			RECEIVE	D	<u>с</u>		
Form 3160-3 (June 2015) UNITED STATE			JUN 1 0 2	019	FORM A OMB No. Expires: Jan	1004-01	37
DEPARTMENT OF THE I BUREAU OF LAND MAN			TRICT IL-ARTES	AOCI	5. Lease Serial No. NMNM114979		
					6. If Indian, Allotee c	or Tribe N	lame
Ia. Type of work: I DRILL	REENT	ER	· ·	• ;	7. If Unit or CA Agre MESA VERDE WC		
1b. Type of Well: 🛛 🖌 Oil Well 🗍 Gas Well 🗍 C	Other _.		· ·		8. Lease Name and V	Vell No.	· · · · ·
Ic. Type of Completion: 🔲 Hydraulic Fracturing 🛛 🗸 S	ingle Z	one	Multiple Zone		MESA VERDE WC	UNIT	
			· · ·		^{21H} 320	82	9
2. Name of Operator OXY USA INCORPORATED					9. API Well No. 30 - 01	5-4	f6113
3a. Address 5 Greenway Plaza, Suite 110 Houston TX 77046		hone N)366-57	o. (include area code 716	e)	10. Field and Pool, o MESA VERDE WO	•	
4. Location of Well (Report location clearly and in accordance					11. Sec., T. R. M. or SEC 13 / T24S / R3		
At surface SWSW / 271 FSL / 210 FWL / LAT 32.210					SEC 137 12457 R3		.F
At proposed prod. zone NWNW / 20 FNL / 330 FWL / L/	AT 32.	224583	6 / LONG -103.73	89989			
14. Distance in miles and direction from nearest town or post of	fice*	-	•	-	12. County or Parish EDDY		13 State NM
 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 	16.1 640	No of ac	res in lease	17. Spaci 320	ng Unit dedicated to th	is well	
18 Distance from proposed location*	19. I	ropose	d Depth	20. BLM	/BIA Bond No. in file		
to nearest well, drilling, completed, 35 feet applied for, on this lease, ft.			/ 17870 feet		B000226		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3589 feet		Approxi 1/2020	mate date work will	start*	23. Estimated duration45 days	on	
	24.	Attac	hments				
The following, completed in accordance with the requirements o (as applicable)	of Onsh	ore Oil	and Gas Order No. 1	I, and the I	Hydraulic Fracturing ru	ile per 43	CFR 3162.3-3
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office 		ds, the	Item 20 above). 5. Operator certific	ation.	ns unless covered by an rmation and/or plans as		~ `
25. Signature (Electronic Submission)	,		(Printed/Typed) Reeves / Ph: (713)497-249	2	Date 12/18/2	018
Title Advisor Regulatory			*			· · · ·	
Approved by (Signature) (Electronic Submission)			(Printed/Typed) Layton / Ph: (575)2	234-5959		Date 05/30/2	019
Title Assistant Field Manager Lands & Minerals			Office CARLSBAD				
Application approval does not warrant or certify that the applica applicant to conduct operations thereon. Conditions of approval, if any, are attached.	ant hold	s legal	or equitable title to the	hose rights	in the subject lease wh	nich woul	d entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, of the United States any false, fictitious or fraudulent statements						ny depar	iment or agency
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			and CONDIT	Iniz	NS) L	-

(Continued on page 2)

Approval Date: 05/30/2019

*(Instructions on page 2)

MP 6-14-19

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

Additional Operator Remarks

Location of Well

1. SHL: SWSW / 271 FSL / 210 FWL / TWSP: 24S / RANGE: 31E / SECTION: 13 / LAT: 32.2108653 / LONG: -103.7393838 (TVD: 0 feet, MD: 0 feet) PPP: SWSW / 100 FSL / 330 FWL / TWSP: 24S / RANGE: 31E / SECTION: 13 / LAT: 32.2103951 / LONG: -103.7389959 (TVD: 12539 feet, MD: 12567 feet) BHL: NWNW / 20 FNL / 330 FWL / TWSP: 24S / RANGE: 31E / SECTION: 13 / LAT: 32.2245836 / LONG: -103.7389989 (TVD: 12885 feet, MD: 17870 feet)

BLM Point of Contact

Name: Deborah Ham Title: Legal Landlaw Examiner Phone: 5752345965 Email: dham@blm.gov

Approval Date: 05/30/2019

(Form 3160-3, page 3)

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Approval Date: 05/30/2019

(Form 3160-3, page 4)

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - o Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INCORPORATED
LEASE NO.:	NMNM114979
WELL NAME & NO.:	21H – MESA VERDE WC UNIT
SURFACE HOLE FOOTAGE:	271'/S & 210'/W
BOTTOM HOLE FOOTAGE	20'/N & 330'/W
LOCATION:	SECTION 13, T24S, R31E, NMPM
COUNTY:	EDDY

COA

H2S	C Yes		
Potash		• Secretary	C R-111-P
Cave/Karst Potential	C Low	C Medium	C High
Variance	None	• Flex Hose	C Other
Wellhead	C Conventional	C Multibowl	Soth
Other	☐ 4 String Area	Capitan Reef	□ WIPP
Other	Fluid Filled	Cement Squeeze	Pilot Hole
Special Requirements	U Water Disposal	□ COM	🗹 Unit

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

Casing Design:

- 1. The 10-3/4 inch surface casing shall be set at approximately 781 feet (a minimum of 70 feet (Eddy County)) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>24 hours in the Potash Area</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept ½ fluid filled to meet BLM minimum collapse requirement.

2. The minimum required fill of cement behind the 7-5/8 inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Option 2:

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 to surface. If cement does not circulate, contact the appropriate BLM office.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

3. The minimum required fill of cement behind the 5 1/2 x 4 1/2 inch production casing is:

Option 1 (Single Stage):

• Cement should tie-back at least **500 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Page 2 of 9

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 **500 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.

Option 1:

- a. 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.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be 10,000 (10M) psi.

Option 2:

- 1. 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.

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- 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.
- 2. 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 intermediate casing shoe shall be 10,000 (10M) 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. 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.

D. SPECIAL REQUIREMENT (S)

Offline Cementing

Contact the BLM prior to the commencement of any offline cementing procedure.

Unit Wells

The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

Commercial Well Determination

A commercial well determination shall be submitted after production has been established for at least six months.

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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
- 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.

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3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least <u>24 hours</u>. WOC time will be recorded in the driller's log.
- <u>Wait on cement (WOC) for Water Basin:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
- 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.

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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: 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. 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.
- 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.

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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.

NMK5292019

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OXY USA Inc. APD Attachment Offline Cementing

OXY respectfully requests a variance to cement the 9-5/8" and/or 7-5/8" intermediate casing strings offline.

The summarized operational sequence will be as follows:

- 1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
- 2. Land casing.
- 3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
- 4. Set and pressure test annular packoff.
- 5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nippled down until after the cement job is completed.
- 6. Skid rig to next well on pad.
- 7. Confirm well is static before removing cap flange.
- 8. If well is not static notify BLM and kill well prior to cementing or nippling up for further remediation.
- 9. Install offline cement tool.
- 10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
- 11. Perform cement job.
- 12. Confirm well is static and floats are holding after cement job.
- 13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

243113M APD Mesa Verde WC Unit 21H 30025 NMNM137099 Oxy 12-55 05292019 NMK

Sec P KFC

10 3/4	surface	csg in a	14 3/4	inch hole.		<u>Design l</u>	aciors	301	RFACE
egment	#/ft	Grade		Coupling	Body	Collapse	Burst	Length	Weight
"A"	40.50	J	55	BUTT	19.88	4.43	0.51	781	31,631
"B"							un van Austrije Stationer Stationer Stationer	0	0
w/8.4#/g	mud, 30min Sfi	c Csg Test psig	1.500	Tail Cmt	does	circ to sfc.	Totals:	781	31,631
				ement Volume					
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd	Min Dist
Size	Volume	Cmt Sx	CuFt Cmt	1 1	% Excess	Mud Wt	MASP	BOPE	Hole-Cplg
14 3/4	0.5563	977	1299	460	182	8.80	3409	5M	1.50
	0.0000		1200		102	0.00	0400	u la Yilla a i	:
,									
irst Frac Grac	lient(s) for Se	gment(s) A,	B=,b All:	> 0.70, OK.		Alternate	Burst = 0.92	> 0.7 = Ok	
75/8	casing in	side the	10 3/4			Design	Factors	INTERI	MEDIATE
legment	#/ft	Grade	10 3/1	Coupling	- Body	Collapse	Burst	Length	Weight
"A"	26.40	HCL	80	BUTT	1.86	0.8	0.75	12.231	322,898
"B"				DOTT	1.00			0	0
	mud, 30min Sf	C Cog Tort price		manufactus e martin salasa bargatar			Totals:	12,231	322,898
				nieve a top of	0	ft from su			overlap.
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Reg'd	Min Dist
		Cmt Sx	. –	*	% Excess	Mud Wt	MASP	BOPE	Hole-Cpl
Size	Volume		CuFt Cmt		/0 EXCESS	1 1	5198		поle-Срі 0.69
9 7/8	0.2148	look 🖌	0	2653		9.60		10M	
V Tool(s):			4631	х. Х			sum of sx	<u>Σ CuFt</u>	Σ%excess
1 ataaa 0/ -		74	74				2226	4622	74
							A 4 4 C D 1 1	1- 100/ CEA	
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Carlsbad Field Office

Approval Date: 05/30/2019

5/30/2019

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA INCORPORATED
LEASE NO.:	
WELL NAME & NO.:	21H – MESA VERDE WC UNIT
SURFACE HOLE FOOTAGE:	271'/S & 210'/W
BOTTOM HOLE FOOTAGE	20'/N & 330'/W
LOCATION:	SECTION 13, T24S, R31E, NMPM
COUNTY:	EDDY

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

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Noxious Weeds
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I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

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V. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Below Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

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VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

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Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

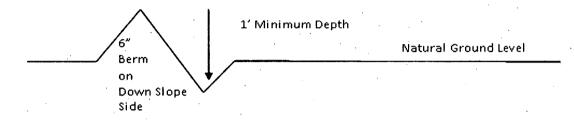
Drainage

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Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: $\frac{400'}{4\%}$ + 100' = 200' lead-off ditch interval

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

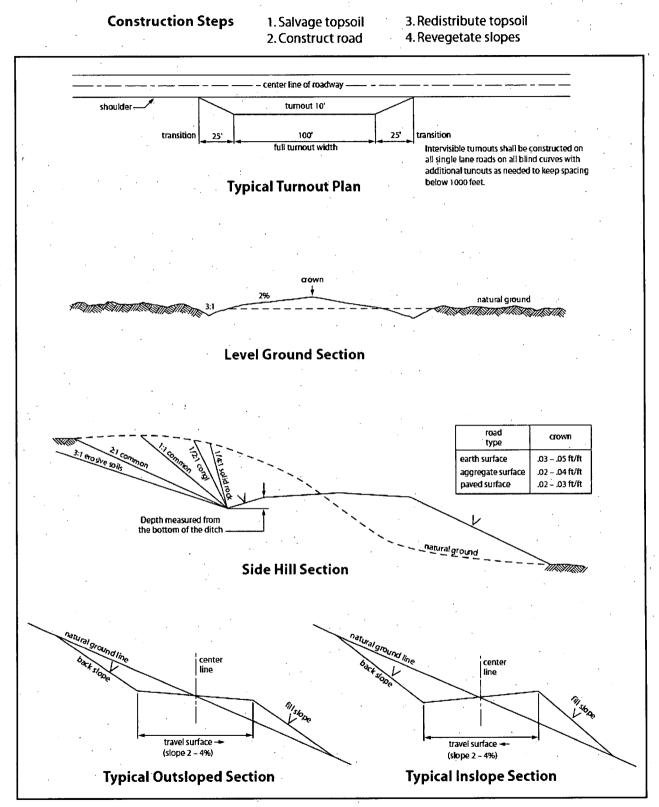
Fence Requirement

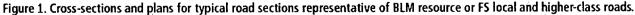
Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

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VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

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Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq.</u> (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of

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the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-ofway.

6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be $\underline{30}$ feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed <u>20</u> feet. The trench is included in this area. (Blading is defined as the complete removal of brush and ground vegetation.)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed <u>30</u> feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately $__6__$ inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

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9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

() seed mixture 1

(X) seed mixture 2/LPC

() seed mixture 3() seed mixture 4

() seed mixture 2

() Aplomado Falcon Mixture

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

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15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. <u>Escape Ramps</u> - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

19. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities

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that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (*see* 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, *et seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

Holder shall be liable for damage or injury to the United States to the extent

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Approval Date: 05/30/2019

4.

provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall be confined to the authorized rightof-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.

8. Holder shall install the pipeline on the surface in such a manner that will minimize

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suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

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16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

18. Special Stipulations:

a. <u>Lesser Prairie-Chicken:</u> Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted.

C. ELECTRIC LINES

STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b.

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A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Power lines shall be constructed and designed in accordance to standards outlined in "Suggested Practices for Avian Protection on Power lines: The State of the Art in 2006" Edison Electric Institute, APLIC, and the California Energy Commission 2006. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication deter raptor perching, roosting, and nesting. Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

Raptor deterrence will consist of but not limited to the following: triangle perch discouragers shall be placed on each side of the cross arms and a nonconductive perching deterrence shall be placed on all vertical poles that extend past the cross arms.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply

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with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

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During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Below Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

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Seed Mixture for LPC Sand/Shinnery Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species

lb/acre

	*
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A
· · ·	

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

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U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Leslie Reeves

Title: Advisor Regulatory

Street Address: 5 Greenway Plaza, Suite 110

State: TX

State: TX

City: Houston

Phone: (713)497-2492

Email address: leslie_reeves@oxy.com

Field Representative

Representative Name: Jim Wilson

Street Address: 6001 Deauville

City: Midland

Phone: (575)631-2442

Email address: jim_wilson@oxy.com

Signed on: 12/18/2018

Zip: 77046

Zip: 79706

FMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

APD ID: 10400037329

Operator Name: OXY USA INCORPORATED

Well Name: MESA VERDE WC UNIT

Well Type: OIL WELL

Submission Date: 12/18/2018

Is the first lease penetrated for production Federal or Indian? FED

Reservation:

Well Number: 21H

Highlighted data reflects the most recent changes

Well Work Type: Drill

Tie to previous NOS?

User: Leslie Reeves

Lease Acres: 640

Allottèd?

Section 1 - General

APD ID: 10400037329

BLM Office: CARLSBAD

Federal/Indian APD: FED

Lease number: NMNM114979

Surface access agreement in place?

Agreement in place? YES

Agreement number: NMNM137099X

Agreement name:

Keep application confidential? NO

Permitting Agent? NO

Operator letter of designation:

APD Operator: OXY USA INCORPORATED

Federal or Indian agreement: FEDERAL

Operator Info

Operator Organization Name: OXY USA INCORPORATED

Operator Address: 5 Greenway Plaza, Suite 110

Operator PO Box:

Operator City: Houston State: TX

Operator Phone: (713)366-5716

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? NO

Well in Master SUPO? NO

Well in Master Drilling Plan? NO

Well Name: MESA VERDE WC UNIT

Field/Pool or Exploratory? Field and Pool

Master Development Plan name:

Master SUPO name:

Master Drilling Plan name:

Well Number: 21H

Well API Number:

Field Name: MESA VERDE WOLFCAMP

Pool Name: WOLFCAMP

Is the proposed well in an area containing other mineral resources? USEABLE WATER

Zip: 77046

Title: Advisor Regulatory

Show Final Text

Submission Date: 12/18/2018

Application Data Report 05/30/2019

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Describe other minerals:	
Is the proposed well in a Helium production area? N	Use Existing Well Pad? NO New surface disturbance?
Type of Well Pad: MULTIPLE WELL Well Class: HORIZONTAL	Multiple Well Pad Name: MESA Number: 21H/31H VERDE WC/BS UNIT Number of Legs:
Well Work Type: Drill	
Well Type: OIL WELL	
Describe Well Type:	
Well sub-Type: INFILL	
Describe sub-type:	
Distance to town: Distance to ne	earest well: 35 FT Distance to lease line: 20 FT
Reservoir well spacing assigned acres Measurement	: 320 Acres
Well plat: MesaVerdeWCUt21H_SitePlan_20181214	114744.pdf
MesaVerdeWCUt21H_C102_2018121413	2638.pdf
Well work start Date: 01/01/2020	Duration: 45 DAYS
Section 3 - Well Location Table	
Survey Type: RECTANGULAR	
Describe Survey Type:	
Datum: NAD83	Vertical Datum: NAVD88
Survey number:	
	Ber la

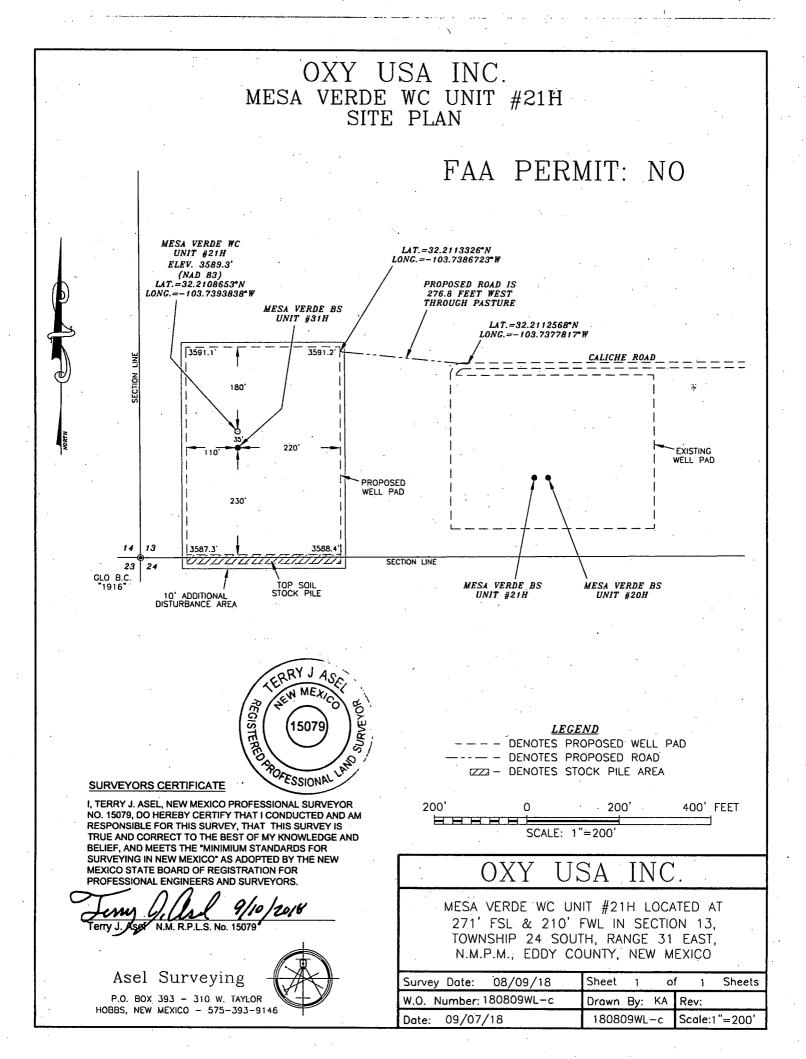
	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tra	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Numbe	Elevation	ШW	DVT
SHL	271	FSL	210	FWL	24S	31E	13	Aliquot	32.21086		EDD		NEW	F	NMNM		0	0
Leg								SWS -	53	103.7393	Y	MEXI	MEXI		114979	9		
#1		•				1		W		838		CO	co					
кор	50	FSL	330	FWL	24S	31E	13	Aliquot	32.21025	-	EDD	NEW	NĘW	F	NMNM	 - .	123	123
Leg								SWS	76	103.7389	Y	ļ	MEXI		114979	872	32	12
#1								W .		959		со	со		•••	3		
PPP	100	FSL	330	FWL	24S	31E	13	Aliquot	32.21039	-	EDD	NEW	NEW	F	NMNM	-	125	125
Leg	•							sws	51	103.7389	Y	MEXI	MEXI	· .	114979	895	67	39
#1								W		959		co	co			0.		

Page 2 of 3

Well Name: MESA VERDE WC UNIT

Weil Number: 21H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	DVT
EXIT Leg #1	100	FNL	440	FWL	24S	31E	13	Aliquot NWN W	32.22436 37	- 103.7389 989	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 114979	- 929 6	177 70 _.	128 85
BHL Leg #1	20	FNL	330	FWL	24S	31E	13	Aliquot NWN W	32.22458 36	- 103.7389 989	EDD Y	NEW MEXI CO	NEW MEXI CO	F	NMNM 114979	- 929 6	178 70	128 85



FMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

05/30/2019

APD ID: 10400037329

Operator Name: OXY USA INCORPORATED

Submission Date: 12/18/2018

Highlighted data reflects the most recent changes

Show Final Text

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation			True Vertical	Measured	-		Producing
· ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	Formation
1	RUSTLER	3589	916	916	SHALE,DOLOMITE,ANH YDRITE	USEABLE WATER	No
2	SALADO	2351	1238	1238	SHALE DOLOMITE, HAL ITE, ANHYDRITE	OTHER : SALT	No
3	CASTILE	2291	1298	1298	ANHYDRITE	OTHER : salt	No
4	LAMAR	-992	4581	4581	LIMESTONE,SANDSTO NE,SILTSTONE	NATURAL GAS,OIL,OTHER : BRINE	No
5	BELL CANYON	-1017	4606	4606	SANDSTONE SILTSTO NE	NATURAL GAS,OIL,OTHER : BRINE	No
6	CHERRY CANYON	-267.7	6266	6266	SANDSTONE, SILTSTO NE	NATURAL GAS,OIL,OTHER : BRINE	No
7	BRUSHY CANYON	-3577	7166	7166	LIMESTONE, SANDSTO NE, SILTSTONE	NATURAL GAS OIL OTHER BRINE	No
8	BONE SPRING	-4832	. 8421	8421	LIMESTONE, SANDSTO NE, SILTSTONE	NATURAL GAS,OIL	No
9	BONE SPRING 1ST	-5922	9511	9511	LIMESTONE, SANDSTO NE, SILTSTONE	NATURAL GAS,OIL	No .
10	BONE SPRING 2ND	-6192	9781	9781	LIMESTONE,SANDSTO NE,SILTSTONE	NATURAL GAS,OIL	No
11	BONE SPRING 3RD	-7107	10696	10697	LIMESTONE, SANDSTO NE, SILTSTONE	NATURAL GAS,OIL	No
12	WOLFCAMP	-8277	11866	11883	SANDSTONE, SILTSTO NE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 12885

Equipment: 13-5/8" 5M Annular, Blind Ram, Double Ram

Requesting Variance? YES

Variance request: Request for the use of a flexible choke line from the BOP to Choke Manifold.

Testing Procedure: 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

Well Name: MESA VERDE WC UNIT

Well Number: 21H

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. A multibowl wellhead 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 will 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 rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. As per the agreement reached in the OXY/BLM meeting on Feb 22, 2018, OXY requests permission to allow BOP Break Testing under the following conditions: 1. After a full BOP test is conducted on the first well on the pad. 2. When skidding to drill an intermediate section that does not penetrate into the Wolfcamp. 3. Full BOP test will be required prior to drilling any production hole.

Choke Diagram Attachment:

MesaVerdeWCUt21H_ChokeManifold_20181214135242.pdf

BOP Diagram Attachment:

MesaVerdeWCUt21H_FlexHoseCert_20181214135302.pdf

MesaVerdeWCUt21H_BOP_5M_20181214135506.pdf

Section 3 - Casing

				•																		
Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	14.7 5	10.75	NEW	API	N	0	1178	0	1178			1178	J-55	40.5	BUTT	1.12 5	1.2	BUOY	1.4	BUOY	1.4
2	INTERMED IATE	9.87 5	7.625	NEW	API .	N	0	12231	0 · ·	11223			12231	L-80	26.4	BUTT	1.12 5	1.2	BUOY	1.4	BUOY	1.4
3	PRODUCTI ON	6.75	5.5	NEW	API	Y	0	12781	0	12716			12781	P- 110	20	OTHER - DQX	1.12 5	1.2	BUOY	1.4	BUOY	1.4
4	PRODUCTI ON	6.75	4.5	NEW	API	Υ	12781	17870	12716	12885			5089	P- 110	13.5	OTHER - DQX	1.12 5	1.2	BUOY	1.4	BUOY	1.4

Casing Attachments

Well Name: MESA VERDE WC UNIT

Well Number: 21H

1

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

MesaVerdeWCUt21H_CsgCriteria_20181217094515.pdf

Casing ID: 2

String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

MesaVerdeWCUt21H_CsgCriteria_20181217094659.pdf

Casing ID: 3 String Type: PRODUCTION

Spec Document:

Inspection Document:

Tapered String Spec:

MesaVerdeWCUt21H_5.500in_x_20.00__P_110_DQX_20181217095126.pdf

Casing Design Assumptions and Worksheet(s):

MesaVerdeWCUt21H_CsgCriteria_20181217095139.pdf

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Casing Attachments

Casing ID: 4 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

MesaVerdeWCUt21H_4.500in_x_13.50__P_110_DQX_20181217095248.pdf

Casing Design Assumptions and Worksheet(s):

MesaVerdeWCUt21H_CsgCriteria_20181217095304.pdf

Section	4 - Ce	emen	t ·							·	
String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1178	977	1.33	14.8	1299	100	Class C	Accelerator

INTERMEDIATE	Lead	0	4631	1054	1.67	13.6	1760	100	Class C	Accelerator, Retarder
			t							· ·

INTERMEDIATE	Lead	4631	4531	1123 1	1005	2.58	10.2	2593	20	Pozzolan C	Retarder
INTERMEDIATE	Tail		1123 1	1223 1	167	1.61	13.2	269	20	Class H	Retarder, Dispersant, Salt
PRODUCTION	Lead		1173 1	1787 0	693	1.38	13.2	956	20	Class H	Retarder, Dispersant, Salt

PRODUCTION	Lead	1173	1787	693	1.38	13.2	956	20	Class H	Retarder, Dispersant,
		1	0							Salt

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements. 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.

Describe the mud monitoring system utilized: PVT/MD Totco/Visual Monitoring

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (łbs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)		Additional Characteristics	
0	1178	WATER-BASED MUD	8.6	8.8									
1223 1	1787 0	OTHER : Water- Based and/or Oil-Based Mud	9.5	12							-		
1178	1223 1	OTHER : Saturated Brine- Based Mud and/or Oil-Based Mud	9	9.6					· .				

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Anticipated Surface Pressure: 5206.3

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

GR from TD to surface (horizontal well - vertical portion of hole). Mud Log from intermediate shoe to TD.

List of open and cased hole logs run in the well:

GR,MUDLOG

Coring operation description for the well:

No coring is planned at this time.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 8041

Anticipated Bottom Hole Temperature(F): 184

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

MesaVerdeWCUt21H_H2S1_20181217123754.pdf MesaVerdeWCUt21H_H2S2_20181217123805.pdf

MesaVerdeWCUt21H_H2SEmergencyContactList_20181217123815.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

MesaVerdeWCUt21H_DirectPlan_20181217123853.pdf

MesaVerdeWCUt21H_DirectPlot_20181217123859.pdf

Other proposed operations facets description:

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 will be run in case a contingency second stage is required for cement to reach surface. If cement circulated to surface during first stage we will drop a cancellation cone and not pump the second stage.

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM 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.

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Well will be drilled with a walking/skidding operation. Plan to drill the multiple 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.

