

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.*APR 01 2019
DISTRICT II-ARTESIA O.C.B.**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM107369
2. Name of Operator CHEVRON USA INCORPORATED		6. If Indian, Allottee or Tribe Name
Contact: LAURA BECERRA E-Mail: LBECERRA@CHEVRON.COM		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706	3b. Phone No. (include area code) Ph: 432-687-7655	8. Well Name and No. CICADA UNIT 22H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T25S R27E NWNW 245FNL 985FWL 32.093063 N Lat, 104.165863 W Lon		9. API Well No. 30-015-45423-00-X1
		10. Field and Pool or Exploratory Area PURPLE SAGE-WOLFCAMP (GAS)
		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Chevron respectfully requests a change of the originally permitted target formation of the aforementioned well. Copies of the revised directional survey and the 9 Pt. drilling plan with revised TVD/MD are attached.

Carlsbad Field Office
OCD Artesia**SEE ATTACHED FOR**
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #456963 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 03/06/2019 (19PP1270SE)	
Name (Printed/Typed) LAURA BECERRA	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 03/05/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>ZOTA STEVENS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>03/08/2019</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

FORMATION	SUB-SEA TVD	KBTVD	MD
Castile		835	
Lamar		2,265	
Bell Canyon		2,299	
Cherry Canyon		3,127	
Brushy Canyon		4,293	
Avalon		6,037	
First Bone Spring		6,849	
First Bone Spring Shale		7,056	
Second Bone Spring		7,444	
Third Bone Spring		8,589	
Wolfcamp A		9,023	
Wolfcamp A Target		9,316	20,015

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 Expected Base of Fresh Water		450
Water	Castile	835
Water	Cherry Canyon	3,127
Oil/Gas	Brushy Canyon	4,293
Oil/Gas	Avalon	6,037
Oil/Gas	First Bone Spring	6,849
Oil/Gas	Second Bone Spring	7,444
Oil/Gas	Third Bone Spring	8,589
Oil/Gas	Wolfcamp A	9,023
Oil/Gas	Wolfcamp A Target	9,316

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

3. BOP EQUIPMENT

Chevron will have a minimum of a 5,000 psi rig stack (see proposed schematic) for drill out below surface casing. The Wolfcamp is not exposed until drill out of the intermediate casing, and the stack will be tested as specified in the attached testing requirements for 5K Stacks. Batch drilling of the surface, intermediate, and production will take place. A full BOP test will be performed unless approval from BLM is received otherwise. Flex choke hose will be used for all wells on the pad (see attached specs). Chevron requests a variance to use a CoFlex hose with a metal protective covering that will be utilized between the BOP and Choke manifold. Please refer to the attached testing and specification documents. BOP test will be conducted by a third party.

Chevron requests a variance to use a FMC Technologies UH-S Multibowl wellhead, which will be run through the rig floor on surface casing. BOPE will be nipped up and tested after cementing surface casing. Subsequent tests will be performed as needed, not to exceed 30 days. The field report from FMC Technologies 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.

4. CASING PROGRAM

a. The proposed casing program will be as follows:

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	450'	17-1/2"	13-3/8"	54.5 #	J-55	STC	New
Intermediate	0'	8,695'	12-1/4"	9-5/8"	43.5 #	L-80IC	LTC	New
Production	0'	20,015'	8-1/2"	5-1/2"	20.0 #	P-110	TXP BTC	New

An alternative casing design with a contingency string is as follows:

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	800'	17-1/2"	13-3/8"	54.5 #	J-55	STC	New
Intermediate Csg	0'	8,695'	12-1/4"	9-5/8"	43.5 #	L-80IC	LTC	New
Intermediate Liner	8,395'	10,000'	8-1/2"	7-5/8"	29.7 #	P-110	Wedge 513	New
Production	0'	9,246'	6-3/4"	5-1/2"	20.0 #	P-110	TXP BTC	New
	9,246'	20,015'		5"	18.0 #	P-110	Wedge 521	New

For the four string contingency case, Chevron formally requests a variance from the annular spacing requirements for the BLM. Our

b. contingency design includes 7-5/8" liner with 5.5" x 5" production casing. Because the 5.5" casing goes into the 7-5/8" liner, the spacing requirements will not be met. We request that the additional 300' above the liner top qualify as the required cement tieback interval for the production casing cement job.

c. Casing design subject to revision based on geologic conditions encountered and actual formation tops.

