Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5. Lease Serial No. NMNM27919

6. If Indian, Allottee or Tribe Name

				300	
SUBMIT IN	TRIPLICATE - Other inst	retions on paged	ield UI	M. If Unit or CA/Agree	ement, Name and/or No.
Type of Well Oil Well		OCD	Artesia		AP FED COM 1H
Name of Operator MEWBOURNE OIL COMPAN	Contact: Y E-Mail: jlathan@m	JACKIE LATHAN ewbourne.com		9. API Well No. 30-015-44048-0	
3a. Address P O BOX 5270 HOBBS, NM 88241		3b. Phone No. (include are Ph: 575-393-5905	a code)	Purple Sa	& We (gas)
4. Location of Well (Footage, Sec., T Sec 12 T24S R28E NENE 185)		11. County or Parish, EDDY COUNTY	
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICATE NATU	RE OF NOTICE	, REPORT, OR OTH	HER DATA
TYPE OF SUBMISSION		T	PE OF ACTION		
■ Notice of Intent	☐ Acidize ☐ Alter Casing	☐ Deepen ☐ Hydraulic Frac	_	tion (Start/Resume)	☐ Water Shut-Off ☐ Well Integrity
☐ Subsequent Report	Casing Repair	☐ New Construct	_		Other
☐ Final Abandonment Notice	Change Plans	☐ Plug and Aban	_	rarily Abandon	Change to Original A
☐ Final Abandonment Notice	Change I lans Convert to Injection	☐ Plug Back	Water		PD
Mewbourne Oil Company has the following changes: 1) Change well name to Peco 2) Change BHL to 330' FNL 8 3) Add DV tool to 7" productic 4) Variance for use of a multi-Please see attachments for n Please contact Andy Taylor w	s Valley 7 W2DA Federa 330' FEL, Sec 7, 724S, on csg at 3790' bowl wellhead. ew directional plan and d	Com #1H - 321. R29E	380 See	ATTACHED FOR IONS OF APPROVA	AY 07 2018
14. I hereby certify that the foregoing i	c true and correct	T			CT II-ARTESIA O.C.D.
	Electronic Submission #	RNE OIL COMPANY, se	nt to the Carlsbad		GI II-W
	/ TAYLOR		NGINEER		
Signature (Electronic	Submission)	Date (06/01/2017		353
		OR FEDERAL OR S	TATE OFFICE U	JSE	
Approved By ZOTA STEVENS	uitable title to those rights in the	s not warrant or le subject lease	FROLEUM ENGIN	NEER	Date 04/26/2018
Title 18 U.Ş.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations a	a crime for any person knowi s to any matter within its juri	ngly and willfully to i sdiction.	nake to any department o	r agency of the United

(Instructions on page 2) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Rus 5-14-18

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department EIVED
OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

MAY 0 7 2018

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

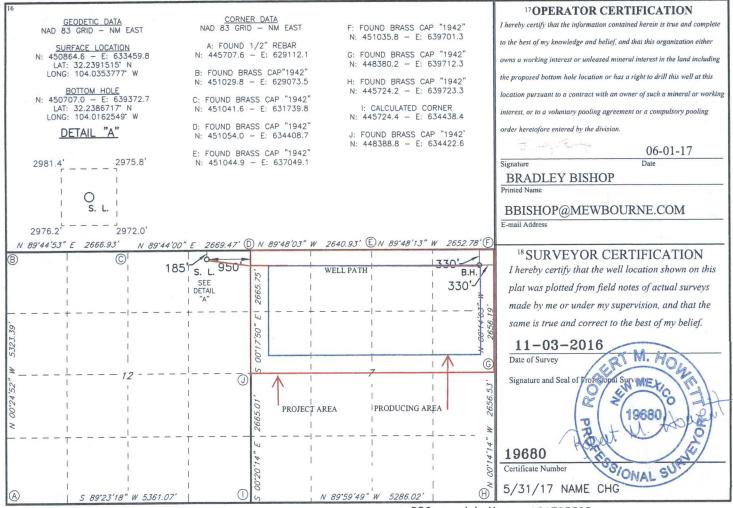
DISTRICT II-ARTESIA O.C. AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

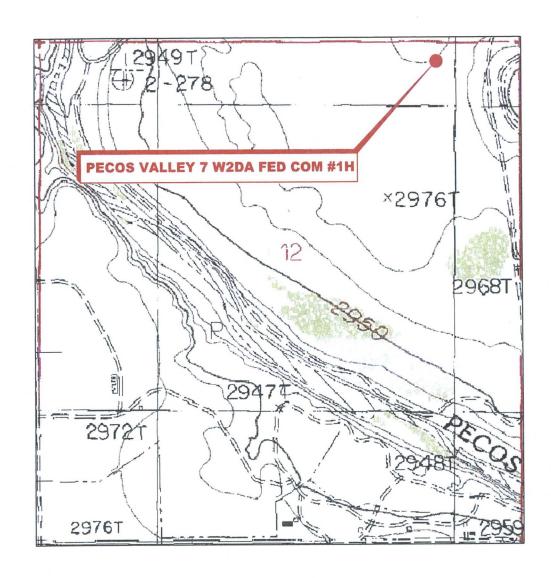
¹ API Number	² Pool Code	² Pool Code ³ Pool Name				
30-015-44048	98220	PURPLE SAGE WOLFCAMP GAS				
4Property Code 317320		westy Name W2DA FEDERAL COM	6 Well Number 1 H			
7 OGRID NO. 14744	- 1	erator Name E OIL COMPANY	⁹ Elevation 2980'			