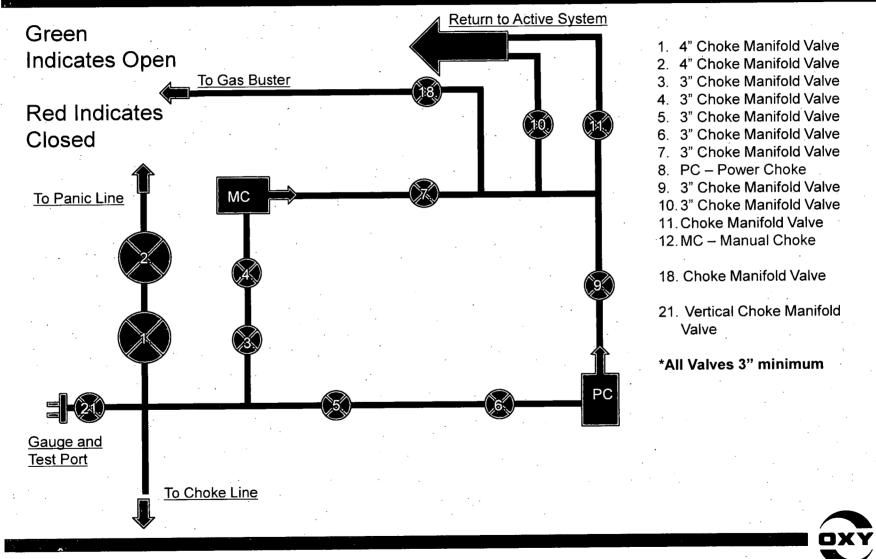
OXY requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that OXY would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.

Other proposed operations facets attachment:

MesaVerdeWCUt21H_GasCapPlan_20181217123955.pdf MesaVerdeWCUt21H_DrillPlan_20181217124005.pdf MesaVerdeWCUt21H_SpudRigData_20181217124022.pdf

Other Variance attachment:

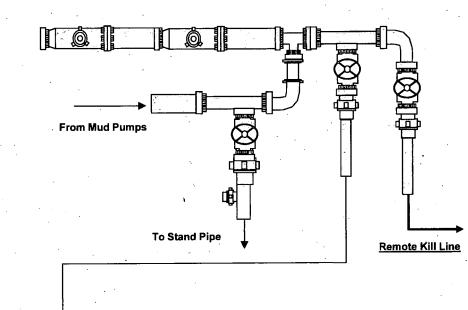
5M Choke Panel



2

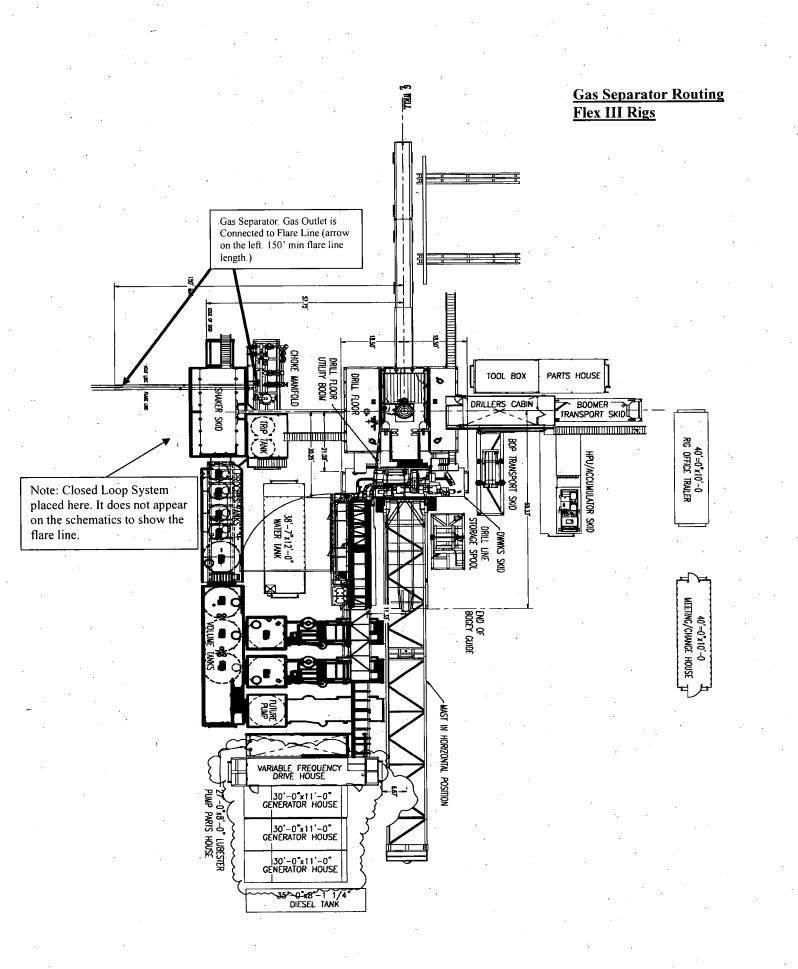
10M REMOTE KILL LINE SCHEMATIC

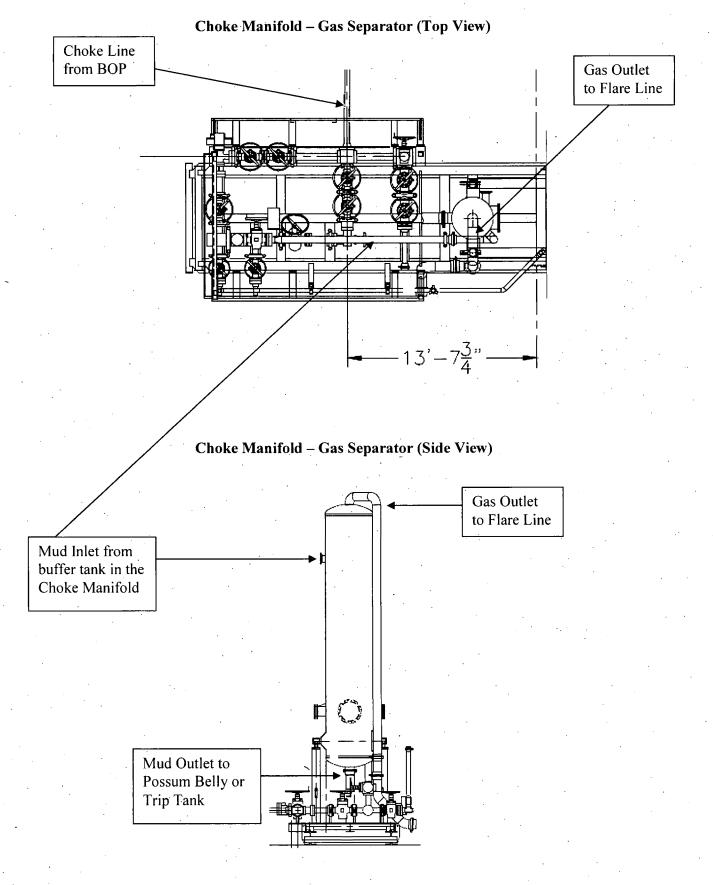
HCR



8 KILL LINE

To Choke Manifold





Coflex Hose Certification



Fluid Technology

Quality Document

CERTIFICATE OF CONFORMITY

Supplier : CONTITECH RUBBER INDUSTRIAL KFT.
Equipment: 6 pcs. Choke and Kill Hose with installed couplings
Type: 3" x 10,67 m WP: 10000 psi
Supplier File Number : 412638
Date of Shipment : April. 2008
Customer : Phoenix Beattie Co.
Customer P.o. : 002491
Referenced Standards
/ Codes / Specifications : API Spec 16 C
Serial No.: 52754,52755,52776,52777,52778,52782

STATEMENT OF CONFORMITY

We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements.

COUNTRY OF ORIGIN HUNGARY/EU

Signed :..

Position: Q.C. Manager

ontiTech Rubber Industrial Kit. Quality Control Dept. (1)

Date: 04. April. 2008

Coflex Hose Certification

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	Constreat Rubber Industrial Kit. Sunticitantral Dept. (2)
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🕶 PHOENIX Beattie	2
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Material Identification Certificate

A NO	006330	Client	HELMERICH 8	A PAYNE INT'L DRILLI	NG Coent Ref	370-369-001

Page 1

Coflex Hose Certification

	· · · · · · · · · · · · · · · · · · ·									
Part No	Description	Material Desc	Material Spec	Qty	WO No.	Batch No	Test Cert No	Bin No	Drg No	Issue No
HP10CK3A-35-4F1	3" 10K 16C C&K HOSE x 35TE GAL			1		52777/H884		WATER		10000110
SECK3-HPF3	LIFTING & SAFETY EQUIPMENT TO			1		002440	·	N/STK		
SC725-200CS		CARBON STEEL		1		H655		22C	· · · · · · · · · · · · ·	
SC725-132CS	SAFETY CLAMP 132MM 7.25T	CARBON STEEL		1	2242	н139		22		
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We hereby certify that these goods have been inspected by our Quality Management System, and to the best of our knowledge are found to conform to relevant industry standards within the requirements of the purchase order as issued to Phoenix Beattle Corporation.

<u>Coflex Hose Certification</u>

Form No.100/12

Phoenix Beattie Corp 11535 Brittacore Park Drive Houston, TX 77041 Tel: (832) 327-0141 Fax: (832) 327-0148 E-asil asiliphoenixbeattie.cos www.phoenixbeattie.cos

Delivery Note

Customer Order Number 370-369-001	Delivery Note Number	003078	Page	1
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER TULSA: OK 74119	Delivery / Address Helmerich & Payne IDC Attn: Joe Stephenson - Rig 13609 Industrial Road Houston, TX 77015	G 370	· · ·	

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattle Reference	Date
H01	JJL	006330	05/23/2008

ltem No	Beattle Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
1	HP10CK3A-35-4F1	1	1	0
	3" 10K 16C C&K HOSE x 35ft OAL CW 4.1/16" API SPEC FLANGE E/			
	End 1: 4.1/16" 10Kps1 API Spec 6A Type 6BX Flange			
	End 2: 4.1/16" 10Kpsi API Spec 6A Type 6BX Flange	. ·		
	c/w BX155 Standard ring groove at each end			
	Suitable for H2S Service			
	Working pressure: 10,000psi			
	Test pressure: 15,000psi			
	Standard: API 16C Full specification			
	Armor Guarding: Included		-	
	Fire Rating: Not Included			
	Temperature rating: -20 Deg C to +100 Deg C		· .	
	Competenzate Facting. 20 beg a colorado beg a	· ·		
2	SECK3-HPF3	1	· 1	
-	LIFTING & SAFETY EQUIPMENT TO SUIT HP10CK3-35-F1	^	-	
	2 x 160mm ID Safety Clamps		1. S.	
	2 x 244mm ID Lifting Collars & element C's			
	2 x 7ft Stainless Steel wire rope 3/4" OD	`		
	4 x 7.75t Shackles			
	4 X 7.70L SINULATES			
3	SC725-200CS	1	1	0 [°]
	SAFETY CLAMP 200MM 7.25T C/S GALVANISED	, I	Ť	U I
	SAFELT CLAMP ZUUMM /.ZOT U/S GALVANISED			

Continued...

All goods remain the property of Phoenix Beattle until paid for In full. Any damage or shortage on this delivery must be advised within 5 days. Returns may be subject to a handling charge. **Coflex Hose Certification**



Fluid Technology

Quality Document

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE								CERT. I	Nº:	746		
PURCH	IASER:		Phoen	ix Bea	ttie C	6 .	,		P.O. Nº	: (002491	
CONTIT	ech ori	der N°:	41263	8	HOS	E TYPE:	3"	D	Ch	oke and K	III Hose	
HOSE 8	SERIAL	N°:	5277	7	NOM	INAL / AC	TUAL L	ENGTH:		10,67 m		
W.P.	68,96	MPa	10000	psi	Т.Р.	103,4	MPa	1500) psi	Duration:	60 ~	min.
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4	4 1/16° i	Flange	end					AIS	61 41 30		26984	-
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All metal					· .	`.						
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Date:			Inspec	tor			Quali	ty Contro		,		
04. A	April. 2	008					7	Dacon (1	iTech Rubb instrial Kit ly Control De (1)		[

🕶 PHOENIX Beattie

Form No 100/12

Phoenix Beattle Corp 11555 Brittzoore Park Drive Houston, TK 77041 Tel: (832) 327-0141 Fax: (832) 327-0148 E-astl satl@phoenixbeattle.con www.phoenixbeattle.com

Delivery Note

Customer Order Number 370-369-001	Delivery Note Number	003078	Page	2
Customer / Invoice Address HELMERICH & PAYNE INT'L DRILLING CO 1437 SOUTH BOULDER	Delivery / Address HELMERICH & PAYNE IDC ATTN: JOE STEPHENSON - RI	G 370	• •	
TULSA, OK 74119	13609 INDUSTRIAL ROAD HOUSTON, TX 77015		·	
		•		

Customer Acc No	Phoenix Beattie Contract Manager	Phoenix Beattle Reference	Date
H01	JJL	006330	05/23/2008

ltem No	Beattie Part Number / Description	Qty Ordered	Qty Sent	Qty To Follow
4	SC725-132CS SAFETY CLAMP 132MM 7.25T C/S GALVANIZED C/W BOLTS	1	1	0
	OOCERT-HYDRO HYDROSTATIC PRESSURE TEST CERTIFICATE	1	1	0
6	OOCERT-LOAD LOAD TEST CERTIFICATES	1	_ 1	· 0
	OOFREIGHT INBOUND / OUTBOUND FREIGHT PRE-PAY & ADD TO FINAL INVOICE NOTE: MATERIAL MUST BE ACCOMPANIED BY PAPERWORK INCLUDING THE PURCHASE ORDER, RIG NUMBER TO ENSURE PROPER PAYMENT	1	1	0
		Pal		
	Phoenix Beattle inspection Signature : Received in Good Condition : Signature Print Name		Wheel	
	Date			ŕ

All goods remain the property of Phoenix Beattle until paid for in full. Any damage or shortage on this delivery must be advised within 5 days. Returns may be subject to a handling charge.

5M BOP Stack

BLIND

PIPE

SPOOL

D

Fill Line

6.

Mud Cross Valves:

- 5. 5M Check Valve
- 6. Outside 5M Kill Line Valve
- 7. Inside 5M Kill Line
- 8. Outside 5M Kill Line Valve
- 9. 5M HCR Valve

*Minimum ID = 2-1/16" on Kill Line side and 3" minimum ID on choke line side

To Kill<

Line

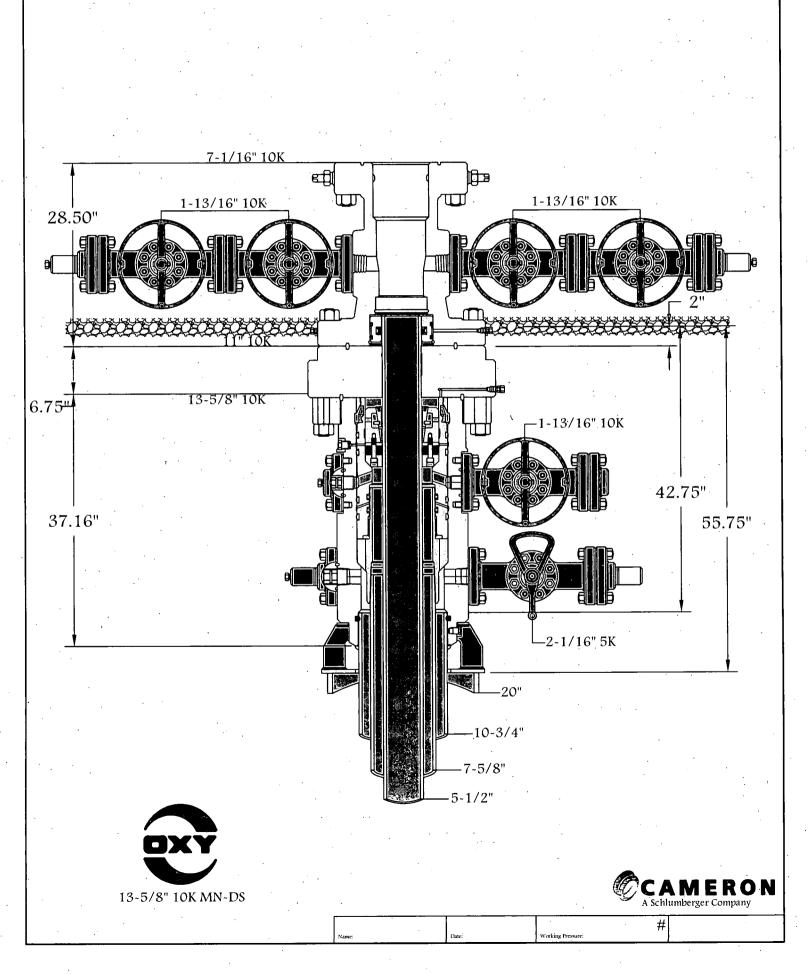
(13-5/8" ID) 2. 5,000 psi Upper Pipe Ram (13-5/8" ID) 3. 5,000 psi Blind Ram (13-5/8" ID)

1. 5000 psi Annular.

 \sim To Co-Flex and Choke Manifold

4 5,000 psi Lower Pipe

Ram (13-5/8" ID)



PERFORMANCE DATA

TMK UP ULTRA™ DQX Technical Data Sheet 4.500 in

13.50 lbs/ft

P-110

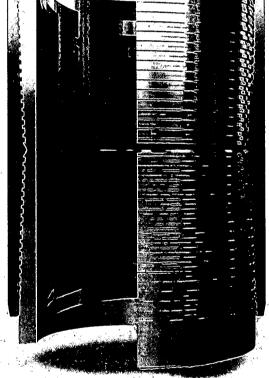
					-
Tubul	ar F	Para	met	ers	

Size	4.500	in
Nominal Weight	13.50	lbs/ft
Grade	P-110	
PE Weight	13,04	lbs/ft
Wall Thickness	0.290	in
Nominal ID	3.920	in
Drift Diameter	3.795	in
Nom. Pipe Body Area	3.836	in²

	Minimum Yield	110,000	psi
ft	Minimum Tensile	125,000	psi
	Yield Load	422,000-	lbs
ft	Ténsile Load	479,000	lbs
	Min, Internal Yield Pressure	12,400	pși
	Collapse Pressure	10,700	psi
	•		

		1	
· .		•	
Connection Parameters			
Connection OD	5.000	in	
Connection ID	3.920	in	
Make-Up Loss	3.772	in	
Critical Section Area	3.836	in²	
Tension Efficiency	100.0	%	
Compression Efficiency	100.0	%	
Yield Load In Tension	422,000	lbs	
Min. Internal Yield Pressure	12,400	psi	
Collapse Pressure	10,700	psi	
Uniaxial Bending	112	°/ 100 ft	
	•	•	

Make-Up Torques		· · ·
Min. Make-Up Torque	6,000	ft-lbs
Opt. Make-Up Torque	6,700	ft-lbs
Max. Make-Up Torque	7,300	ft-lbs
Yield Torque	10,800	ft-lbs



Printed on: October-22-2014

NOTE:

The content of this Technical Data Sheet is for general information only and does not guarantee performance or imply fitness for a particular purpose, which only a competent drilling professional can determine considering the specific installation and operation parameters. Information that is printed or downloaded is no longer controlled by TMK IPSCO and might not be the latest information. Anyone using the information herein does so at their own risk. To verify that you have the latest TMK IPSCO technical information, please contact TMK IPSCO Technical Sales toll-free at 1-888-258-2000.



1. S.

PERFORMANCE DATA

TMK UP DQX **Technical Data Sheet**

Tubular Parameters

Size	5.500	in i	Minimum Yield
Nominal Weight	20.00	lbs/ft	Minimum Tensile
Grade	P-110	· · · ·	Yield Load
PE Weight	19.81	lbs/ft	Tensile Load
Wall Thickness	0.361	in	Min. Internal Yield Pressure
Nominal ID	4.778	in	Collapse Pressure
Drift Diameter	4.653	in	·
Nom. Pipe Body Area	5.828	in²	· · · · · ·
· · · ·			
Connection Parameters			
Connection OD	6.050	in	
Connection ID	4.778	in	
Make-Up Loss	4.122	in	
Critical Section Area	5.828	in² ·	
Tension Efficiency	100.0	%	
Compression Efficiency	100.0	%	
Yield Load In Tension	641,000	lbs	
Min. Internal Yield Pressure	12,600	psi	
Collapse Pressure	11,100	psi	

Make-Up Torques

Min. Make-Up Torque	11,600	ft-lbs
Opt. Make-Up Torque	12,900	ft-lbs
Max. Make-Up Torque	14,100	ft-lbs
Yield Torque	20,600	ft-lbs

Printed on: July-29-2014

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·		•.
Minimum Yield	110,000	psi
Minimum Tensile	125,000	psi
Yield Load	641,000	lbs
Tensile Load	729,000	lbs
Min. Internal Yield Pressure	12,600	psi
Collapse Pressure	11,100	psi

20.00 lbs/ft

P-110

5.500 in

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- o External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- o Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

o Axial: Buoyant weight of the string plus cement plug bump pressure load.

PERFORMANCE DATA

TMK UP ULTRA™ DQX **Technical Data Sheet**

4.500 in

13.50 lbs/ft

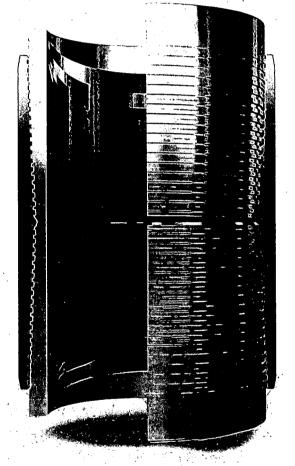
P-110

Tubular Parameters		
Size	4.500	in
Nominal Weight	13.50	lbs/ft
Grade	P-110	
PE Weight	13.04	lbs/ft
Wall Thickness	0.290	in
Nominal ID	3.920	in
Drift Diameter	3.795	in
Nom. Pipe Body Area	3.836	in²

110,000	psi
125,000	psi [°]
422,000	lbs
479,000	lbs
12,400	psi
10,700	psi
	125,000 422,000 479,000 12,400

Connection Parameters			
Connection OD	5.000	in	
Connection ID	3.920	in	
Make-Up Loss	3.772	in	
Critical Section Area	3.836	in²	
Tension Efficiency	100.0	%	
Compression Efficiency	100.0	%	
Yield Load In Tension	422,000	lbs-	
Min. Internal Yield Pressure	12,400	psi	
Collapse Pressure	10,700	psi	
Uniaxial Bending	112	°/ 100 ft	
	•	• •	

Make-Up Torques Min. Make-Up Torque 6,000 6,700 Opt. Make-Up Torque Max. Make-Up Torque 7,300



Printed on: October-22-2014

NOTE:

Yield Torque

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10,800

ft-lbs

ft-lbs

ft-lbs

ft-lbs



OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- $_{\odot}$ External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- o Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

• Axial: Buoyant weight of the string plus cement plug bump pressure load.

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
- External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Kick (Intermediate)

- The string must be designed to at least a gas kick load case unless the rig is unable to detect a kick. For the gas kick load case, the internal pressure profile must be based on a minimum volume of 50 bbl or the minimum kick detection capability of the rig, whichever is greater, and a kick intensity of 2.0 ppg for Class 1, 1.0 ppg of Class 2, and 0.5 ppg for Class 3 and 4 wells.
- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

Axial: Buoyant weight of the string plus cement plug bump pressure load.

OXY's Minimum Design Criteria

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

- CSG Test (Surface)
 - Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
 - For Production: The design pressure test should be the greater of (1) the planned test pressure prior to stimulation down the casing. (2) the regulatory test pressure, and (3) the expected gas lift system pressure. The design test fluid should be the fluid associated with pressure test having the greatest pressure.
 - External:
 - For Drilling: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.
 - For Production: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

Bullheading (Surface / Intermediate)

- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

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- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
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Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
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Injection / Stimulation Down Casing (Production)

- o Internal: Surface pressure plus injection fluid gradient.
 - External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

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- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- o Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

Axial: Buoyant weight of the string plus cement plug bump pressure load.

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Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
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Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- o Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

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Tubing Leak Near Surface While Producing (Production)

- Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
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- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

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- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- o Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

PERFORMANCE DATA

TMK UP DQX

5.500 in

20.00 lbs/ft

P-110

Tecl	hnical	Data	Sheet

Tubular Parameters

Size	5.500 <u>(</u>	in
Nominal Weight	20.00	lbs/ft
Grade	P-110	
PE Weight	19.81	lbs/ft
Wall Thickness	0.361 [.]	in
Nominal ID	4.778	in
Drift Diameter	4.653	in
Nom. Pipe Body Area	5.828	in²

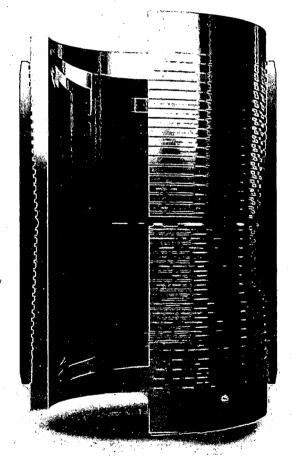
Connection Parameters

Connection OD	6.050	iņ
Connection ID	4.778	in
Make-Up Loss	4.122	in 🕔
Critical Section Area	5.828	in²
Tension Efficiency	100.0	: %
Compression Efficiency	100.0	%
Yield Load In Tension	641,000	lbs
Min. Internal Yield Pressure	12,600	psi
Collapse Pressure	11,100	psi

Make-Up Torques

Min. Make-Up Torque	11,600	ft-lbs
Opt. Make-Up Torque	12,900	ft-lbs
Max. Make-Up Torque	14,100	ft-lbs
Yield Torque	20,600	ft-lbs

Minimum Yield	110,000	psi
Minimum Tensile	125,000	psi
Yield Load	641,000	lbs
Tensile Load	729,000	lbs
Min. Internal Yield Pressure	12,600	psi
Collapse Pressure	11,100	psi



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NOTE:

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Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Mud Weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

CSG Test (Production)

- o. Internal:
 - For Drilling: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
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Gas Column (Surface)

- Internal: Assumes a full column of gas in the casing with a Gas/Oil Gradient of 0.1 psi/ft in the absence of better information. It is limited to the controlling pressure based on the fracture pressure at the shoe or the maximum expected pore pressure within the next drilling interval, whichever results in a lower surface pressure.
- External: Fluid gradient below TOC, pore pressure from the TOC to the Intermediate CSG shoe (if applicable), and MW of the drilling mud that was in the hole when the CSG was run from Intermediate CSG shoe to surface.

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Injection / Stimulation Down Casing (Production)

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b) Collapse Loads

Lost Circulation (Surface / Intermediate)

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Cementing (Surface / Intermediate / Production)

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- Internal: The string must be designed to withstand a pressure profile based on the fracture pressure at the casing shoe with a column of water above the shoe plus an additional surface pressure (in psi) of 0.02 X MD of the shoe to account for pumping friction pressure.
- External: Mud weight to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

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- Internal: Influx depth of the maximum pore pressure of 0.55 "gas kick gravity" of gas to surface while drilling the next hole section.
- External: Mud weight to the TOC, cement mix water gradient below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Producing (Production)

- o Internal: SITP plus a packer fluid gradient to the shoe or top of packer.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Tubing Leak Near Surface While Stimulating (Production)

- Internal: Surface pressure or pressure-relief system pressure, whichever is lower plus packer fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

Injection / Stimulation Down Casing (Production)

- o Internal: Surface pressure plus injection fluid gradient.
- External: Mud base-fluid density to TOC, cement mix water gradient (8.4 ppg) below TOC, and pore pressure in open hole.

b) Collapse Loads

Lost Circulation (Surface / Intermediate)

- Internal: Lost circulation at the TD of the next hole section, and the fluid level falls to a depth where the hydrostatic of the mud equals pore pressure at the depth of the lost circulation zone.
- External: MW of the drilling mud that was in the hole when the casing was run.

Cementing (Surface / Intermediate / Production)

- Internal: Displacement fluid density.
- External: Mud weight from TOC to surface and cement slurry weight from TOC to casing shoe.

Full Evacuation (Production)

- o Internal: Full void pipe.
- External: MW of drilling mud in the hole when the casing was run.

c) Tension Loads

Running Casing (Surface / Intermediate / Production)

 Axial: Buoyant weight of the string plus the lesser of 100,000 lb or the string weight in air.

Green Cement (Surface / Intermediate / Production)

Burst, Collapse, and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software. A sundry will be requested if any lesser grade or different size casing is substituted.