***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 recalculated & sent to the BLM prior to drilling.

e. 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:

Surface Casing: 450' TVD
Intermediate Casing: 9241' TVD
Intermediate Liner Casing: 10369' TVD
Production Casing: 21,291' MD/10,369' TVD

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Surface	1.41	5.09	3.56	1.54
Intermediate	1.40	1.74	1.81	1.49
Production	1.11	1.53	2.35	1.20

For alternate casing design with contingency:

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Intermediate Liner	2.16	2.07	2.11	2.51
Production	1.11	1.70	1.71	1.20

The following worst case load cases were considered for calculation of the above Min. Safety Factors:

Burst Design	Surf	Int	Liner	Prod
Pressure Test- Surface, Int, Prod Csg P external: Mud weight above TOC, PP below P internal: Test psi + next section heaviest mud in csg	X	X	X	X
Displace to Gas- Surf Csg P external: Mud weight above TOC, PP below P internal: Dry Gas from Next Csg Point	X			
Gas over mud (60/40) - Int Csg/Liner P external: Mud weight above TOC, PP below P internal: 60% gas over 40% mud from hole TD PP		X	X	
Stimulation (Frac) Pressures- Prod Csg P external: Mud weight above TOC, PP below P internal: Max inj pressure w/ heaviest injected fluid				X
Tubing leak- Prod Csg (packer at KOP) P external: Mud weight above TOC, PP below P internal: Leak just below surf, 8.45 ppg packer fluid				X
Collapse Design	Surf	Int	Liner	Prod
Full Evacuation P external: Mud weight gradient P internal: none	X	X	X	X
Cementing- Surf, Int, Prod Csg P external: Wet cement P internal: displacement fluid - water	X	X	X	X
Tension Design	Surf	Int	Liner	Prod
100k lb overpull	X	X	X	X

Slurry	Type	Top	Bottom	Weight	Yield	%Excess	Sacks	Water	Volume
Surface				(ppg)	(cu ft/sk)	Open Hole		gal/sk	bbls
Tail	Class C	0'	450'	14.8	1.34	50	488	6.40	117
Intermediate Csg - Stage 1									
Lead	Class C	2,097'	7,695'	11.9	2.56	10	753	14.66	343
Tail	Class C	7,695'	8,695'	14.8	1.33	10	287	6.38	68
Intermediate Csg - Stage 2 (DV tool @ +/- 2097')									
Lead	Class C	0'	1,597'	11.9	2.56	50	276	14.66	126
Tail	Class C	1,597'	2,097'	14.8	1.33	0	118	6.38	28
Production									
Lead	Class C	8,395'	19,015'	14.5	1.4	10	1910	6.77	477
Tail	Class H	19,015'	20,015'	15	2.19	10	120	9.54	47

Cementing Program for alternate casing design with contingency string:

*No change to surface and intermediate cement design with implementation of contingency liner.

Slurry	Type	Top	Bottom	Weight	Yield	%Excess	Sacks	Water	Volume
				(ppg)	(cu ft/sk)	Open Hole		gal/sk	bbls
Intermediate Liner									
Tail	Class C	8,395'	10,000'	14.5	1.4	10	117	6.77	29
Production									
Lead	Class C	8,095'	19,015'	14.5	1.4	10	970	6.77	242
Tail	Class H	19,015'	20,015'	15	2.19	10	60	9.54	24

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 horizontal type centralizer on every joint for the first 1000' from TD, then every other joint to EOB, and then every third joint to KOP. Bowspring type centralizers will be run from KOP to intermediate casing. No centralizers will be run on the 5.5" csg inside the liner for four string designs.
4. Intermediate casing cement job will be a 2 stage job with DV tool set at the base of Lamar.
5. Chevron requests a variance to qualify the additional 300' of cement above the liner top as the required cement tieback interval with >0.422" clearance for the production csg cmt job in the four string design. See 4.b. above.

From	To	Type	Weight	Viscosity	Filtrate
0'	450'	Spud Mud	8.3 - 8.9	28-30	N/C
450'	8,695'	OBM	8.7 - 9.6	10-20	10-12
8,695'	20,015'	OBM	9-13.6	10-15	15-25

A closed system will be used 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:

- Drill stem tests are not planned.
- The logging program will be as follows:

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

- Conventional whole core samples are not planned.
- A directional survey will be run.

