Form 3160-3
(March 2012)

OCD

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

TES 2-28-2014

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: Surf: LC068282B/BHL: LC068282A

6. If Indian, Allotee or Tribe Name: N/A

1a. Type of work: [✓] DRILL [ ] REENTER

7. If Unit or CA Agreement, Name and No.: N/A

1b. Type of Well: [✓] Oil Well [ ] Gas Well [ ] Other [✓] Single Zone [ ] Multiple Zone

8. Lease Name and Well No.: Stampede Federal WC Com 34 1H 40433?

2. Name of Operator: ConocoPhillips Company 217817?

9. API Well No.: 30-015-42123

3a. Address: P.O. Box 51810, Midland, TX 79710

3b. Phone No. (include area code): 432-688-6943

10. Field and Pool or Exploratory: ~~Wildcat Wolfcamp~~ WC-015 G-08 S263126P; WC 98012?

4. Location of Well (Report location clearly and in accordance with any State requirements *).
At surface: 250 FSL & 380 FWL (SWSW) Section 34-26S-31E
At proposed prod. zone: 330 FNL & 380 FWL (NWNW) Section 27-26S-31E

11. Sec., T. R. M., or Blk. and Survey or Area: Section 34-26S-31E

14. Distance in miles and direction from nearest town or post office*: ~6 miles south/east of Battle Axe Road & Orla Hwy

12. County or Parish: Eddy

13. State: NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any): 330'

16. No. of acres in lease: +/-800

17. Spacing Unit dedicated to this well: 240 acres 225.20

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: N/A

19. Proposed Depth: 18414 MD/11549 TVD PH-11910 TVD

20. BLM/BIA Bond No. on file: ES0085

21. Elevations (Show whether DF, KDB, RT, GL, etc.): 3138' GL

22. Approximate date work will start*: 10/01/2013

23. Estimated duration: 30 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature: [signature]
Name (Printed/Typed): Donna Williams
Date: 06/15/2013

Title: Sr. Regulatory Advisor

Approved by (Signature):
Name (Printed/Typed):
Date:

Title: FIELD MANAGER
Office: CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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

(Continued on page 2)

*(Instructions on page 2)

Carlsbad Controlled Water Basin

RECEIVED
FEB 28 2014
NMOCD ARTESIA

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Approval Subject to General Requirements & Special Stipulations Attached

Operator Certification

CONOCOPHILLIPS COMPANY

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed 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 with bond coverage provided by Nationwide Bond ES0085. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Date: 2/15/13

Donna Williams
Sr. Regulatory Advisor

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720
DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-9720
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011

Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-015-42123	98012	~~Wildcat Wolfcamp~~ WC-015 G-08 S263125P; W.C.
Property Code	**Property Name**	**Well Number**
40433	STAMPEDE FEDERAL WC COM 34	1H
OGRID No.	**Operator Name**	**Elevation**
217817	CONOCO PHILLIPS	3138'

Surface Location

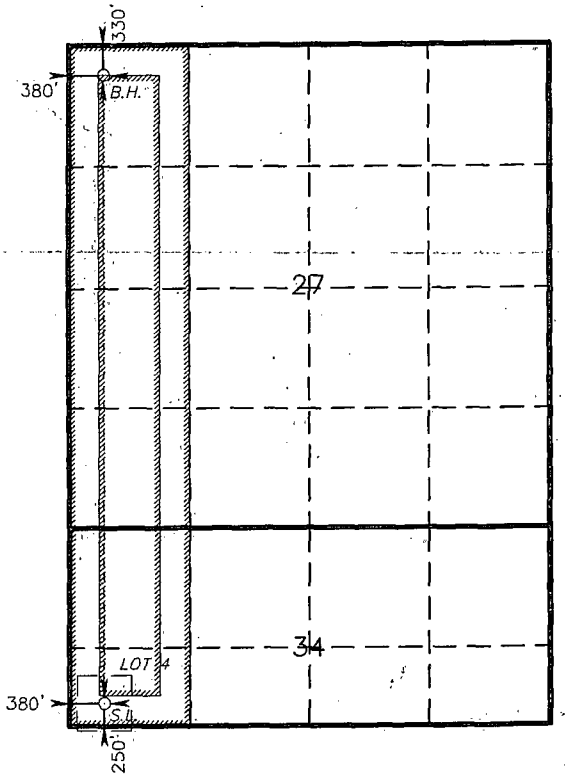
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	34	26 S	31 E		250	SOUTH	380	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	27	26 S	31 E		330	NORTH	380	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
225.20			2-28-14 18414

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



PROPOSED BOTTOM HOLE LOCATION

Lat – N 32°01'11.67"
Long – W 103°46'24.02"
NMSPCE– N 371431.5
E 714893.0
(NAD-83)

Lat – N 32°00'02.70"
Long – W 103°46'22.28"
NMSPCE– N 364450.2
E 673744.8
(NAD-27)

SURFACE LOCATION

Lat – N 32°00'03.15"
Long – W 103°46'23.98"
NMSPCE– N 364507.3
E 714932.0
(NAD-83)

Lat – N 32°00'02.70"
Long – W 103°46'22.28"
NMSPCE– N 364450.3
E 673744.8
(NAD-27)

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Date

Donna Williams
Printed Name

Donna.J.Williams@cop.com
Email Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