¹⁰ Surface Location East/West line Feet from the North/South line Feet From the County Range Lot Idn UL or lot no. Section Township NORTH 950 EAST **EDDY** 185 12 **24S** 28E A 11 Bottom Hole Location If Different From Surface Feet from the North/South line Feet from the East/West line County Lot Idn UL or lot no. Township Range Section EAST **EDDY** NORTH 330 **24S** 29E 330 Α 15 Order No. 13 Joint or Infill 14 Consolidation Code 12 Dedicated Acres 319.36

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



LOCATION VERIFICATION MAP



SECTION 12, TWP. 24 SOUTH, RGE. 28 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Mewbourne Oil Company LOCATION: 185' FNL & 950' FEL

LEASE: Pecos Valley W2DA Fed Com

WELL NO.: 1H

ELEVATION: 2980' Firm No.: TX 10193838 NM 4655451

CONTOUR INTERVAL: 10'

USGS TOPO. SOURCE MAP:

Malaga, NM (P. E. 1985)

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NO. REVISION DATE JOB NO.: LS1705325

DWG. NO.: 1705325LVM



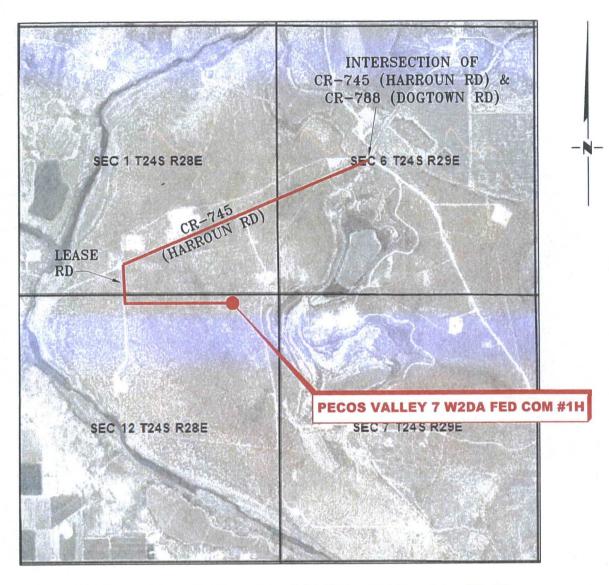
SCALE: 1" = 1000' DATE: 4-24-2015 SURVEYED BY: BK/ER DRAWN BY: LPS APPROVED BY: RMH

SHEET: 1 OF 1

308 W. BROADWAY ST., HOBBS, NM 88240 (575) 964-8200

VICINITY MAP

NOT TO SCALE



SECTION 12, TWP. 24 SOUTH, RGE. 28 EAST, N. M. P. M., EDDY COUNTY, NEW MEXICO

OPERATOR: Mewbourne Oil Company
LEASE: Pecos Valley 7 W2DA Fed Com

LEVATION: 185' FNL & 950' FEL

ELEVATION: 2980'

WELL NO.: 1H

Firm No.: TX 10193838 NM 4655451

NO. REVISION DATE JOB NO.: LS1705325

DWG. NO.: 1705325VM

SURVEYED BY: BK/ER

DRAWN BY: LPS

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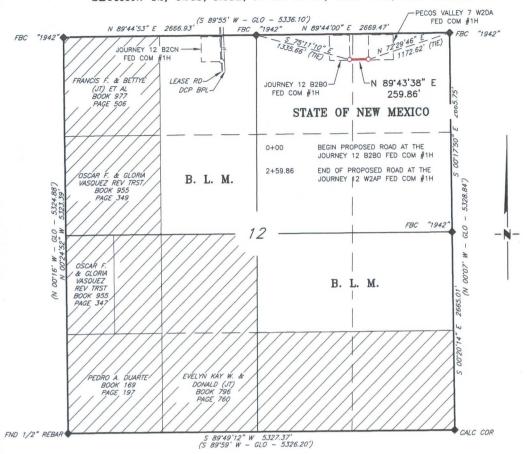
SCALE: 1" = 1000' DATE: 4-24-2015

APPROVED BY: RMH SHEET: 1 OF 1

308 W. BROADWAY ST., HOBBS, NM 88240 (575) 964-8200

MEWBOURNE OIL COMPANY PECOS VALLEY 7 W2DA FEDERAL COM #1H (185' FNL & 950' FEL) SECTION 12, T24S, R28E N. M. P. M., EDDY CO., NEW MEXICO 2975.8' 2981.4' 600 2979.6' 2981.1' SECTION 1 SECTION 12 2981.0' PECOS VALLE W2DA FEDERAL COM #1H ELEV .: 2980' LAT: 32.2391515° N (NAD83) ONG: 104.0353777° W (NAD83) 70 PROPOSED PAD 170' 170 600 170 2977.7' 2977.9' 340 2977.6' 2976.4 - PROPOSED RD N 89°44'04" E 1490.96' (SEE ROAD EASEMENT) 600' 2972.0' 2976.2 DIRECTIONS TO LOCATION From the intersection of CR-745 (Harrison Road) and CR-788 (Dogtown Road); Go Southwest approx. 0.1 miles on CR-745 to a lease road on the left, turn left; Go South on lease road approx. 0.2 miles to Proposed Road on the left turn left; Go East approx. 0.4 miles to Proposed Pad well is on the left. THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY. BOUNDARY DATA IS SHOWN FROM A PREVIOUS SURVEY REFERENCED HEREON. I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared in unclassified survey of a well location from an actual survey made on the ground seed under my direct supervision, said survey and plat meet the Min. Stats. for Land Surveying in the State of N. M. and are true and correct to the best of 50 knowledge and belief. SSIONAL SUR BEARINGS ARE NAD 83 GRID - NM EAST DISTANCES ARE pbet M Robert M. Howett NM PS 19680 Copyright 2016 - All Rights Reserved NM 4655451 SCALE: 1" = 100' DATE: 3-23-2017 SURVEYED BY: ML/AB DRAWN BY: LPS REVISION DATE APPROVED BY: RMH JOB NO.: LS1705325 SHEET: 1 OF 1 (575) 964-8200 DWG. NO.: 1705325PAD 308 W. BROADWAY ST., HOBBS, NM 88240