8. ABNORMAL PRESSURES AND HYDROGEN SULFIDE

- No abnormal pressure or temperatures are expected. Estimated BHP is: 6,588 psi
- Hydrogen sulfide gas is not anticipated. An H₂S Contingency plan is attached with this APD in the event that H₂S is encountered



Chevron Cicada Unit 22H - HH CE 26 23 Fed 001 1H Rev1 kFc 27Feb19
Proposal Geodetic Report
 (Def Plan)

Report Date: February 28, 2019 - 09:32 AM
 Client: Chevron
 Field: NM Eddy County (NAD 27)
 Structure / Slot: Chevron Cicada Unit Pads 1 & 2 / 022H
 Well: Cicada Unit 022H
 Borehole: Cicada Unit 022H
 UWI / API#: Unknown / Unknown
 Survey Name: Chevron Cicada Unit 22H - HH CE 26 23 Fed 001 1H Rev1 kFc 27Feb19
 Survey Date: February 27, 2019
 Tort / AHD / DDI / ERD Ratio: 114.759 * / 11690.401 ft / 6.460 / 1.255
 Coordinate Reference System: NAD27 New Mexico State Plane, Eastern Zone, US Feet
 Location Lat / Long: N 32° 5' 34.58762" W 104° 9' 55.33414"
 Location Grid N/E Y/X: N 397576.000 RUS, E 552015.000 RUS
 CRS Grid Convergence Angle: 0.0892 *
 Grid Scale Factor: 0.99991219
 Version / Patch: 2.10.753.0

Survey / DLS Computation: Minimum Curvature / Lubinski
 Vertical Section Azimuth: 359.080 * (Grid North)
 Vertical Section Origin: 0.000 ft, 0.000 ft
 TVD Reference Datum: RKB = 28ft
 TVD Reference Elevation: 3214.000 ft above MSL
 Seabed / Ground Elevation: 3185.000 ft above MSL
 Magnetic Declination: 7.209 *
 Total Gravity Field Strength: 998.4384mgn (9.80665 Based)
 Gravity Model: GARM
 Total Magnetic Field Strength: 47847.066 nT
 Magnetic Dip Angle: 59.756 *
 Declination Date: February 27, 2019
 Magnetic Declination Model: HDGM 2019
 North Reference: Grid North
 Grid Convergence Used: 0.0892 *
 Total Corr Mag North->Grid North: 7.1201 *
 Local Coord Referenced To: Well Head