FEBRUARY 08, 2013
Date Surveyed

Signature & Seal of Professional Surveyor

GARY L. JONES NEW MEXICO 7977 REGISTERED PROFESSIONAL SURVEYOR BASIN SURVEYS

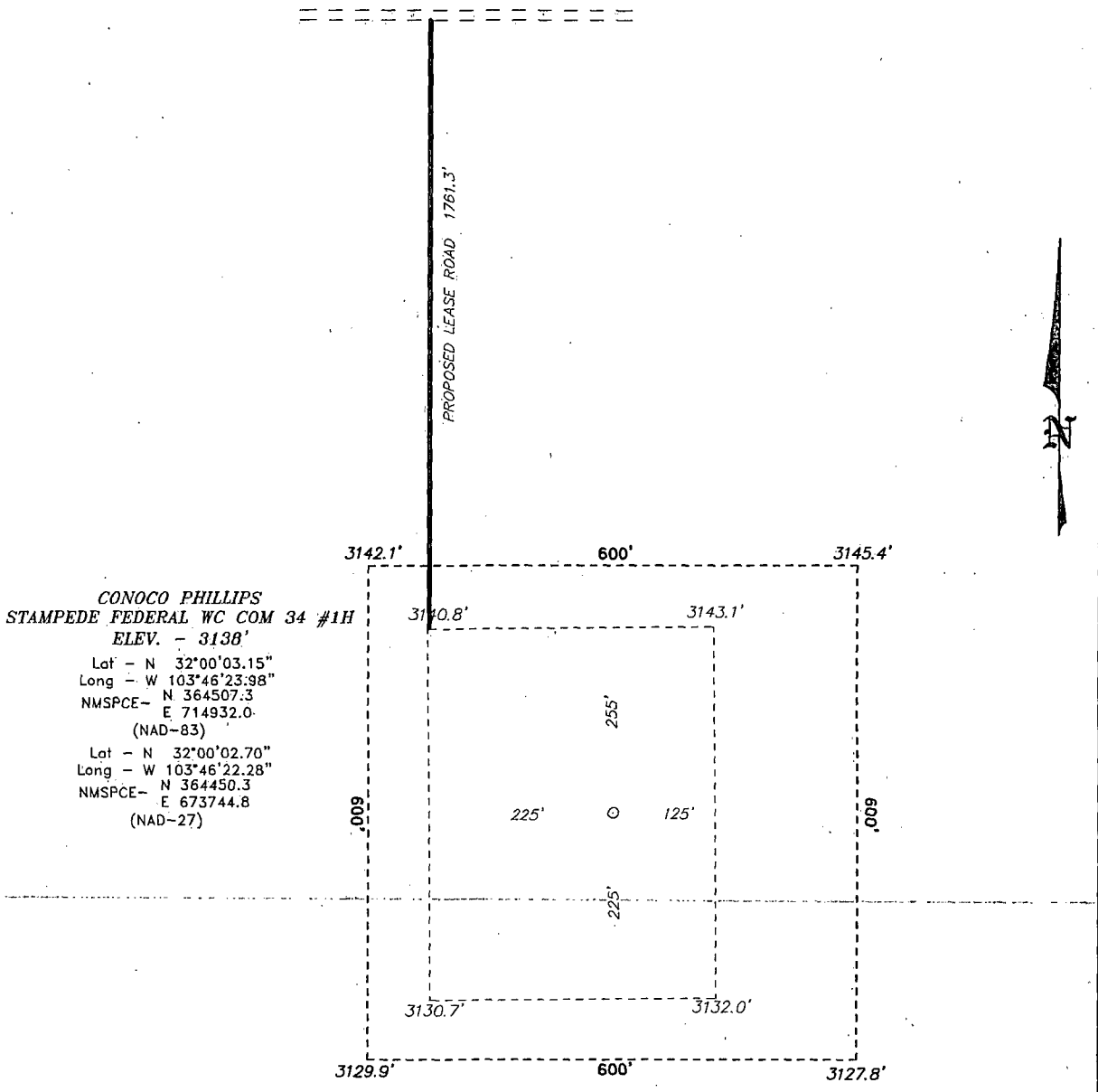
W.O. No. 28235

Certificate No. Gary L. Jones 7977

BASIN SURVEYS 28235

SECTION 34, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.,

EDDY COUNTY, WELL PAD VICINITY NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF ORLA AND BATTLE AXE, GO EAST ON BATTLE AXE FOR 5.0 MILES TO LEASE ROAD, GO NORTH 0.7 MILES TO PROPOSED LEASE ROAD.

ConocoPhillips

REF: STAMPEDE FEDERAL WC COM 34 #1H / WELL PAD VICINITY

THE STAMPEDE FEDERAL WC COM 34 #1H LOCATED 250' FROM THE SOUTH LINE AND 380' FROM THE WEST LINE OF SECTION 34, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

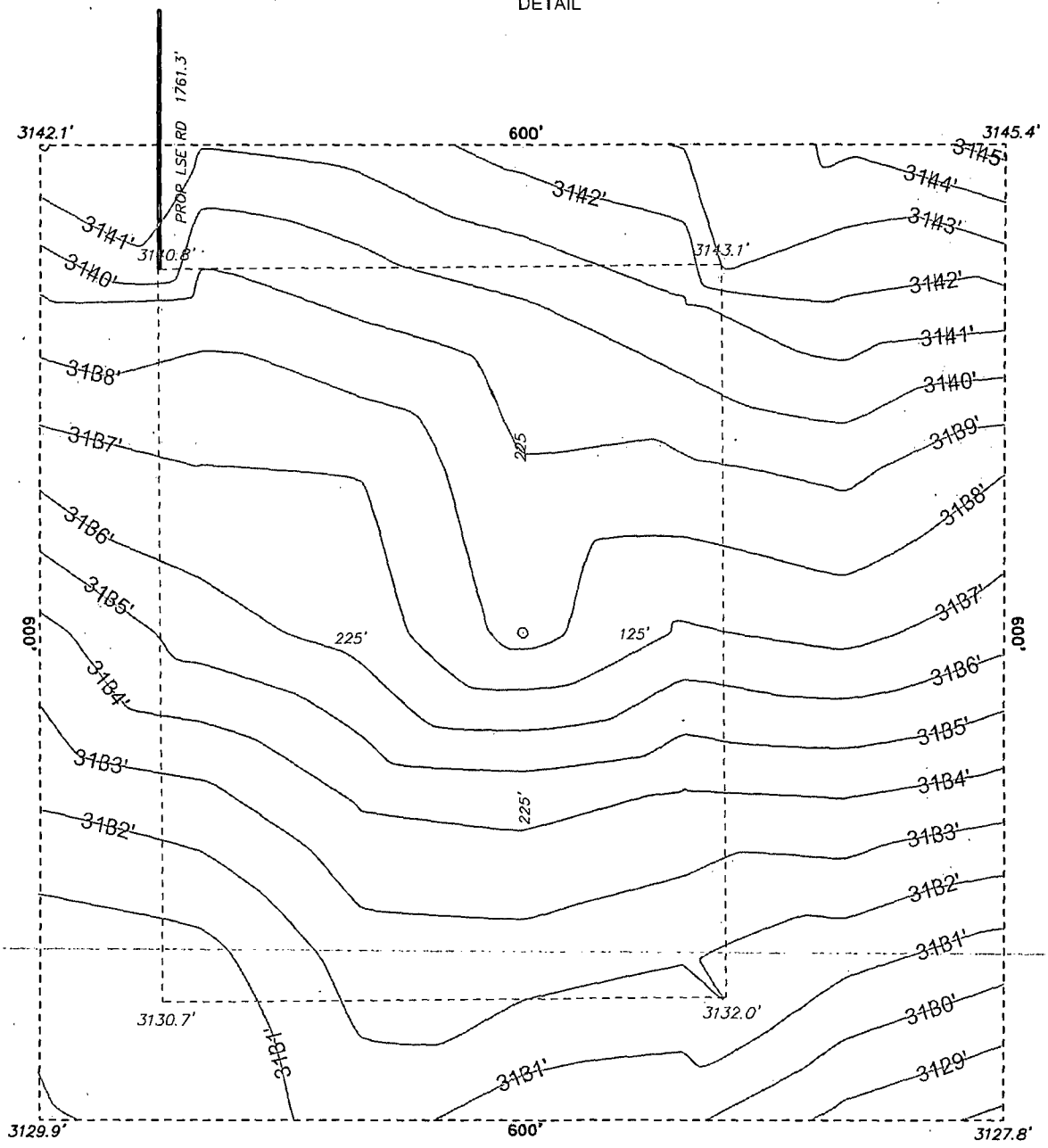
BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 28235	Drawn By: J. SMALL		
Date: 03-11-2013	Disk: JMS 28235	Survey Date: 02-28-2013	Sheet 2 of 10 Sheets