MEWBOURNE OIL COMPANY PROPOSED ROAD FOR THE JOURNEY 12 B2BO FED COM #1H TO PECOS VALLEY 7 W2DA FEDERAL COM #1H SECTION. 12, T24S, R28E, N. M. P. M., EDDY CO., NEW MEXICO



DESCRIPTION

A strip of land 20 feet wide, being 259.56 feet or 15.749 rods in length lying in Section 12, Township 24 South, Range 28 East, N. M. P. M., Eddy County, New Mexico, being 10 feet left and 10 feet right of the following described survey of a centerline across State of New Mexico land:

BEGINNING at Engr. Sta. 0+00, a point on the north line of the Northeast quarter of Section 12, which bears S 75°11'10" E, 1335.66 feet from a brass cap, stamped "1942", found for the North quarter corner of Section

Thence N 89'43'38" E, 259.86 feet to Engr. Sta. 2+59.86, the End of Survey, a point which bears N 72'29'46" E, 1172.62 feet from a brass cap, stamped "1942", found for the Northeast corner of Section 12.

Said strip of land contains 0.119 acres, more or less, and is allocated by forties as follows::

NW 1/4 NE 1/4 NE 1/4 NE 1/4 02.433 Rods 13.316 Rods

0.018 Acres 0.101 Acres

1" = 1000'

BEARINGS ARE GRID NAD 27 NM EAST DISTANCES ARE HORIZ. GROUND.

LEGEND

RECORD DATA - GLO

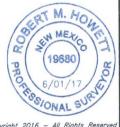
FOUND MONUMENT AS NOTED PROPOSED ROAD

EXISTING BPL

Firm No.: TX 10193838 NM 4655451

I, R. M. Howett, a N. M. Professional Surveyor, hereby certify that I prepared this plat from an actual survey made on the ground under my direct supervision, said survey and plat meet the Min. Stds. for Land Surveying in the State of N. M. and are true and correct to the best of my knowledge and belief.

Robert M. Howell Robert M. Howett NM PS 19680



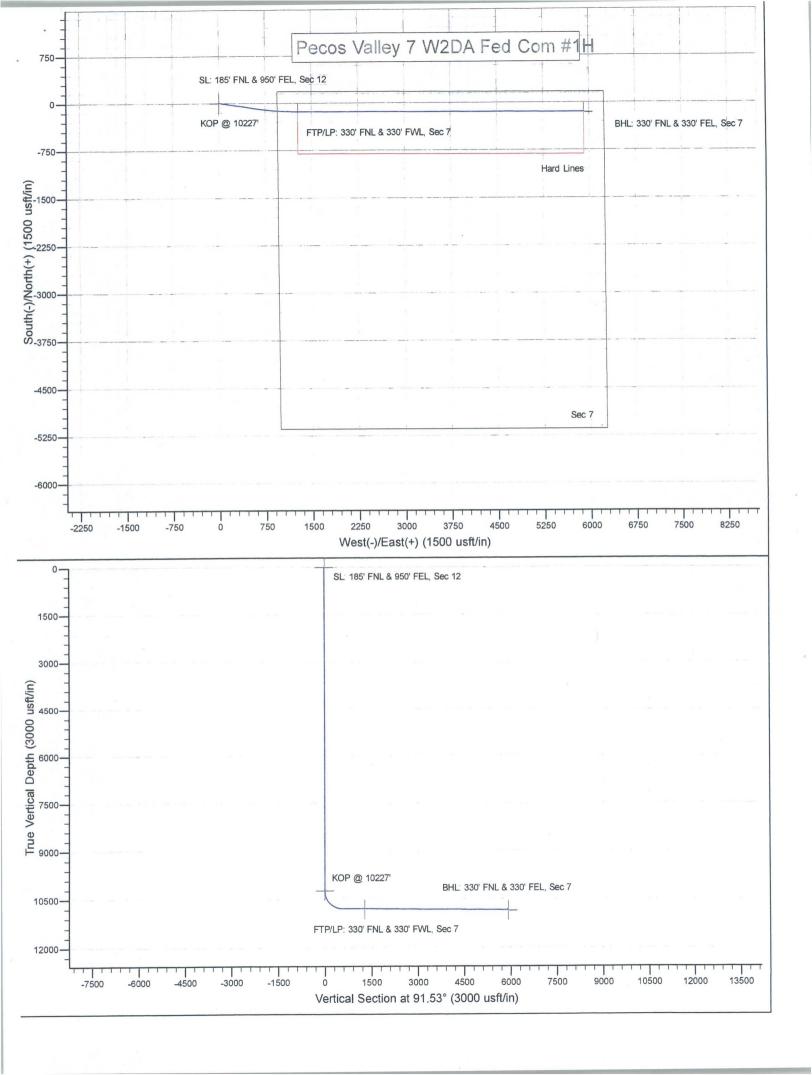
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REVISION DATE NO. JOB NO.: LS1705325 DWG. NO.: 1705325RD