1) Casing Design Assumptions

a) Burst Loads

CSG Test (Surface)

- Internal: Displacement fluid + pressure required to comply with regulatory casing test pressures. This will comply with both Onshore Oil and Gas Order No. 2 and 19.15.16 of the OCD Rules.
- External: Pore pressure in open hole.

CSG Test (Intermediate)

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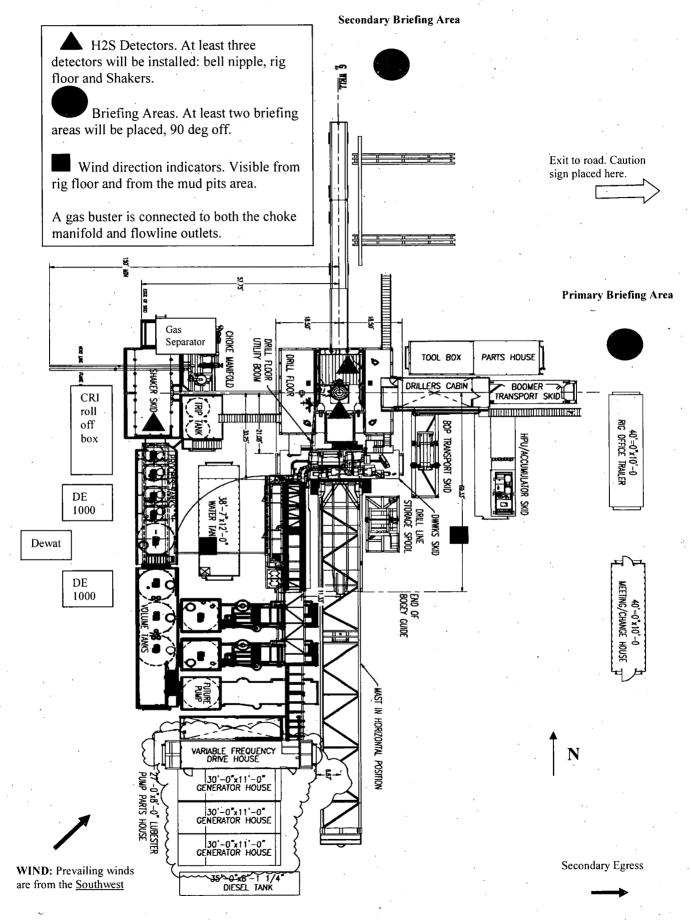
DXY Permian

Permian Drilling Hydrogen Sulfide Drilling Operations Plan Mesa Verde WC Unit 21H

Open drill site. No homes or buildings are near the proposed location.

1. Escape

Personnel shall escape upwind of wellbore in the event of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then a secondary egress route should be taken.



- 2 -

- 2 -

DXYPermian

Permian Drilling Hydrogen Sulfide Drilling Operations Plan New Mexico

Scope

This contingency plan establishes guidelines for the public, all company employees, and contract employees who's work activities may involve exposure to hydrogen sulfide (H2S) gas.

While drilling this well, it is possible to encounter H2S bearing formations. At all times, the first barrier to control H2S emissions will be the drilling fluid, which will have a density high enough to control influx.

Objective

- 1. Provide an immediate and predetermined response plan to any condition when H2S is detected. All H2S detections in excess of 10 parts per million (ppm) concentration are considered an Emergency.
- 2. Prevent any and all accidents, and prevent the uncontrolled release of hydrogen sulfide into the atmosphere.
- 3. Provide proper evacuation procedures to cope with emergencies.
- 4.

Provide immediate and adequate medical attention should an injury occur.

Discussion

Implementation:

Emergency response Procedure:

Emergency equipment Procedure:

Training provisions:

Drilling emergency call lists:

Briefing:

Public safety:

Check lists:

General information:

This plan with all details is to be fully implemented before drilling to <u>commence</u>.

This section outlines the conditions and denotes steps to be taken in the event of an emergency.

This section outlines the safety and emergency equipment that will be required for the drilling of this well.

This section outlines the training provisions that must be adhered to prior to drilling.

Included are the telephone numbers of all persons to be contacted should an emergency exist.

This section deals with the briefing of all people involved in the drilling operation.

Public safety personnel will be made aware of any potential evacuation and any additional support needed.

Status check lists and procedural check lists have been included to insure adherence to the plan.

A general information section has been included to supply support information.

- 2 -

Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on the well:

- 1. The hazards and characteristics of H2S.
- 2. Proper use and maintenance of personal protective equipment and life support systems.
- 3. H2S detection.
- 4. Proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
- 5. Proper techniques for first aid and rescue procedures.
- 6. Physical effects of hydrogen sulfide on the human body.
- 7. Toxicity of hydrogen sulfide and sulfur dioxide.
- 8. Use of SCBA and supplied air equipment.
- 9. First aid and artificial respiration.
- 10. Emergency rescue.

In addition, supervisory personnel will be trained in the following areas:

- 1. The effects of H2S on metal components. If high tensile strength tubular is to be used, personnel will be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling a well, blowout prevention and well control procedures.
- 3. The contents and requirements of the H2S Drilling Operations Plan.

H2S training refresher must have been taken within one year prior to drilling the well. Specifics on the well to be drilled will be discussed during the pre-spud meeting. H2S and well control (choke) drills will be performed while drilling the well, at least on a weekly basis. This plan shall be available in the well site. All personnel will be required to carry the documentation proving that the H2S training has been taken.

Service company and visiting personnel

C.

- A. Each service company that will be on this well will be notified if the zone contains H2S.
- B. Each service company must provide for the training and equipment of their employees before they arrive at the well site.
 - Each service company will be expected to attend a well site briefing

- 3 -

Emergency Equipment Requirements

Well control equipment

1.

2.

The well shall have hydraulic BOP equipment for the anticipated pressures. Equipment is to be tested on installation and follow Oxy Well Control standard, as well as BLM Onshore Order #2.

Special control equipment:

A. Hydraulic BOP equipment with remote control on ground. Remotely operated choke.

B. Rotating head

C. Gas buster equipment shall be installed before drilling out of surface pipe.

Protective equipment for personnel

A. Four (4) 30-minute positive pressure air packs (2 at each briefing area) on location.

B. Adequate fire extinguishers shall be located at strategic locations.

C. Radio / cell telephone communication will be available at the rig.

- Rig floor and trailers.
- Vehicle.
- 3. Hydrogen sulfide sensors and alarms
 - A. H2S sensor with alarms will be located on the rig floor, at the bell nipple, and at the flow line. These monitors will be set to alarm at 10 ppm with strobe light, and audible alarm.
 - B. Hand operated detectors with tubes.
 - C. H2S monitor tester (to be provided by contract Safety Company.)
 - D. There shall be one combustible gas detector on location at all times.

4. Visual Warning Systems

A. One sign located at each location entrance with the following language:

Caution – potential poison gas Hydrogen sulfide No admittance without authorization

- 4 -

Wind sock – wind streamers:

- A. One 36" (in length) wind sock located at protection center, at height visible from rig floor.
- B. One 36" (in length) wind sock located at height visible from pit areas.

Condition flags

A. One each condition flag to be displayed to denote conditions.

green – normal conditions yellow – potential danger red – danger, H2S present

B. Condition flag shall be posted at each location sign entrance.

Mud Program

· 5.

6.

7.

The mud program is designed to minimize the risk of having H2S and other formation fluids at surface. Proper mud weight and safe drilling practices will be applied. H2S scavengers will be used to minimize the hazards while drilling. Below is a summary of the drilling program.

Mud inspection devices:

Garrett gas train or hatch tester for inspection of sulfide concentration in mud system.

- <u>Metallurgy</u>
 - A. Drill string, casing, tubing, wellhead, blowout preventers, drilling spools or adapters, kill lines, choke manifold, lines and valves shall be suitable for the H2S service.
 - B. All the elastomers, packing, seals and ring gaskets shall be suitable for H2S service.

Well Testing

No drill stem test will be performed on this well.

8. Evacuation plan

Evacuation routes should be established prior to well spud for each well and discussed with all rig personnel.

9. <u>Designated area</u>

A.

5.

A. Parking and visitor area: all vehicles are to be parked at a predetermined safe distance from the wellhead.

B. There will be a designated smoking area.

C. Two briefing areas on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds perpendicularly, or at a 45-degree angle if wind direction tends to shift in the area.

Emergency procedures

In the event of any evidence of H2S level above 10 ppm, take the following steps:

1. The Driller will pick up off bottom, shut down the pumps, slow down the pipe rotation.

2. Secure and don escape breathing equipment, report to the upwind designated safe briefing / muster area.

3. All personnel on location will be accounted for and emergency search should begin for any missing, the Buddy System will be implemented.

4. Order non-essential personnel to leave the well site, order all essential personnel out of the danger zone and upwind to the nearest designated safe briefing / muster area.

Entrance to the location will be secured to a higher level than our usual "Meet and Greet" requirement, and the proper condition flag will be displayed at the entrance to the location.

6. Take steps to determine if the H2S level can be corrected or suppressed and, if so, proceed as required.

B. If uncontrollable conditions occur:

1. Take steps to protect and/or remove any public in the down-wind area from the rig – partial evacuation and isolation. Notify necessary public safety personnel and appropriate regulatory entities (i.e. BLM) of the situation.

- 6 -

- 2. Remove all personnel to the nearest upwind designated safe briefing / muster area or off location.
 - Notify public safety personnel of safe briefing / muster area.
- 4. An assigned crew member will blockade the entrance to the location. No unauthorized personnel will be allowed entry to the location.
- 5. Proceed with best plan (at the time) to regain control of the well. Maintain tight security and safety procedures.

C. Responsibility:

3.

- 1. Designated personnel.
 - a. Shall be responsible for the total implementation of this plan.
 - b. Shall be in complete command during any emergency.
 - c. Shall designate a back-up.

All personnel:

 On alarm, don escape unit and report to the nearest upwind designated safe briefing / muster area upw
 Check status of personnel (buddy system).

- 3. Secure breathing equipment.
- 4. Await orders from supervisor.

Drill site manager:

- 1. Don escape unit if necessary and report to nearest upwind designated safe briefing / muster area.
- 2. Coordinate preparations of individuals to return to point of release with tool pusher and driller (using the buddy system).
- 3. Determine H2S concentrations.
- 4. Assess situation and take control measures.
- 1. Don escape unit Report to up nearest upwind designated safe briefing / muster area.
- 2. Coordinate preparation of individuals to return to point of release with tool pusher drill site manager (using the buddy system).
- 3. Determine H2S concentration.
- 4. Assess situation and take control measures.

Driller:

Tool pusher:

1. Don escape unit, shut down pumps, continue

- 7 -

rotating DP.

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1.

- 2. Check monitor for point of release.
- 3. Report to nearest upwind designated safe briefing / muster area.
- 4. Check status of personnel (in an attempt to rescue, use the buddy system).
- 5. Assigns least essential person to notify Drill Site Manager and tool pusher by quickest means in case of their absence.
- 6. Assumes the responsibilities of the Drill Site Manager and tool pusher until they arrive should they be absent.

Derrick man Floor man #1 Floor man #2

Mud engineer:

- Will remain in briefing / muster area until instructed by supervisor.
- Report to nearest upwind designated safe briefing / muster area.
- 2. When instructed, begin check of mud for ph and H2S level. (Garett gas train.)
- Safety personnel:
- Mask up and check status of all personnel and secure operations as instructed by drill site manager.

Taking a kick

When taking a kick during an H2S emergency, all personnel will follow standard Well control procedures after reporting to briefing area and masking up.

Open-hole logging

All unnecessary personnel off floor. Drill Site Manager and safety personnel should monitor condition, advise status and determine need for use of air equipment.

Running casing or plugging

Following the same "tripping" procedure as above. Drill Site Manager and safety personnel should determine if all personnel have access to protective equipment.

Ignition procedures

The decision to ignite the well is the responsibility of the operator (Oxy Drilling Management). The decision should be made only as a last resort and in a situation where it is clear that:

- 1. Human life and property are endangered.
- 2. There is no hope controlling the blowout under the prevailing conditions at the well.

Instructions for igniting the well

- 1. Two people are required for the actual igniting operation. They must wear self-contained breathing units and have a safety rope attached. One man (tool pusher or safety engineer) will check the atmosphere for explosive gases with
- the gas monitor. The other man is responsible for igniting the well.Primary method to ignite: 25 mm flare gun with range of approximately 500
- feet.
- 3. Ignite upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best for protection, and which offers an easy escape route.
- 5. Before firing, check for presence of combustible gas.
- 6. After lighting, continue emergency action and procedure as before.
- 7. All unassigned personnel will remain in briefing area until instructed by supervisor or directed by the Drill Site Manager.

<u>**Remember</u>**: After well is ignited, burning hydrogen sulfide will convert to sulfur dioxide, which is also highly toxic. <u>**Do not assume the area is safe after the well is ignited.**</u></u>

	<u>Status cneck list</u>				
Note:	All items on this list must be completed before drilling to production casing point.				
1.	H2S sign at location entrance.				
2.	Two (2) wind socks located as required.				
3.	Four (4) 30-minute positive pressure air packs (2 at each Briefing area) on location for all rig personnel and mud loggers.				
4.	Air packs inspected and ready for use.				
5.	Cascade system and hose line hook-up as needed.				
6.	Cascade system for refilling air bottles as needed.				
7.	Condition flag on location and ready for use.				
8.	H2S detection system hooked up and tested.				
9.	H2S alarm system hooked up and tested.				
10.	Hand operated H2S detector with tubes on location.				
11.	1 - 100' length of nylon rope on location.				
12.	All rig crew and supervisors trained as required.				
13.	All outside service contractors advised of potential H2S hazard on well.				
14.	No smoking sign posted and a designated smoking area identified.				
15.	Calibration of all H2S equipment shall be noted on the IADC report.				

Checked by:_

Date:

10

Procedural check list during H2S events

Perform each tour:

- 1. Check fire extinguishers to see that they have the proper charge.
- 2. Check breathing equipment to ensure that it in proper working order.
- 3. Make sure all the H2S detection system is operative.

Perform each week:

- 1. Check each piece of breathing equipment to make sure that demand or forced air regulator is working. This requires that the bottle be opened and the mask assembly be put on tight enough so that when you inhale, you receive air or feel air flow.
- 2. BOP skills (well control drills).
- 3. Check supply pressure on BOP accumulator stand by source.
- 4. Check breathing equipment mask assembly to see that straps are loosened and turned back, ready to put on.
- 5. Check pressure on breathing equipment air bottles to make sure they are charged to full volume. (Air quality checked for proper air grade "D" before bringing to location)

11

- 6. Confirm pressure on all supply air bottles.
- 7. Perform breathing equipment drills with on-site personnel.
- 8. Check the following supplies for availability.
 - A. Emergency telephone list.
 - B. Hand operated H2S detectors and tubes.

General evacuation_plan

When the company approved supervisor (Drill Site Manager, consultant, rig pusher, or driller) determines the H2S gas cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.

2. Drill Site Manager or designee will notify local government agency that a hazardous condition exists and evacuation needs to be implemented.

Company or contractor safety personnel that have been trained in the use of H2S detection equipment and self-contained breathing equipment will monitor H2S concentrations, wind directions, and area of exposure. They will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area will be determined from information gathered.

4. Law enforcement personnel (state police, police dept., fire dept., and sheriff's dept.) Will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.

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After the discharge of gas has been controlled, company safety personnel will determine when the area is safe for re-entry.

<u>Important:</u> Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

Emergency actions

Well blowout – if emergency

- 1. Evacuate all personnel to "Safe Briefing / Muster Areas" or off location if needed.
- 2. If sour gas evacuate rig personnel.
- 3. If sour gas evacuate public within 3000 ft radius of exposure.
- 4. Don SCBA and shut well in if possible using the buddy system.
- 5. Notify Drilling Superintendent and call 911 for emergency help (fire dept and ambulance) if needed.
- 6. Implement the Blowout Contingency Plan, and Drilling Emergency Action Plan.
- 6. Give first aid as needed.

Person down location/facility

- 1. If immediately possible, contact 911. Give location and wait for confirmation.
- 2. Don SCBA and perform rescue operation using buddy system.

Toxic effects of hydrogen sulfide

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 ppm, which is .001% by volume. Hydrogen sulfide is heavier than air (specific gravity -1.192) and colorless. It forms an explosive mixture with air between 4.3 and 46.0 percent by volume. Hydrogen sulfide is almost as toxic as hydrogen cyanide and is between five and six times more toxic than carbon monoxide. Toxicity data for hydrogen sulfide and various other gases are compared in table i. Physical effects at various hydrogen sulfide exposure levels are shown in table ii.

Table i

Toxicity of various gases

Common name	Chemical formula	Specific gravity (sc=1)	Threshold limit (1)	Hazardous limit (2)	Lethal concentration (3)
Hydrogen Cyanide	Hen	0.94	10 ppm	150 ppm/hr	300 ppm
Hydrogen Sulfide	H2S	. 1.18	10 ppm	250 ppm/hr	600 ppm
Sulfur Dioxide	So2	2.21	5 ppm	-	1000 ppm
Chlorine	C12	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	Со	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	Co2	1.52	5000 ppm	5%	10%
Methane	Ch4	0.55	90,000 ppm	Combustibl	e above 5% in air

1) threshold limit – concentration at which it is believed that all workers may be repeatedly exposed day after day without adverse effects.

2) hazardous limit – concentration that will cause death with short-term exposure.

3) lethal concentration – concentration that will cause death with short-term exposure.

Toxic effects of hydrogen sulfide

Table ii

Physical effects of hydrogen sulfide

		Concentration	
Percent (%)	<u>Ppm</u>	Grains	
		100 std. Ft3*	
0.001	<10	00.65	•

Physical effects

Obvious and unpleasant odor.

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	•		•
0.002	10	01.30	Safe for 8 hours of exposure.
0.010	100	06.48	Kill smell in $3 - 15$ minutes. May sting eyes 3 and throat.
0.020	200	12.96	Kills smell shortly; stings eyes and throat.
0.050	500	32.96	Dizziness; breathing ceases in a few minutes; needs prompt artificial respiration.
0.070	700	45.36	Unconscious quickly; death will result if not rescued promptly.
0.100	1000	64.30	Unconscious at once; followed by death within minutes.

*at 15.00 psia and 60'f.

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Use of self-contained breathing equipment (SCBA)

- Written procedures shall be prepared covering safe use of SCBA's in dangerous atmosphere, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available SCBA.
- SCBA's shall be inspected frequently at random to insure that they are properly used, cleaned, and maintained.

Anyone who may use the SCBA's shall be trained in how to insure proper facepiece to face seal. They shall wear SCBA's in normal air and then wear them in a test atmosphere. (note: such items as facial hair {beard or sideburns} and eyeglasses will not allow proper seal.) Anyone that may be reasonably expected to wear SCBA's should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses or contact lenses.

4. Maintenance and care of SCBA's:

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3.

- a. A program for maintenance and care of SCBA's shall include the following:
 - 1. Inspection for defects, including leak checks.
 - 2. Cleaning and disinfecting.
 - 3. Repair.
 - 4. Storage.
- b. Inspection, self-contained breathing apparatus for emergency use shall be inspected monthly.
 - 1. Fully charged cylinders.
 - 2. Regulator and warning device operation.
 - 3. Condition of face piece and connections.
 - 4. Rubber parts shall be maintained to keep them pliable and prevent deterioration.
- c. Routinely used SCBA's shall be collected, cleaned and disinfected as frequently as necessary to insure proper protection is provided.
- 5. Persons assigned tasks that requires use of self-contained breathing equipment shall be certified physically fit (medically cleared) for breathing equipment usage at least annually.
- 6. SCBA's should be worn when:
 - A. Any employee works near the top or on top of any tank unless test reveals less than 10 ppm of H2S.

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- B. When breaking out any line where H2S can reasonably be expected.
 - When sampling air in areas to determine if toxic concentrations of H2S exists.
- D. When working in areas where over 10 ppm H2S has been detected.
- E. At any time there is a doubt as to the H2S level in the area to be entered.

<u>Rescue</u> <u>First aid for H2S poisoning</u>

Do not panic!

С.

Remain calm – think!

- 1. Don SCBA breathing equipment.
- 2. Remove victim(s) utilizing buddy system to fresh air as quickly as possible. (go up-wind from source or at right angle to the wind. Not down wind.)
- 3. Briefly apply chest pressure arm lift method of artificial respiration to clean the victim's lungs and to avoid inhaling any toxic gas directly from the victim's lungs.
- 4. Provide for prompt transportation to the hospital, and continue giving artificial respiration if needed.
- 5. Hospital(s) or medical facilities need to be informed, before-hand, of the possibility of H2S gas poisoning no matter how remote the possibility is.
- 6. Notify emergency room personnel that the victim(s) has been exposed to H2S gas.

Besides basic first aid, everyone on location should have a good working knowledge of artificial respiration.

Revised CM 6/27/2012

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OXY Permian Delaware NM Basin Drilling & Completions Incident Reporting OXY Permian Crisis Team Hotline Notification

Person	Location	Office Phone	Cell/Mobile Phone
Drilling & Completions Department			1
Drilling & Completions Manager: John Willis	Houston	(713) 366-5556	(713) 259-1417
Drilling Superintendent: Simon Benavides	Houston	(713) 215-7403	(832) 528-3547
Completions Superintendent: Chris Winter	Houston	(713) 366-5212	(806) 239-8774
Drilling Eng. Supervisor: Diego Tellez	Houston	(713) 350-4602	(713) 303-4932
Drilling Eng. Supervisor: Randy Neel	Houston	(713) 215-7987	(713) 517-5544
Completions Eng. Supervisor: Evan Hinkel	Houston	(713) 366-5436	(281) 236-6153
Drilling & Completions HES Lead. Ryan Green	Houston	713-336-5753	281-520-5216
Drilling & Completions HES Advisor:Kenny Williams	Carlsbad	(432) 686-1434	(337) 208-0911
Drilling & Completions HES Advisor:Kyle Holden	Carlsbad	(432) 686-1435	(661) 369-5328
Drilling & Completions HES Advisor Sr:Dave Schmidt	Carlsbad	_	(559) 310-8572
Drilling & Completions HES Advisor. :Seth Doyle	Carlsbad		(337) 499-0756
HES / Enviromental & Regulatory Departme	nt Location	Office	Cell Phone
Jon Hamil-HES Manager	Houston	(713) 497-2494	(832) 537-9885
Mark Birk-HES Manager	Houston	(713) 350-4615	(949) 413-3127
Austin Tramell	Midland	(432) 699-4208	(575) 499-4919
Rico Munoz	Midland	(432) 699-8366	(432) 803-4116
Amber DuckWorth	Midland		(832) 966-1879
Kelley Montgomery- Regulatory Manager	Houston	(713) 366-5716	(832) 454-8137
Sandra Musallam -Regulatory Lead	Houston	+1 (713) 366-5106	+1 (713) 504-8577
Bishop, Steve-DOT Pipeline Coordinator	Midland	432-685-5614	÷ .
Wilson, Dusty-Safety Advisor	Midland	432-685-5771	(432) 254-2336
John W Dittrich Eniromental Advisor	Midland		(575) 390-2828
William (Jack) Calhoun-Environmental Lead	Houston	+713 (350) 4906	(281) 917-8571
Robert Barrow-Risk Engineer Manager	Houston	(713) 366-5611	(832) 867-5336
Sarah Holmes-HSE Cordinator	Midland	432-685-5758	
Administrative	Location	Office	· · ·
Sarah Holmes	Midland	432-685-5830	
Robertson, Debbie	Midland	432-685-5812	
Laci Hollaway	Midland	(432) 685-5716	(432) 631-6341
Administrative	Location	Office	······································
Rosalinda Escajeda	Midland	432-685-5831	

Person	Location	Office Phone	Cell/Mobile Phone
Noreno, Leslie (contract)	Hobbs	575-397-8247	
Sehon, Angela (contractor)	Levelland	806-894-8347	
Vasquez, Claudia (contractor)	North Cowden	432-385-3120	· · · · · · · · · · · · · · · · · · ·
XstremeMD	Location	Office	
Medical Case Management	Orla, TX	(337) 205-9314	
Axiom Medical Consulting	Location	Office	· ·
Medical Case Management		(877) 502-9466	
Regulatory Agencies			
Bureau of Land Management	Carlsbad, NM	(505) 887-6544	
Bureau of Land Management	Hobbs, NM	(505) 393-3612	
Bureau of Land Management	Roswell, NM	(505) 393-3612	
Bureau of Land Management	Santa Fe, NM	(505) 988-6030	
DOT Juisdictional Pipelines-Incident Reporting New		(505) 827-3549	
Mexico Public Regulaion Commission	Santa Fe, NM	(505) 490-2375	
DOT Juisdictional Pipelines-Incident Reporting Texas			
Railroad Commission	Austin, TX	(512) 463-6788	
EPA Hot Line	Dallas, Texas	(214) 665-6444	
Federal OSHA, Area Office	Lubbock, Texas	(806) 472-7681	
National Response Center	Washington, D. C.	(800) 424-8802	· · ·
National Infrastructure Coordinator Center		(202) 282-9201	· · · · · · · · · · · · · · · · · · ·
New Mexico Air Quality Bureau	Santa Fe, NM	(505) 827-1494	After Hours (505) 37
New Mexico Oil Conservation Division	Artesia, NM	(505) 748-1283	7545
New Mexico Oil Conservation Division	Hobbs, NM	(505) 393-6161	
New Mexico Oil Conservation Division	Santa Fe, NM	(505) 471-1068	-
New Mexico OCD Environmental Bureau	Santa Fe, NM	(505) 476-3470	
New Mexico Environmental Department	Hobbs, NM	(505) 827-9329	
NM State Emergency Response Center	Santa Fe, NM	(505) 827-9222	
Railroad Commission of TX	District 1 San Antonio		
Railroad Commission of TX	District 7C San Angel		
Railroad Commission of TX	District 8, 8A Midland		
Texas Emergency Response Center	Austin, TX	(512) 463-7727	
TCEQ Air	Region 2 Lubbock, TX	(806) 796-3494	
TCEQ Water/Waste/Air	Region 3 Abilene, TX	(325) 698-9674	
TCEQ Water/Waste/Air	Region 7 Midland, TX		
TCEQ Water/Waste/Air	Region 9 San Antonio	1	
TCEQ Water/Waste/Air	Region 8 San Angelo	(325) 655-9479	· · · ·
Medical Facilities			
Abernathy Medical Clinic	Abernathy, TX	(806) 298-2524	
Alliance Hospital	Odessa, TX	(432) 550-1000	
Artesia General Hospital	Artesia, NM	(505) 748-3333	
Brownfield Regional Medical Center	Brownfield, TX	(806) 637-3551	
		1	

