 |

Min SF is the smallest of a group of safety factors that include the following considerations:

| | Surf | Int | Prod |
|---|-------|-----|------|
| Burst Design | | | |
| Pressure Test- Surface, Int, Prod Csg | X | X | X |
| P external: Water | | | |
| P internal: Test psi + next section heaviest mud in csg | | | |
| Displace to Gas- Surf Csg | X | - | |
| P external: Water | | | |
| P internal: Dry Gas from Next Csg Point | | | |
| Frac at Shoe, Gas to Surf- Int Csg | | × | |
| P external: Water | i | | |
| P internal: Dry Gas, 15 ppg Frac Gradient | | | |
| Stimulation (Frac) Pressures- Prod Csg | i i | | X |
| P external: Water | | | |
| P internal: Max inj pressure w/ heaviest injected fluid | | | |
| Tubing leak- Prod Csg (packer at KOP) | | | X |
| P external: Water | | | |
| P internal: Leak just below surf, 8.7 ppg packer fluid | | | |
| Collapse Design | | | |
| Full Evacuation | X | X | X |
| P external: Water gradient in cement, mud above TOC | | | |
| P internal: none | . 1 . | | |
| Cementing- Surf, Int, Prod Csg | X | X | X |
| P external: Wet cement | ľ | | |
| P internal: water | | | |
| Tension Design | , | | |
| 100k lb overpull | X | X | X . |

5. CEMENTING PROGRAM

• : • (@. · ·

| Slurry | Туре | Тор | Bottom | Weight | Yield | %Excess | Sacks | Water | BBLs |
|--------------|--------------|---------|---------|--------|------------|-----------|-------|--------------------|------|
| Surface | | | | (ppg) | (sx/cu ft) | Open Hole | | gal/sk | |
| Tail | Class C | 0' | 650' | .14.8 | 1.35 | 125 | 749 | 6.57 | 180 |
| Intermediate | | | | | | | | | |
| Lead | 50:50 Poz | 0' | 3,530' | 11.9 | 2.43 | 150 | 1025 | 14.21 | 444 |
| Tail | Class C | 3,530' | 4,530' | 14.8 | 1.33 | 85 | 464 | 6.37 | 110 |
| Production | | , | | | | | | | |
| 1st Lead | 50:50 Poz | 3,680' | 8,651' | 11.5 | 2.51 | 50 | 710 | 15.51 ⁻ | 318 |
| 2nd Lead | TXI | 8,651 | 12,992' | 12.5 | 1.62 | 35 | 921 | 9.64 | 266 |
| | Acid | | | | | | | | |
| Tail | Soluble | 12,992' | 13,992' | 15 | 2.18 | 0 | 116 | 11.42 | 45 |

1. Final cement volumes will be determined by caliper.

2. Surface casing shall have at least one centralizer installed on each of the bottom three joints starting with the shoe joint.

3. Production casing will have one centralizer on every joint for the first 1000' from TD, then every other joint to EOB, then every third joint to KOP, and then every forth joint to intermediate casing.

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6. MUD PROGRAM

| From | То | Туре | Weight | F. Vis | Filtrate |
|--------|--------|----------|------------|---------|----------|
| 0' | 650' | Spud Mud | 8.3 - 8.7 | 32 - 34 | NC - NC |
| 650' | 4,530' | Brine | 9.5 - 10.1 | 28 - 30 | NC - NC |
| 4,530' | 8,651' | OBM | 8.3 - 9.6 | 28 - 30 | NC - NC |
| 8,651' | 9,400' | OBM | 8.3 - 9.6 | 28 - 30 | 15 - 25 |
| 9,400' | 13,992 | OBM | 8.3 - 9.6 | 28 - 30 | 15 - 25 |

A closed system will by utilized consisting of above ground steel tanks. All wastes accumulated during drilling operations will be contained in a portable trash cage and removed from location and deposited in an approved sanitary landfill. Sanitary wastes will be contained in a chemical porta-toilet and then hauled to an approved sanitary landfill.

All fluids and cuttings will be disposed of in accordance with New Mexico Oil Conservation Division rules and regulations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume. When abnormal pressures are anticipated -- a pit volume totalizer (PVT), stroke counter, and flow sensor will be used to detect volume changes indicating loss or gain of circulating fluid volume.

A weighting agent and lost circulating material (LCM) will be onsite to mitigate pressure or lost circulation as hole conditions dictate.