SCALE: 1" = 1000 DATE: 4-25-15 SURVEYED BY: BK/ER DRAWN BY: LPS APPROVED BY: RMH SHEET: 1 OF 1

308 W. BROADWAY ST., HOBBS, NM 88240 (575) 964-8200



Mewbourne Oil Company

Eddy County, New Mexico NAD 83 Pecos Valley 7 W2DA Fed Com #1H

Sec 12, T24S, R28E

SL: 185' FNL & 950' FEL, Sec 12 BHL: 330' FNL & 330' FEL, Sec 7

Plan: Design #1

Standard Planning Report

01 June, 2017

Database: Company: Hobbs

Mewbourne Oil Company

Project:

Eddy County, New Mexico NAD 83 Pecos Valley 7 W2DA Fed Com #1H

Site: Well:

Sec 12, T24S, R28E

Wellbore:

BHL: 330' FNL & 330' FEL, Sec 7

Design: Design #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Pecos Valley 7 W2DA Fed Com #1H WELL @ 3007.0usft (Original Well Elev) WELL @ 3007.0usft (Original Well Elev)

Grid

Minimum Curvature

Project

Eddy County, New Mexico NAD 83

Map System: Geo Datum:

US State Plane 1983 North American Datum 1983

Map Zone:

New Mexico Eastern Zone

System Datum:

Mean Sea Level

Pecos Valley 7 W2DA Fed Com #1H

Site Position:

Northing:

450,865.00 usft

Latitude:

32° 14' 20,949 N

From:

Well

Site

Map

Easting:

633,460.00 usft

Longitude:

Slot Radius:

13-3/16 "

Grid Convergence:

104° 2' 7.358 W 0.16°

Position Uncertainty:

Well Position

Sec 12, T24S, R28E +N/-S

Design #1

+E/-W

0.0 usft

0.0 usft

Northing: Easting:

450,865.00 usft 633,460.00 usft Latitude: Longitude: 32° 14' 20.949 N

Position Uncertainty

0.0 usft 0.0 usft

Wellhead Elevation:

3,007.0 usft

Ground Level:

104° 2' 7.358 W 2,980.0 usft

Wellbore

BHL: 330' FNL & 330' FEL, Sec 7

Magnetics

Model Name

Sample Date

Declination (°)

Dip Angle (°)

Field Strength

(nT)

IGRF2010

6/1/2017

7.07

59.97

47,984

Design

Audit Notes:

Version:

Phase:

PROTOTYPE

Tie On Depth:

0.0

Vertical Section:

Depth From (TVD) (usft)

0.0

+N/-S (usft)

0.0

+E/-W (usft) 0.0

Direction (°) 91.53

Plan Sections Build Turn Vertical Dogleg Measured +N/-S +E/-W Rate Rate Rate TFO Depth Inclination Azimuth Depth (°/100usft) (°/100usft) (°/100usft) **Target** (°) (usft) (°) (°) (usft) (usft) (usft) 0.00 0.00 00 0.00 0.00 0.0 0.0 0.0 0.00 0.00 0.00 0.00 0.00 0.00 10,227.0 0.0 0.0 10,227.0 0.00 0.00 0.00 98.66 10.00 10.00 90.61 98.66 10,800.0 -87.1 572.5 11,133.2 -98.27 FTP/LP: 330' FNL & 3 -0.17 -1.19 1,281.0 1.20 89,38 90.20 10,800.0 -142.0 11,844.5 0.00 0.00 0.00 0.00 BHL: 330' FNL & 330' 5,913.0 -158.0 16,476.8 89.38 90.20 10,850.0

Database: Company: Project:

Site:

Well:

Hobbs

Mewbourne Oil Company

Eddy County, New Mexico NAD 83 Pecos Valley 7 W2DA Fed Com #1H

Sec 12, T24S, R28E

BHL: 330' FNL & 330' FEL, Sec 7

Wellbore: Design:

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Pecos Valley 7 W2DA Fed Com #1H WELL @ 3007.0usft (Original Well Elev) WELL @ 3007.0usft (Original Well Elev)

Planned S	urvey

Measured		A CARL	Vertical			Vertical	Dogleg	Build	Turn
Depth (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
	. & 950' FEL, Sec								
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0		0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00								
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1 000 0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0		0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00		1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00								
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
2,000.0		0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00			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					
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
	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0									
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
4,100.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
	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	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0									
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
					0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	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

Database: Company: Hobbs

Project: Site:

Mewbourne Oil Company Eddy County, New Mexico NAD 83 Pecos Valley 7 W2DA Fed Com #1H

Well:

BHL: 330' FNL & 330' FEL, Sec 7 Wellbore:

Design:

Sec 12, T24S, R28E

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Site Pecos Valley 7 W2DA Fed Com #1H WELL @ 3007.0usft (Original Well Elev) WELL @ 3007.0usft (Original Well Elev)

Measured		A Part of the Control	Vertical			Vertical	Dogleg	Build	Turn
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
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
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
6,600.0	0.00	0.00	6,600.0	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 0.00	8,300.0 8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0								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 8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0 8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0,00	0.00	0.00
9,000.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,400.0	0.00	0.00	9,400.0	0.0	0.0	0.0	0.00	0.00	0.00
9,500.0	0.00	0.00	9,500.0	0.0	0.0	0.0	0.00	0.00	0.00
9,600.0	0.00	0.00	9,600.0	0.0	0.0	0.0	0.00	0.00	0.00
9,700.0	0.00	0.00	9,700.0	0.0	0.0	0.0	0.00	0.00	0.00
9,800.0	0.00	0.00	9,800.0	0.0	0.0	0.0	0.00	0.00	0.00
9,900.0	0.00	0.00	9,900.0	0.0	0.0	0.0	0.00	0.00	0.00
10,000.0	0.00	0.00	10,000.0	0.0	0.0	0.0	0.00	0.00	0.00
10,000.0	0.00	0.00	10,100.0	0.0	0.0	0.0	0.00	0.00	0.00
10,100.0	0.00	0.00	10,200.0	0.0	0.0	0.0	0.00	0.00	0.00
10,200.0	0.00	0.00	10,227.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ 1022									
10,300.0	7.30	98.66	10,299.8	-0.7	4.6	4.6	10.00	10.00	0.00