SECTION 34, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.,

EDDY COUNTY, NEW MEXICO.

WELL PAD DETAIL



100 0 100 200 FEET

SCALE: 1" = 100'

BASIN SURVEYS P.O. BOX 1786 – HOBBS, NEW MEXICO

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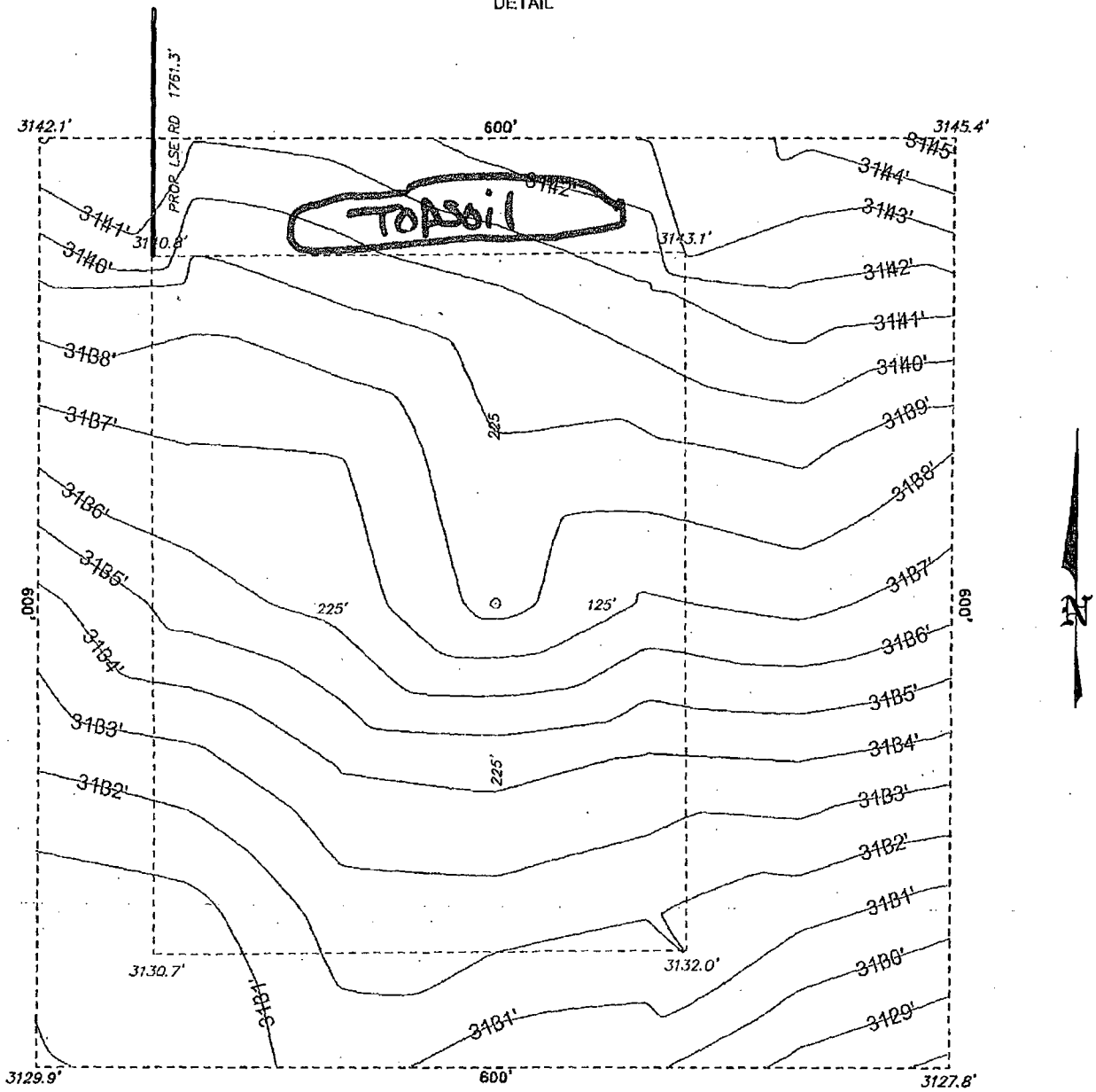
Survey Date: 02-28-2013	Sheet 3 of 10 Sheets

SECTION 34, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.,

EDDY COUNTY, WELL PAD DETAIL NEW MEXICO.



100 0 100 200 FEET

SCALE: 1" = 100'