7. TESTING, LOGGING, AND CORING

The anticipated type and amount of testing, logging, and coring are as follows:

- a. Drill stern tests are not planned.
- b. The logging program will be as follows:

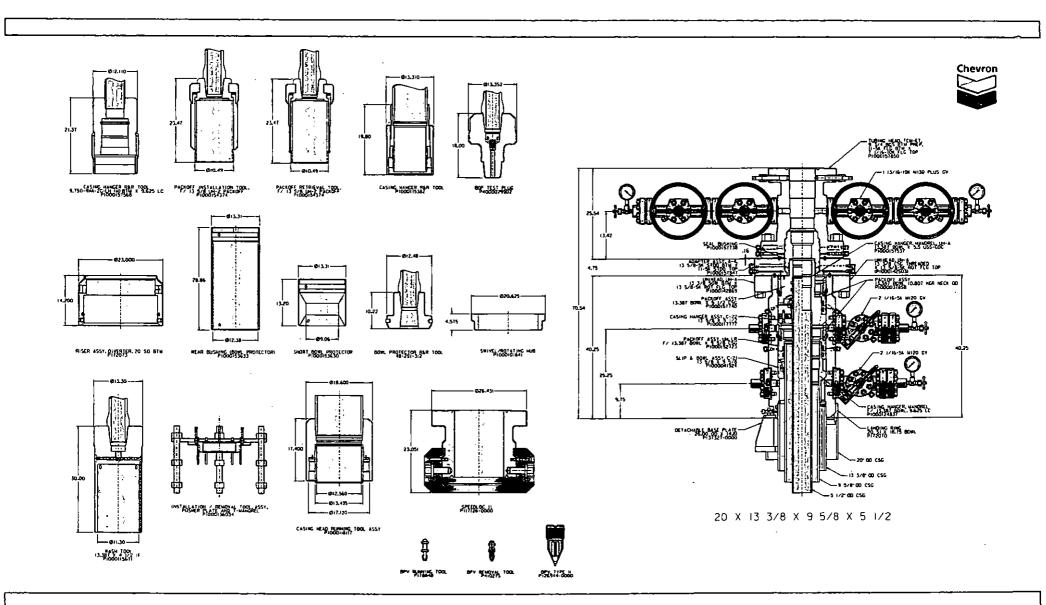
| TYPE | Logs | Interval | Timing | Vendor |
|---------|--------------|---------------------|---------------------|--------|
| Mudlogs | 2 man mudlog | Surface to TD | Drillout of Int Csg | TBD |
| LWD | MWD Gamma | Int. and Prod. Hole | While Drilling | TBD |

- c. Conventional hole core samples are not planned.
- d. A Directional Survey will be run.

8. ABNORMAL PRESSURES AND HYDROGEN SULFIDE

a. No abnormal pressures or temperatures are expected. Estimated BHP is: 4500 psi

b. Hydrogen sulfide gas is not anticipated. An H2S Contingency plan is attached with this APD in the event that H2S is encountered