Database: Company:

Mewbourne Oil Company

Project: Site:

Eddy County, New Mexico NAD 83 Pecos Valley 7 W2DA Fed Com #1H

Well: Wellbore: Sec 12, T24S, R28E

Design:

BHL: 330' FNL & 330' FEL, Sec 7 Design #1

Hobbs

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Site Pecos Valley 7 W2DA Fed Com #1H WELL @ 3007.0usft (Original Well Elev) WELL @ 3007.0usft (Original Well Elev)

Grid

lanned Survey		to our entitle day, and	TO CHARLES OF THE THREE PROPERTY.	超越 一大學大學不可以	Committee of the Commit	CHARGE DATES IN THE STATE OF	CERSON SIMILARIA CA	· · · · · · · · · · · · · · · · · · ·	and the management of the second
lanned Survey									
Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth	Inclination	Azimuth	Depth	+N/-S	+E/-W	Section	Rate	Rate	Rate
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)
		SE COMPLETE SECTION	Marie Branch	THE PARTY OF THE	DWF TO BEEN				由于1997年,但1997年
10,400.0		98.66	10,397.4	-3.9	25.6	25.7	10.00	10.00	0.00
10,500.0	27.30	98.66	10,489.8	-9.6	63.1	63.3	10.00	10.00	0.00
10,600.0	37.30	98.66	10,574.2	-17.6	115.8	116.3	10.00	10.00	0.00
10,700.0	47.30	98.66	10,648.1	-27.7	182.3	182.9	10.00	10.00	0.00
10,800.0	57.30	98.66	10,709.2	-39.6	260.4	261.4	10.00	10.00	0.00
10,900.0	67.30	98.66	10,755.6	-52.9	347.8	349.1	10.00	10.00	0.00
11,000.0		98.66	10,786.0	-67.3	441.9	443.5	10.00	10.00	0.00
11,100.0		98.66	10,799.4	-82.2	539.7	541.7	10.00	10.00	0.00
11,133.2		98.66	10,800.0	-87.1	572.5	574.6			
		97.86	10,799.3				10.00	10.00	0.00
11,200.0	90.50	97.00	10,799.3	-96.7	638.6	641.0	1.20	-0.17	-1.19
11,300.0	90.32	96.67	10,798.6	-109.4	737.8	740.5	1.20	-0.17	-1.19
11,400.0	90.15	95.48	10,798.2	-120.0	837.3	840.2	1.20	-0.17	-1.19
11,500.0	89.98	94.29	10,798.1	-128.5	936.9	940.0	1.20	-0.17	-1.19
11,600.0	89.80	93.10	10,798.3	-135.0	1,036.7	1,039.9	1.20	-0.17	-1.19
11,700.0	89.63	91.92	10,798.8	-139.3	1,136.6	1,139.9	1.20	-0.17	-1.19
11,800.0	89.46	90.73	10,799.5	-141.6	1,236.5	1,239.9	1.20	-0.17	-1.19
11,844.5	89.38	90.20	10,800.0	-142.0	1,281.0	1,284.3	1.20	-0.17	-1.19
FTP/LP: 33	0' FNL & 330' FW	L, Sec 7							
11,900.0	89.38	90.20	10,800.6	-142.2	1,336,5	1,339.9	0.00	0.00	0.00
12,000.0	89.38	90.20	10,801.7	-142.5	1,436.5	1,439.8	0.00	0.00	0.00
12,100.0	89.38	90.20	10,802.8	-142.9	1,536.5	1,539.8	0.00	0.00	0.00
12,200.0	89.38	90.20	10,803.8	-143.2	1,636.5	1,639.8	0.00	0.00	0.00
12,300.0	89.38	90.20	10,804.9	-143.6	1,736.5	1,739.7	0.00	0.00	0.00
12,400.0	89.38	90.20	10,806.0	-143.9	1,836.5	1,839.7	0.00	0.00	0.00
12,500.0	89.38	90.20	10,807.1	-144.3	1,936.5	1,939.7	0.00	0.00	0.00
12,600.0	89.38	90.20	10,808.2	-144.6	2,036.5	2,039.6	0.00	0.00	0.00
12,700.0	89.38	90.20	10,809.2	145.0	0.420 F	0.420.0	0.00	0.00	0.00
				-145.0	2,136.5	2,139.6	0.00	0.00	0.00
12,800.0	89.38	90.20	10,810.3	-145.3	2,236.5	2,239.6	0.00	0.00	0.00
12,900.0	89.38	90.20	10,811.4	-145.6	2,336.5	2,339.5	0.00	0.00	0.00
13,000.0	89.38	90.20	10,812.5	-146.0	2,436.5	2,439.5	0.00	0.00	0.00
13,100.0	89.38	90.20	10,813.6	-146.3	2,536.5	2,539.5	0.00	0.00	0.00
13,200.0	89.38	90.20	10,814.6	-146.7	2,636.5	2,639,4	0.00	0.00	0.00
13,300.0	89.38	90.20	10,815.7	-147.0	2,736.4	2,739.4			
							0.00	0.00	0.00
13,400.0	89.38	90.20	10,816.8	-147.4	2,836.4	2,839.4	0.00	0.00	0.00
13,500.0	89.38	90.20	10,817.9	-147.7	2,936.4	2,939.3	0.00	0.00	0.00
13,600.0	89.38	90.20	10,818.9	-148.1	3,036.4	3,039.3	0.00	0.00	0.00
13,700.0	89.38	90.20	10,820.0	-148.4	3,136.4	3,139.3	0.00	0.00	0.00
13,800.0	89.38	90.20	10,821.1	-148.8	3,236.4	3,239.2	0.00	0.00	0.00
13,900.0	89.38	90.20	10,822.2	-149.1	3,336.4	3,339.2	0.00	0.00	0.00
14,000.0	89.38	90.20							272.0
14,100.0			10,823.3	-149.4	3,436.4	3,439.2	0.00	0.00	0.00
14, 100.0	89.38	90.20	10,824.3	-149.8	3,536.4	3,539.1	0.00	0.00	0.00
14,200.0	89.38	90.20	10,825.4	-150.1	3,636.4	3,639.1	0.00	0.00	0.00
14,300.0	89.38	90.20	10,826.5	-150.5	3,736.4	3,739.1	0.00	0.00	0.00
14,400.0	89,38	90.20	10,827.6	-150.8	3,836.4	3,839.0	0.00	0.00	0.00
14,500.0	89.38	90.20	10,828.7	-151.2	3,936.4	3,939.0	0.00	0.00	0.00
14,600.0	89.38	90.20	10,829.7						
14,000.0	09,30	30.20	10,029.7	-151.5	4,036.4	4,039.0	0.00	0.00	0.00
14,700.0	89.38	90.20	10,830.8	-151.9	4,136.4	4,138.9	0.00	0.00	0.00
14,800.0	89.38	90.20	10,831.9	-152.2	4,236.4	4,238.9	0.00	0.00	0.00
14,900.0	89.38	90.20	10,833.0	-152.6	4,336.3	4,338.9	0.00	0.00	0.00
15,000.0	89.38	90.20	10,834.1	-152.9	4,436.3	4,438.8	0.00	0.00	0.00
15,100.0	89.38	90.20	10,835.1	-153.2	4,436.3	4,438.8	0.00	0.00	
15, 100.0	03.30	30.20	10,033.1	-133.2	4,330.3	4,030.0	0.00	0.00	0.00
15,200.0	89.38	90.20	10,836.2	-153.6	4,636.3	4,638.8	0.00	0.00	0.00
15,300.0	89.38	90.20	10,837.3	-153.9	4,736.3	4,738.7	0.00	0.00	0.00
15,400.0	89.38	90.20	10,838.4	-154.3	4,836.3	4,838.7	0.00	0.00	0.00