Person	Location	Office Phone	Cell/Mobile Phone
Cogdell Memorial Hospital	Snyder, TX	(325) 573-6374	
Covenant Hospital Levelland	Levelland, TX	(806) 894-4963	
Covenant Medical Center	Lubbock, TX	(806) 725-1011	
Covenant Medical Center Lakeside	⁽ Lubbock, TX	(806) 725-6000	•
Covenant Family Health	Synder, TX	(325) 573-1300	-
Crockett County Hospital	Ozona, TX	(325) 392-2671	
Guadalupe Medical Center	Carlsbad, NM	(505) 887-6633	
Lea Regional Hospital	Hobbs, NM	(505) 492-5000	
McCamey Hospital	McCamey, TX	(432) 652-8626	
Medical Arts Hospital	Lamesa, TX	(806) 872-2183	
Medical Center Hospital	Odessa, TX	(432) 640-4000	
Medi Center Hospital	San Angelo, TX	(325) 653-6741	
Memorial Hospital	Ét. Stockton	(432) 336-2241	•
Memorial Hospital	Seminole, TX	(432) 758-5811	
Midland Memorial Hospital	Midland, TX	(432) 685-1111	
Nor-Lea General Hospital	Lovington, NM	(505) 396-6611	
Odessa Regional Hospital	Odessa, TX	(432) 334-8200	
Permian General Hospital	Andrews, TX	(432) 523-2200	
Reagan County Hospital	Big Lake, TX	(325) 884-2561	
Reeves County Hospital	Pecos, TX	(432) 447-3551	
Shannon Medical Center	San Angelo, TX	(325) 653-6741	
Union County General Hospital	Clayton, NM	(505) 374-2585	
University Medical Center	Lubbock, TX	(806) 725-8200	
Val Verde Regional Medical Center	Del Rio, TX	(830) 775-8566	
Ward Memorial Hospital	Monahans, TX	(432) 943-2511	
Yoakum County Hospital	Denver City, TX	(806) 592-5484	
Law Enforcement - Sheriff	· · · · · · · · · · · · · · · · · · ·		
Andrews Cty Sheriff's Department	Andrews County(Andr	(432) 523-5545	
Crane Cty Sheriff's Department	Crane, County (Crane)	(432) 558-3571	· ··································
Crockett Cty Sheriff's Department	Crockett County (Ozor	(325) 392-2661	
Dawson Cty Sheriff's Department	Dawson County (Lame	(806) 872-7560	
Ector Cty Sheriff's Department	Ector County (Odessa)	(432) 335-3050	·
Eddy Cty Sheriff's Department	Eddy County (Artesia)	(505) 746-2704	· · · · · · · · · · · · · · · · · · ·
Eddy Cty Sheriff's Department	Eddy County (Carlsbac	(505) 887-7551	
Gaines Cty Sheriff's Department	Gaines County (Semin	(432) 758-9871	
Hockley Cty Sheriff's Department	Hockley County(Level	(806) 894-3126	
Kent Cty (Jayton City Sheriff's Dept.)	Kent County(Jayton)	(806) 237-3801	· · · · · · · · · · · · · · · · · · ·
Lea Cty Sheriff's Department	Lea County (Eunice)	(505) 384-2020	· · ·
Lea Cty Sheriff's Department	Lea County (Hobbs)	(505) 393-2515	
Lea Cty Sheriff's Department	Lea County (Lovingtor	(505) 396-3611	
Lubbock Cty Sheriff's Department	Lubbock Cty (Abernat	(806) 296-2724	· · · · · · · · · · · · · · · · · · ·
Midland Cty Sheriff's Department	Midland County (Midl	(432) 688-1277	

Person	Location	Office Phone	Cell/Mobile Phone
Pecos Cty Sheriff's Department	Pecos County (Iraan)	(432) 639-2251	
Reeves Cty Sheriff's Department	Reeves County (Pecos)	(432) 445-4901	
Scurry Cty Sheriff's Department	Scurry County (Snyder	(325) 573-3551	
Геггу Cty Sheriff's Department	Terry County (Brownfi	(806) 637-2212	
Union Cty Sheriff's Department	Union County (Claytor	(505) 374-2583	
Upton Cty Sheriff's Department	Upton County (Rankin	(432) 693-2422	· .
Ward Cty Sheriff's Department	Ward County (Monaha	(432) 943-3254	
Yoakum City Sheriff's Department	Yoakum Co. (Denever	(806) 456-2377	
Law Enforcement - Police			
Abernathy City Police	Abernathy, TX	(806) 298-2545	
Andrews City Police	Andrews, TX	(432) 523-5675	
Artesia City Police	Artesia, NM	(505) 746-2704	
Brownfield City Police	Brownfield, TX	(806) 637-2544	
Carlsbad City Police	Carlsbad, NM	(505) 885-2111	
Clayton City Police	Clayton, NM	(505) 374-2504	
Denver City Police	Denver City, TX	(806) 592-3516	
Eunice City Police	Eunice, NM	(505) 394-2112	;;
Hobbs City Police	Hobbs, NM	393-2677	
Jal City Police	Jal, NM	(505) 395-2501	
Jayton City Police	Jayton, TX	(806) 237-3801	
Lamesa City Police	Lamesa, TX	(806) 872-2121	
Levelland City Police	Levelland, TX	(806) 894-6164	
Lovington City Police	Lovington, NM	(505) 396-2811	•
Midland City Police	Midland, TX	(432) 685-7113	
Monahans City Police	Monahans, TX	(432) 943-3254	
Odessa City Police	Odessa, TX	(432) 335-3378	
Seminole City Police	Seminole, TX	(432) 758-9871	
Snyder City Police	Snyder, TX	(325) 573-2611	
Sundown City Police	Sundown, TX	(806) 229-8241	
Law Enforcement - FBI			
FBI	Alburqueque, NM	(505) 224-2000	
FBI	Midland, TX	(432) 570-0255	
Law Enforcement - DPS			
NM State Police	Artesia, NM	(505) 746-2704	
NM State Police	Carlsbad, NM	(505) 885-3137	
NM State Police	Eunice, NM	(505) 392-5588	
NM State Police	Hobbs, NM	(505) 392-5588	
NM State Police	Clayton, NM	(505) 374-2473; 911	
TX Dept of Public Safety	Andrews, TX	(432) 524-1443	
TX Dept of Public Safety	Big Lake, TX	(325) 884-2301	

Person	Location	Office Phone	Cell/Mobile Phone
TX Dept of Public Safety	Brownfield, TX	(806) 637-2312	
TX Dept of Public Safety	Iraan, TX	(432) 639-3232	
TX Dept of Public Safety	Lamesa, TX	(806) 872-8675	
TX Dept of Public Safety	Levelland, TX	(806) 894-4385	
TX Dept of Public Safety	Lubbock, TX	(806) 747-4491	
TX Dept of Public Safety	Midland, TX	(432) 697-2211	•
TX Dept of Public Safety	Monahans, TX	(432) 943-5857	
TX Dept of Public Safety	Odessa, TX	(432) 332-6100	· ·
TX Dept of Public Safety	Ozona, TX	(325) 392-2621	
TX Dept of Public Safety	Pecos, TX	(432) 447-3533	
TX Dept of Public Safety	Seminole, TX	(432) 758-4041	
TX Dept of Public Safety	Snyder, TX	(325) 573-0113	
TX Dept of Public Safety	Terry County TX	(806) 637-8913	
TX Dept of Public Safety	Yoakum County TX	(806) 456-2377	· .
Firefighting & Rescue			
Abernathy	Abernathy, TX	(806) 298-2022	-
Amistad/Rosebud	Amistad/Rosebud, NM	(505) 633-9113	
Andrews	Andrews, TX	523-3111	,
Artesia	Artesia, NM	(505) 746-5051	
Big Lake	Big Lake, TX	(325) 884-3650	
Brownfield-Administrative & other calls	Brownfield, TX	(816) 637-4547	
Brownfield emergency only	Brownfield, TX	-911	
Carlsbad	Carlsbad, NM	(505) 885-3125	
Clayton	Clayton, NM	(505) 374-2435	
Cotton Center	Cotton Center, TX	(806) 879-2157	· · · · · · · · · · · · · · · · · · ·
Crane	Crane, TX	(432) 558-2361	
Del Rio	Del Rio, TX	(830) 774-8650	
Denver City	Denver City, TX	(806) 592-3516	
Eldorado	Eldorado, TX	(325) 853-2691	1
Eunice	Eunice, NM	(505) 394-2111	
Garden City	Garden City, TX	(432) 354-2404	
Goldsmith	Goldsmith, TX	(432) 827-3445	
Hale Center	Hale Center, TX	(806) 839-2411	
Halfway	Halfway, TX		
Hobbs	Hobbs, NM	(505) 397-9308	
Jal	Jal, NM	(505) 395-2221	
Jayton	Jayton, TX	(806) 237-3801	
Kermit	Kermit, TX	(432) 586-3468	
Lamesa	Lamesa, TX	(806) 872-4352	
Levelland	Levelland, TX	(806) 894-3154	
Lovington	Lovington, NM	(505) 396-2359	
Maljamar	Maljamar, NM	(505) 676-4100	

Person	Location	Office Phone	Cell/Mobile Phone
McCamey	McCamey, TX	(432) 652-8232	
Vidland	Midland, TX	(432) 685-7346	
Monahans	Monahans, TX	(432) 943-4343	
Vara Visa	Nara Visa, NM	(505) 461-3300	
Votrees	Notress, TX	(432) 827-3445	
Ddessa	Odessa, TX	(432) 335-4659	
Dzona	Ozona, TX	(325) 392-2626	
Pecos	Pecos, TX	(432) 445-2421	
Petersburg	Petersburg, TX	(806) 667-3461	
Plains	Plains, TX	(806) 456-8067	
Plainview	Plainview, TX	(806) 296-1170	
Rankin	Rankin, TX	(432) 693-2252	
San Angelo	San Angelo, TX	(325) 657-4355	
Sanderson	Sanderson, TX	(432) 345-2525	· · · ·
Seminole	Seminole, TX	758-9871	
Smyer	Smyer, TX	(806) 234-3861	
Snyder	Snyder, TX	(325) 573-6215	
Sundown	Sundown, TX	911	
Tucumcari	Tucumcari, NM	911	
West Odessa	Odessa, TX	(432) 381-3033	
	< . ·		
Ambulance			
Abernathy Ambulance	Abernathy, TX	(806) 298-2241	· .
Amistad/Rosebud	Amistad/Rosebud, NM	(505) 633-9113	
Andrews Ambulance	Andrews, TX	(432) 523-5675	
Artesia Ambulance	Artesia, NM	(505) 746-2701	
Big Lake Ambulance	Big Lake, TX	(325) 884-2423	
Big Spring Ambulance	Big Spring, TX	(432) 264-2550	
Brownfield Ambulance	Brownfield, TX	(806) 637-2511	
Carlsbad Ambulance	Carlsbad, NM	(505) 885-2111; 911	
Clayton, NM	Clayton, NM	(505) 374-2501	
Denver City Ambulance	Denver City, TX	(806) 592-3516	
Eldorado Ambulance	Eldorado, TX	(325) 853-3456	
Eunice Ambulance	Eunice, NM	(505) 394-3258	
Goldsmith Ambulance	Goldsmith, TX	(432) 827-3445	
Hobbs, NM	Hobbs, NM	(505) 397-9308	
Jal, NM	Jal, NM	(505) 395-2501	
layton Ambulance	Jayton, TX	(806) 237-3801	
Lamesa Ambulance	Lamesa, TX	(806) 872-3464	
Levelland Ambulance	Levelland, TX	(806) 894-8855	
Lovington Ambulance	Lovington, NM	(505) 396-2811	
McCamey Hospital	McCamey, TX	(432) 652-8626	
	Midland, TX	(432) 685-7499	1

Person	Location	Office Phone	Cell/Mobile Phone
Monahans Ambulance	Monahans, TX	3731	
Nara Visa, NM	Nara Visa, NM	(505) 461-3300	
Odessa Ambulance	Odessa, TX	(432) 335-3378	
Ozona Ambulance	Ozona, TX	(325) 392-2671	
Pecos Ambulance	Pecos, TX	(432) 445-4444	
Rankin Ambulance	Rankin, TX	(432) 693-2443	
San Angelo Ambulance	San Angelo, TX	(325) 657-4357	
Seminole Ambulance	Seminole, TX	758-9871	
Snyder Ambulance	Snyder, TX	(325) 573-1911	
Stanton Ambulance	Stanton, TX	(432) 756-2211	
Sundown Ambulance	Sundown, TX	911	
Tucumcari, NM	Tucumcari, NM	911	
		•	
Medical Air Ambulance Service			•
AEROCARE - Methodist Hospital	Lubbock, TX	(800) 627-2376	
San Angelo Med-Vac Air Ambulance	San Angelo, TX	(800) 277-4354	
Southwest Air Ambulance Service	Stanford, TX	(800) 242-6199	
Southwest MediVac	Snyder, TX	(800) 242-6199	
Southwest MediVac	Hobbs, NM	(800) 242-6199	
Odessa Care Star	Odessa, TX	(888) 624-3571	
NWTH Medivac	Amarillo, TX	(800) 692-1331	

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PRD NM DIRECTIONAL PLANS (NAD 1983) MESA VERDE WC UNIT Mesa Verde WC Unit 21H

WB00

Plan: Permitting Plan

Standard Planning Report

30 October, 2018

Database: Company: Proječt: Site: Well: Wellbore: Design:	PRD NN MESA V	ERING DES 1 DIRECTIO 1 ERDE WC L 1 Erde WC Uni	NAL PLANS (I JNIT	NAD 1983)	TVD Refer MD Refere North Refe Survey Ca	nce:	DA1 DA1 Gric	I Mesa Verde I UM @ 3615.6 I UM @ 3615.6 I imum Curvatu	3Oft 3Oft	
Project	PRD NM	DIRECTION	IAL PLANS (N	AD 1983)						· · · · · · · · · · · · · · · · · · ·
Map System: Geo Datum: Map Zone:	North Ame	Plane 1983 rican Datum co Eastern Zu			System Dat	um:		Sea Level geodetic scale	e factor	
Site	MESA VI	ERDE WC U	NIT		······					
Site Position: From: Position Uncerta	Map ainty:	. 50.	Northi Eastin 00 ft Slot R	g:.		23.24 usft Lo	titude: ngitude: id Convergen	ICE:		' 12' 40.751543 N 42' 33.640877 W 0.33 °
Well	Mesa Vei	de WC Unit	21H)
Well Position	+N/-S	-218	3.01 ft No	rthing:		440,954.41 ust	t Latitud	le:	32	' 12' 39.115138 N
	+E/-W	-9,290).12 ft Ea	sting:		725,033.59 ust	t Longit	ude:	103°	44' 21.781557 W
Position Uncerta	ainty .	(0.00 ft We	Ilhead Eleva	tion:	0.001	ft Groun	d Level:		3,589.30 ft
Wellbore	(WB00						·			
Magnetics	Mode	el Name	Sample	• · ·	Declinat (°)		Dip Ang (°)		Field Stree (nT)	
		HDGM	. 10	0/30/2018		6.77		59.90	· · · · · · · · · · · · · · · · · · ·	47,960
Design	Permittin	g Plan		·						
Audit Notes: Version:			Phas	e: P	ROTOTYPE	Tie O	n Depth:	0.	 00	
Vertical Section		De	epth From (T) (ft)	/D)	+N/-S (ft)	+E/-W (ft)	/ .,	Direc (°)		
			0.00		0.00	0.00		1.0	5	
Plan Sections		•	rim je som ska den man					·		
		Azimuth	Vertical Depth	+N/-S	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate °/100ft)	TFO (°)	Target
Measured Depth Ir (ft)	nclination /	(°),	(ft)	(ft)						
Denth I.		(°), 0.00	(ft) ₃ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	· · · · · · · · · · · · · · · · · · ·
Depth Ir (ft) 0.00 10,385.00	0.00 0.00	(°) 0.00 0.00	0.00 10,385.00	0.00 0.00	0.00 0.00	0.00	0.00	. 0.00	0.00	анда банда түүнэл үүнэл үүнэл байлагаан алтаан алтаан ултаан 4
Depth Ir (ft) 0.00 10,385.00 10,885.15	(°) 0.00 0.00 10.00	0.00 0.00 151.19	0.00 10,385.00 10,882.61	0.00 0.00 -38.16	0.00 0.00 20.98	0.00 2.00	0.00 2.00	· 0.00 0.00	0.00 151.19	
Depth II (ff) 0.00 10,385.00 10,885.15 11,831.35	0.00 0.00 10.00 10.00	(°), 0.00 0.00 151.19 151.19	0.00 10,385.00 10,882.61 11,814.43	0.00 0.00 -38.16 -182.17	0.00 0.00 20.98 100.18	0.00 2.00 0.00	0.00 2.00 0.00	0.00 0.00 0.00	0.00 151.19 0.00	sa Verde 214
Depth II (ft) 0.00 10,385.00 10,885.15 11,831.35 12,331.50	0.00 0.00 10.00 10.00 0.00	(°), 0.00 0.00 151.19 151.19 359.67	0.00 10,385.00 10,882.61 11,814.43 12,312.04	0.00 0.00 -38.16 -182.17 -220.33	0.00 0.00 20.98 100.18 121.17	0.00 2.00 0.00 2.00	0.00 2.00 0.00 -2.00	0.00 0.00 0.00 0.00	0.00 151.19 0.00 180.00 Mes	sa_Verde_21H_
Depth II (ff) 0.00 10,385.00 10,885.15 11,831.35	0.00 0.00 10.00 10.00	(°), 0.00 0.00 151.19 151.19	0.00 10,385.00 10,882.61 11,814.43	0.00 0.00 -38.16 -182.17	0.00 0.00 20.98 100.18	0.00 2.00 0.00	0.00 2.00 0.00	0.00 0.00 0.00	0.00 151.19 0.00 180.00 Me -0.33	sa_Verde_21H_ sa Verde_21H

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ΡI	anning	Report

Database Company Project: Site: Well: Wellbore		HOPSPP ENGINEERIN PRD NM DIR MESA VERD Mesa Verde V WB00	ECTIONAL PLA E WC UNIT	NS (NAD 1983)	TVD R MD Re North I	Co-ordinate R eference: ference: Reference: r Calculation		Well Mesa V DATUM @ 3 DATUM @ 3 Grid Minimum Cu	3615.80ft	1H	
Design:		Permitting Pla	an					1			
Planned	Survey	. [
N	Measured Depth (ft)	Inclination (°)	Azimuth	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section . (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	•
	0.00 100.00 200.00 300.00 400.00	0.00 0.00 0.00 0.00 0.00	.0.00 0.00 0.00 0.00 0.00 0.00	0.00 100.00 200.00 300.00 400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	500.00 600.00 700.00 800.00 900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	500.00 600.00 700.00 800.00 900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	1,000.00 1,100.00 1,200.00 1,300.00 1,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	1,000.00 1,100.00 1,200.00 1,300.00 1,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	1,500.00 1,600.00 1,700.00 1,800.00 1,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	1,500.00 1,600.00 1,700.00 1,800.00 1,900.00	0.00 . 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0(00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	•
	2,000.00 2,100.00 2,200.00 2,300.00 2,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	2,000.00 2,100.00 2,200.00 2,300.00 2,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	2,500.00 2,600.00 2,700.00 2,800.00 2,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	2,500.00 2,600.00 2,700.00 2,800.00 2,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	3,000.00 3,100.00 3,200.00 3,300.00 3,400.00	. 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	3,000.00 3,100.00 3,200.00 3,300.00 3,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	
	3,500.00 3,600.00 3,700.00 3,800.00 3,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	3,500.00 3,600.00 3,700.00 3,800.00 3,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	4,000.00 4,100.00 4,200.00 4,300.00 4,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	4,000.00 4,100.00 4,200.00 4,300.00 4,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 .00	0.00 0.00 0.00 0.00 0.00	
	4,500.00 4,600.00 4,700.00 4,800.00 4,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	4,500.00 4,600.00 4,700.00 4,800.00 4,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	5,000.00 5,100.00 5,200.00 5,300.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	5,000.00 5,100.00 5,200.00 5,300.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	

COMPASS 5000.1 Build 74

Database:	HOPSPP	Local Co-ordinate Reference:	Well Mesa Verde WC Unit 21H
Company:	ENGINEERING DESIGNS	TVD Reference:	DATUM @ 3615.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	DATUM @ 3615.80ft
Site:	MESA VERDE WC UNIT	North Reference:	Grid
Well:	Mesa Verde WC Unit 21H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan		

Planned Survey

	Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (%100ft)	Turn «Rate (°/100ft)
	5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
	5,500.00 5,600.00 5,700.00 5,800.00 5,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	5,500.00 5,600.00 5,700.00 5,800.00 5,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00
	6,000.00 6,100.00 6,200.00 6,300.00 6,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	6,000.00 6,100.00 6,200.00 6,300.00 6,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	. 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	6,500.00 6,600.00 6,700.00 6,800.00 6,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	6,500.00 6,600.00 6,700.00 6,800.00 6,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	7,000.00 7,100.00 7,200.00 7,300.00 7,400.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	7,000.00 7,100.00 7,200.00 7,300.00 7,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	7,500.00 7,600.00 7,700.00 7,800.00 7,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	7,500.00 7,600.00 7,700.00 7,800.00 7,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	8,000.00 8,100.00 8,200.00 8,300.00 8,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	8,000.00 8,100.00 8,200.00 8,300.00 8,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
-	8,500.00 8,600.00 8,700.00 8,800.00 8,800.00 8,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	8,500.00 8,600.00 8,700.00 8,800.00 8,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	9,000.00 9,100.00 9,200.00 9,300.00 9,400.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	9,000.00 9,100.00 9,200.00 9,300.00 9,400.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	9,500.00 9,600.00 9,700.00 9,800.00 9,800.00 9,900.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	9,500.00 9,600.00 9,700.00 9,800.00 9,900.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00		0.00 0.00 0.00 0.00 0.00 0.00
	10,000.00 10,100.00 10,200.00 10,300.00 10,385.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	10,000,00 10,100.00 10,200.00 10,300.00 10,385.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
	10,400.00 10,500.00 _10,600.00	0.30 2.30 4.30	151.19 151.19 151.19	10,400.00 10,499.97 10,599.80	-0.03 -2.02 -7.07	0.02 1.11 3.89	-0.03 -2.00 -6.99	2.00 2.00 2.00		0.00 0.00 0.00

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Database:	HOPSPP	Local Co-ordinate Reference:	Well Mesa Verde WC Unit 21H
Company:	ENGINEERING DESIGNS	TVD Reference:	DATUM @ 3615.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	DATUM @ 3615.80ft
Site:	MESA VERDE WC UNIT	North Reference:	Grid
Well:	Mesa Verde WC Unit 21H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00 .		
Design:	Permitting Plan		

Plan	ned Survey										
	Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
	10,700.00 10,800.00	6.30 8.30	151.19 151.19	10,699.37 10,798.55	-15.16 -26.29	8.34 14.46	-15.00 -26.02	2.00 2.00	2.00 2.00	0.00 0.00	· .
	10,885.15 10,900.00 11,000.00 11,100.00 11,200.00	10.00 10.00 10.00 10.00 10.00	151.19 151.19 151.19 151.19 151.19 151.19	10,882.61 10,897.24 10,995.72 11,094.20 11,192.68	-38.16 -40.42 -55.64 -70.86 -86.08	20.98 22.23 30.60 38.97 47.34	-37.77 -40.01 -55.07 -70.13 -85.20	2.00 0.00 0.00 0.00 0.00	2.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	11,300.00 11,400.00 11,500.00 11,600.00 11,700.00	10.00 10.00 10.00 10.00 10.00 10.00	151.19 151.19 151.19 151.19 151.19 151.19	11,291.16 11,389.64 11,488.12 11,586.60 11,685.08	-101.30 -116.52 -131.74 -146.96 -162.18	55.71 64.08 72.45 80.82 89.19	-100.26 -115.33 -130.39 -145.46 -160.52	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	.*
•	11,800.00 11,831.35 11,900.00 12,000.00 12,100.00	10.00 10.00 8.63 6.63 4.63	151.19 151.19 151.19 151.19 151.19 151.19	11,783.56 11,814.43 11,882.17 11,981.28 12,080.79	-177.40 -182.17 -191.91 -203.54 -212.14	97.56 100.18 105.54 111.93 116.66	-175.59 -180.31 -189.95 -201.46 -209.97	0.00 0.00 2.00 2.00 2.00	0.00 0.00 -2.00 -2.00 -2.00	0.00 0.00 0.00 0.00 0.00	
	12,200.00 12,300.00 12,331.50 12,400.00 12,500.00	2.63 0.63 0.00 6.85 16.85	151.19 151.19 359.67 359.67 359.67	12,180.59 12,280.54 12,312.04 12,380.38 12,478,12	-217.69 -220.18 -220.33 -216.24 -195.73	119.71 121.08 121.17 121.14 121.03	-215.46 -217.93 -218.08 -213.99 -193.48	2.00 2.00 2.00 10.00 10.00	-2.00 -2.00 -2.00 10.00 10.00	0.00 0.00 0.00 0.00 0.00	: .
	12,600.00 12,700.00 12,800.00 12,900.00 13,000.00	26.85 36.85 46.85 56.85 66.85	359.67 359.67 359.67 359.67 359.67 359.67	12,570.82 12,655.66 12,730.05 12,791.75 12,838.86	-158.56 -105.86 -39.23 39.31 127.37	120.81 120.51 120.13 119.68 119.18	-156.32 -103.64 -37.02 41.50 129.53	10.00 10.00 10.00 10.00 10.00	10.00 10.00 10.00 10.00 10.00	0.00 0.00 0.00 0.00 0.00	
	13,100.00 13,200.00 13,231.50 13,300.00 13,400.00	76.85 86.85 90.00 90.00 90.00	359.67 359.67 359.67 359.67 359.67 359.67	12,869.97 12,884.13 12,885.00 12,885.00 12,885.00	222.27 321.14 352.62 421.12 521.12	118.64 118.08 117.90 117.51 116.94	224.41 323.24 354.72 423.20 523.17	10.00 10.00 10.00 0.00 0.00	10.00 10.00 10.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	13,500.00 13,600.00 13,700.00 13,800.00 13,900.00	90.00 90.00 90.00 90.00 90.00	359.67 359.67 359.67 359.67 359.67 359.67	12,885.00 12,885.00 12,885.00 12,885.00 12,885.00 12,885.00	621.11 721.11 821.11 921.11 1,021.11	116.36 115.79 115.22 114.65 114.08	623.14 723.11 823.08 923.06 1,023.03	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	14,000.00 14,100.00 14,200.00 14,300.00 14,400.00	90.00 90.00 90.00 90.00 90.00 90.00	359.67 359.67 359.67 359.67 359.67 359.67	12,885.00 12,885.00 12,885.00 12,885.00 12,885.00 12,885.00	1,121.11 1,221.11 1,321.10 1,421.10 1,521.10	113.51 112.94 112.37 111.80 111.23	1,123.00 1,222.97 1,322.94 1,422.91 1,522.88	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	14,500.00 14,600.00 14,700.00 14,800.00 14,900.00	90.00 90.00 90.00 90.00 90.00	359.67 359.67 359.67 359.67 359.67	12,885.00 12,885.00 12,885.00 12,885.00 12,885.00 12,885.00	1,621.10 1,721.10 1,821.10 1,921.09 2,021.09	110.66 110.09 109.52 108.95 108.38	1,622.85 1,722.82 1,822.80 1,922.77 2,022.74	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	15,000.00 15,100.00 15,200.00 15,300.00 15,400.00	90.00 90.00 90.00 90.00 90.00	359.67 359.67 359.67 359.67 359.67	12,885.00 12,885.00 12,885.00 12,885.00 12,885.00 12,885.00	2,121.09 2,221.09 2,321.09 2,421.09 2,521.08	107.81 107.23 106.66 106.09 105.52	2,122.71 2,222.68 2,322.65 2,422.62 2,522.59	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	
	15,500.00 15,600.00	90.00 90.00	359.67 [.] 359.67	12,885.00 12,885.00	2,621.08 2,721.08	104.95 104.38	2,622.56 2,722.54	0.00 0.00	0.00 0.00	0.00	

