B SUNDRY Do not use thi	UNITED STATES PARTMENT OF THE IN UREAU OF LAND MANAG NOTICES AND REPOR is form for proposals to d II. Use form 3160-3 (APD)	EMENT TS ON WE	enter an 🔍	bad A CD A	OMB N	•
SUBMIT IN	TRIPLICATE - Other instru	uctions on p	age 2		7. If Unit or CA/Agree	ement, Name and/or No.
 Type of Well Oil Well Gas Well Ott Name of Operator OXY USA INCORPORATED 		ARAH CHAF			8. Well Name and No. IRIDIUM MDP1 2 9. API Well No. 30-015-45246-0	8-21 FEDERAL COM 5H
3a. Address 5 GREENWAY PLAZA SUITE HOUSTON, TX 77046-0521	110		(include area code) 0490CONSE ARTESIA DIS		10. Field and Pool or 1 INGLE WELLS	Exploratory Area
4. Location of Well <i>(Footage, Sec., 1</i> Sec 33 T23S R31E NENE 270 32.267426 N Lat, 103.776260	6FNL 634FEL		MAR 112	2019	11. County or Parish, EDDY COUNT	
12. CHECK THE AI	PROPRIATE BOX(ES) T	O INDICAT	- RECEIV		REPORT, OR OTH	IER DATA
TYPE OF SUBMISSION			TYPE O	F ACTION		
 Notice of Intent Subsequent Report Final Abandonment Notice 13. Describe Proposed or Completed Op If the proposal is to deepen direction: Attach the Bond under which the wo following completion of the involved testing has been completed. Final Al determined that the site is ready for f OXY USA Inc. respectfully rec 1. BHL is moving 830' west fro the E/2. OXY is also proposing to ru See updated C-102, drill plan, information. 	ally or recomplete horizontally, g rk will be performed or provide th l operations. If the operation resu- pandonment Notices must be filed inal inspection. quests to amend the APD w om the current permitted lo- in a 2nd intermediate 7-5/8	New Plug Plug Plug details, includin ve subsurface la he Bond No. on lts in a multiple only after all re with the follow cation putting " csg string to	en aulic Fracturing Construction and Abandon Back ng estimated startin ocations and measu file with BLM/BL/ completion or reco equirements, includ ving changes: g the wellbore in pobe set at 9565	Product Reclam Recomp Tempon Water I water of any p ured and true v A. Required su ompletion in a ding reclamation	plete rarily Abandon Disposal proposed work and appro retrical depths of all pertir bsequent reports must be new interval, a Form 316 n, have been completed a	ent markers and zones. filed within 30 days 0-4 must be filed once
Name (Printed/Typed) DAVID ST	Electronic Submission #4 For OXY USA nmitted to AFMSS for proces FEWART Submission)	INCORPORAT ssing by PRIS	TED, sent to the CILLA PEREZ o Title REGUL Date 02/14/2	2019 2019	(19PP1079SE) VISOR	
Approved By Mustafa Conditions of approval, if any, are attache certify that the applicant holds legal or eq which would entitle the applicant to condu	uitable title to those rights in the s	not warrant or	Title Petr	oleum	s⊧ Engineer ield Offic⊲	Date 03-01-201

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

Rup - 3-22-19.

1. Geologic Formations

TVD of target	9973'	Pilot Hole Depth	N/A
MD at TD;	20597	Deepest Expected fresh	477
MD at 1D.	20377	water:	477

Delaware Basin

.

Formation	TVD - RKB	Expected Fluids
Rustler	477	
Salado	833	Salt
Castile	2,759	Salt
Lamar/Delaware	4,268	Oil/Gas/Brine
Bell Canyon	4,294	Oil/Gas/Brine
Cherry Canyon	5,173	Oil/Gas/Brine
Brushy Canyon	6,457	Losses
Bone Spring	8,068	Oil/Gas
1st Bone Spring	9,131	Oil/Gas
2nd Bone Spring	9,357	Oil/Gas

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

2. Casing Program

	-								Buoyant	Buoyant
Hole Size (in)	Casing In	terval	Csg. Shre	Weight	Curia in	,Comi	SF -	CE 2	Body SF	Joint SF
nore size (iii)	From (ft).	To (ft)	(in)	(ibs)	Grade		Collapse	SF Burst	Tension	Tension
17.5	0	603	13.375	54,5	J-55	BTC	1.125	1.2	1.4	1.4
12.25	0	4318	9.625	43.5	L-80	BTC	1.125	1,2	1.4	1.4
8.5	0	9569	7.625	26.4	L-80 HC	SF (0 ft to 4200 ft) FJ (4200 ft to 9569 ft)	1.125	1.2	1.4	1.4
6.75	0	20597	5.5	20	P-110	DQX	1.125	1,2	1.4	1.4
							SF Value	es will meet o	or Exceed	

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

*Oxy requests the option to set casing shallower yet still below the salts if losses or hole conditions require this. Cement volumes may be adjusted if casing is set shallower and a DV tool may be run in case hole conditions merit pumping a second stage cement job to comply with permitted top of cement. If cement circulated to surface during first stage we will drop a cancelation cone and not pump the second stage.