Database: Company: Hobbs

Mewbourne Oil Company

Project: Site: Eddy County, New Mexico NAD 83 Pecos Valley 7 W2DA Fed Com #1H

Well:

Sec 12, T24S, R28E

Wellbore: Design: BHL: 330' FNL & 330' FEL, Sec 7

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Site Pecos Valley 7 W2DA Fed Com #1H WELL @ 3007.0usft (Original Well Elev) WELL @ 3007.0usft (Original Well Elev)

Grid

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)
15,500.0	89.38	90.20	10,839.5	-154.6	4,936.3	4,938.7	0.00	0.00	0.00
15,600.0	89.38	90.20	10,840.5	-155.0	5,036.3	5,038.6	0.00	0.00	0.00
15,700.0	89.38	90.20	10,841.6	-155.3	5,136.3	5,138.6	0.00	0.00	0.00
15,800.0	89.38	90.20	10,842.7	-155.7	5,236.3	5,238.6	0.00	0.00	0.00
15,900.0	89.38	90.20	10,843.8	-156.0	5,336.3	5,338.5	0.00	0.00	0.00
16,000.0	89.38	90.20	10,844.9	-156.4	5,436.3	5,438.5	0.00	0.00	0.00
16,100.0	89.38	90.20	10,845.9	-156.7	5,536.3	5,538.5	0.00	0.00	0.00
16,200.0	89,38	90.20	10,847.0	-157.0	5,636.3	5,638.4	0.00	0.00	0.00
16,300.0	89.38	90.20	10,848.1	-157.4	5,736.3	5,738.4	0.00	0.00	0.00
16,400.0	89.38	90,20	10,849,2	-157.7	5,836.3	5,838.4	0.00	0.00	0.00
16,400.0	89.38	90,20	10,849.2	-157.7 -158.0	5,836.3	5,838.4 5,915.1	0.00	0.00	0.0

Design Targets	建筑设备港。 在1	AND THE WAR LINE			STEEDING TOWNS				STATE OF USAN MADERAL STATE
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir.	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SL: 185' FNL & 950' FEL - plan hits target cente - Point	0.00	0.00	0.0	0.0	0.0	450,865.00	633,460.00	32° 14' 20.949 N	104° 2' 7.358 W
KOP @ 10227' - plan hits target cente - Point	0.00 r	0.00	10,227.0	0.0	0.0	450,865.00	633,460.00	32° 14' 20.949 N	104° 2' 7.358 W
FTP/LP: 330' FNL & 330 - plan hits target cente - Point	0.00 r	0.00	10,800.0	-142.0	1,281.0	450,723.00	634,741.00	32° 14′ 19.508 N	104° 1' 52.447 W
BHL: 330' FNL & 330' FE - plan hits target cente - Point	0.00	0.00	10,850.0	-158.0	5,913.0	450,707.00	639,373.00	32° 14' 19.218 N	104° 0' 58.515 W