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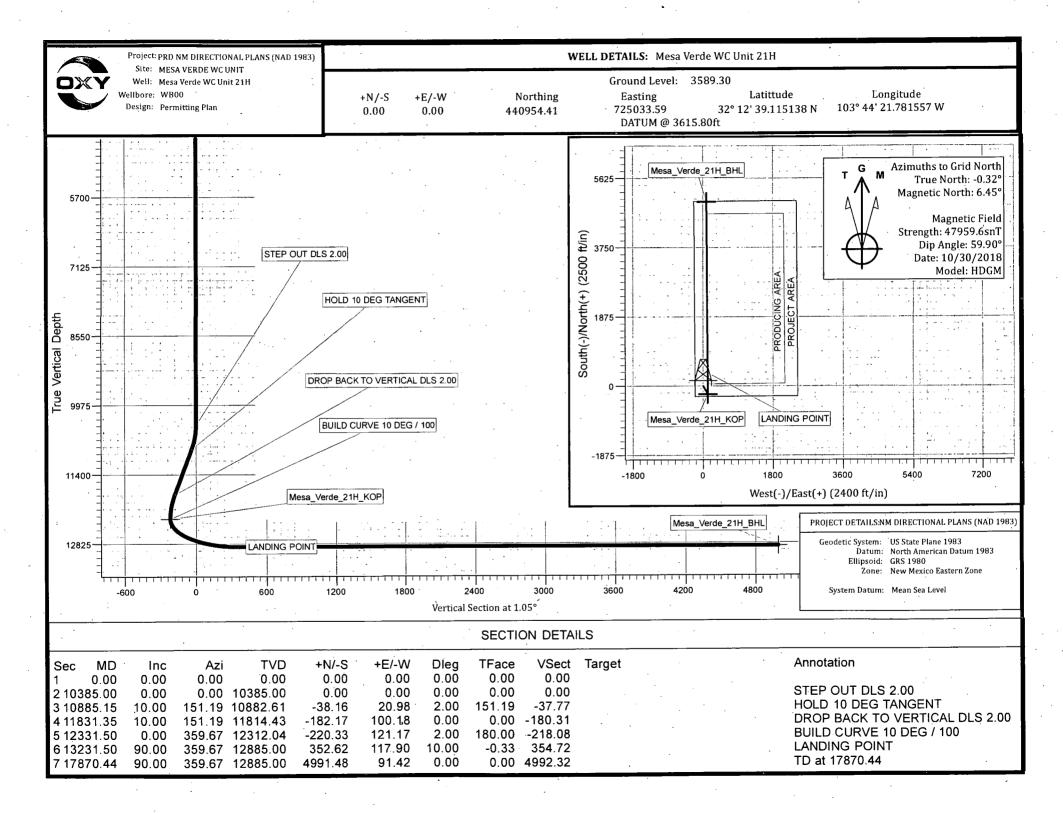
Database:	HOPSPP	Local Co-ordinate Reference:	Well Mesa Verde WC Unit 21H
Company:	ENGINEERING DESIGNS	TVD Reference:	DATUM @ 3615.80ft
Project:	PRD NM DIRECTIONAL PLANS (NAD 1983)	MD Reference:	DATUM @ 3615.80ft
Site:	MESA VERDE WC UNIT	North Reference:	Grid
Well:	Mesa Verde WC Unit 21H	Survey Calculation Method:	Minimum Curvature
Wellbore:	WB00		
Design:	Permitting Plan	a5	

Dian	nod	Survey
1 1011	nou	ourrey

Measure Depth (ft)	d Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	•
15,700	00 90.00	359.67	12,885.00	2,821.08	103.81	2,822.51	0.00	0.00	0.00	
15,800	.90.00	359.67	12,885.00	2,921.08	103.24	2,922.48	0.00	0.00	0.00	
15,900	00 90.00	359.67	12,885.00	3,021.08	102.67	3,022.45	0.00۔	0.00	0.00	
16,000	00 90.00	359.67	12,885.00	3,121.07	102.10	3,122.42	0.00	0.00	0.00	
16,100	00 90.00	359.67	12,885.00	3,221.07	101.53	3,222.39	0.00	0.00	0.00	
16,200	00 .00	359.67	12,885.00	3,321.07	100.96	3,322.36	0.00	0.00	0.00	
16,300	00 90.00	359.67	12,885.00	3,421.07	100.39	3,422.33	0.00	0.00	0.00	
16,400	00 90.00	359.67	12,885.00	3,521.07	99.82	- 3,522.31	0.00	0.00	0.00	
16,500	00 90.00	359.67	12,885.00	3,621.07	99.25	3,622.28	0.00	0.00	0.00	
16,600	00 90.00	359.67	12,885.00	3,721.06	98.67	3,722.25	0.00	0.00	0.00	
16,700	00 90.00	359.67	12,885.00	3,821.06	98.10 ·	3,822.22	0.00	0.00	0.00	
16,800	00 90.00	359.67	12,885.00	3,921.06	97.53	3,922.19	0.00	0.00	0.00 ·	
16,900	00 90.00	359.67	12,885.00	4,021.06	96.96	4,022.16	. 0.00	0.00	0.00	
17,000	00 90.00	359.67	12,885,00	4,121.06	96.39	4,122.13	0.00	0.00	0.00	
17,100	00 90.00	359.67	12,885.00	4,221.06	95.82	4,222.10	. 0.00	0.00	0.00	
17,200	00 90.00	359.67	12)885.00	4,321.05	95.25	4,322.07	0.00	0.00	0.00	
17,300	00 90.00	359.67	12,885.00	4,421.05	94.68	4,422.05	0.00	0.00	0.00	
17,400	00 90.00	359.67	12,885.00	4,521.05	94.11	4,522.02	0.00	0.00	0.00	
17,500	00 90.00	359.67	12,885.00	4,621.05	93.54	4,621.99	0.00	0.00	. 0.00	
17,600	00 90.00	359.67	12,885.00	4,721.05	92.97	4,721.96	0.00	0.00	0.00	
. 17,700	00 . 90.00	359.67	12,885.00	4,821.05	. 92.40	4,821.93	0.00	0.00	0.00	
17,800	.00 90.00	359.67	12,885.00	4,921.05	91.83	4,921.90	0.00	0.00	0.00	
17,870	44 90.00	359.67	12,885.00	4,991.48	91.42	4,992.32	0.00	0.00	0.00	

Design Targets					- الجار المانيسيانية متحدثات مانيانيا المحدث المانية المحدث المحدث المحدث المحدث المحدث المحدث المحدث المحدث	
Target Name - hit/miss target D - Shape	ip Angle (°)	Dip Dir. TVD (°) (ft)	+N/-S +E/-V (ft) (ft)		Easting (usft) Latitude Longit	ude
Mesa_Verde_21H_KO - plan hits target cente - Point	0.00 er	0.00 12,312.04	-220.33 12	1.17 440,734.09	725,154.75 32° 12' 36.928322 N 103° 44' 20).385502
Mesa_Verde_21H_BH - plan hits target cente - Point	0.00 er	0.00 12,885.00	4,991.48 9	1.42 445,945.62	725,125.01 32° 13' 28.500860 N 103° 44' 2).396186

Measured Depth (ft)	Vertical Depth (ft)	Local Coor +N/-S (ft)	dinates +E/-W (ft)	Comment	1. ar		
10,385.00	10,385.00	0.00	0.00	STEP OUT DLS 2.0	0		
10,885.15	10,882.61	-38.16	20.98	HOLD 10 DEG TAN	IGENT		
11,831.35	11,814.43	-182.17 ·	100.18	 DROP BACK TO VE 	ERTICAL DLS	2.00	
12,331.50	12,312.04	-220.33	121.17	BUILD CURVE 10 D	DEG / 100		
13,231.50	12,885.00	352.62	117.90	LANDING POINT			
17.870.44	12,885.00	4,991.48	91.42	TD at 17870.44			



District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

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

GAS CAPTURE PLAN

Date: 11-27-2018

⊠ Original

Operator & OGRID No.: OXY USA Inc. - 16696

□ Amended - Reason for Amendment:_

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility - Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared orVented	Comments
Mesa Verde WC Unit 2H	Pending	M-16-24S-32E	250 S 1035 W	4184	0	
Mesa Verde WC Unit 3H	Pending	M-16-24S-32E	250 S 1000 W	4184	0	
Mesa Verde WC Unit 4H	Pending	M-16-24S-32E	250 S 965 W	4184	0	
Mesa Verde WC Unit 7H	Pending	N-17-24S-32E	280 S 1421 W	4184	0	1
Mesa Verde WC Unit 8H	Pending	N-17-24S-32E	280 S 1386 W	4184	0	
Mesa Verde WC Unit 15H	Pending	P-13-24S-31E	171 S 1125 E	2719	0	
Mesa Verde WC Unit 16H	Pending	P-13-24S-31E	171 S 1160 E	2719	0	
Mesa Verde WC Unit 17H	Pending	P-13-24S-31E	171 S 1160 E	2719	0	
Mesa Verde WC Unit 18H	Pending	M-13-24S-31E	118 S 1138 W	2719	0	
Mesa Verde WC Unit 19H	Pending	M-13-24S-31E	118 S 1103 W	2719	0	
Mesa Verde WC Unit 20H	Pending	M-13-24S-31E	-118 S 1068 W	2719	0	
Mesa Verde WC Unit 21H	Pending	M-13-24S-31E	271 S 210 W	4197	0	
Mesa Verde BS Unit 25H	Pending	M-13-24S-31E	940 S 1225 W	1640	0	
Mesa Verde BS Unit 26H	Pending	M-13-24S-31E	· 940 S 1260 W	1640	0 .	:
Mesa Verde BS Unit 27H	Pending	M-13-24S-31E	940 S 1295 W	1640	0	
Mesa Verde BS Unit 28H	Pending	O-13-24S-31E	925 S 1460 E	1640	0	
Mesa Verde BS Unit 29H	Pending	O-13-24S-31E	925 S 1425 E	1640	0	· .
Mesa Verde BS Unit 30H	Pending	O-13-24S-31E	925 S 1390 E	1640	0	
Mesa Verde BS Unit 31H	Pending	M-13-24S-31E	236 S 210 W	945	0	-

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, where a gas transporter system is in place. The gas produced from production facility is dedicated to <u>Delaware G&P LLC ("Enlink"</u>) and is connected to <u>Enlink</u> low/high pressure gathering system located in Eddy County, New Mexico. <u>OXY USA INC. ("OXY"</u>) provides (periodically) to <u>Enlink</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>OXY</u> and <u>Enlink</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at <u>Enlink</u>'s LOBO Processing Plant located in Sec. 3, Block C-27, PSL, Loving County, Texas. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>Enlink</u> system at that time. Based on current information, it is <u>OXY's</u> belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal On lease
 - o Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines.

1. Geologic Formations

TVD of target	12885'	Pilot Hole Depth	N/A
MD at TD:	17870'	Deepest Expected fresh water:	916' -

Delaware Basin

Formation	TVD - RKB	Expected Fluids
Rustler	916	
Salado	1,238	Losses
Castile	1,298	
Lamar/Delaware	4,581	
Bell Canyon	4,606	
Cherry Canyon	6,266	Oil/Gas/Losses
Brushy Canyon	7,166	Oil/Gas/Losses
Bone Spring	8,421	Oil/Gas
1st Bone Spring	9,511	Oil/Gas
2nd Bone Spring	9,781	Oil/Gas
3rd Bone Spring	10,696	Oil/Gas
Wolfcamp	11,866	Oil/Gas

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

2. Casing Program

	Casing Interval		Csg. Size	Weight	Cons	SF	SF Burst	Body SF	Joint SF			
Hole Size (in)	From (ft)	To (ft)	(in)	(lbs)	Grade	Conn.	Collapse	SF BUIST	Tension	Tension		
14.75	0	1178	10.75	40.5	J-55	BTC	1.125	1.2	1.4	1.4		
9.875	0	12231	7.625 ·	26.4	L-80 HC	BTC	1.125	1.2	1.4	1.4		
6.75	0	12781	5.5	20	. P-110	DQX	1.125	1.2	1.4	1.4		
6.75 [.]	12781	17870	4.5	13.5	P-110	· DQX	1.125	1.2	1.4	1.4		
				SF Valu	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 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.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	·
Is well located in SOPA but not in R-111-P?	Y
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	Y ·
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?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Caye/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H20 (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	N/A	N/A [.]	N/A	N/A	N/A	N/A
Surface (Tail)	977	14.8	1.33	6.365	5:26	Class C Cement, Accelerator
Intermediate 1st Stage (Lead)	1005	10.2	2.58	11.568	6:59	Pozzolan Cement, Retarder
Intermediate 1st Stage (Tail)	167	13.2	1.61	7.804	7:11	Class H Cement, Retarder, Dispersant, Salt
DV/ECP Tool @ 4631 (We	request the o	ption to cancel	the second stag operatio		s circulated to s	urface during the first stage of cement
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	1054	13.6	1.67	8.765	7:32	Class C Cement, Accelerator, Retarder
Production (Lead)	N/A	N/A	N/A	N/A	N/A	N/A
Production (Tail)	693	13.2	1.38	6.686	3:39	Class H Cement, Retarder, Dispersant, Salt

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	N/A	N/A	N/A
Surface (Tail)	0	1178	100%
Intermediate 1st Stage (Lead)	4531	11231	20%
Intermediate 1st Stage (Tail)	11231	12231	20%
Intermediate 2nd Stage (Lead)	N/A	N/A	N/A
Intermediate 2nd Stage (Tail)	0	4631	100%
Production (Lead)	N/A	N/A	N/A
Production (Tail)	11731	17870	20%

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре		~	Tested to:		
9.875" Hole 13-5/8"		Annula	ır	~	70% of working pressure			
	12.5/02 514	13-5/8"		5M	Blind Ra	am	✓	
	9.875 Hole 13-5/8		/8 5M		13-5/8 SIM	Pipe Ra	m	
	•		Double R	am	✓	230/10000		
			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.

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 rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015.

See attached schematics

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM 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.

Depth		Tune	Weight (nng)	Viscosity	Water Loss
From (ft)	To (ft)	Туре	Weight (ppg)	Viscosity	water Loss
0	1178	Water-Based Mud	8.6-8.8	40-60	N/C
1178	12231	Saturated Brine-Based or Oil-Based Mud	8.0-10.0	35-45	N/C
12231	17870	Water-Based or Oil- Based Mud	9.5-12.0	38-50	N/C

5. Mud Program

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 of fluid?PVT/MD Totco/Visual Monitoring6. Logging and Testing Procedures

Logg	ing, Coring and Testing.
Yes	Will run GR from TD 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.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned		Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	ICP - TD
No	PEX	

4

7. Drilling Conditions

Condition	Specify what type and where?		
BH Pressure at deepest TVD	8041 psi		
Abnormal Temperature	No		
BH Temperature at deepest TVD	184°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.

N H2S is present

Y H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe.	Yes
• We plan to drill the three 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.	
Will more than one drilling rig be used for drilling operations? If yes, describe.	Yes
• 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.	

Total estimated cuttings volume: 1545.6 bbls.

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
William Turner	Drilling Engineer	713-350-4951	661-817-4586
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

OXY USA Inc APD ATTACHMENT: SPUDDER RIG DATA

OPERATOR NAME / NUMBER: <u>OXY USA Inc</u>

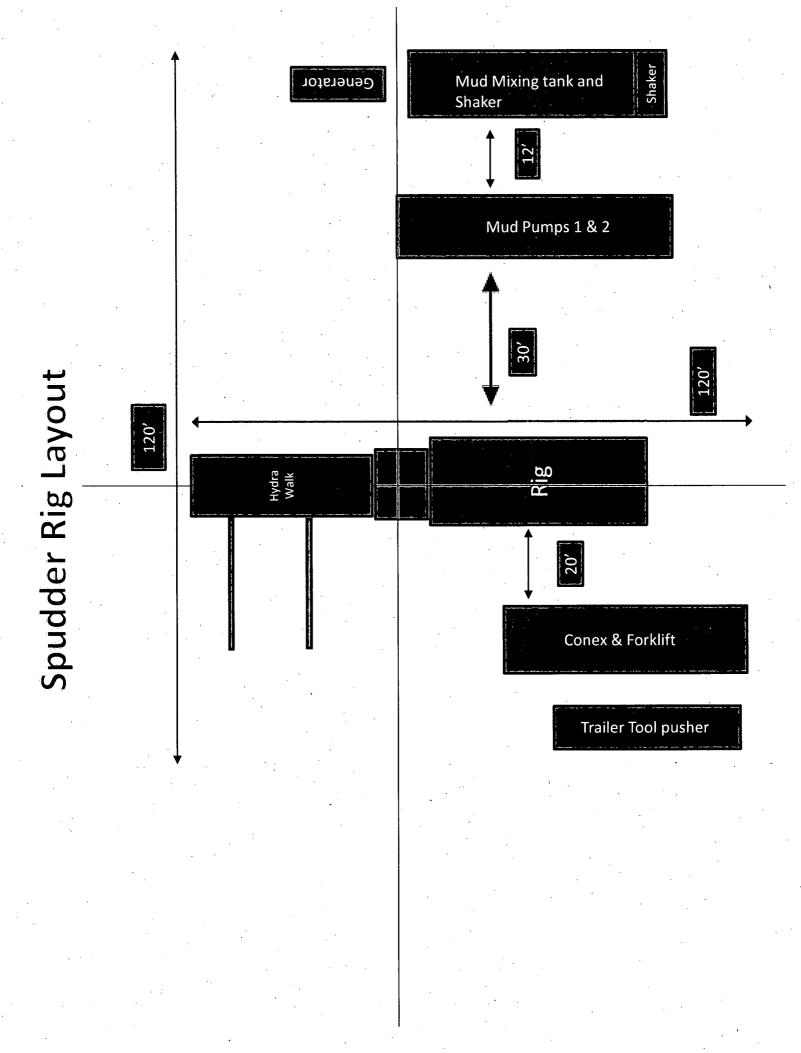
1. SUMMARY OF REQUEST:

Oxy USA respectfully requests approval for the following operations for the surface hole in the drill plan:

1. Utilize a spudder rig to pre-set surface casing for time and cost savings.

2. Description of Operations

- 1. Spudder rig will move in to drill the surface hole and pre-set surface casing on the well.
 - **a.** After drilling the surface hole section, the spudder rig will run casing and cement following all of the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
 - **b.** The spudder rig will utilize fresh water-based mud to drill the surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
- 2. The wellhead will be installed and tested as soon as the surface casing is cut off and the WOC time has been reached.
- **3.** A blind flange at the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on two wingvalves.
 - **a.** A means for intervention will be maintained while the drilling rig is not over the well.
- 4. Spudder rig operations are expected to take 2-3 days per well on the pad.
- 5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
- 6. Drilling operations will begin with a larger rig and a BOP stack equal to or greater than the pressure rating that was permitted will be nippled up and tested on the wellhead before drilling operations resume on each well.
 - **a.** The larger rig will move back onto the location within 90 days from the point at which the wells are secured and the spudder rig is moved off location.
 - **b.** The BLM will be contacted / notified 24 hours before the larger rig moves back on the pre-set locations.
- 7. Oxy will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
- 8. Once the rig is removed, Oxy will secure the wellhead area by placing a guard rail around the cellar area.



FMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

SUPO Data Report

05/30/2019

Highlighted data reflects the most

recent changes

Show Final Text

APD ID: 10400037329

Operator Name: OXY USA INCORPORATED

Well Name: MESA VERDE WC UNIT

Well Type: OIL WELL

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

MesaVerdeWCUt21H_ExistRoads_20181217133444.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

ROW ID(s)

ID:

Do the existing roads need to be improved? NO Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

MesaVerdeWCUt21H_NewRoad_20181217133509.pdf

New road type: LOCAL

Length: 277 Feet Width (ft.): 25

Max slope (%): 0

Max grade (%): 0

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Watershed Diversion every 200' if needed.

New road access plan or profile prepared? YES

New road access plan attachment:

MesaVerdeWCUt21H_NewRoad_20181217124517.pdf

Access road engineering design? NO

Row(s) Exist? NO

Well Number: 21H

Well Work Type: Drill

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 0

Offsite topsoil source description:

Onsite topsoil removal process: If available

Access other construction information: None

Access miscellaneous information: The access road will run from an existing road approximately 277' northwest through pasture to northeast corner of the pad. Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: CULVERT

Drainage Control comments: Watershed Diversion every 200' if needed.

Road Drainage Control Structures (DCS) description: Watershed Diversion every 200' if needed.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

MesaVerdeWCUt21H_ExistWells_20181218065647.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: a. In the event the well is found productive, the Mesa Verde Federal central tank battery would be utilized and the necessary production equipment will be installed at the well site. See proposed facilities layout diagram. b. All flow lines will adhere to API standards. They will consist of three (3) 4" composite flowlines operating 75% MAWP, surface, lines to follow surveyed route. Survey of a strip of land 30' wide and 29971' (5.676 miles) in length crossing USA Land in Section 13&24 T24S R31E NMPM, Eddy County & Sections 16, 17&18 T24S R32E, Lea County, NM and being 25' left and 25' right of the centerline survey, see attached. Two (2) 6" steel gas lift line operating 1500 psig, buried, lines to follow surveyed route. Survey of a strip of land 30' wide and 1081.2 (0.205 mi) in length crossing USA Land in Section 13

Well Name: MESA VERDE WC UNIT

Well Number: 21H

T24S R31E, NMPM, Eddy County, NM and being 15' left and 15' right of the centerline survey, see attached. c. Electric line will follow a route approved by the BLM. Survey of a strip of land 30' wide and 597.1' (0.113mi) in length crossing USA Land in Sections 13 T24S R31E NMPM, Eddy County, NM and being 15' left and 15' right of the centerline survey, see attached. d. See attached for additional information on the Sand Dunes Mesa Verde WC Development Surface Production Facilities. **Production Facilities map:**

MesaVerdeWCUt21H_FacilityPLEL_20181217134125.pdf MesaVerdeWCUt21H_LeaseFacilityInfo_20181217134150.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: INTERMEDIATE/PRODUCTION CASING, OTHER, SURFACE CASING Describe type:

Water source type: GW WELL

Source longitude:

Source latitude:

Source datum:

Water source permit type: WATER WELL

Source land ownership: COMMERCIAL

Water source transport method: PIPELINE, TRUCKING

Source transportation land ownership: COMMERCIAL

Water source volume (barrels): 2000

Source volume (acre-feet): 0.25778618

Source volume (gal): 84000

Water source and transportation map:

MesaVerdeWCUt21H_GRRWtrSrc_20181217141039.pdf MesaVerdeWCUt21H_MesqWtrSrc_20181217141049.pdf

Water source comments: This well will be drilled using a combination of water mud systems. It will be obtained from commercial water stations (Gregory Rockhouse, Mesquite) in the area and will be hauled to location by transport truck using existing and proposed roads.

New	water	well?	NO	
-----	-------	-------	----	--

New Water Well In	fo			
Well latitude:	Well Longitude:	Well datum:		
Well target aquifer:	. *			
Est. depth to top of aquifer(ft):	Est thickness of	f aquifer:		
Aquifer comments:				
Aquifer documentation:				
Well depth (ft):	Well casing type:			
Well casing outside diameter (in.):	Well casing inside diameter (in.):			
New water well casing?	Used casing sour	Used casing source:		

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Drilling method:

Grout material:

Casing length (ft.):

Well Production type:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Primary - All caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM/State/Fee approved pit or from prevailing deposits found on the location. Will use BLM recommended extra caliche from other locations close by for roads, if available. Secondary - The secondary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cubic yards is max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel: a. The top 6" of topsoil is pushed off and stockpiled along the side of the location. b. An approximate 120' X 120' area is used within the proposed well site to remove caliche. c. Subsoil is removed and piled alongside the 120' X 120' within the pad site. d. When caliche is found, material will be stockpiled within the pad site to build the location and road. e. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road. f. Once the well is drilled the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will be stockpiled along the edge of the pad. Caliche will be provided from a pit located in Section 6 T24S R32E. Water will be provided from a frac pond located in Sections 6 T24S R32E.

Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Water-Based Cuttings, Water-Based Mud, Oil-Based Cuttings, Oil-Based Mud, Produced Water

Amount of waste: 1545.6 barrels

Waste disposal frequency : Daily

Safe containment description: Haul-Off Bins

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Disposal type description:

Disposal location description: An approved facility that can process drill cuttings, drill fluids, flowback water, produced water, contaminated soils, and other non-hazardous wastes.

Res	erve	Ρ	it

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Drill material: Grout depth: Casing top depth (ft.):

Completion Method:

Well Number: 21H Well Name: MESA VERDE WC UNIT

Reserve pit width (ft.) Reserve pit length (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility. Cuttings area width (ft.) Cuttings area length (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO **Ancillary Facilities attachment:**

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

MesaVerdeWCUt21H_WellSiteCL_20181217141222.pdf

Comments: V-Door-North - CL Tanks-West - 330' X 445' - 2 well pad

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: MESA VERDE WC/BS UNIT

Multiple Well Pad Number: 21H/31H

Recontouring attachment:

Drainage/Erosion control construction: Reclamation to be wind rowed as needed to control erosion

Drainage/Erosion control reclamation: Reclamation to be wind rowed as needed to control erosion

Well pad proposed disturbance (acres): 3.37	Well pad interim reclamation (acres): 1.22	Well pad long term disturbance (acres): 2.15
Road proposed disturbance (acres): 0.19	Road interim reclamation (acres): 0.1	Road long term disturbance (acres):
Powerline proposed disturbance (acres): 0 Pipeline proposed disturbance (acres): 21.39 Other proposed disturbance (acres):	Powerline interim reclamation (acres): 0 Pipeline interim reclamation (acres): 14.26 Other interim reclamation (acres): 0.47	Powerline long term disturbance (acres): 0 Pipeline long term disturbance (acres): 7 13
0.41 Total proposed disturbance: 25.36	Total interim reclamation: 15 99	Total long term disturbance: 9.37

Disturbance Comments: See Below

Reconstruction method: If the well is deemed commercially productive, caliche from the areas of the pad site not required for operations will be reclaimed. The original topsoil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be reclaimed as directed by the BLM. The original topsoil will again be returned to the pad and contoured, as close as possible, to the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation.

Topsoil redistribution: The original topsoil will be returned to the area of the drill pad not necessary to operate the well.

Soil treatment: To be determined by the BLM.

Existing Vegetation at the well pad: To be determined by the BLM at Onsite.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: To be determined by the BLM at Onsite.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: To be determined by the BLM at Onsite.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: To be determined by the BLM at Onsite.

Existing Vegetation Community at other disturbances attachment:

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Non native seed description:

Non native seed used? NO

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed name:

Source name:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Seed source:

Source address:

Total pounds/Acre:

Proposed seeding season:

Seed Summary
Seed Type Pounds/Acre

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: JIM

Phone: (575)631-2442

Last Name: WILSON Email: jim_wilson@oxy.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Existing invasive species treatment attachment:

Weed treatment plan description: To be determined by the BLM.

Weed treatment plan attachment:

Monitoring plan description: To be determined by the BLM.

Monitoring plan attachment:

Success standards: To be determined by the BLM.