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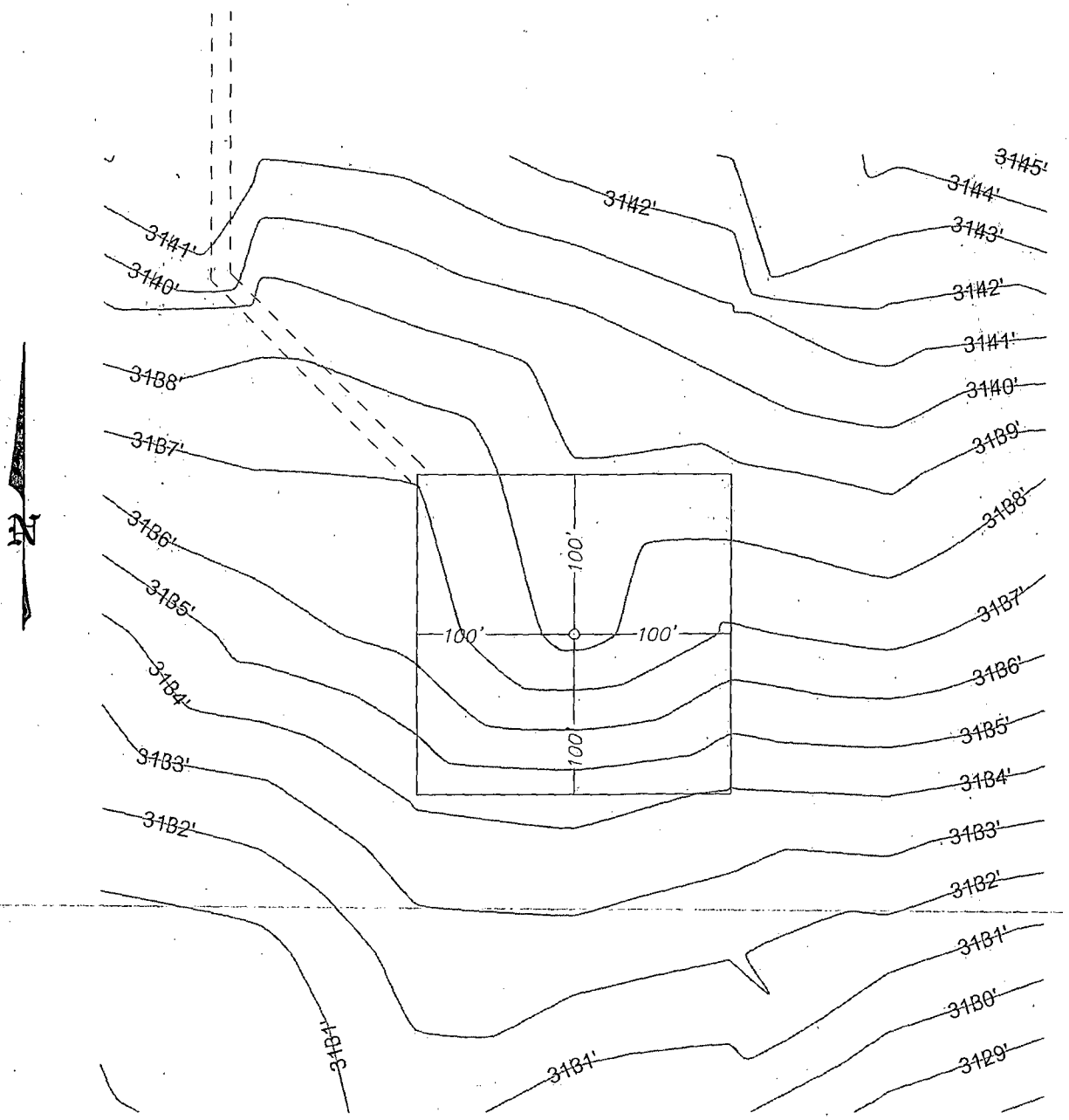
Survey Date: 02-28-2013	Sheet 3 of 10 Sheets

SECTION 34, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.,

EDDY COUNTY, INTERIM RECLAMATION NEW MEXICO.



100 0 100 200 FEET

SCALE: 1" = 100'

BASIN SURVEYS P.O. BOX 1786 – HOBBS, NEW MEXICO

W.O. Number: 28235	Drawn By: J. SMALL
Date: 03-11-2013	Disk: JMS, 28235

ConocoPhillips

REF: STAMPEDE FEDERAL WC COM 34 #1H / INTERIM RECLAMATION

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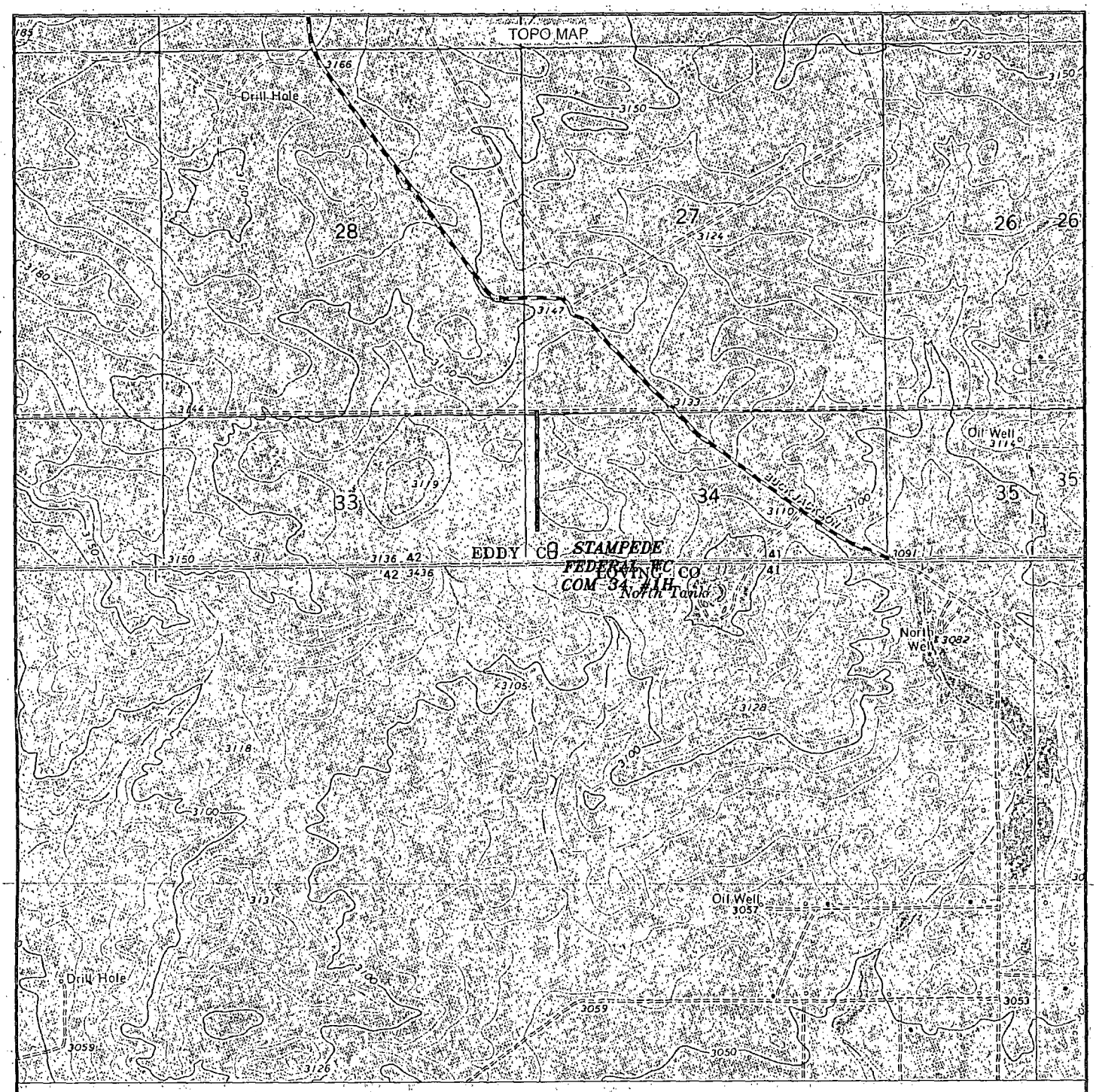
Survey Date: 02-28-2013 | Sheet 4 of 10 Sheets