SL: 185' FNL & 950' FEL, Sec 12 BHL: 330' FNL & 330' FEL, Sec 7

1. Geologic Formations

TVD of target	10850'	Pilot hole depth	NA
MD at TD:	16480'	Deepest expected fresh water:	50'

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface		
Rustler		Water	
Salado			
Castile	1100		
Base Salt		20	
Lamar	2735	Oil/Gas	
Bell Canyon	2765	Oil/Gas	
Cherry Canyon	3640	Oil/Gas	
Manzanita Marker	3790		
Brushy Canyon	4965	Oil/Gas	
Bone Spring	6425	Oil/Gas	
1st Bone Spring Sand	7390	/	
2 nd Bone Spring Sand	8170		
3rd Bone Spring Sand	9290		
Abo			
Wolfcamp	9635	Target Zone	
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

^{*}H2S, water flows, loss of circulation, abnormal pressures, etc.

SL: 185' FNL & 950' FEL, Sec 12

BHL: 330' FNL & 330' FEL, Sec 7

2. Casing Program

Hole	Casing	Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	375'	13.375"	48	H40	STC	3.95	8.87	17.89	30.06
12.25"	0'	2680'	9.625"	36	J55	LTC	1.45	2.53	4.70	5.85
8.75"	0'	10930'	7"	26	HCP110	LTC	1.47	1.87	2.29	2.92
6.125"	10227'	16480'	4.5"	13.5	P110	LTC	1.45	1.69	4.00	5.00
В	LM Mini	mum Safet	ty 1.125	1	1.6 Dr	y 1.6 D	ry			
		Facto	or		1.8 We	et 1.8 V	Vet			

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

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the 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.	A - 49 1 2
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
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?	Y
If yes, are there two strings cemented to surface?	Y
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	7 7 1
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

SL: 185' FNL & 950' FEL, Sec 12 BHL: 330' FNL & 330' FEL, Sec 7

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H ₂ 0 gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf.	125	12.5	2.12	11	10	Lead: Class C + Salt + Gel + Extender + LCM
	200	14.8	1.34	6.3	8	Tail: Class C + Retarder
Inter.	390	12.5	2.12	11	10	Lead: Class C + Salt + Gel + Extender + LCM
	200	14.8	1.34	6.3	8	Tail: Class C + Retarder
Prod.	415	12.5	2.12	11	9	Lead: Class C + Gel + Retarder + Defoamer +
Stg 1						Extender
	400	15.6	1.18	5.2	10	Tail: Class H + Retarder + Fluid Loss + Defoamer
					ECP/DV T	Cool @ 3790'
Prod.	65	12.5	2.12	11	9	Lead: Class C + Gel + Retarder + Defoamer +
Stg 2						Extender
	100	14.8	1.34	6.3	8	Tail: Class C + Retarder
Liner	260	11.2	2.97	17	16	Class C + Salt + Gel + Fluid Loss + Retarder +
						Dispersant + Defoamer + Anti-Settling Agent

A copy of cement test will be available on location at time of cement job providing pump times, compressive strengths, etc.

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	2480'	25%
Liner	10227'	25%

SL: 185' FNL & 950' FEL, Sec 12 BHL: 330' FNL & 330' FEL, Sec 7

4. Pressure Control Equipment

Variance: None

BOP installed and tested before drilling which hole?	Size?	System Rated WP	Ту	pe	1	Tested to:
- State of the sta		5M	Annular		X	2500#
	13-5/8"		Blind Ram		X	
12-1/4"			Pipe Ram		X	E000#
		-	Double Ram			5000#
			Other*			

^{*}Specify if additional ram is utilized.

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

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

X Formation integrity test will be performed per Onshore Order #2.
 On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.

 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.
 Provide description here: See attached schematic.

SL: 185' FNL & 950' FEL, Sec 12 BHL: 330' FNL & 330' FEL, Sec 7

5. Mud Program

Depth		Туре	Weight (ppg)	Viscosity	Water Loss	
From	То					
0' 375' Spud Mud		Spud Mud	8.6-8.8	28-34	N/C	
375'	2680'	BW	10.0	28-34	N/C	
2680'	10227'	FW w/ Polymer	8.6-9.7	28-34	N/C	
10227'	16480'	OBM	10.0-13.0	30-40	<10cc	

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. MW up to 13.0 ppg may be required for shale control. The highest MW needed to balance formation pressure is expected to be 12.0 ppg.

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

6. Logging and Testing Procedures

Log	ging, Coring and Testing.
X	Will run GR/CNL from KOP (10227') to surface (horizontal well – vertical portion of
	hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Add	litional logs planned	Interval
X	Gamma Ray	10227' (KOP) to TD
	Density	
J.	CBL	
	Mud log	
	PEX	

SL: 185' FNL & 950' FEL, Sec 12

BHL: 330' FNL & 330' FEL, Sec 7

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	6771 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers in surface hole. Weighted mud for possible over-pressure in Wolfcamp formation.

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.

H2S is present

H2S Plan attached

8. Water & Waste Volume Estimates

Fresh Water Required: 2915 bbl

Waste Water: 2915 bbl Waste Solids: 1915 bbl

9. Other facets of operation

Is this a walking operation? If yes, describe. Will be pre-setting casing? If yes, describe.