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (HUS)	Easting (HUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")	
Surface	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
13 3/8" Casing	100.00	0.00	237.01	100.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	200.00	0.00	237.01	200.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	300.00	0.00	237.01	300.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	400.00	0.00	237.01	400.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	450.00	0.00	237.01	450.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	500.00	0.00	237.01	500.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	600.00	0.00	237.01	600.00	0.00	0.00	0.00	0.00	397576.00	552015.00	N 32° 5' 34.59 W 104° 9' 55.33		
	700.00	1.50	237.01	699.99	-0.69	-0.71	-1.10	1.50	397575.29	552013.90	N 32° 5' 34.58 W 104° 9' 55.35		
Build 1.5"/100ft	800.00	3.00	237.01	799.91	-2.78	-2.85	-4.39	1.50	397573.15	552010.61	N 32° 5' 34.56 W 104° 9' 55.39		
	900.00	4.50	237.01	899.69	-6.25	-6.41	-9.88	1.50	397569.59	552005.12	N 32° 5' 34.52 W 104° 9' 55.45		
	1000.00	6.00	237.01	999.27	-11.11	-11.39	-17.55	1.50	397564.61	551997.45	N 32° 5' 34.48 W 104° 9' 55.54		
	1100.00	7.50	237.01	1098.57	-17.35	-17.79	-27.41	1.50	397558.21	551987.59	N 32° 5' 34.41 W 104° 9' 55.65		
	1200.00	9.00	237.01	1197.54	-24.97	-25.60	-39.45	1.50	397550.40	551975.56	N 32° 5' 34.33 W 104° 9' 55.79		
	1300.00	10.50	237.01	1296.09	-33.96	-34.82	-53.65	1.50	397541.18	551961.35	N 32° 5' 34.24 W 104° 9' 55.96		
	1400.01	12.00	237.01	1394.18	-44.32	-45.45	-70.02	1.50	397530.56	551944.99	N 32° 5' 34.14 W 104° 9' 56.15		
	1500.00	12.00	237.01	1491.98	-55.35	-56.77	-87.45	0.00	397519.24	551927.55	N 32° 5' 34.03 W 104° 9' 56.35		
	1600.00	12.00	237.01	1589.79	-66.39	-68.09	-104.89	0.00	397507.92	551910.12	N 32° 5' 33.92 W 104° 9' 56.55		
	1700.00	12.00	237.01	1687.61	-77.43	-79.41	-122.33	0.00	397496.60	551892.68	N 32° 5' 33.80 W 104° 9' 56.76		
	1800.00	12.00	237.01	1785.42	-88.47	-90.73	-139.77	0.00	397485.28	551875.24	N 32° 5' 33.69 W 104° 9' 56.96		
	1900.00	12.00	237.01	1883.24	-99.51	-102.05	-157.21	0.00	397473.96	551857.80	N 32° 5' 33.58 W 104° 9' 57.16		
	2000.00	12.00	237.01	1981.05	-110.55	-113.37	-174.65	0.00	397462.64	551840.36	N 32° 5' 33.47 W 104° 9' 57.37		
	2100.00	12.00	237.01	2078.87	-121.59	-124.69	-192.09	0.00	397451.32	551822.93	N 32° 5' 33.36 W 104° 9' 57.57		
	2200.00	12.00	237.01	2176.68	-132.63	-136.01	-209.53	0.00	397440.01	551805.49	N 32° 5' 33.24 W 104° 9' 57.77		
	2300.00	12.00	237.01	2274.50	-143.66	-147.33	-226.97	0.00	397428.69	551788.05	N 32° 5' 33.13 W 104° 9' 57.98		
Hold	2400.00	12.00	237.01	2372.31	-154.70	-158.65	-244.41	0.00	397417.37	551770.61	N 32° 5' 33.02 W 104° 9' 58.18		
	2500.00	12.00	237.01	2470.13	-165.74	-169.97	-261.85	0.00	397406.05	551753.17	N 32° 5' 32.91 W 104° 9' 58.38		
	2600.00	12.00	237.01	2567.94	-176.78	-181.29	-279.29	0.00	397394.73	551735.74	N 32° 5' 32.80 W 104° 9' 58.58		
	2700.00	12.00	237.01	2665.76	-187.82	-192.61	-296.73	0.00	397383.41	551718.30	N 32° 5' 32.69 W 104° 9' 58.79		
	2800.00	12.00	237.01	2763.57	-198.86	-203.93	-314.17	0.00	397372.09	551700.86	N 32° 5' 32.57 W 104° 9' 58.99		
	2900.00	12.00	237.01	2861.38	-209.90	-215.25	-331.61	0.00	397360.77	551683.42	N 32° 5' 32.46 W 104° 9' 59.19		
	3000.00	12.00	237.01	2959.20	-220.93	-226.57	-349.05	0.00	397349.45	551665.98	N 32° 5' 32.35 W 104° 9' 59.40		
	3100.00	12.00	237.01	3057.01	-231.97	-237.89	-366.49	0.00	397338.13	551648.55	N 32° 5' 32.24 W 104° 9' 59.60		
	3200.00	12.00	237.01	3154.83	-243.01	-249.21	-383.93	0.00	397326.81	551631.11	N 32° 5' 32.13 W 104° 9' 59.80		