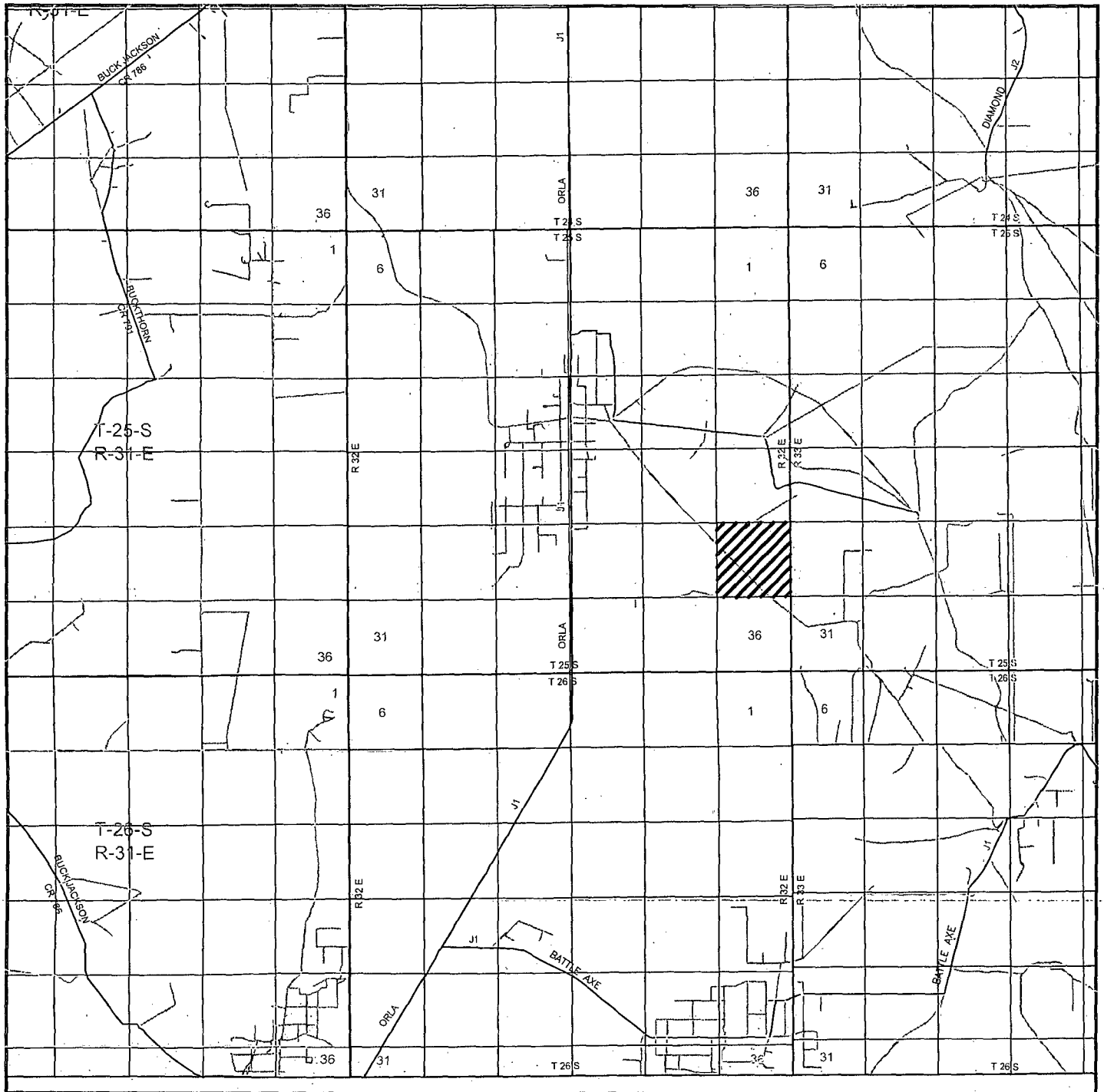


STAMPEDE FEDERAL WC COM 34 #1H
Located 250' FSL and 380' FWL
Section 34, Township 26 South, Range 31 East,
N.M.P.M., Eddy County, New Mexico.

Basin Surveys
focused on excellence in the oilfield
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: JMS 28235
Survey Date: 02-28-2013
Scale: 1" = 2000'
Date: 03-11-2013