Attachments
____ Directional Plan
Other, describe

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: MEWBOUNE OIL COMPANY

LEASE NO.: NMNM27919

WELL NAME & NO.: PECOS VALLEY 7 W2DA FEDERAL COM 1H

SURFACE HOLE FOOTAGE: 185' FNL & 950' FEL BOTTOM HOLE FOOTAGE 330' FNL & 330' FEL

LOCATION: | Section 12, T. 24 S., R 28 E., NMPM

COUNTY: Eddy County, New Mexico

COA

All pervious COA still apply expect the following:

H2S	r Yes	€ No	
Potash	None	Secretary	C R-111-P
Cave/Karst Potential	C Low	Medium	C High
Variance	None	Flex Hose	Other
Wellhead	Conventional	Multibowl	C Both
Other	☐ 4 String Area	☐ Capitan Reef	□ WIPP

1. The minimum required fill of cement behind the 7 inch production casing is:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
- 2. The minimum required fill of cement behind the 4-1/2 inch production liner is:
 - Cement should tie-back 100' into the previous casing. Operator shall provide method of verification.

A. PRESSURE CONTROL

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

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

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)
 - Chaves and Roosevelt Counties
 Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
 During office hours call (575) 627-0272.
 After office hours call (575)
 - Eddy County
 Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - ✓ Lea County
 Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
 393-3612
- 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 2nd 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.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 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. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing 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 that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the

formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-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. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - 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 OOGO2.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 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 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 reported to the appropriate BLM office.
 - 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. 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. 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.

Waste Minimization Plan (WMP)

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

ZS 042618

13 3/8	surface	csg in a	17 1/2	inch hole.		Design I	actors	SUR	FACE
Segment "A" "B"	#/ft 48.00	Grade H	I 40	Coupling ST&C	Joint 17.89	Collapse 4.49	Burst 1.24	Length 375 0	Weight 18,000
w/8.4#/g comparison o	mud, 30min Sfo of Proposed t	Csg Test psig	: 1,047 Required Cer	Tail Cmt nent Volumes	does	circ to sfc.	Totals:	375	18,000
Hole Size 17 1/2	Annular Volume 0.6946	1 Stage Cmt Sx 325	1 Stage CuFt Cmt 533	Min Cu Ft 315	1 Stage % Excess 69	Drilling Mud Wt 8.80	Calc MASP 803	Req'd BOPE 2M	Min Dist Hole-Cplg 1.56

9 5/8	casing in	side the	13 3/8	00 7 Aller 7 July 7 July	* 1 MW * MW * 1	Design	Factors	INTED	WEDIATE
Segment	#/ft	Grade		Coupling	Joint	Collapse	Burst	Length	Weight
"A"	36.00	J	55	LT&C	4.70	1.45	0.64	2.680	96,480
"B"								0	0
	mud, 30min Sfo cement volu			nieve a top of	0	ft from su	Totals:	2,680 375	96,480 overlap.
Hole Size 12 1/4	Annular Volume 0.3132	1 Stage Cmt Sx 590	1 Stage CuFt Cmt 1095	Min Cu Ft 882	1 Stage % Excess 24	Drilling Mud Wt 10.00	Calc MASP 3080	Req'd BOPE 5M	Min Dist Hole-Cplg

Burst Frac Gradient(s) for Segment(s): A, B, C, D = 1.31, b, c, d All > 0.70, OK.

TEACH STANSACTOR	casing in		9 5/8	Total Control of the control	_	Design Fa	actors	PROD	UCTION
Segment "A" "B"	#/ft 26.00 26.00	Grade HCP HCP	110	Coupling LT&C BUTT	Joint 2.46 6.35	1.51 1.32	Burst 1.82 1.82	Length 10,227 703	Weight 265,902 18,278
	ould be:	Csg Test psig:	2,250		51.27	1.43	Totals: if it were a	10,930 vertical we	284,180
No Pilo	t Hole Plan	ned	MTD 10930	Max VTD 10850	Csg VD 10850	Curve KOP 10227	Dogleg°	Severity ^o	MEOC 11133.2
The c	ement volur	ne(s) are int	ended to ach	ieve a top of	2480	ft from si		2480	overlap.
Hole	Annular Volume 0.1503	1 Stage Cmt Sx look	1 Stage CuFt Cmt	Min Cu Ft 1283	1 Stage % Excess	Drilling Mud Wt 9.70	Calc MASP 4940	Req'd BOPE 5M	Min Dist Hole-Cplg 0.55
Setting	Depths for D	V Tool(s):	3790			0.70	sum of sx	Σ CuFt	Σ%excess
% excess c	mt by stage:	25	36				980	1624	27

MASP is within 10% of 5000psig, need exrta equip?

Tail cmt		1 100 1 100 1 1			TIME I ME I	NAME OF ASSESS OF ASSESS OF A		No. 2 May 2 May 2	- mir 2 mir 2 m
4 1/2	Liner w/top @		10227			Design Factors		LINER	
Segment "A" "B"	#/ft 13.50 13.50		110 110	Coupling LT&C LT&C	Joint 3.67 2.71	1.4 1.46	1.69 1.69	1,618 4.635	Weight 21,843 62.573
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,387 A Segment Design Factors would be:					2.31	1.46	Totals:	6,253	84,416
No Pilot Hole Planned			MTD 16480	Max VTD 10850	Csg VD 10850	Curve KOP	Dogleg°	Severity ^o	MEOC 11845
Hole Size 6 1/8	Annular Volume 0.0942	me(s) are in 1 Stage Cmt Sx 260	tended to ach 1 Stage CuFt Cmt 772	Min Cu Ft 600	10227 1 Stage % Excess 29	ft from su Drilling Mud Wt 13.00		703 Req'd BOPE	overlap. Min Dist Hole-Cpl
lass 'H' tail cm	t yld > 1.20		Capitan Reef	est top XXXX.		MASP is with	in 10% of 5000	psig, need e	exrta equip?