	3300.00	12.00	237.01	3252.64	-254.05	-260.53	-401.37	0.00	397315.50	551613.67	N 32° 5' 32.02 W 104° 10' 0.00		
	3400.00	12.00	237.01	3350.46	-265.09	-271.85	-418.81	0.00	397304.18	551596.23	N 32° 5' 31.90 W 104° 10' 0.21		
	3500.00	12.00	237.01	3448.27	-276.13	-283.17	-436.25	0.00	397292.86	551578.79	N 32° 5' 31.79 W 104° 10' 0.41		
	3600.00	12.00	237.01	3546.09	-287.17	-294.49	-453.69	0.00	397281.54	551561.36	N 32° 5' 31.68 W 104° 10' 0.61		
	3700.00	12.00	237.01	3643.90	-298.20	-305.81	-471.12	0.00	397270.22	551543.92	N 32° 5' 31.57 W 104° 10' 0.82		
	3800.00	12.00	237.01	3741.72	-309.24	-317.13	-488.56	0.00	397258.90	551526.48	N 32° 5' 31.46 W 104° 10' 1.02		
	3900.00	12.00	237.01	3839.53	-320.28	-328.45	-506.00	0.00	397247.58	551509.04	N 32° 5' 31.35 W 104° 10' 1.22		
	4000.00	12.00	237.01	3937.35	-331.32	-339.77	-523.44	0.00	397236.26	551491.60	N 32° 5' 31.23 W 104° 10' 1.42		
	4100.00	12.00	237.01	4035.16	-342.36	-351.09	-540.88	0.00	397224.94	551474.17	N 32° 5' 31.12 W 104° 10' 1.63		
	4200.00	12.00	237.01	4132.98	-353.40	-362.41	-558.32	0.00	397213.62	551456.73	N 32° 5' 31.01 W 104° 10' 1.83		
	Drop 1.5"/100ft	4242.78	12.00	237.01	4174.82	-358.12	-367.25	-565.78	0.00	397208.78	551449.27	N 32° 5' 30.96 W 104° 10' 1.92	
		4300.00	11.14	237.01	4230.88	-364.21	-373.50	-575.41	1.50	397202.53	551439.64	N 32° 5' 30.90 W 104° 10' 2.03	
		4400.00	9.64	237.01	4329.23	-373.79	-383.32	-590.54	1.50	397192.71	551424.51	N 32° 5' 30.80 W 104° 10' 2.21	
		4500.00	8.14	237.01	4428.03	-382.00	-391.74	-603.51	1.50	397184.30	551411.55	N 32° 5' 30.72 W 104° 10' 2.36	
		4600.00	6.64	237.01	4527.20	-388.83	-398.74	-614.30	1.50	397177.29	551400.76	N 32° 5' 30.65 W 104° 10' 2.48	
4700.00		5.14	237.01	4626.66	-394.28	-404.33	-622.91	1.50	397171.71	551392.15	N 32° 5' 30.60 W 104° 10' 2.58		
4800.00		3.64	237.01	4726.37	-398.34	-408.50	-629.33	1.50	397167.54	551385.73	N 32° 5' 30.55 W 104° 10' 2.66		
4900.00		2.14	237.01	4826.24	-401.02	-411.25	-633.56	1.50	397164.79	551381.50	N 32° 5' 30.53 W 104° 10' 2.71		
5000.00		0.64	237.01	4926.21	-402.31	-412.57	-635.60	1.50	397163.47	551379.46	N 32° 5' 30.51 W 104° 10' 2.73		
5042.80		0.00	237.01	4969.00	-402.44	-412.70	-635.80	1.50	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
5100.00		0.00	237.01	5026.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
5200.00		0.00	237.01	5126.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
Hold Vertical	5300.00	0.00	237.01	5226.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	5400.00	0.00	237.01	5326.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	5500.00	0.00	237.01	5426.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	5600.00	0.00	237.01	5526.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	5700.00	0.00	237.01	5626.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	5800.00	0.00	237.01	5726.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	5900.00	0.00	237.01	5826.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6000.00	0.00	237.01	5926.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6100.00	0.00	237.01	6026.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6200.00	0.00	237.01	6126.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6300.00	0.00	237.01	6226.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6400.00	0.00	237.01	6326.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6500.00	0.00	237.01	6426.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6600.00	0.00	237.01	6526.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6700.00	0.00	237.01	6626.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6800.00	0.00	237.01	6726.20	-402.44	-412.70	-635.80	0.00	397163.34	551379.26	N 32° 5' 30.51 W 104° 10' 2.73		
	6900.00	0.00	237.01	6826.20</									