ConocoPhillips



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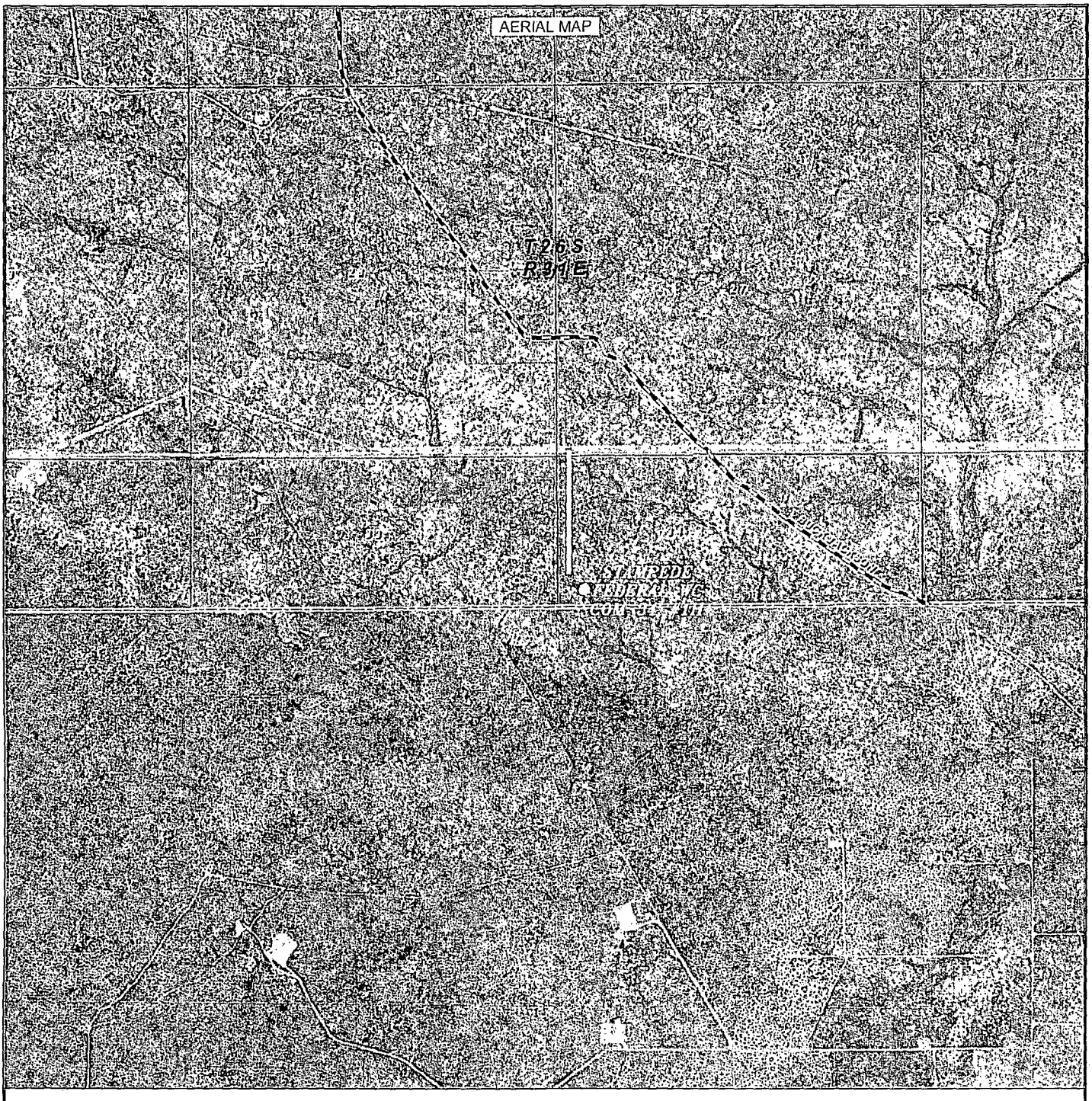
W.O. Number: JMS 28235
Survey Date: 02-28-2013
Scale: 1" = 2 Miles
Date: 03-11-2013

N

ConocoPhillips



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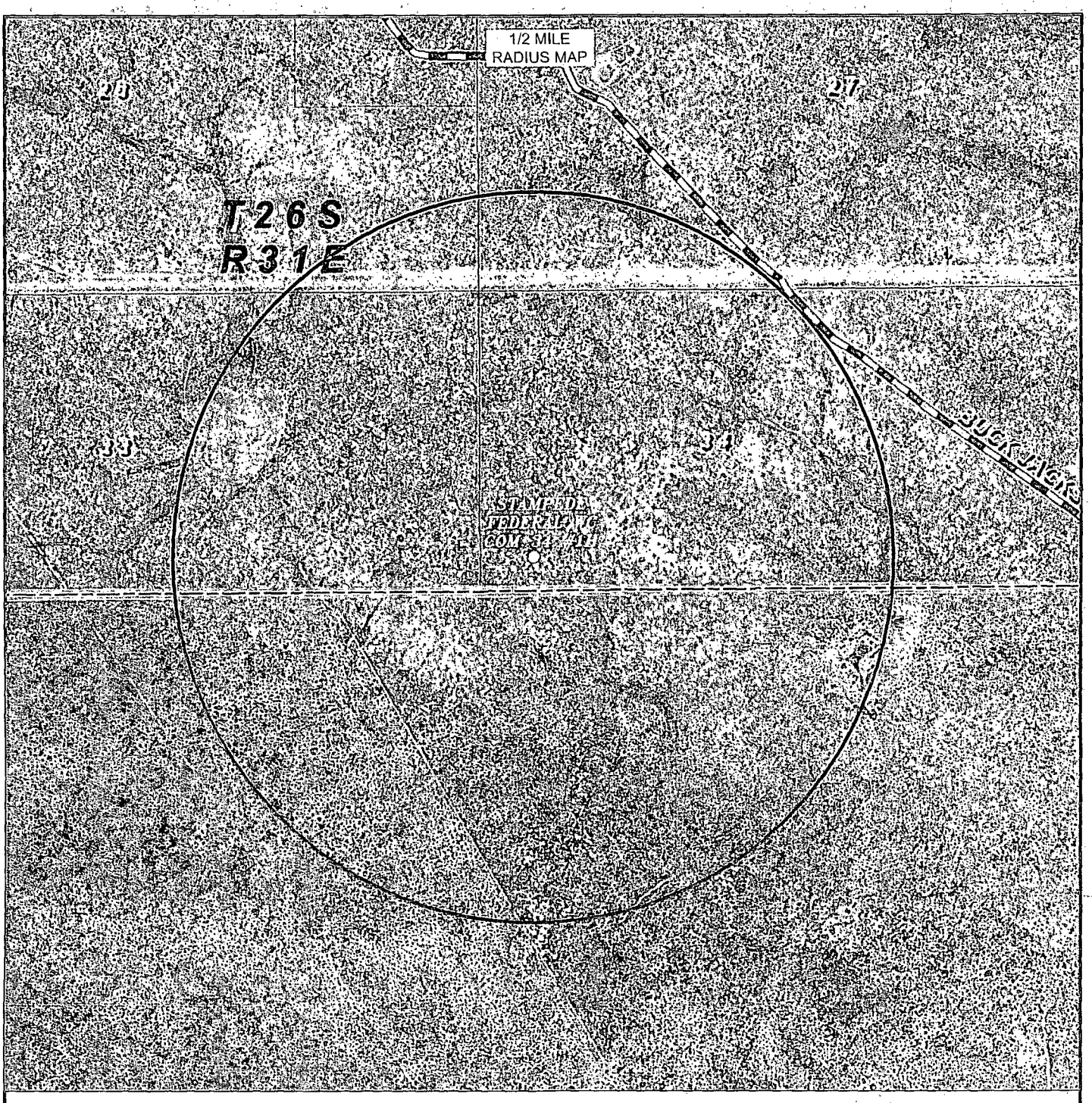
Scale: 1" = 2000'