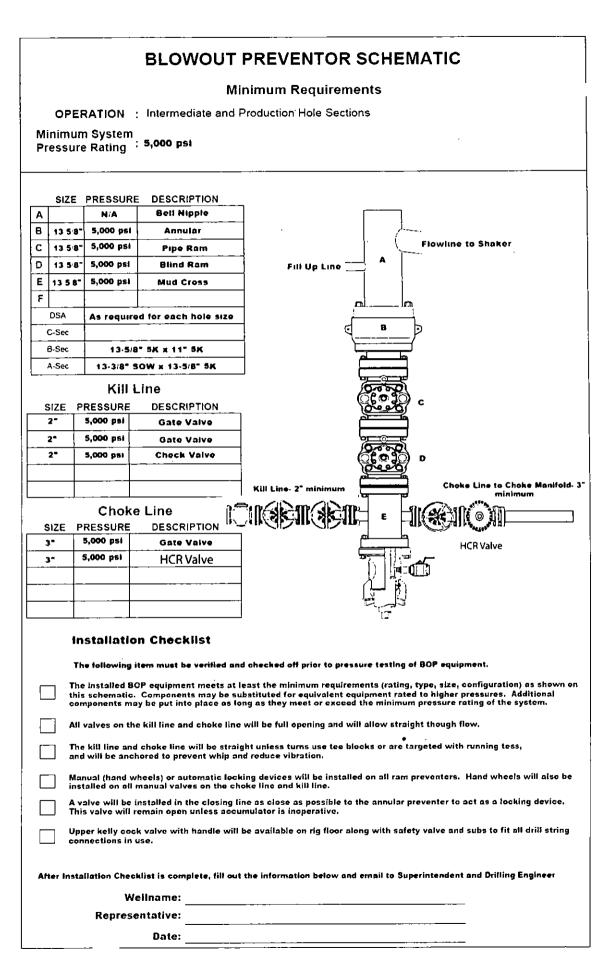


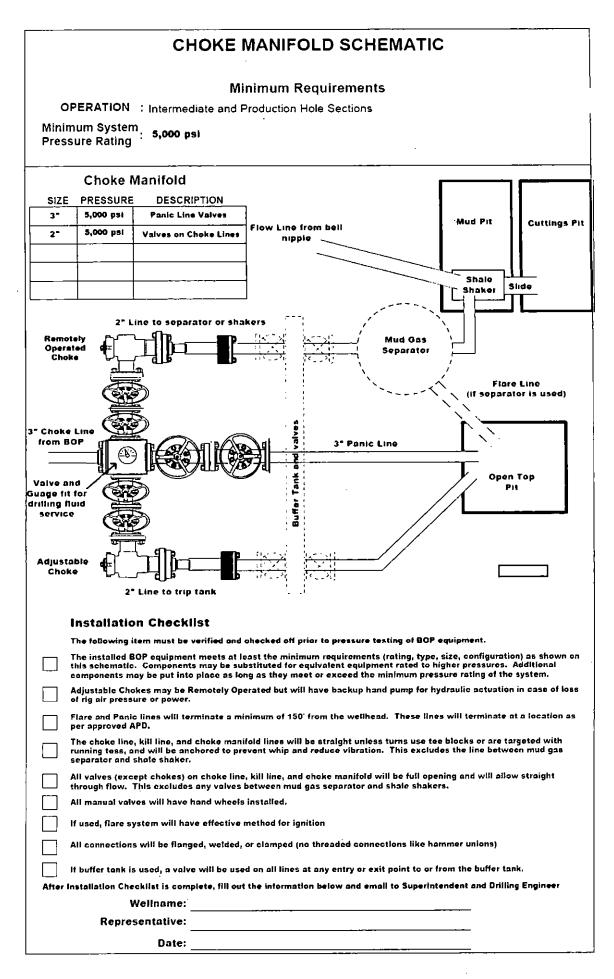
UH-2 Unihead Odessa 13" Single Piece

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We put you first. And keep you ahead.





| | | B | OPE Testin | Ig | |
|------------------------------|---|---|---|---|---|
| | | Minin | num Requiren | nents | |
| | | | • | | |
| | | | , verified, and check | | r well prior to low/high same well. |
| w | | fested precharge pres | sures must be recor | ded for each Individual | s may be further charged bottle and kept on location |
| Check one that applies | Accumulator working pressure rating | Minimum acceptable operating pressure | Desired precharge pressure | Maximum acceptable precharge pressure | Minimum acceptable: precharge pressure |
| | 1500 psi | 1500 psl | 750 psi | 800 psi | 700 psi |
| | 2000 psi | 2000 psi | 1000 psi | 1100 psi | 900 psi |
| | 3000 psi | 3000 psi | 1000 psi | 1100 psi | 900 psi |
|] L: P W | ams, close the annular pressure (see table abov vith test pressure recon | preventer, and retain a e) on the closing mani ded and kept on location | minimum of 200 ps fold without the use on through the end c | i above the maximum a of the closing pumps. of the well | This test will be performed |
| w b | vill be maintained at ma | nufacturer's recomme iuid level will be recor | ndations. Usable flu | rid volume will be reco | tem capacity. Fluid level rded. Reservior capacity will lation. All will be kept on |
| р | losing unit system will reventers. | | | - | - |
| 1 1 | | nanifold pressure decr | eases to the pre-set | | ps will automatically start ded to check that air line to |
| i) لـــــ م | if used) plus close the a | nnular preventer on the eptable precharge pre- | e smallest size drill ssure (see table abo | pipe within 2 minutes ve) on the closing man | ly-operated choke line valve and obtain a minimum of 200 ifold. Test pressure and |
| | faster controls for the É il preventer and the che | | | ulator and will be capa | ble of opening and closing |
| | lemote controls for the loor (not in the dog hou: | | | | and located on the rig |
| R | lecord accumulator tes | ts in drilling reports an | d IADC sheet | | |
| | | BOPE T | est Checklist | | |
| | т | e following item must | be ckecked off prio | r to beginning test | |
| В | ILM will be given at leas | st 4 hour notice prior t | o beginning BOPE te | sting | |
| v | alve on casing head be | low test plug will be o | pen | | |
| T | est will be performed u | sing clear water. | | | |
| | The follow | /ing item must be perf | ormed during the BC | PE testing and then ch | ecked off |
| te | OPE will be prossure to ollowing related repairs arty on a test chart and | , and at a minimum of | 30 days intervals. 1 | est pressure and time | rassure is broken, a will be recorded by a 3rd |
| T | est plug will be used | | | | |
| R | am type preventer and | all related well contro | l equipment will be | tested to 250 psi (low) | and 5,000 psi (high). |
| A | annular type preventer v | vill be tested to 250 ps | i (low) and 3,500 ps | i (high). | ` |
| | alves will be tested fro eld open to test the kill | | e side with all down | stream valves open. 1 | The check valve will be |
| E | ach pressure test will b | e held for 10 minutes | with no allowable le | ak off. | |
| M | laster controls and rem | ote controls to the clo | sing unit (accumula | tor) must be function to | ested as part of the BOP testin |
| R | ecord BOP tests and pr | essures in drilling repo | orts and IADC sheet | | |
| | nstallation Checklist is ny/oil 80P and accumut | | | | dent and Drilling Engineer <u>elon</u> |
| | Wellnar | ne: | | <u> </u> | |
| | Representati | ve: | | | |
| | Da | te: | | | |