Pit closure description: NA

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: PIPELINE

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: OTHER Describe: Electric Line Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office:

Well Name: MESA VERDE WC UNIT

BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: Military Local Office: USFWS Local Office: Other Local Office: USFS Region: USFS Forest/Grassland:

Disturbance type: WELL PAD Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: Military Local Office: USFWS Local Office: USFS Region: USFS Forest/Grassland: Well Number: 21H

USFS Ranger District:

USFS Ranger District:

Page 9 of 11

Well Name: MESA VERDE WC UNIT

Well Number: 21H

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? YES Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS,285003 ROW – POWER TRANS,288100 ROW – O&G Pipeline,289001 ROW- O&G Well Pad

ROW Applications

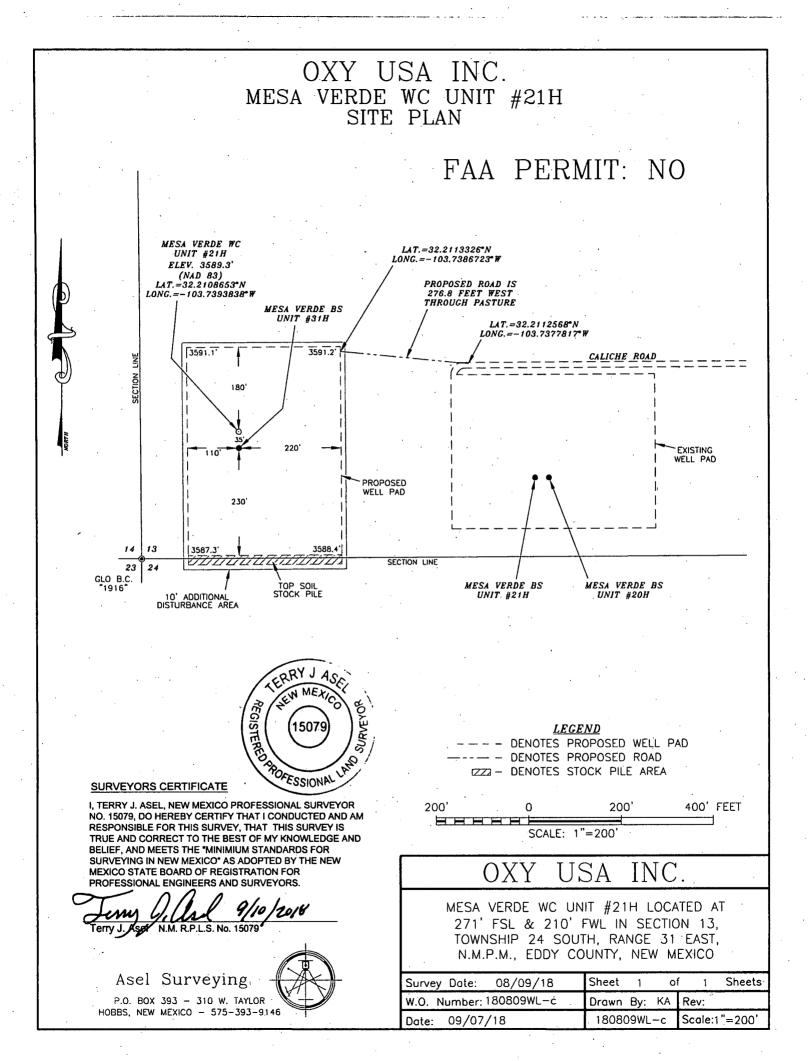
SUPO Additional Information: Permian Basin MOA - To be submitted after APD acceptance. GIS Shapefiles available for BLM download from shared FTP site after APD submittal. **Use a previously conducted onsite?** NO

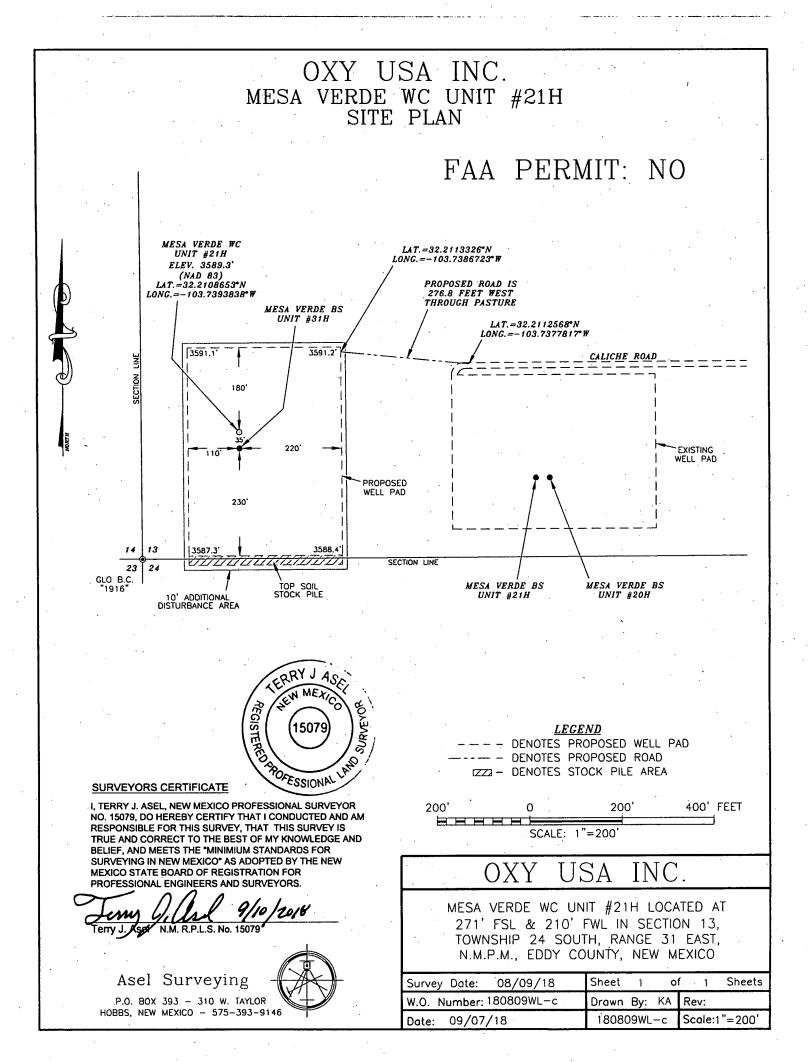
Previous Onsite information:

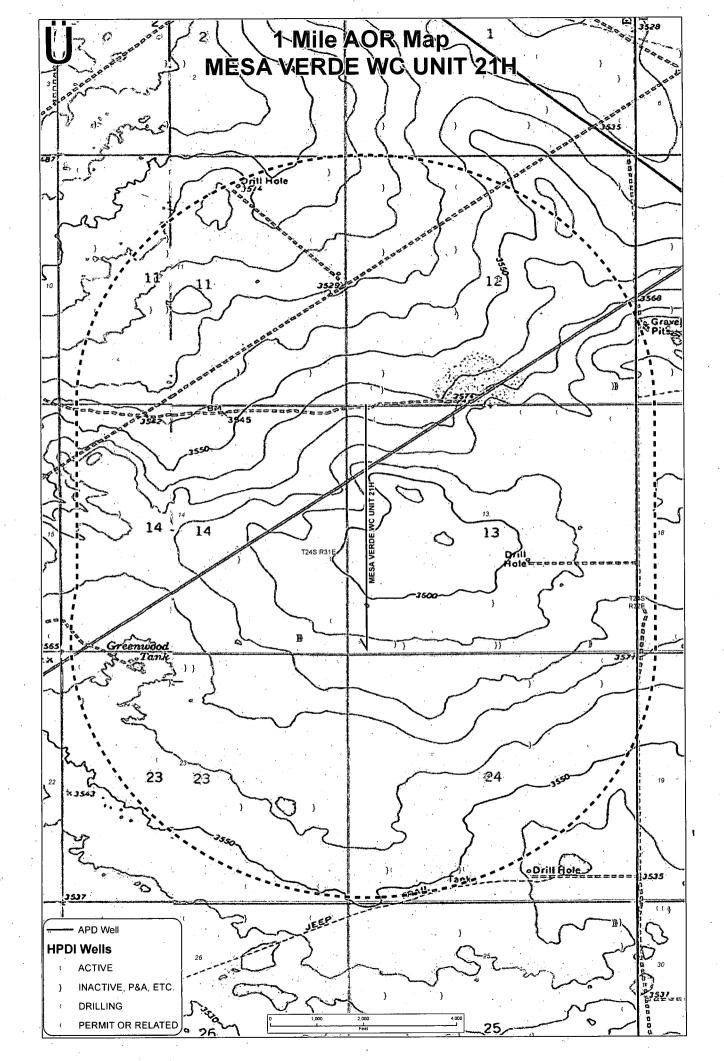
Other SUPO Attachment

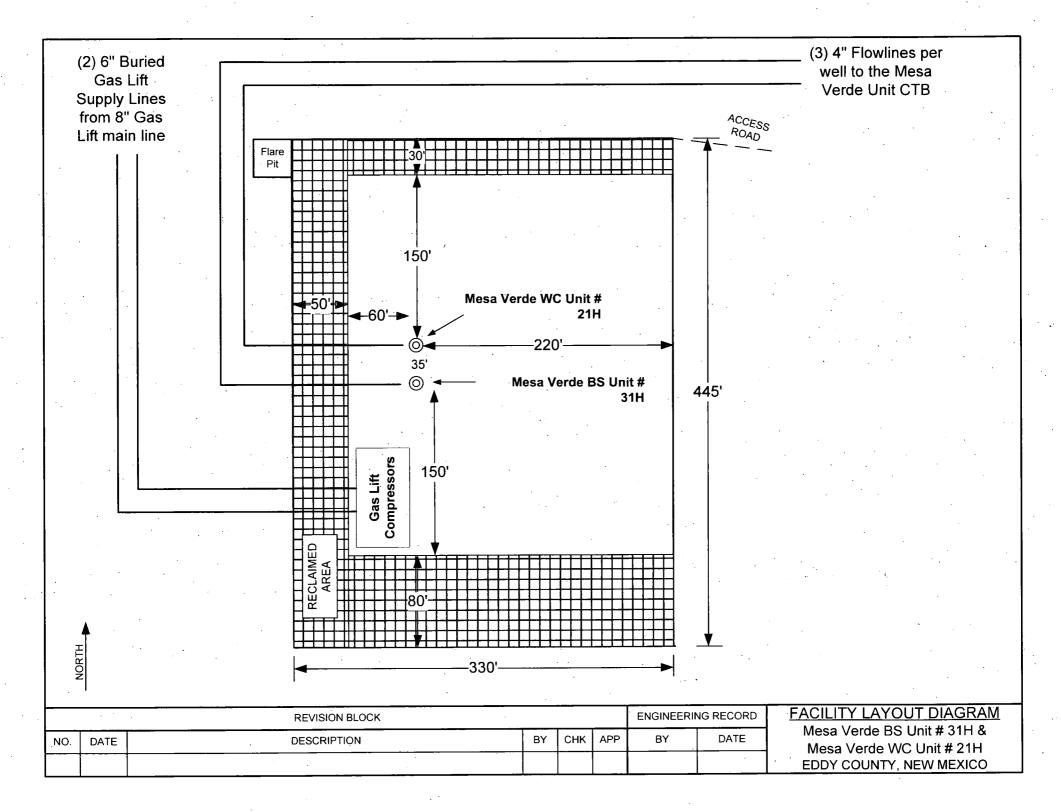
MesaVerdeWCUt21H_StakeForm_20181217142921.pdf MesaVerdeWCUt21H_SUPO_20181217142928.pdf MesaVerdeWCUt21H_GasCapPlan_20181217142940.pdf MesaVerdeWCUt21H_MiscSvyPlats_20181217143332.pdf VICINITY MAP

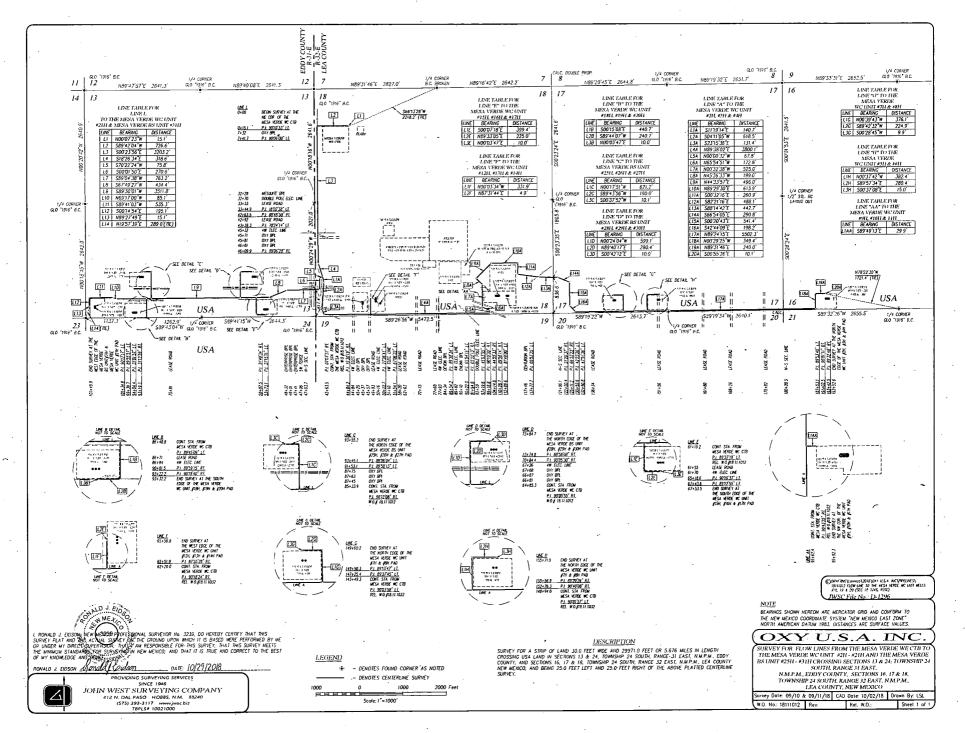
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	COAD AND GO										
	T FOR 0.1 MI		WEST	FOR 0.7	MILES	, CONTI	NUE W	EST ON	PROPO	SED RO	DAD FOR
276.8 FEE	T TO LOCATION	<u>V.</u>									•



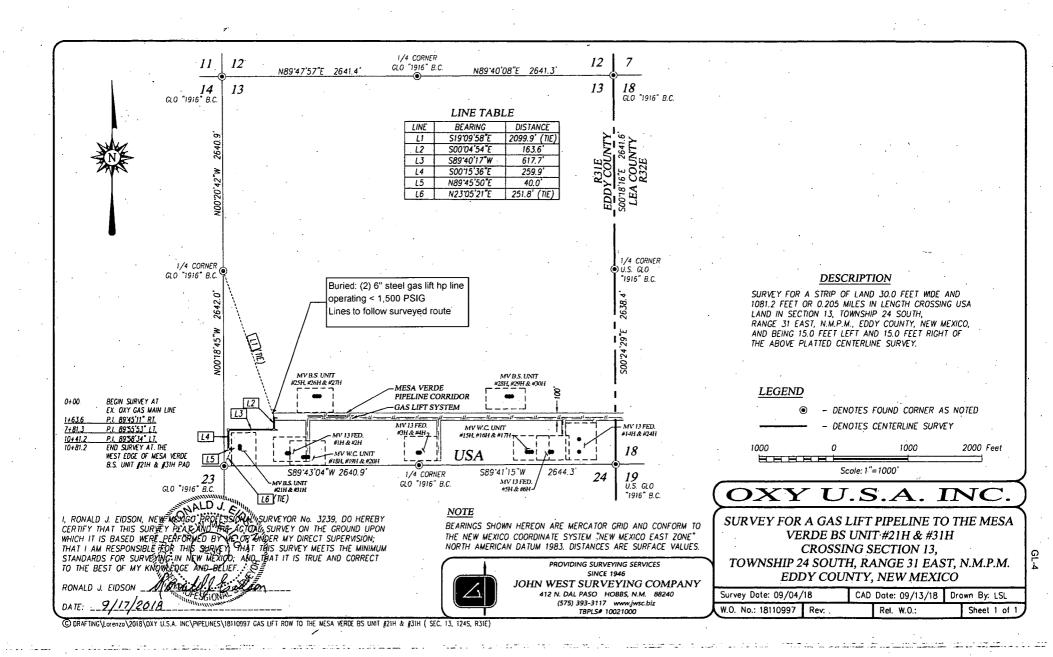


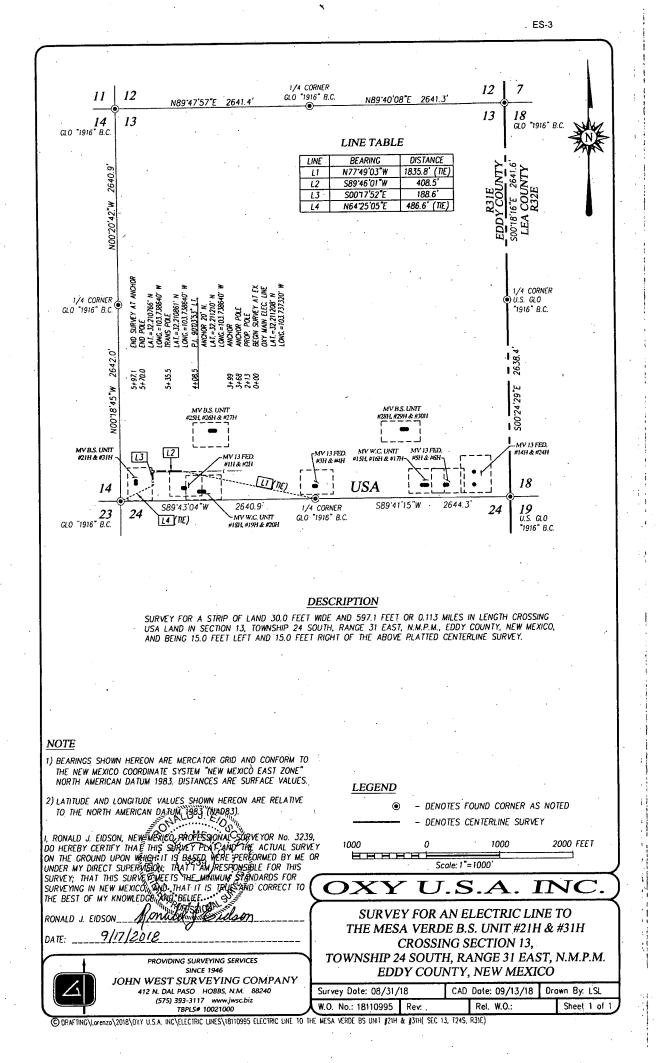






PF-1





<u>Sand Dunes Mesa Verde WC Development – Surface Production Facilities (pg1)</u> MESA VERDE WC UNIT 21H & MESA VERDE BS UNIT 31H

CTB Site

A new Central Tank Battery is required in northwest section 18 which will be composed of (3) tracts with the following dimensions: 600'x600', 200'x30', and 150'x150' and an access road. This will be called the Mesa Verde WC CTB in order to differentiate it from the existing Mesa Verde CTB in southeast section 18.

Reference plats:

(4) John West Surveying Company W.O. No: 1811100 Survey: 9/5/18 CAD: 9/28/18

Production Flowlines

Each well will have (3) surface laid flowlines operating at less than 75% of the MAWP of the flowline per the survey plats from the well site to the CTB following access roads. The flowlines will be routed to the new Mesa Verde WC CTB and to the existing Mesa Verde CTB. The wells will produce to only one of these CTBs at any given time.

Reference plats per well APD package

(1) John West Surveying Company W.O. No: 18111012 Survey: 9/10-11/18 CAD: 10/02/18

Gas Lift

An additional centralized gas lift compression site will be required for artificial lift for the new wells. This site will tie into the existing gas lift pipeline systems, two (2) 20" CS pipelines will provide low pressure suction at < 250 PSIG while two (2) 8" CS pipelines will be discharged at < 1500 PSIG as a common main line for the wells. The gas lift station will be on a 400'x280' pad with an access road.

Reference plats:

(2) John West Surveying Company W.O. No: 18110974 Survey: 08/30/18 CAD: 09/11/18

(1) John West Surveying Company W.O. No: 18110990 Survey: 08/30/18 CAD: 09/12/18

Each well pad will have two (2) 6" buried gas lift supply lines operating at < 1500 PSIG branching off of a common 8" main line (existing).

Reference plats per well APD package

(1) John West Surveying Company W.O. No: 18110997 Survey: 9/04/18 CAD: 9/13/18

Gas Sales

The Mesa Verde WC CTB in Section 18 will require a gas sales pipeline. Gas will flow into two (2) 20" CS buried lines operating at less than 250 PSIG. The gas line will interconnect to the existing Mesa Verde CTB.

Reference plats:

(1) John West Surveying Company W.O. No: 18111125 Survey: 9/24/18 CAD: 10/11/18

Oil Sales

The Mesa Verde WC CTB will require an oil sales pipeline. Oil will be pumped into two (2) 8" buried pipelines operating less than 750 PSIG. This will be routed to the existing Mesa Verde CTB where it will be sold via pipeline through a 3rd Party Processor.

Reference plats:

(1) John West Surveying Company W.O. No: 18111125 Survey: 9/24/18 CAD: 10/11/18

Water Disposal

The Mesa Verde WC CTB will require a Water Disposal pipeline to the existing water disposal system. Water will be pumped through two (2) 16" HDPE buried lines operating at less than 300 PSIG. The disposal line will connect to the disposal system at the Mesa Verde AST water polishing facility just south of the existing treated water ponds.

Reference plats:

(1) John West Surveying Company W.O. No: 18111125 Survey: 9/24/18 CAD: 10/11/18

Electrical Systems

The new Mesa Verde WC CTB and Centralized gas lift locations will require electricity for site lighting, PLC, pumps, etc. Overhead electrical will be taken from the main electrical lines.

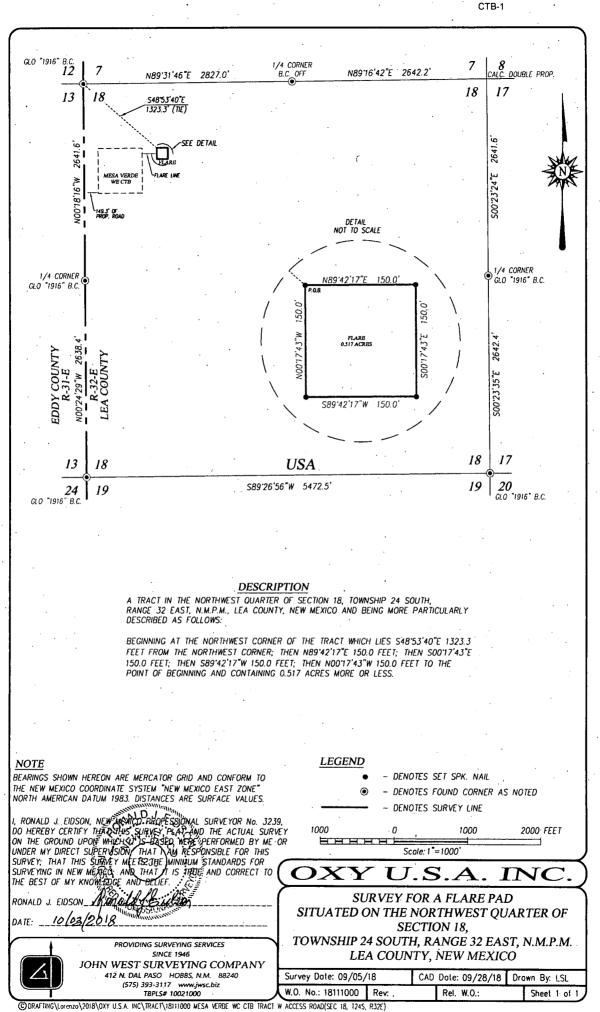
Reference plats:

(1) John West Surveying Company W.O. No: 18111014 Survey: 9/10-24/18 CAD: 10/11/18 (1) John West Surveying Company W.O. No: 18110975 Survey: 8/30/18 CAD: 9/12/18

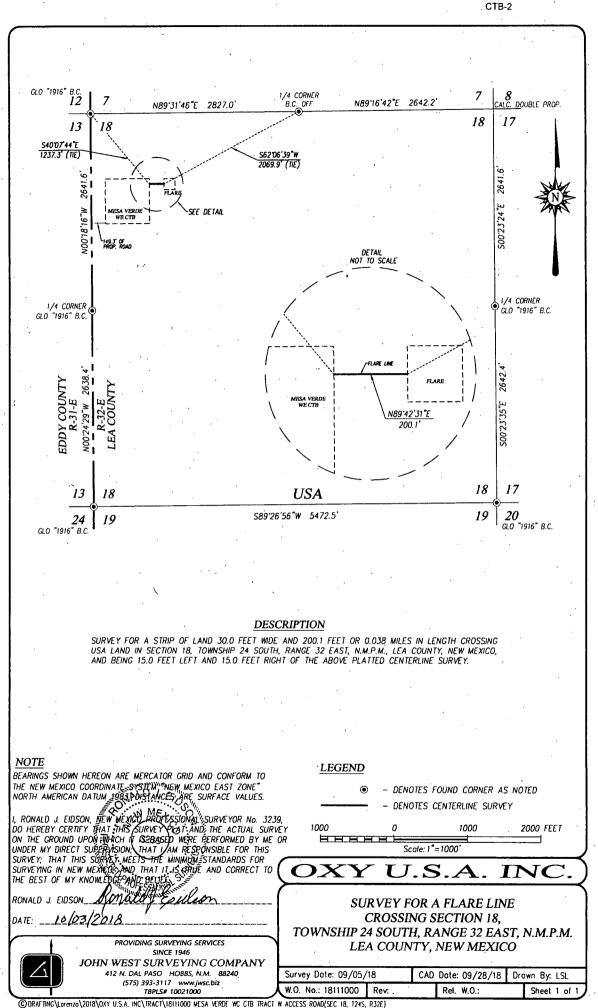
Electrical overhead connections are required from the existing electrical infrastructure to connect to each individual well pad.

Reference plats per well APD package

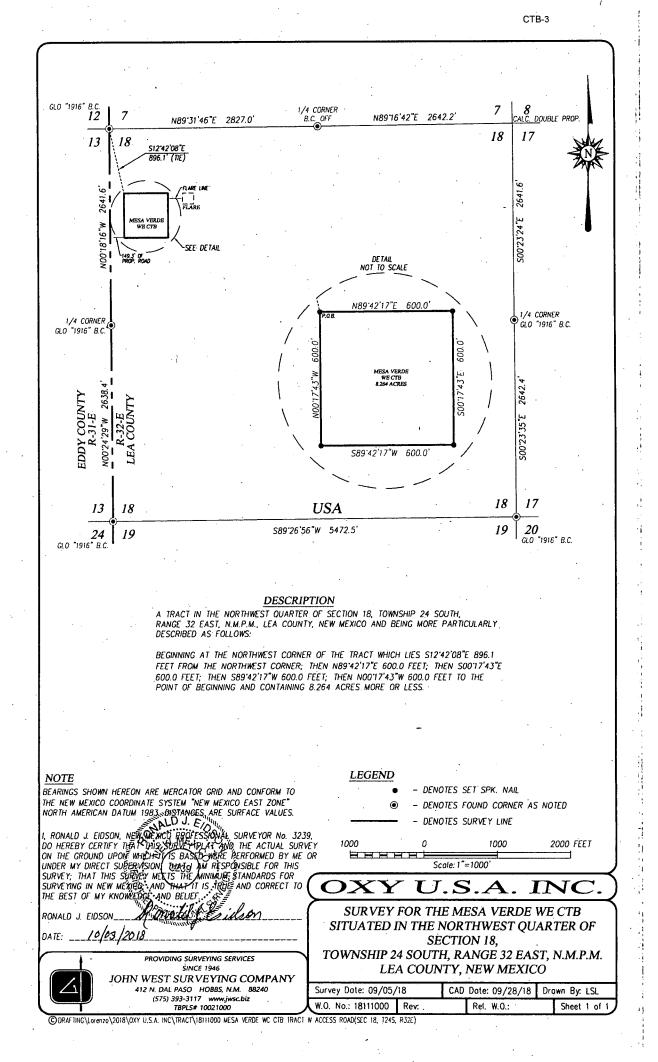
(1) John West Surveying Company W.O. No: 18110995 Survey: 8/31/18 CAD: 9/13/18