*Oxy requests the option to run production casing with DQX and/or SF TORQ connections to accommodate hole conditions or drilling operations.

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

- 1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
- 2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	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.					
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).					
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y				
	<u>.</u>				
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.	· · · · ·				
Is well located in SOPA but not in R-111-P?					
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?	Y				
If yes, are the first three strings cemented to surface?	Y				
Is 2 nd string set 100' to 600' below the base of salt?	Y				
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?					
	NT				
Is well located in critical Cave/Karst?	N				
If yes, are there three strings cemented to surface?	L				

3. Cementing Program

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Casing String	# Sica	Wt. (ib/gal)	Yid (D3/nack)	H20 (gal/sk)	500# Comp. Strength (hours)	Shurry Description
Surface (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Surface (Tail)	562	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate (Lead)	925	12.9	1.88	10.130	14:22	Pozzolan Cement, Retarder
Intermediate (Tail)	155	14.8	1.33	6.370	12:45	Class C Cement, Accelerator
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	141	13.2	1.65	8.640	11:54	Class H Cement, Retarder, Dispersant, Salt
Intermediate II 2nd Stage (1 Intermediate II 2nd Stage (Lead)	ail Slurry) to	be pumped as	Bradenhead : N/A	Squeeze from N/A	n surface, dov	vn the Intermediate annulus
Intermediate II 2nd Stage (Tail)	353	12.9	1.92	10,410	23:10	Class C Cement, Accelerator
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	845	13.2	1.38	6.686	3:49	Class H Cement, Retarder, Dispersant, Sal

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	603	100%
Intermediate (Lead)	0	3818	50%
Intermediate (Tail)	3818	4318	20%
Intermediate II 1st Stage (Lead)	N/A	N/A	N/A
Intermediate II 1st Stage (Tail)	6707	9569	5%
Intermediate II 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate II 2nd Stage (Tail)	0	6,707	25%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	9069	20597	20%

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required .WP	an - i Al	ype		Tested to:																			
		3M	Ал	nular	*	70% of working pressure																			
12.25" Hole			Blin	d Ram	✓																				
12.25" Hole	13-5/8"		Pipe	e Ram		200 112000																			
		3M	Dout	le Ram	1	250 psi / 3000 psi																			
			Other*																						
		3M	An	nular	1	70% of working pressure																			
0.0111-1-		12 6 (0)	1.7 6 (2)	13-5/8"	Blind Ram		✓	_																	
8.5" Hole	13-3/8	3M	Pipe Ram			250 psi / 3000 psi																			
			Double Ram		1																				
																							Other*		
		5M	An	nular	4	70% of working pressure																			
6.75" Hole	10.000		Blind Ram		✓																				
	13-5/8"		Pipe Ram																						
		5M	Dout	le Ram	· ·	250 psi / 5000 ps																			
			Other*																						

*Specify if additional ram is utilized.

Oxy will utilize a 5M annular with a 10M BOPE stack. The 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.			
	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.			
	Y Are anchors required by manufacturer?			
	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead			
	and connection to the BOPE will meet all API 6A requirements. 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. We will test the flange connection of the wellhead with a test port			
	that is directly in the flange. We are proposing that we will run the wellhead through the			
1	rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015.			
	Due to the four string design, Oxy plans to employ a 13-3/8" 3K sacrificial wellhead that			
	will be employed to drill the 12.25" Intermediate Hole. Upon completion of drilling and			
1	cementing operations on the 12.25" Intermediate Hole section (along with proper WOC			
	time), the wellhead will be cut off and salvaged. At this point, a standard 13-5/8 MNDS			
	5x10 Slips (13.375 x 9.625 x 7.625 x 5.5) wellhead will be welded onto the 9-5/8" casing			
	for the remainder of drilling operations on the pad.			
	See attached schematics.			

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that does not penetrate into the Wolfcamp.
- Full BOP test will be required prior to drilling any production hole.