Comments	MD (ft)	Incl (°)	Azim Grid (°)	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
	16600.00	90.00	359.46	9316.00	7115.00	7103.30	-785.65	0.00	404578.66	551228.42	N 32 6 44.89 W 104 10 4.34	
	16700.00	90.00	359.46	9316.00	7215.00	7203.29	-786.60	0.00	404778.65	551228.47	N 32 6 45.88 W 104 10 4.35	
	16800.00	90.00	359.46	9316.00	7314.99	7303.29	-787.55	0.00	404878.63	551227.53	N 32 6 46.87 W 104 10 4.36	
	16900.00	90.00	359.46	9316.00	7414.99	7403.28	-788.49	0.00	404978.62	551226.58	N 32 6 47.86 W 104 10 4.37	
	17000.00	90.00	359.46	9316.00	7514.99	7503.28	-789.44	0.00	405078.61	551225.63	N 32 6 48.85 W 104 10 4.38	
	17100.00	90.00	359.46	9316.00	7614.99	7603.28	-790.39	0.00	405178.59	551224.68	N 32 6 49.84 W 104 10 4.39	
	17200.00	90.00	359.46	9316.00	7714.98	7703.27	-791.34	0.00	405278.58	551223.73	N 32 6 50.83 W 104 10 4.40	
	17300.00	90.00	359.46	9316.00	7814.98	7803.27	-792.29	0.00	405378.57	551222.78	N 32 6 51.82 W 104 10 4.40	
	17400.00	90.00	359.46	9316.00	7914.98	7903.26	-793.24	0.00	405478.55	551221.83	N 32 6 52.81 W 104 10 4.41	
	17500.00	90.00	359.46	9316.00	8014.98	8003.26	-794.19	0.00	405578.54	551220.88	N 32 6 53.80 W 104 10 4.42	
	17600.00	90.00	359.46	9316.00	8114.98	8103.25	-795.14	0.00	405678.53	551219.93	N 32 6 54.79 W 104 10 4.43	
	17700.00	90.00	359.46	9316.00	8214.97	8203.25	-796.09	0.00	405778.51	551218.98	N 32 6 55.78 W 104 10 4.44	
	17800.00	90.00	359.46	9316.00	8314.97	8303.24	-797.04	0.00	405878.50	551218.03	N 32 6 56.77 W 104 10 4.45	
	17900.00	90.00	359.46	9316.00	8414.97	8403.24	-797.99	0.00	405978.49	551217.08	N 32 6 57.76 W 104 10 4.46	
	18000.00	90.00	359.46	9316.00	8514.97	8503.24	-798.94	0.00	406078.47	551216.13	N 32 6 58.74 W 104 10 4.47	
	18100.00	90.00	359.46	9316.00	8614.97	8603.23	-799.89	0.00	406178.46	551215.18	N 32 6 59.73 W 104 10 4.48	
	18200.00	90.00	359.46	9316.00	8714.96	8703.23	-800.84	0.00	406278.44	551214.23	N 32 7 0.72 W 104 10 4.49	
	18300.00	90.00	359.46	9316.00	8814.96	8803.22	-801.79	0.00	406378.43	551213.28	N 32 7 1.71 W 104 10 4.50	
	18400.00	90.00	359.46	9316.00	8914.96	8903.22	-802.74	0.00	406478.42	551212.33	N 32 7 2.70 W 104 10 4.51	
	18500.00	90.00	359.46	9316.00	9014.96	9003.21	-803.69	0.00	406578.40	551211.38	N 32 7 3.69 W 104 10 4.52	
	18600.00	90.00	359.46	9316.00	9114.95	9103.21	-804.64	0.00	406678.39	551210.43	N 32 7 4.68 W 104 10 4.52	
	18700.00	90.00	359.46	9316.00	9214.95	9203.20	-805.59	0.00	406778.38	551209.48	N 32 7 5.67 W 104 10 4.53	
	18800.00	90.00	359.46	9316.00	9314.95	9303.20	-806.54	0.00	406878.36	551208.53	N 32 7 6.66 W 104 10 4.54	
	18900.00	90.00	359.46	9316.00	9414.95	9403.19	-807.49	0.00	406978.35	551207.59	N 32 7 7.65 W 104 10 4.55	
	19000.00	90.00	359.46	9316.00	9514.95	9503.19	-808.44	0.00	407078.34	551206.64	N 32 7 8.64 W 104 10 4.56	
	19100.00	90.00	359.46	9316.00	9614.94	9603.19	-809.39	0.00	407178.32	551205.69	N 32 7 9.63 W 104 10 4.57	
	19200.00	90.00	359.46	9316.00	9714.94	9703.18	-810.34	0.00	407278.31	551204.74	N 32 7 10.62 W 104 10 4.58	
	19300.00	90.00	359.46	9316.00	9814.94	9803.18	-811.29	0.00	407378.30	551203.79	N 32 7 11.61 W 104 10 4.59	
	19400.00	90.00	359.46	9316.00	9914.94	9903.17	-812.24	0.00	407478.28	551202.84	N 32 7 12.60 W 104 10 4.60	
	19500.00	90.00	359.46	9316.00	10014.93	10003.17	-813.18	0.00	407578.27	551201.89	N 32 7 13.59 W 104 10 4.61	
	19600.00	90.00	359.46	9316.00	10114.93	10103.16	-814.13	0.00	407678.26	551200.94	N 32 7 14.58 W 104 10 4.62	
	19700.00	90.00	359.46	9316.00	10214.93	10203.16	-815.08	0.00	407778.24	551199.99	N 32 7 15.57 W 104 10 4.63	
	19800.00	90.00	359.46	9316.00	10314.93	10303.15	-816.03	0.00	407878.23	551199.04	N 32 7 16.56 W 104 10 4.64	
	19900.00	90.00	359.46	9316.00	10414.93	10403.15	-816.98	0.00	407978.22	551198.09	N 32 7 17.55 W 104 10 4.65	
LTP Cross	19964.75	90.00	359.46	9316.00	10479.68	10467.90	-817.60	0.00	408042.96	551197.48	N 32 7 18.19 W 104 10 4.65	
	20000.00	90.00	359.46	9316.00	10514.92	10503.15	-817.93	0.00	408078.20	551197.14	N 32 7 18.54 W 104 10 4.65	
Cicada Unit 22H - PBHL	20014.80	90.00	359.46	9316.00	10529.72	10517.94	-818.07	0.00	408093.00	551197.00	N 32 7 18.68 W 104 10 4.66	