YELLOW TINT - USA LAND
BLUE TINT - STATE LAND
NATURAL COLOR - FEE LAND

N

ConocoPhillips



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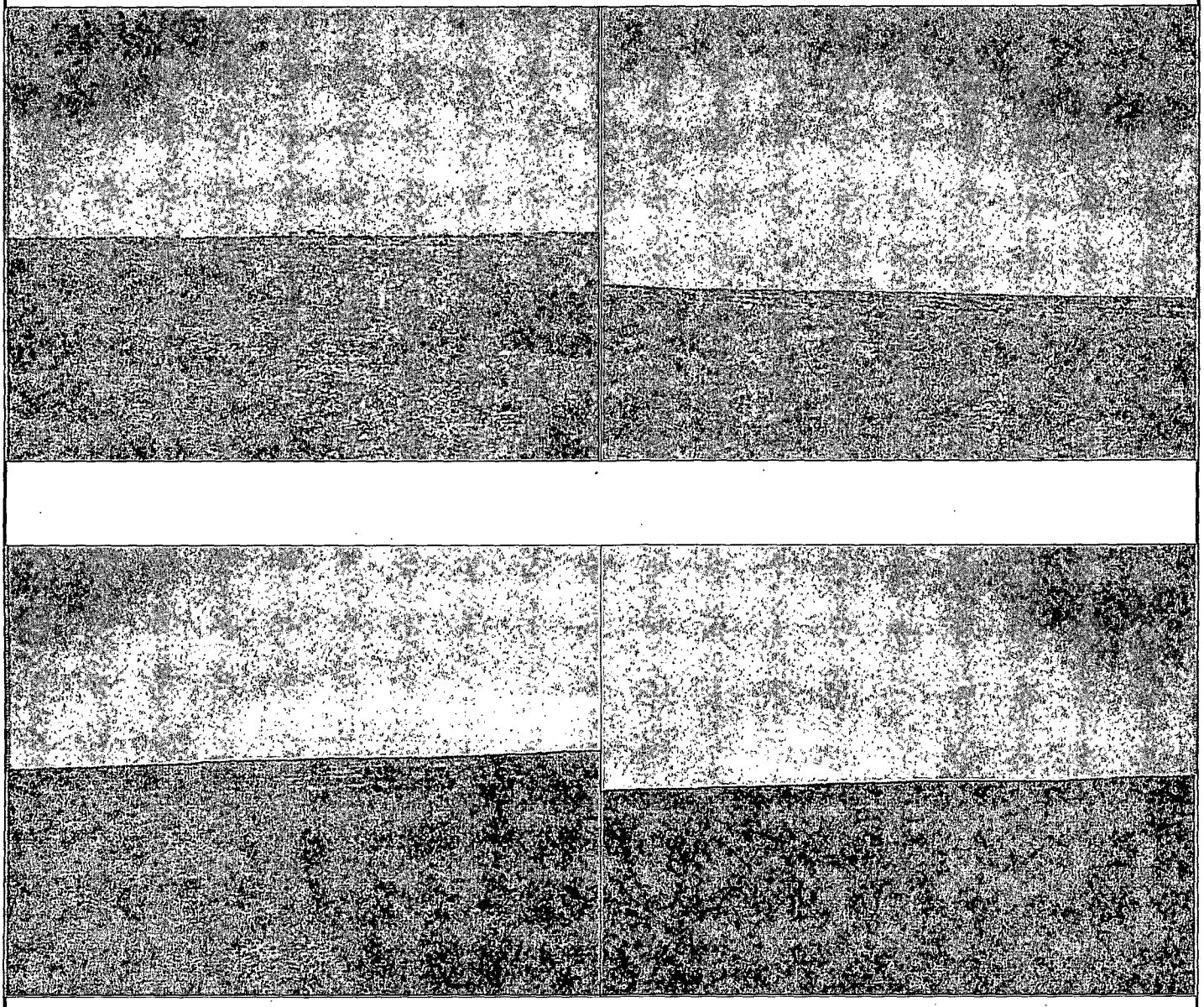
Scale:	NONE
Date:	03-11-2013

ConocoPhillips

RECLAMATION
PHOTOS



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W.O. Number: JMS 28235

Survey Date: 02-28-2013

Scale: NONE

Date: 03-11-2013

ConocoPhillips

OPERATORS NAME:	**ConocoPhillips Company**
LEASE NAME AND WELL NO.:	**Stampede Federal WC COM 34 1H**
SURFACE LOCATION:	**250 FSL & 380 FWL (SWSW) 34-26S-31E**
CASING POINT:	**611.2 FSL & 378 FWL (SWSW) 34-26S-31E**
BHL:	**330 FNL & 380 FWL (NWNW) 27-26S-31E**
FIELD NAME:	**Wildcat Wolfcamp**
POOL NAME:	**Wolfcamp**
COUNTY:	**Eddy County, New Mexico**
	Federal Surface LC068282B/Federal Minerals LC068282A

The following information is to supplement the Application for Permit to Drill.

DRILLING PLAN

1. Name and estimated tops of all geologic groups, formations, members, or zones.(TVD)

Quaternary	Surface	Water
Rustler	875	Water
Top of Salt (Salado)	1220	Salt
Castille	2230	Salt
Delaware Top	3980	Oil/gas/water
Ramsey	N/A	Oil/gas/water
Ford Shale	4045	Oil/gas/water
Olds	4095	Oil/gas/water
Cherry Canyon	4935	Oil/gas/water
Brushy Canyon	6435	Oil/gas/water
Bone Spring	7725	Oil/gas/water
Bone Spring 1st Carbonate	7995	Oil/gas/water
Avalon	8260	Oil/gas/water
Bone Spring 1st Sand	8925	Oil/gas/water
Bone Spring 2nd Sand	9555	Oil/gas/water
Bone Spring 3rd Sand	10810	Oil/gas/water
Wolfcamp	11195	Oil/gas/water
Wolfcamp 2	11810	Oil/gas/water

2. Estimated depths and thickness of formations, members or zones potentially containing usable water, oil, gas, or prospectively valuable deposits of other minerals that the operator expects to encounter, and the operator's plans for protecting such resources.

Quanternary	Surface
Rustler	875

All of the water bearing formations identified above will be protected by the setting of the 13 3/8" casing at 930' and circulating of cement to surface

Top of Salt (Salado)	1220
Castille (Salt)	2230
Delaware	3977-4932 (oil/gas/water)

The prospective formation identified above will be protected by the setting of the 9 5/8" casing set at 4960 and circulating of cement to surface.