5. Mud Program

De	oth		Weight		
From (ft)	To (ft)	Туре	(ppg)	Viscosity	Water Loss.
0	527	Water-Based Mud	8.6-8.8	40-60	N/C
527	4318	Saturated Brine- Based Mud	9.8-10.0	35-45	N/C
4318	9569	Water-Based or Oil- Based Mud	8,0-9.6	38-50	N/C
9569	20597	Water-Based or Oil- Based Mud	8.0-9.6	38-50	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. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

 What will be used to monitor the loss or gain
 PVT/MD Totco/Visual Monitoring

 of fluid?
 PVT/MD Totco/Visual Monitoring

6. Logging and Testing Procedures

Logg	Logging, Coring and Testing.				
Yes	Will run GR from TD to	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs			
	run will be in the Comp	letion Report and submitted to the Bl	LM.		
No	Logs are planned based	on well control or offset log informa	tion.		
No	Drill stem test? If yes, explain				
No	Coring? If yes, explain				
Addi	tional logs planned	Interval			
No	Resistivity				
No	Density		*		
No	CBL				
Yes	Mud log	ICP - TD			
No	PEX				

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4927 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	160°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

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 Ν

Ŷ H2S Plan attached

8. Other facets of operation

	Yes/No
 Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the two well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well. 	Yes
 Will more than one drilling rig be used for drilling operations? If yes, describe. Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig. 	Yes

Total estimated cuttings volume: 1566.1 bbls.

Attachments

- x Directional Plan
- _x__ H2S Contingency Plan
- x Flex III Attachments
- x Spudder Rig Attachment
- x Premium Connection Specs

9. Company Personnel

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Name	Title	Office Phone	Mobile Phone
John Rodriguez	Drilling Engineer	713-513-6641	361-759-4650
Diego Tellez	Drilling Engineer Supervisor	713-350-4602	713-303-4932
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
John Willis	Drilling Manager	713-366-5556	713-259-1417

2/14/2019	
9 1:53 PM	
Page 1	
of 3	

...Original Borehole(Oxy Indium MDP1 28-21 Federal Com 5H Rev0 BT 22Jan19 Schlumberger-Private

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Original Borehole\Oxy Iridium MDP1 28-21 Federal Com 5H Rev0 BT 22Jan19	SS55.6 67.26 SS54.61 71.45 SS54.64 71.54 SS65.164 71.54 SS65.164 71.54 SS65.164 71.55 SS65.174 81.55 SS65.77 83.56 B038.78 81.56 B038.78 81.56 B038.78 81.56 B038.78 80.77 B038.78 80.77 B038.78 81.56 B038.78 81.57 B038.78 80.77 B038.78 80.77 B038.78 80.77 B038.78 80.77 B038.78 80.77 B038.78 80.77 B038.78 113.80 B052.40 111.58 B052.11.51 114.20.10 7308.15 14.80.30 7495.16 152.40	3886,777 3886,777 4106,51 4106,51 42,02,09 42,02,09 42,02,09 42,02,09 42,02,09 44,07 44,07 44,07 44,07 44,07 44,07 44,07 44,07 44,07 51,06 51,06 51,06 51,06 51,06 51,06 51,06 51,06 51,06 51,06 51,06 51,07 51,07 51,07 51,07 51,07 51,07 51,07 51,07 51,07 51,07 51,005 51,07 51,0	2000.00 2200.00 2200.00 2200.00 2200.00 2500.00 2500.00 2700.00 2700.00 2700.00 2700.00 200.00 3140.00	1710 6.00 300.00 300.00 300.00 300.00 4.00.00 1000.00 1200.000 1200.000 1200.0000000000	(Der (Der 22Jan 19	Oxy Iridium MDP1 28-21 Federal Com 5H Rev0 BT 22Jan19 Proposal Geodetic Report
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...Original Borehole\Oxy Iridium MDP1 28-21 Federal Com 5H Rev0 BT 22Jan19 Schlumberger-Private