Survey Type: Def Plan

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

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size	Casing Diameter (in)	Expected Max Inclination (deg)	Survey Tool Type	Borehole / Survey
	1	0.000	28.000	1/100.000	30.000	30.000		B001Ma_MWD+HDGM-Depth Only	Cicada Unit 022H / Chevron Cicada Unit 22H - HH CE 26 23 Fed 001 1H Rev1 kFc 27Feb19
	1	28.000	20014.800	1/100.000	30.000	30.000		B001Ma_MWD+HDGM	Cicada Unit 022H / Chevron Cicada Unit 22H - HH CE 26 23

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	CHEVRON USA INC
LEASE NO.:	NMNM107369
WELL NAME & NO.:	CICADA UNIT 22H
SURFACE HOLE FOOTAGE:	245' FNL & 985' FWL
BOTTOM HOLE FOOTAGE	280' FNL & 330' FWL; Sec. 23
LOCATION:	Section 35, T. 25 S., R 27 E., NMPM
COUNTY:	Eddy County, New Mexico

COA

All previous COAs still apply expect the following:

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input type="radio"/> Low	<input type="radio"/> Medium	<input checked="" type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP

A. Hydrogen Sulfide

Hydrogen Sulfide (H₂S) monitors shall be installed prior to drilling out the surface shoe. If H₂S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The 13-3/8 inch surface casing shall be set at approximately **450** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Operator shall filled 1/3rd of casing with fluid while running intermediate casing to maintain collapse safety factor.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is: Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

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. **Additional cement maybe required. Excess calculates to 11%.**
 - b. Second stage above DV tool: Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- ❖ In High Cave/Karst Areas if cement does not circulate to surface on the first two casing strings , the cement on the 3rd casing string must come to surface.
3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
- c. Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. **Additional cement maybe required. Excess calculates to 11%.**

CONTINGENCY PLAN

Notify BLM before proceeding with the contingency plan.

Operator shall filled 1/3rd casing with fluid while running liner to maintain collapse safety factor.

4. The minimum required fill of cement behind the 7-5/8 inch intermediate liner is:
- a. Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

Operator shall set 5 1/2" casing at 9246ft.

Variance is approved for annular spacing between 7 5/8" x 5 1/2 " casing.

5. The minimum required fill of cement behind the 5-1/2 x 5 inch production casing is:
- b. Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
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 integrity 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 integrity 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 030818