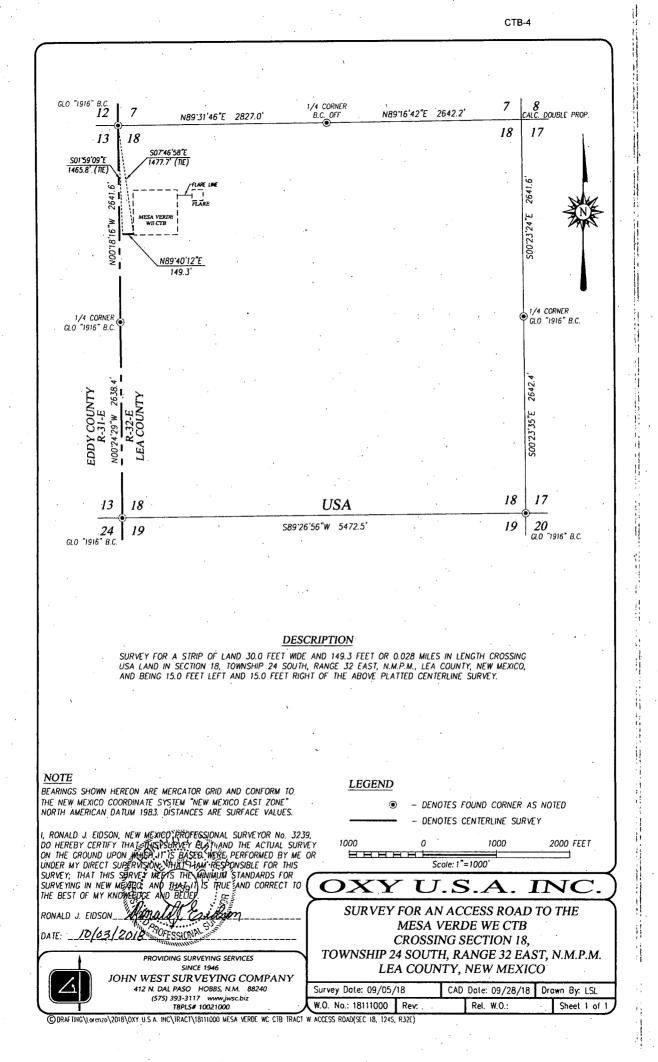


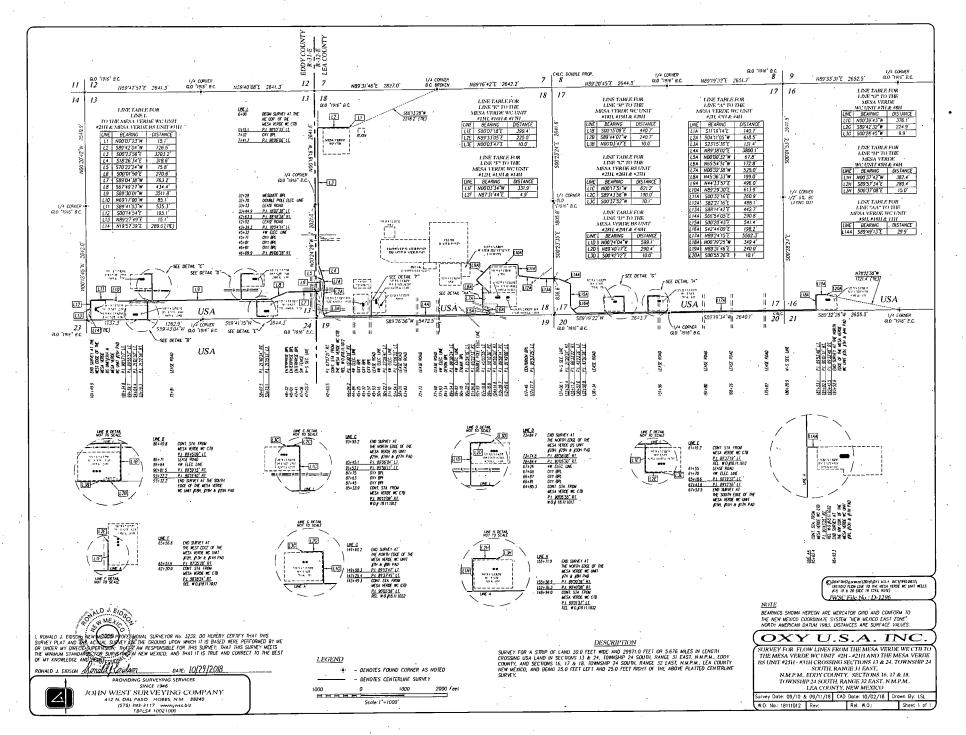
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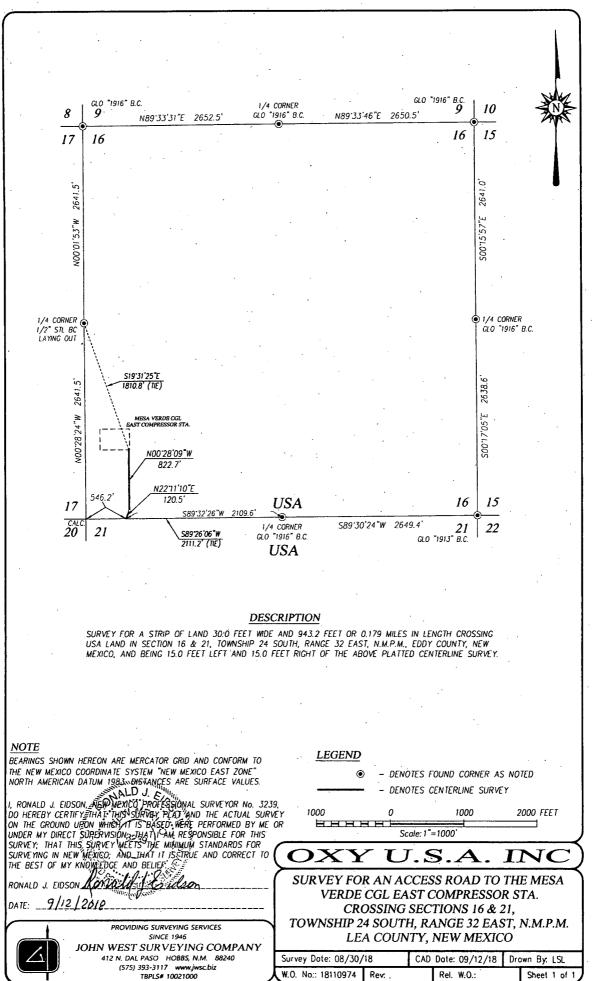
ODRAFTING\Lorenzo\2018\OXY U.S.A. INC\TRACT\18111000 MESA VERDE WC CTB TRACT W ACCESS ROAD(SEC 18, 1245, R32E)





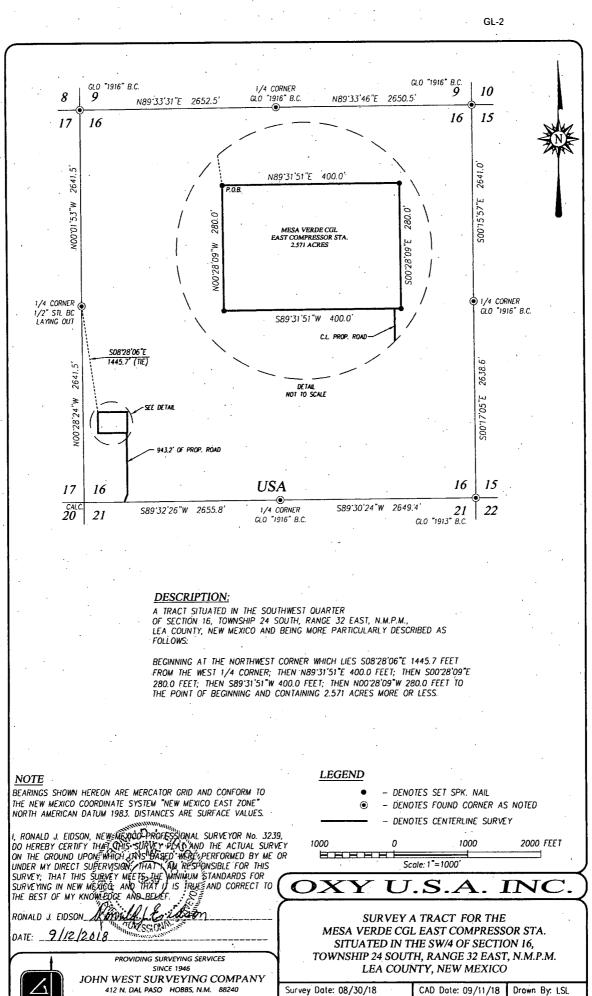


PF-1



O DRAFTING\Lorenzo\2018\0XY U.S.A. INC\TRACT\18110974 MESA VERDE CGL EAST COMP (SEC 16, 1245, R32E)

GL-1



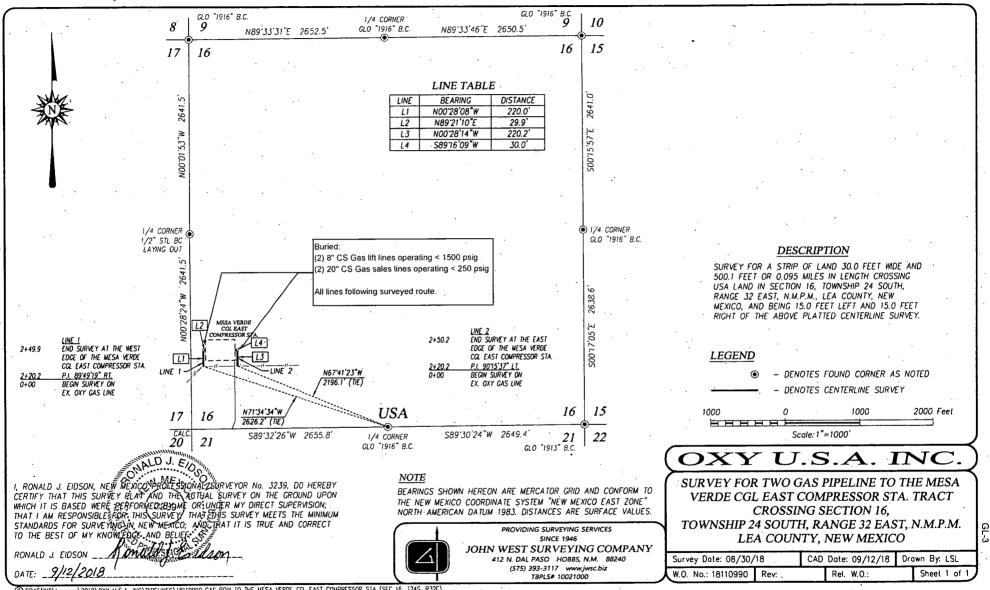
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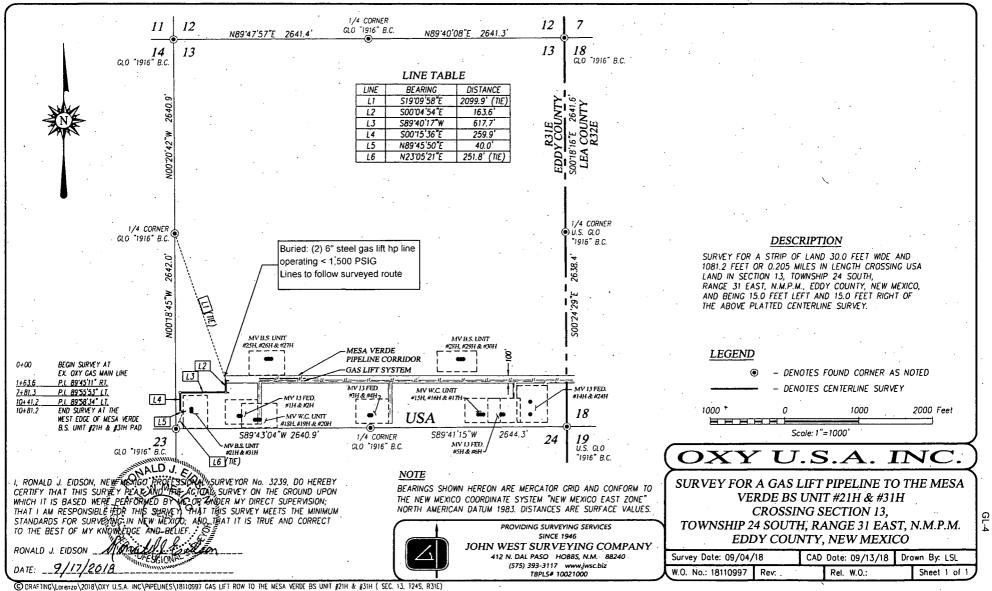
Sheet 1 of 1

(575) 393-3117 www.jws⊂biz TBPLS# 10021000	W.O. No.: 18110974	Rev: .	Rel. W.O.:	Τ
412 N. DAL PASO HOBBS, N.M. 88240	Survey Date: 08/30/	/18	CAD Date: 09/11/18	Drov

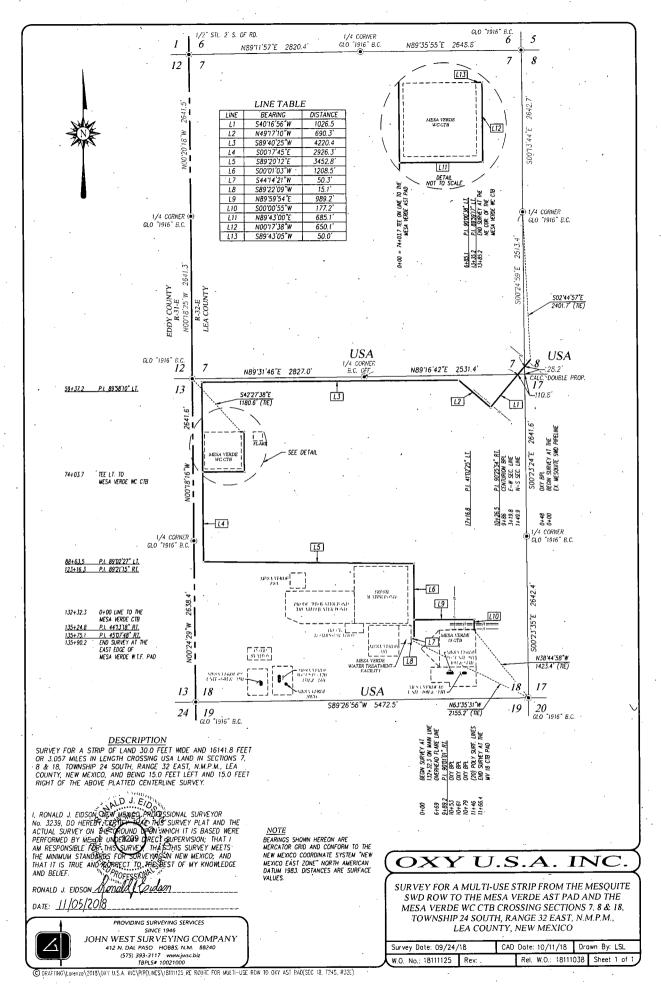
ODRAFTING\Lorenzo\2018\OXY U.S.A. INC\TRACT\18110974 MESA VERDE CGL EAST COMP (SEC 16, 124S, R32E)

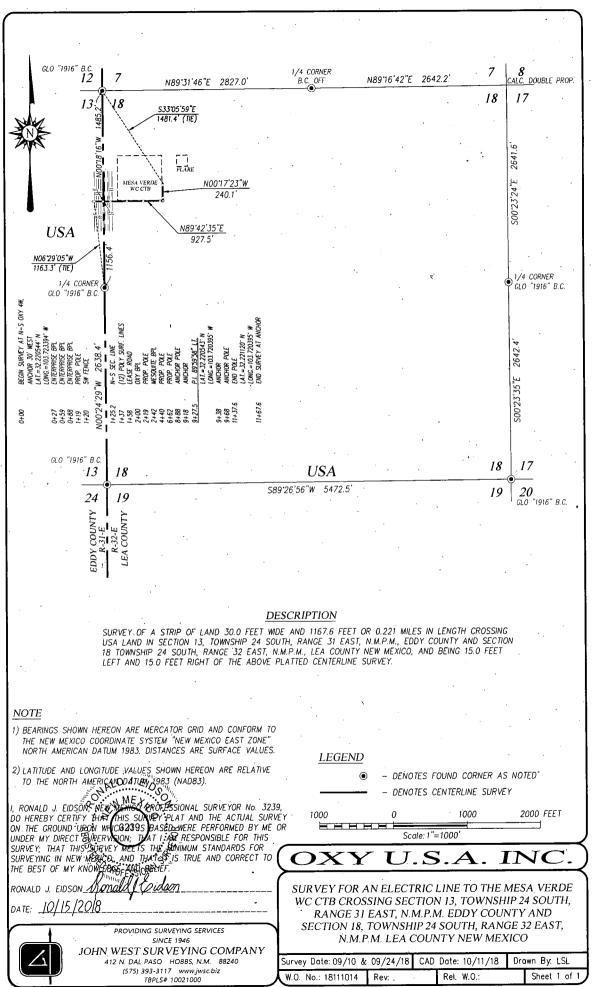


O DRAFTING/LOVENZO/2018/OXY U.S.A. INC/PIPELINES/18110990 GAS ROW TO THE MESA VERDE COL EAST COMPRESSOR STA (SEC 16, 1245, R32E) ----



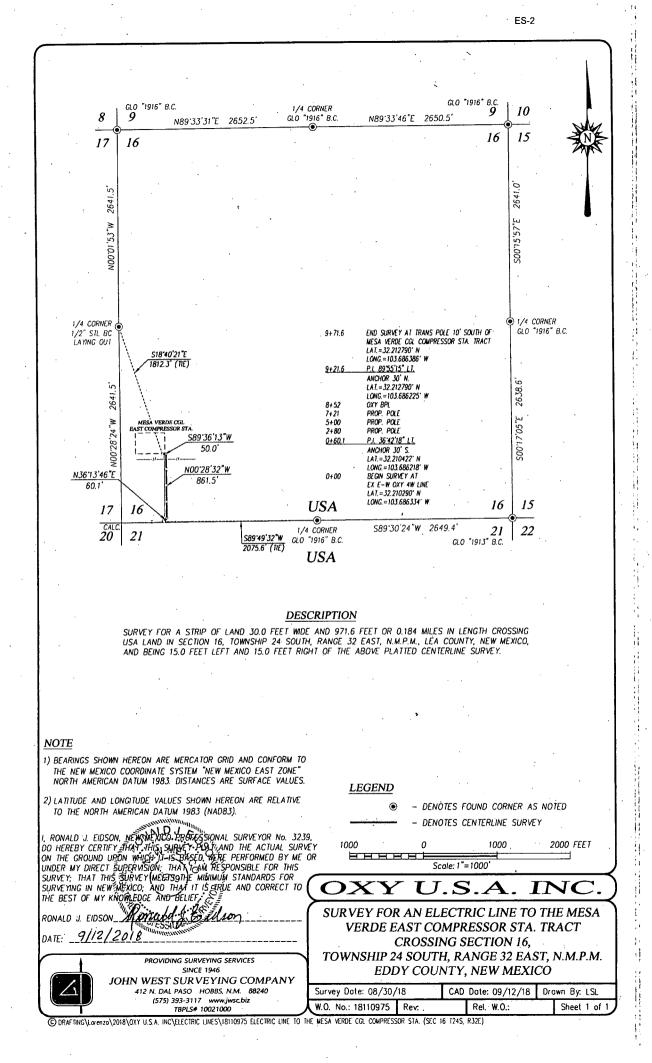
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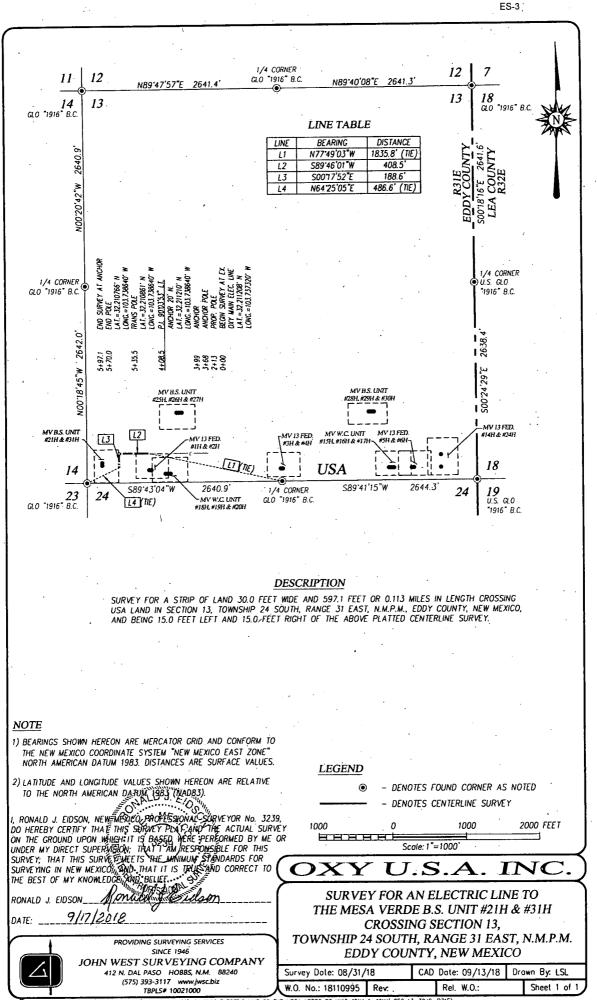




ES-1

C DRAFTING\Lorenzo\2018\0XY U.S.A. INC\ELECTRIC LINES\18111014 ELECTRIC LINE TO THE WESA VERDEE WC CTB (SEC 18, T245, R32E)





ODRAFTING/LOCENZO/2018/0XY U.S.A. INC/ELECTRIC LINES/18110995 ELECTRIC LINE TO THE MESA VERDE BS UNIT 121H & 131H SEC 13, T245, R31E)

08/26/2016

Prepared by: Dave Andersen GRR Land Department

GRR, INC. WATER SOURCES FOR OXY CERTAIN POND LOCATIONS

PondName	Water Source1	Water Source2	Water Source3	Water/Source4
Cedar Canyon	<u>Mine_Industrial</u>	<u>C-3478</u>	<u>C-2772</u>	<u>C-1360</u>
Corral Fly	<u>C-1360</u>	<u>C-1361</u>	<u>C-3358</u>	<u>C-3836</u>
Cypress	<u>Mine_Industrial</u>	<u>C-3478</u>	` <u>C-2772</u>	<u>C-1361</u>
Mesa Verde	<u>C-2571</u>	<u>C-2574</u>	<u>J-27</u>	<u>J-5</u>
Peaches	<u>C-906</u>	<u>C-3200</u>	<u>SP-55 & SP-1279</u> <u>A</u>	<u>C-100</u>

	GRR In		
NMOSE WELL NUMBER	WELL COMMON NAME	LAND OWNERSHIP	GPS LOCATION
C-100	Tres Rios - Next to well shack	PRIVATE	32.201921° -104.254317°
C-100-A	Tres Rios - Center of turnaround	PRIVATE	32.201856° -104.254443°
C-272-B	Tres Rios - Northwest	PRIVATE	32.202315° -104.254812°
C-906	Whites City Commercial	PRIVATE	32.176949°-104.374371°
C-1246-AC & C-1246-AC-S	Lackey	PRIVATE	32.266978°-104.271212°
C-1886	1886 Tank	BLM	32.229316° -104.312930°
C-1083	Petska	PRIVATE	32.30904° -104.16979°
C-1142	Winston West	BLM	32.507845-104.177410
C-1360	ENG#1	PRIVATE	32.064922° -103.908818°
C-1361	ENG#2	PRIVATE	32.064908° -103.906266°
C-1573	Cooksey	PRIVÂTE	32.113463° -104.108092°
C-1575	ROCKHOUSE Ranch Well - Wildcat	BLM	32.493190° -104.444163°
C-2270	CW#1 (Oliver Kiehne)	PRIVATE	32.021440° -103.559208°
C-2242	Walterscheid	PRIVATE	32.39199° -104.17694°
C-2492POD2	Stacy Mills	PRIVATE	32.324203° -103.812472°
C-2569	Paduca well #2	BLM	32.160588 -103.742051
C-2569POD2	Paduca well replacement	BLM	32.160588 -103.742051
C-2570	Paduca (tank) well #4	BLM	32.15668 -103.74114
C-2571	Paduca (road) well	BLŴ	32.163993° -103.745457°
C-2572	Paduca well #6	BLM	32.163985 -103.7412
C-2573	Paduca (in the bush) well	BLM	32.16229 -103.74363
C-2574	Paduca well (on grid power)	BLM	32.165777° -103.747590°
C-2701	401 Water Station	BLM	32.458767° -104.528097°
C-2772	Mobley Alternate	BLM	32.305220° -103.852360°
C-3011	ROCKY ARROYO - MIDDLE	BLM	32.409046° -104.452045°
C-3060	Max Vasquez	PRIVATE	32.31291° -104.17033°
C-3095	ROCKHOUSE Ranch Well - North of Rockcrusher	PRIVÀTE	32.486794° -104.426227°
C-3200	Beard East	PRIVATE	32.168720 -104.276600
C-3260	Hayhurst	PRIVATE	32.227110° -104.150925°
C-3350	Winston Barn	PRIVATE	32.511871° -104.139094°
C-3358	Branson	PRIVATE	32.19214° -104.06201°
C-3363	Watts#2	PRIVATE	32.444637° -103.931313°
C-3453	ROCKY ARROYO - FIELD	PRIVATE	32.458657° -104.460804°
C-3478	Mobley Private	PRIVATE	32.294937° -103.888656°
C-3483pod1	ENG#3	BLM	32.065556° -103.894722°
C-3483pod3	ENG#5	BLM	32.06614° -103.89231°
C-3483POD4	CW#4 (Oliver Kiehne)	PRIVATE	32.021803° -103.559030°
C-3483POD5	CW#5 (Oliver Kiehne)	PRIVATE	32.021692° -103.560158°
C-3554	Jesse Baker #1 well	PRIVATE	32.071937° -103.723030°
C-3577	CW#3 (Oliver Kiehne)	PRIVATE	32.021773° -103.559738°
C-3581	ENG#4	BLM	32.066083° -103.895024°
C-3595	Oliver Kiehne house well #2	PRIVATE	32.025484° -103.682529°
C-3596	CW#2 (Oliver Kiehne)	PRIVATE	32.021793° -103.559018°
			

NMOSE WELL NUMBER	WELL COMMON NAME	LAND OWNERSHIP	GPS LOCATION		
C-3614	Dale Hood #2 well	PRIVATE	32.449290° -104.214500°		
C-3639	Jesse Baker #2 well	PRIVATE	32.073692° -103.727121°		
C-3679	McCloy-Batty	PRIVATE	32.215790° -103.537690°		
C-3689	Winston Barn_South	PRIVATE	32.511504° -104.139073°		
C-3731	Ballard Construction	PRIVATE	32.458551° -104.144219°		
C-3764	Watts#4	PRIVATE	32.443360° -103.942890°		
C-3795	Beckham#6	BLM	32.023434°-103.321968°		
C-3821	Three River Trucking	PRIVATE	32.34636° -104.21355		
C-3824	Collins	PRIVATE	32.224053° -104.090129°		
C-3829	Jesse Baker #3 well	PRIVATE	32.072545°-103.722258°		
C-3830	Paduca	BLM	32.156400° -103.742060°		
C-3836	Granger	PRIVATE	32.10073° -104.10284°		
C-384	ROCKHOUSE Ranch Well - Rockcrusher	PRIVATE	32.481275° -104.420706°		
C-459	Walker	PRIVATE	32.3379° -104.1498°		
C-496pod2	Munoz #3 Trash Pit Well	PRIVATE	32.34224° -104.15365°		
C-496pod3&4	Munoz #2 Corner of Porter & Derrick	PRIVATE	32.34182° -104.15272°		
C-552	Dale Hood #1 well	PRIVATE	32.448720° -104.214330°		
C-764	Mike Vasquez	PRIVATE	32.230553° -104.083518°		
C-766(old)	Grandi	PRIVATE	32.32352° -104.16941°		
C-93-S	Don Kidd well	PRIVATE	32.344876 -104.151793		
C-987	ROCKY ARROYO - HOUSE	PRIVATE	32.457049° -104.461506°		
C-98-A	Bindel well	PRIVATE	32.335125° -104.187255°		
CP-1170POD1	Beckham#1	PRIVATE	32.065889° -103.312583°		
CP-1201	Winston Ballard	BLM	32.580380° -104.115980°		
CP-1202	Winston Ballard	BLM	32.538178° -104.046024°		
CP-1231	Winston Ballard	PRIVATE	32.618968° -104.122690°		
CP-1263POD5	Beckham#5	PRIVATE	32.065670° -103.307530°		
CP-1414	Crawford #1	PRIVATE	32.238380° -103.260890°		
CP-1414 POD 1	RRR	PRIVATE	32.23911° -103.25988°		
CP-1414 POD 2	BBB	PRIVATE	32.23914° -103.25981°		
CP-519	Bond_Private	PRIVATE	32.485546 -104.117583		
CP-556	Jimmy Mills (Stacy)	STATE	32.317170° -103.495080°		
CP-626	OI Loco (W)	STATE	32.692660° -104.068064°		
CP-626-S	Beach Exploration/ OI Loco (E)	STATE	32.694229° -104.064759°		
CP-73	Laguna #1	BLM	32.615015°-103.747615°		
CP-74	Laguna #2	BLM	32.615255°-103.747688°		
CP-741	Jimmy Richardson	BLM	32 .61913° -104.06101°		
CP-742	Jimmy Richardson	BLM	32.614061° -104.017211°		
CP-742	Hidden Well	BLM	32.614061 -104.017211		
CP-745	Leaning Tower of Pisa	BLM	32.584619° -104.037179°		
CP-75	Laguna #3	BLM	32.615499°-103.747715°		
CP-924	Winston Ballard	BLM	32.545888° -104.110114°		
CP-926					
22.220	Winchester well (Winston)	BLM	32.601125° -104.128358°		