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Comments	MD	Incl	Azim Grid	TVD	VSEC	NS	EW	DLS	Northing	Easting	Latitude	Longitude
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-	18200.00	90.03	359,68	9969.16	8545.72	6418.51	-1503,29	0.00	469686.79	712019.09	N 32 17 26.10	W 103 46 51.53
	18300.00	90.03	359.68	9969.13	8644.82	8518.51	-1503.85	0.00	469986.78	712018.54	32 17 27.09	W 103 46 51.53
	18400.00	90.03	359.68	80,6966	8743.93	8618.51	-1504.41	0.00	470086.77	712017.98	32 17 28.08	W 103 48 51.53
	18500.00	90.03	359.68	9969.03	6843.04	8718.51	-1504,97	0.00	470186.76	712017.42	N 32 17 29.07	W 103 46 51.53
	18800.00	90.03	359,68	9965.98	8942.14	8618.51	-1505.53	0.00	470286,76	712016.86	N 32 17 30.00	W 103 46 51.53
	18700.00	90.03	359.68	9968,93	9041.25	8918.50	-1506.09	0.00	470388.75	712016.30	N 32 17 31.05	W 103 46 51.53
	18800.00	90.03	359.68	9968.89	9140.36	9018.50	-1506.65	0.00	470486.74	712015.74	N 32 17 32.04	W 103 46 51.53
	18900.00	90.03	359.68	9968,84	9239.46	9118.50	-1507.20	0.00	470586.73	712015.18	N 32 17 33.03	W 103 46 51.53
	19000.00	90.03	359.68	9968.79	9338.57	9218.50	-1507.76	0.00	470686.73	712014.63	N 32 17 34.02	W 103 46 51.54
	19100.00	90.03	359.68	9968.74	9437.68	9318.50	-1508.32	0.00	470786.72	712014.07	N 32 17 35.01	W 103 46 51.54
	19200.00	90.03	359.68	9968.69	9536.78	9418.50	-1508.88	0.00	470886.71	712013.51	N 32 17 36.00	W 103 48 51.54
	19300.00	00.03	359,68	9966.64	9635.89	9518.49	-1509,44	0.00	470986.70	712012.95	N 32 17 36.99	W 103 46 51.54
	19400.00	90.03	359.68	9968.59	9735.00	9618.49	-1510.00	0.00	471086.70	712012.39	N 32 17 37.98	W 103 48 51.54
	19500.00	90.03	359.68	9968.54	9634.10	9718.49	-1510.58	0.00	471186.69	712011.83	¥ 32 17 38.97	W 103 46 51.54
	19800.00	90.03	359.68	9968,49	9933.21	9818.49	-1511.12	0.00	471266.68	712011.27	V 32 17 39.96	W 103 48 51.54
	19700.00	90.03	359.68	9968.44	10032,32	9918.49	~1511.67	0.00	471386.67	712010.71	N 32 17 40.95	W 103 46 51,54
	19800.00	90.03	359.68	9968.39	10131.42	10018.49	-1512.23	0.00	471486.67	712010.16	V 32 17 41.94	W 103 48 51.54
	19900.00	90.03	359.68	9968.34	10230.53	10118.49	-1512.79	0.00	471586,66	712009.80	N 32 17 42.93	W 103 48 51.54
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	20100.00	90.03	359.68	9968.24	10428.74	10318.48	-1513.91	0.00	471786.64	712008.48	N 32 17 44.90	W 103 48 51.54
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	20500.00	90.03	359.68	9968.05	10825.17	10718.48	-1516.14	0.00	472186.61	712006.25	N 32 17 48.86	W 103 46 51.54
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Survey Type:

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Def Plan

Survey Error Model: ISCWSA Rev 0 *** 3-D 95.000% Confidence 2.7955 sigma Survey Program:

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hols Size Casi (in)	fole Size Casing Diameter (in) (in)		Survey Tool Type	Borshole / Survey
	1	0.000	26.500	1/100.000	30.000	30.000		NAL_MWD_PLUS_0.5_DEG- Depth Only	Original Borehole / Oxy Iridium MDP1 28-21 Federal Com 5H Revū BT 22Jan19
	1	26.500	20594,133	1/100.000	30,000	30.000		NAL_MWD_PLUS_0.5_DEG	Original Borehole / Oxy Indium MDP1 28-21 Federal Com 5H

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Rev0

H&P Rig (RKB=26.5')

OXY

Schlumberger

orehole	:							Well:							Field:						S	tructur	ə:					
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avity & M	agnetic	Paran	reters							Su	rface Loc	ation	NAD83 New	v Mexico	State Plane	Eastern Zone	, US Fee	nt	Miscal	laneous		· · · · ·						
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Оху

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INC.
LEASE NO.:	NMNM 045236
WELL NAME & NO.:	Iridium MDP1 28-21 Fed Com 5H
SURFACE HOLE FOOTAGE:	276'/N & 634'/E
BOTTOM HOLE FOOTAGE	20'/N & 2090'/E
LOCATION:	SECTION 33, T23S, R31E, NMPM
COUNTY:	EDDY

Potash	C None	C Secretary	€ R-111-P
Cave/Karst Potential	C Low	C Medium	
Variance	C None	• Flex Hose	COther
Wellhead	Conventional	Multibowl	
Other	□4 String Area	Capitan Reef	□WIPP

All previous COAs still apply except for the following:

A. PRESSURE CONTROL

Option 1:

- i. 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.
- ii. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9 5/8" first intermediate casing shoe shall be 3000 (3M) psi.
- Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 7 5/8" second intermediate casing shoe shall be 5000 (5M) psi.

Option 2:

- i. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.

- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
- e. 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.

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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
- A. 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: 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.
 - c. 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).
 - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall

have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

- e. The results of the test shall be reported to the appropriate BLM office.
- f. 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.
- g. 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.
- h. 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.