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For the latest performance data, always visit our website: www.tenaris.com

June 17 2015



Connection: TenarisXP[™] BTC Casing/Tubing: CAS Coupling Option: REGULAR

Size: 5.500 in. Wall: 0.361 in. Weight: 20.00 lbs/ft Grade: P110-IC Min. Wall Thickness: 87.5 %

| | PIPE BODY DATA | | | | | | | | | | |
|---|--|-----------------------|---------------------------------------|--------------------------|--|--------------------|--|--|--|--|--|
| | | | GEOMET | RY | | | | | | | |
| | Nominal OD | 5.500 in. | Nominal Weight | 20.00 lbs/ft | Standard Drift Diameter | 4,653 in. | | | | | |
| | Nominal [:] ID | 4.778 in. | Wall Thickness | 0.361 in. | Special Drift Diameter | N/A | | | | | |
| | Plain End Weight | 19.83 lbs/ft | | | | | | | | | |
| | | <u>_</u> | PERFORM | ANCE | | | | | | | |
| | Body Yield Strength | 641 × 1000 lbs | Internal Yield | 12630 psi | SMYS | 110000 psi | | | | | |
| | Collapse | 12100 psi | | | | | | | | | |
| | | | | | | | | | | | |
| | TENARISXP [™] BTC CONNECTION DATA | | | | | | | | | | |
| | GEOMETRY | | | | | | | | | | |
| 5 | Connection OD | 6.100 in. | Coupling Length | 9.450 in. | Connection ID | 4.766 in. | | | | | |
| | Critical Section Area | 5.828 sq. in. | Threads per in. | 5.00 | Make-Up Loss | 4.204 in. | | | | | |
| | | | PERFORM | ANCE | | | | | | | |
| | Tension Efficiency | 100 % | Joint Yield Strength | 641 × 1000 lbs | Internal Pressure Capacity ⁽¹⁾ | 12630 psi | | | | | |
| | Structural Compression Efficiency | 100 % | Structural Compression Strength | 641 x 1000 lbs | Structural Bending ^(<u>2</u>) | 92 °/100 ft | | | | | |
| | External Pressure Capacity | 12100 psi | | | | | | | | | |
| | | | STIMATED MAKE-U | IP TORQUES | 3) | | | | | | |
| | Minimum | 11270 ft-Ibs | Optimum | 12520 ft-lbs | Maximum | 13770 ft-lbs | | | | | |
| | | | OPERATIONAL LIN | 11T TORQUES | | | | | | | |
| | Operating Torque | 21500 ft-lbs | Yield Torque | 23900 ft-lbs | | | | | | | |
| | | | | | | | | | | | |

http://premium.connectiondata.tenaris.com/tsh_print.php?hWall=0.361&hSize=5.500&hGrade=P110-IC&hConnection=TenarisXP%20BTC&hUnits=0&hRBW=... 1/2

DS-TenarisHydril TenarisXP BTC-5.500-20.000-P110-IC

BLANKING DIMENSIONS

Blanking Dimensions

(1) Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3_/ ISO 10400 - 2007.

(2) Structural rating, pure bending to yield (i.e no other loads applied)

(3) Torque values calculated for API Modified thread compounds with Friction Factor=1. For other thread

compounds please contact us at <u>licensees@oilfield.tenaris.com</u>. Torque values may be further reviewed. For additional information, please contact us at <u>contact-tenarishydril@tenaris.com</u> Nabors Pace X SD WE 15 Fed P12 1-4H