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NMOSE WELL NUMBER	WELL COMMON NAME	LAND	GPS LOCATION
J-27	Beckham		
J-5	EPNG Jal Well	PRIVATE PRIVATE	32.020403° -103.299333° 32.050232° -103.313117°
J-33	Beckham	PRIVATE	32.016443° -103.297714°
J-34	Beckham	PRIVATE	32.016443° -103.297714°
J-35	Beckham	PRIVATE	32.016443° -103.297714°
		PRIVALE	32.016443* -103.297714*
L-10167	Angell Ranch well	PRIVATE	32.785847° -103.644705°
L-10613	Northcutt3 (2nd House well)	PRIVÂTE	32.687922°-103.472452°
L-11281	Northcutt4	PRIVATE	32.687675°-103.471512°
L-12459	Northcutt1 (House well)	PRIVATE	32.689498°-103.472697°
L-12462	Northcutt8 Private Well	PRIVATE	32.686238°-103.435409°
L-13049	EPNG Maljamar well	PRIVATE	32.81274° -103.67730°
L-13129	Pearce State	STATE	32.726305°-103.553172°
L-13129	Pearce Trust	STATE	32.731304°-103.548461°
L-13384	Northcutt7 (State) CAZA	STATE	32.694651°-103.434997°
L-1880S-2	HB Intrepid well #7	PRIVATE	32.842212° -103.621299°
L-1880S-3	HB Intrepid well #8	PRIVATE	32.852415° -103.620405°
L-1881	HB Intrepid well #1	PRIVATE	32.829124° -103.624139°
L-1883	HB Intrepid well #4	PRIVĂTE	32.828041° -103.607654°
L-3887	Northcutt2 (Tower or Pond well)	PRIVATE	32.689036°-103.472437°
L-5434	Northcutt5 (State)	STATE	32.694074°-103.405111°
L-5434-S	Northcutt6 (State)	STATE	32.693355°-103.407004°
			02.030000 -100.407004
RA-14	Horner Can	PRIVATE	32.89348° -104.37208°
RA-1474	Irvin Smith	PRIVATE	32.705773° -104.393043°
RA-1474-B	NLake WS / Jack Clayton	PRIVATE	32.561221°-104.293095°
RA-9193	Angell Ranch North Hummingbird	PRIVATE	32.885162° -103.676376°
SP-55 & SP-1279-A	Blue Springs Surface POD	PRIVATE	32.181358° -104.294009°
SP-55 & SP-1279 (Bounds)	Bounds Surface POD	PRIVĂTE	32.203875° -104.247076°
			02.200070 104.247070
SP-55 & SP-1279 (Wilson)	Wilson Surface POD	PRIVATE	32.243010° -104.052197°
City Treated Effluent	City of Carlsbad Waste Treatment	PRIVATE	20 4111008 104 1770008
	Plant	PRIVATE	32.411122° -104.177030°
Mine Industrial	Mosaic Industrial Water	PRIVATE	32.370286° -103.947839°
Mobley State Well (NO OSE)	Mobley Ranch	STATE	32.308859° -103.891806°
EPNG Industrial	Monument Water Well Pipeline (Oil Center, Eunice)	PRIVATE	32.512943° -103.290300°
MCOX Commercial	Matt Cox Commercial	PRIVATE	32.529431° -104.188017°
AMAX Mine Industrial	Mosaic Industrial Water	N/A	VARIOUS TAPS
WAG Mine Industrial	Mosaic Industrial Water	N/A	VARIOUS TAPS
-IB Mine Industrial	Intrepid Industrial Water	N/A	VARIOUS TAPS
· · · · ·			

Mesquite

Cedar Canyon

Major Source: C464 (McDonald) Sec. 13 T24S R28E Secondary Source: C-00738 (McDonald/Faulk) Sec. 12 T24S R28E

Corral Fly - South of Cedar Canyon

Major Source: C464 (McDonald) Sec. 13 T24S R28E Secondary Source: C-00738 (McDonald/Faulk) Sec. 12 T24S R28E

Cypress – North of Cedar Canyon

Major Source: Caviness B: C-501-AS2 Sec 23 T28S R15E Secondary Source: George Arnis; C-1303

Sand Dunes – new frac pond

Major Source: 128 Fresh Water Pond (Mesquite/Mosaic) – located at MM 4 on 128; 240,000 bbl pond

Secondary Source: George Arnis; C-1303

Mesa Verde - east of Sand Dunes

Major Source: 128 Fresh Water Pond (Mesquite/Mosaic) – located at MM 4 on 128; 240,000 bbl pond

Secondary Source: Unknown at this time; needs coordinates to determine secondary source

Smokey Bits/Ivore/Misty – had posiden tanks before

Major Source: Unknown at this time; need coordinates to determine major source Secondary Source: Unknown at this time; needs coordinates to determine secondary source

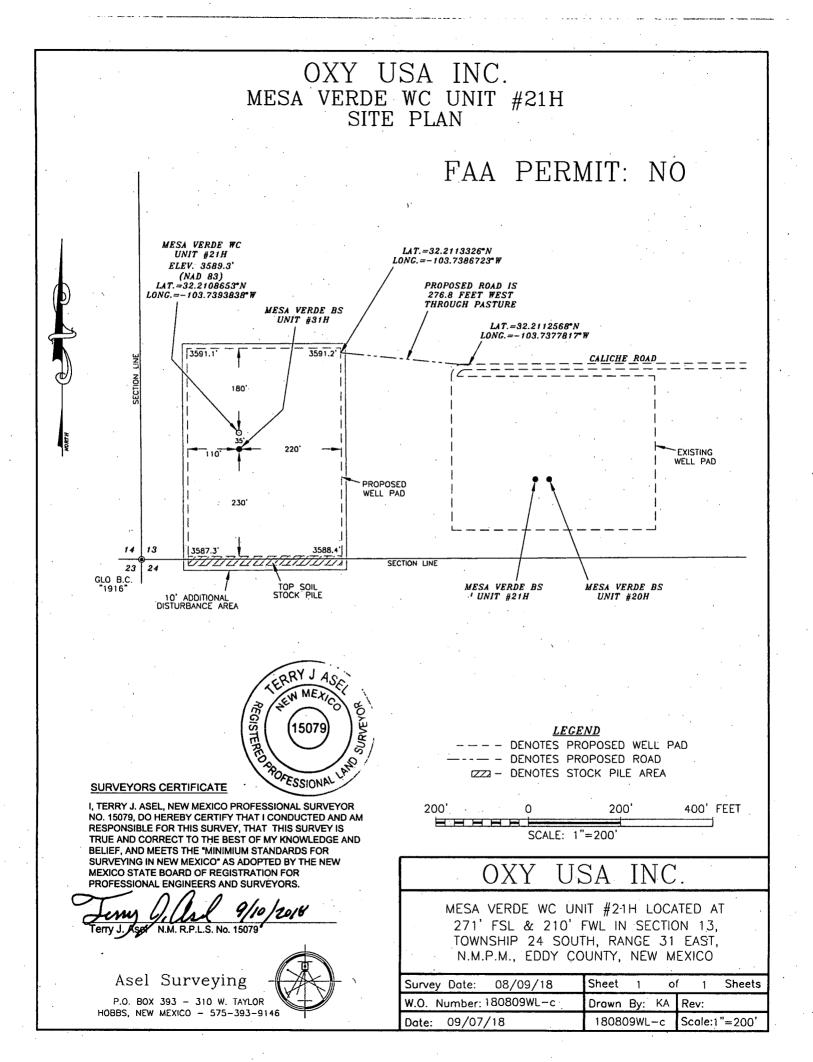
Red Tank/Lost Tank

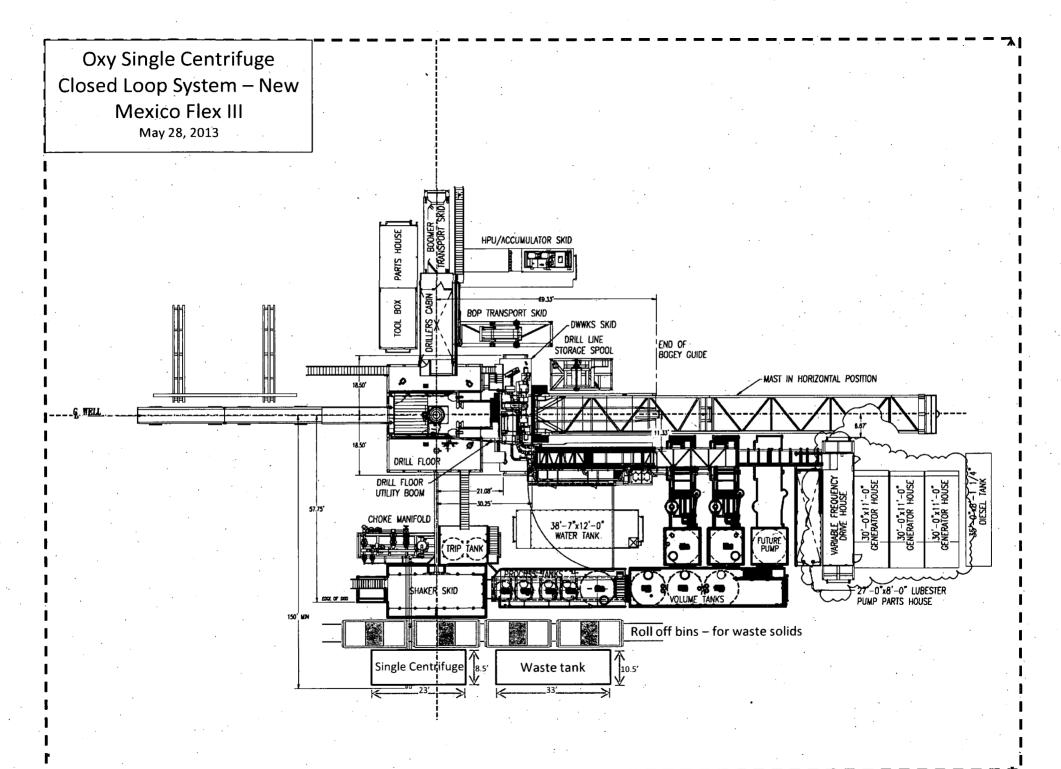
Major Source: Unknown at this time; need coordinates to determine major source Secondary Source: Unknown at this time; needs coordinates to determine secondary source

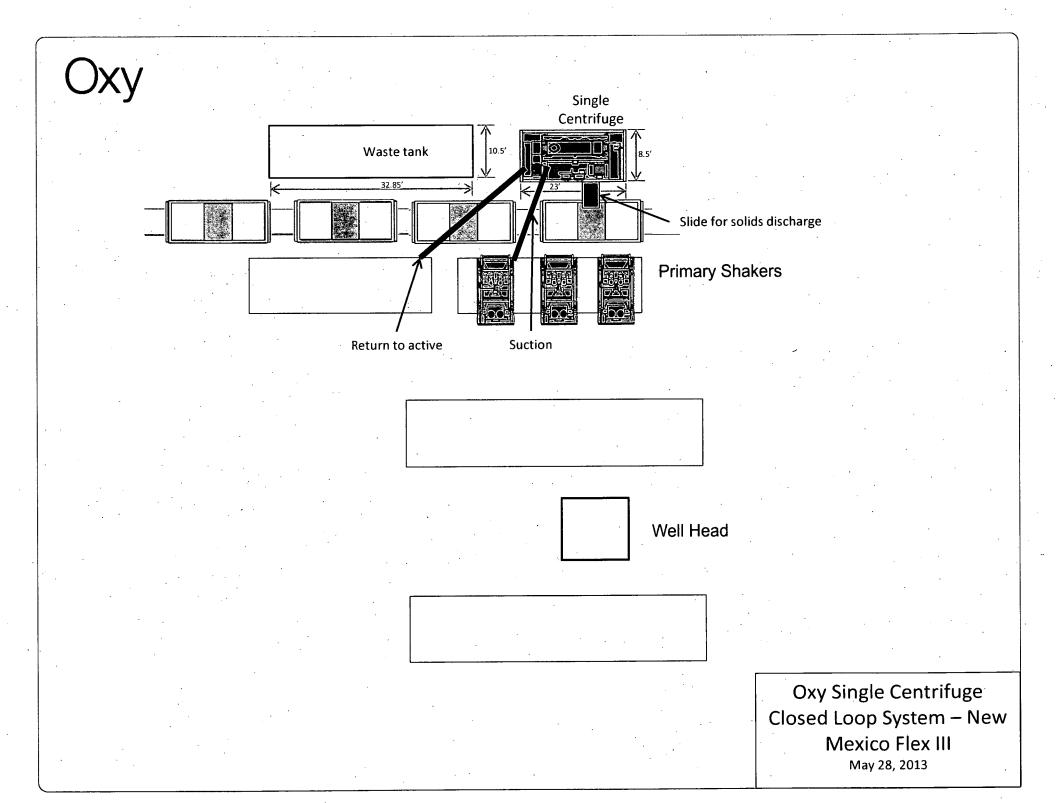
Peaches

Major Source: Unknown at this time; need coordinates to determine major source Secondary Source: Unknown at this time; needs coordinates to determine secondary source

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							ACCESS ROAD		
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	·		150'						
			Mosal	erde WC Uni	• #				
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<u> </u>	<u></u>	REVISION E	BLOCK	· · · · · ·		ENGINEERI	NG RECORD	FLEX 3 RIG DIA	
NO. DATE		DESCRIPTIC	DN	ВҮ СНК	APP	BY	DATE	Mesa Verde BS Un Mesa Verde WC U EDDY COUNTY, NEV	nit # 21H







	445×330	PAD
	OXY U.S.A. INC.	
	NEW MEXICO STAKING FORM	~1.
Date Staked:	8-9-18	· ·
	Mest Verde WC Unit #21H	
	271' FSL 210' FWL Sec 13 T245 R31	E.
Latitude:	320 12' 39.12"	NAD 83
Longitude:	-103° 44' 21.78"	NAD 83
X:	725033.59	NAD 83
Y: _	440954,41	NAD 83
Elevation:	3589.3	NAD 83
Move information:		
County:	Eddy	
Surface Owner	BLM	
Nearest Residence:	7	
Nearest Water Well: _	•	
V-Door: _	NORTH	
Top soil:	SOUTH	
Road Description: _	NE Car From EAST	
New Road:		
pgrade Existing Road:		
Interim Reclamation:	30' NONTH 50' West	
Source of Caliche:	r= R 1	
Onsite Attendees:	EBASSETT-BLM JIMWILSON-DXY SWCA ASELSURVEY	
19710 <u>v</u>		

Surface Use Plan of Operations

Operator Name/Number:	<u>OXY USA Inc. – 16696</u>	
Lease Name/Number:	Mesa Verde WC Unit #21H	NMNM137099X
Pool Name/Number:	Mesa Verde Wolfcamp	98252
Surface Location:	271' FSL 210' FWL SWSW (M) Sec 1	<u> 13 T24S R31E – NMNM114979</u>
Bottom Hole Location:	20' FNL 330' FWL NWNW (D) Sec 13	3 T24S R31E - NMNM114979

1. Existing Roads

- a. A copy of the USGS "Paduca Breaks, NW, NM" quadrangle map is attached showing the proposed location. The well location is spotted on the map, which shows the existing road system.
- b. The well was staked by Terry J Asel, Certificate No. 15079 on 8/9/18, certified 9/10/18.
- c. Directions to Location: From the intersection of SH 128 and CR 786 (Buck Jackson Rd), go southwest on CR 786 for 0.4 miles. Turn left on caliche road and go south for 1.3 miles. Turn right and go west for 0.2 miles, go southwest for 0.1 miles, go west for 0.7 miles and continue west on proposed road for ~277' to location.

2. New or Reconstructed Access Roads:

- a. A new access road will be built. The access road will run approximately 277' northwest through pasture to the northeast corner of the pad.
- b. The maximum width of the road will be 30'. It will be crowned and made up of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
- c. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest in proximity to the location. The average grade will be approximately 1%.
- d. No cattle guards, grates or fence cuts will be required. Turnouts are planned every 1000' as needed.
- e. Blade, water and repair existing caliche roads as needed.
- f. Water Bars will be incorporated every 200' during the construction of the road.

3. Location of Existing Wells:

Existing wells within a one-mile radius of the proposed well are on the attached plat.

4. Location of Existing and/or Proposed Facilities:

- a. In the event the well is productive, the Mesa Verde Federal central tank battery would be utilized and the necessary production equipment will be installed at the well site. See proposed facilities layout diagram.
- b. All flow lines will adhere to API standards. They will consist of three (3) 4" composite flowlines operating < 75% MAWP, surface, lines to follow surveyed route. Survey of a strip of land 30' wide and 29971' (5.676 miles) in length crossing USA Land in Section 13&24 T24S R31E NMPM, Eddy County & Sections 16, 17&18 T24S R32E, Lea County, NM and being 25' left and 25' right of the centerline survey, see attached. Two (2) 6" steel gas lift line operating <1500 psig, buried, lines to follow surveyed route. Survey of a strip of land 30' wide and 1081.2 (0.205 mi) in length crossing USA Land in Section 13 T24S R31E, NMPM, Eddy County, NM and being 15' left and 15' right of the centerline survey, see attached.</p>
- c. Electric line will follow a route approved by the BLM. Survey of a strip of land 30' wide and 597.1' (0.113mi) in length crossing USA Land in Sections 13 T24S R31E NMPM, Eddy County, NM and being 15' left and 15' right of the centerline survey, see attached.

5. Location and types of Water Supply

This well will be drilled using a combination of water mud systems. It will be obtained from commercial water stations in the area and will be hauled to location by transport truck using existing and proposed roads.

6. Construction Materials:

Primary

All caliche utilized for the drilling pad and proposed access road will be obtained from an existing BLM/State/Fee approved pit or from prevailing deposits found on the location. Will use BLM recommended extra caliche from other locations close by for roads, if available.

Secondary

The secondary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cubic yards is max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

- a. The top 6" of topsoil is pushed off and stockpiled along the side of the location.
- b. An approximate 120' X 120' area is used within the proposed well site to remove caliche.
- c. Subsoil is removed and piled alongside the 120' X 120' within the pad site.
- d. When caliche is found, material will be stockpiled within the pad site to build the location and road.
- e. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- f. Once the well is drilled the stockpiled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced. Neither caliche nor subsoil will be stockpiled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the attached plat.

7. Methods of Handling Waste Material:

- a. A closed loop system will be utilized consisting of above ground steel tanks and haul-off bins. Disposal of liquids, drilling fluids and cuttings will be disposed of at an approved facility. Solids-CRI, Liquids-Laguna
- b. All trash, junk and other waste material will be contained in trash cages or bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- c. The supplier, including broken sacks, will pickup slats remaining after completion of well.
- d. A Porto-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- e. Disposal of fluids to be transported will be by the following companies. TFH Ltd, Laguna SWD Facility

8. Ancillary Facilities: None needed.

9. Well Site Layout:

The proposed well site layout with dimensions of the pad layout and equipment location.

V-Door – <u>North</u>

CL Tanks – West

Pad - 330' X 445' - Two Well Pad

10. Plans for Surface Reclamation:

a. After concluding the drilling and/or completion operations, if the well is found non-commercial, the caliche will be removed from the pad and transported to the original caliche pit or used for other drilling locations. The road will be reclaimed as directed by the BLM. The original topsoil will again be returned to the pad and contoured, as close as

possible, to the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation.

 b. If the well is deemed commercially productive, caliche from the areas of the pad site not required for operations will be reclaimed. The original topsoil will be returned to the area of the drill pad not necessary to operate the well. These unused areas of the drill pad will be contoured, as close as possible, to match the original topography, and the area will be seeded with an approved BLM mixture to re-establish vegetation.

11. Surface Ownership:

The surface is owned by the U.S. Government and is administered by the BLM. The surface is multiple use with the primary uses of the region for the grazing of livestock and the production of oil and gas. The surface is leased to NGL, 6120 S. Yale Avenue #805, Tulsa, OK 74136. They will be notified of our intention to drill prior to any activity.

12. Other Information:

- a. The vegetation cover is generally sparse consisting of mesquite, yucca, shinnery oak, sandsage and perennial native range grass. The topsoil is sandy in nature. Wildlife in the area is also sparse consisting of deer, coyotes, rabbits, rodents, reptiles, dove and quail.
- b. There is no permanent or live water in the general proximity of the location.
- c. There are no dwellings within one mile of the proposed well site.
- d. Cultural Resources Examination–This well is located in the Permian Basin PA. Payment to be determined by BLM. This well shares the same pad as the Mesa Verde BS Unit #31H.
- e. Copy of this application has been mailed to SWCA Environmental Consultants, 5647 Jefferson St. NE, Albuquerque, NM 87109. No Potash leases within one mile of surface location.

13. Bond Coverage:

Bond coverage is Individual-NMB000862, Nationwide-ESB00226.

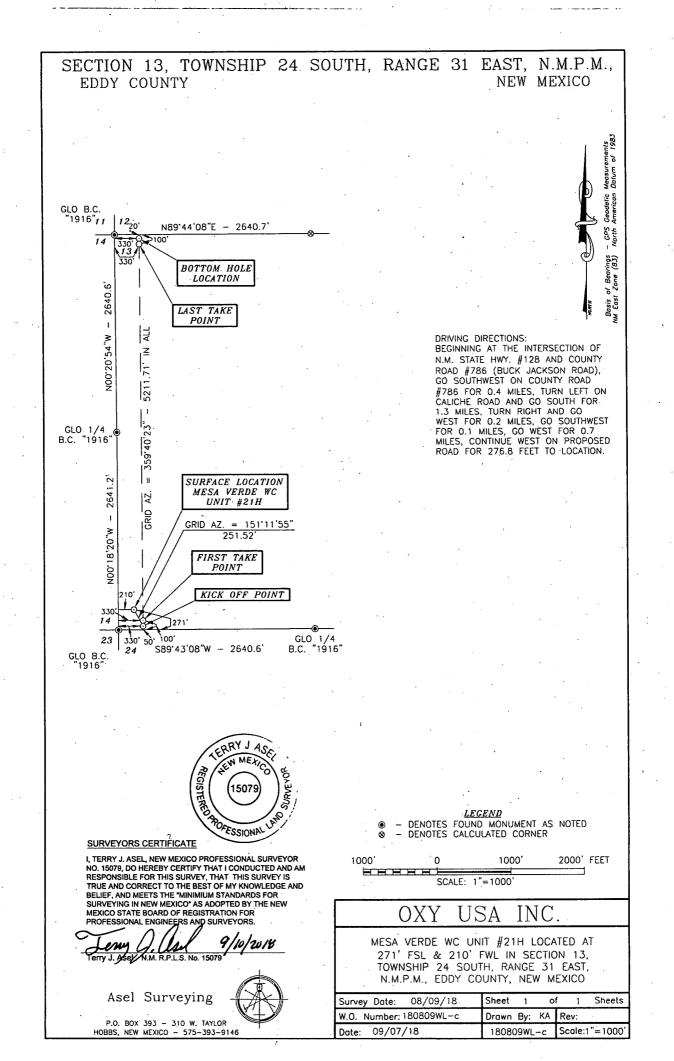
14. Operators Representatives:

The OXY Permian representatives responsible for ensuring compliance of the surface use plan are listed below:

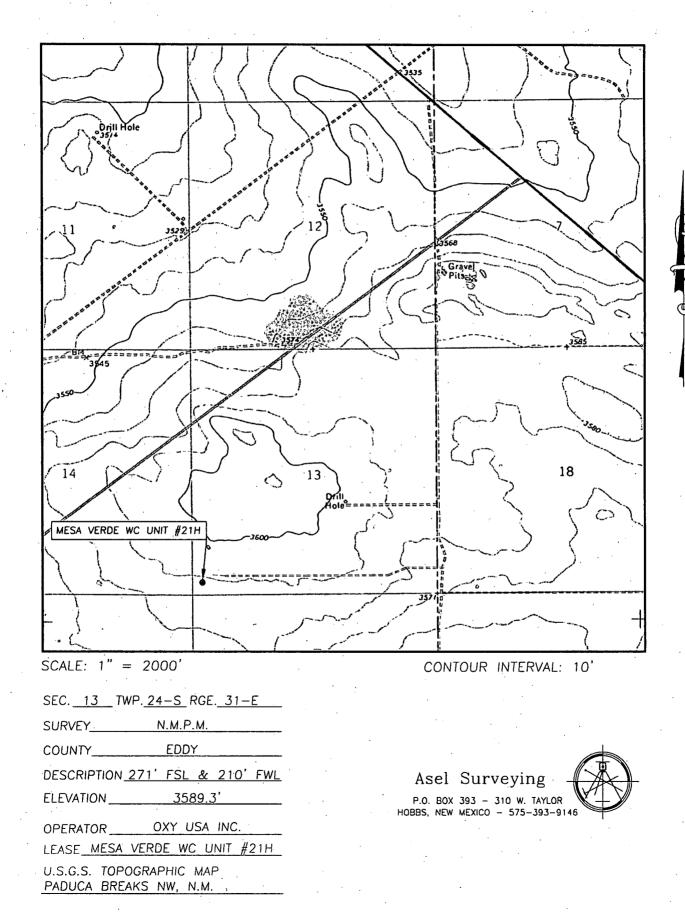
Leo Ortega Operations Superintendent 1502 West Commerce Dr. Carlsbad, NM 88220 Office – 575-628-4012 Cellular – 575-706-8995

Jim Wilson Operation Specialist P.O. Box 50250 Midland, TX 79710 Cellular – 575-631-2442 Cuong Q. Phan Asset Manager P.O. Box 4294 Houston, TX Carlsbad, NM 88220 Office – 713-513-6645 Cellular – 281-832-0978

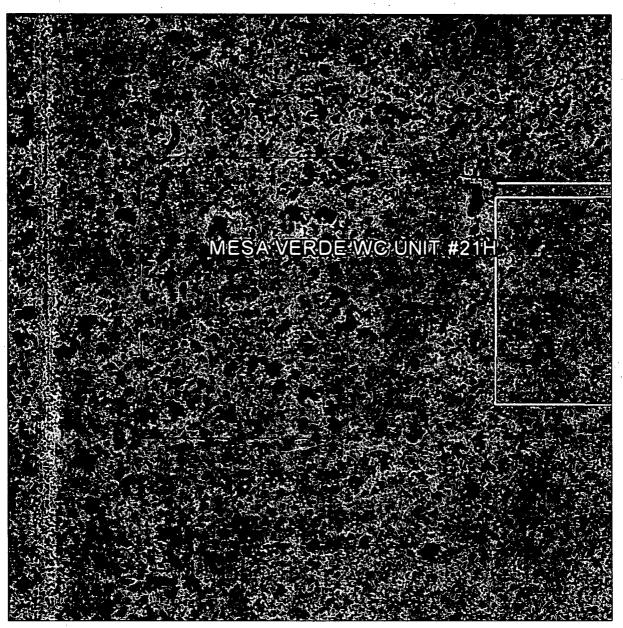
Michael Walton RMT Lead P.O. Box 4294 Houston, TX 77210 Office – 713-366-5526 Cellular – 281-814-2971



LOCATION VERIFICATION MAP

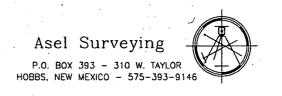


AERIAL MAP



SCALE: NOT TO SCALE

SEC. <u>13</u> TWP. <u>24-S</u> RGE. <u>31-E</u>
SURVEYN.M.P.M.
COUNTYEDDY
DESCRIPTION 271' FSL & 210' FWL
ELEVATION 3589.3'
OPERATOR OXY USA INC.
LEASE MESA VERDE WC UNIT #21H





U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO Produced Water Disposal (PWD) Location: PWD surface owner: Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: Pit liner description: Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

PWD disturbance (acres):

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Bond Information

Federal/Indian APD: FED BLM Bond number: ESB000226 BIA Bond number: Do you have a reclamation bond? NO Is the reclamation bond a rider under the BLM bond? Is the reclamation bond BLM or Forest Service? BLM reclamation bond number: Forest Service reclamation bond number: Forest Service reclamation bond attachment: Reclamation bond number: Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Bond Info Data Report

05/30/2019