Bone Spring ~~7697-11322~~ (oil/gas/water)

The prospective formation identified above will be protected by the setting of the 7" casing set at 11850 and circulating of cement to previous casing string

Wolfcamp 11322-18414 MD

The geologic tops identified above from the top of the Wolfcamp are part of the target formation

3. The operator's minimum specifications for blowout prevention equipment and diverter systems to be used, including size, pressure rating, configuration, and the testing procedure and frequency.

The rig slated to drill this location will have a 10M system as it pertains to the BOP. It is our intent to test to the 10M requirements as indicated in Onshore Order 2. By utilizing the .78 psi/ft gradient (based off offset wells) minus the .22 psi/ft as per the Onshore Order, this well would require 7957 psi. Testing to the 10M requirements will meet the guidelines for well control. After nippling up, and every 30 days thereafter, preventors will be pressure tested. BOP will be inspected and operated at least daily to insure good working order. All pressure and operating tests will be recorded on the daily drilling reports. Ram type preventors will be tested to rated working pressure or 70% of the minimum internal yield of the casing. See attached schematic. This rig is equipped with co-flex hoses. COP respectfully requests a variance for said use of co-flex hoses. Please see attached manufacturer specifications and test information.

See COA full test required

4. The proposed casing program including size, grade, weights, type of thread and coupling, and the setting depth of each string and its condition. For exploratory wells, or for wells as otherwise specified by the authorized officer, the operator shall include the minimum design factors for tensions, burst, and collapse that are incorporated into the casing design. In cases where tapered casing strings are utilized, the operator shall also include and/or setting depths of each portion.

NEW CASING:

1025

See COA

Surface: 17 1/2" hole, 13 3/8" 54.5# J55 STC csg, set @ 930'. Drill out with 12 ¼" bit and perform shoe test to 12.5 ppg MWE.
Burst: 4.39/Collapse: 1.88/Tension: 5.98/9.13

Intermediate 1: 12 1/4" hole, 9 5/8" 40# J55 LTC csg, set @ 4960
Burst: 2.43/Collapse: 1.4/Tension: 5.45/6.44

(This string of casing would not be subject to the production collapse load case of being pumped off to zero pressure on the inside by beam pump or ESP production pumping the fluid level down. The 9 5/8" casing would be isolated from the beam pumping production collapse load case by the production casing that would be run. If loss of circulation occurs during the drilling phase while drilling below the 9 5/8" intermediate casing, we would expect the fluid level would fall no further than 2200' below the surface of ground before reaching hydrostatic balance with the pressure of the loss zone. Our anticipated maximum mud weight for drilling below the 9 5/8" intermediate casing is 9.3 ppg and our experience has been that we have not had severe losses with this mud weight in our previous wells in this area. The 9 5/8" casing will be filled with mud while running it by filling it at least once each 30 joints)

The intent is to drill a pilot hole to 11910 TVD for the purpose of extensive logging and coring of the target formation, plug back with openhole whipstock and proceed with drilling operations as follows:

Prod Intermediate 2: 8 3/4" hole, 7" 29# P110 BTC csg set @ 11850 Burst: 3.25/Collapse: 3.36/Tension: 5.78/6.8

Liner Production Liner (Uncemented): 6 1/8" hole, 4 ½" 15.1# P110 BTC liner set @ 10903-~~11549~~ 18,414 MD TVD Burst: 3.25/Collapse: 3.36/Tension: 5.78/6.80 (Packers and Sleeves)

The plan is to set casing and drill in a northern direction to a proposed bottomhole location of 330 FNL & 380 FWL (NWNW) of Section 27-26S-31E

ConocoPhillips will utilize casing friendly hardbanded drill pipe in a manner that is consistent with current company policy and standards with respect to minimizing or mitigating internal casing wear. The responsibility to ensure all parties are acting according to their roles and responsibilities rest with the Company. Any damage or impacts from use of casing friendly hardbanded drill pipe rest with ConocoPhillips Company.

5. The amount and type(s) of cement, including anticipated additives to be used in setting each casing string, shall be described. If stage cementing techniques are to be employed, the setting depth of the stage collars and amount and type of cement, including additives, and preflush amounts to be used in each stage, shall be given. The expected linear fill-up of each cemented string, or each stage when utilizing stage-cementing techniques, shall also be given.

13 3/8 casing: Lead w/640 sxs Class C cmt + HalCem-C (Yield 1.73 cft) Tail w/310 sxs Class C cmt + 1 lbm/sk EconoChem HRLTRRC (Yield 1.35 Cuft/sk). Circulated to surface based on 17 ½" hole with 100% excess

9 5/8" casing: Lead w/2200 sxs 50/50 Class C Poz + 2.5 gal/bbl WG-19 + 1 lbm/sk EconoCem-C (Yield 1.91 cft/sk), Tail w/310 sxs H + HalCem C (Yield 1.33 cft/sk) Circulated to surface based on 12 ¼" hole w/200% Excess.

Pilot Hole Plug: Lead w/270 sxs (1.2 yield) and tail w/330 sxs (1.0 yield), Set open hole whipstock, reorient and continue with drilling operations.

7" casing: Stage 1: Lead w/170 sxs 50/50 Class C Poz (Tune Light System) + .2.5 ga/bbl WG-19 + 1 lbm/sk EconoCem-C (Yield: 3.1 cft/sk) Tail w/137 sxs Class H + HalCem C (Yield 1.66 cft/sk). Stage 2: Cement w/250 sxs 50/50 Class C Poz (Tune Light System) + .2.5 ga/bbl WG-19 + 1 lbm/sk EconoCem-C (Yield: 3.1 cft/sk), DV + ACP planned around 8300' TVD. Circulate cement 500'into the 9 5/8" casing based on 8 ¾" hole w/200% excess.

4 ½" Liner: Lead w/50 sxs (2.6 yield) and tail w/320 sxs (2.61 yield).

6. The anticipated type and characteristics of the proposed circulating medium or mediums proposed for the drilling of each wellbore section, the quantities and types of mud and weighting material to be maintained, and the monitoring equipment to be used on the circulating system.

Mud Program:

0-930 1025	Aquagel-Spud Mud	8.9	Wt/Gl	32-36 Vis.	NC
930-4960	Brine	10.5	Wt/Gl	28-30 Vis.	5-8
4960-11850	Brine	9.8	Wt/Gl	30-39 Vis	<=4
11850-18414	OBM	12.5	Wt/Gl	30-40 Vis	<=5

Gas detection equipment and pit level flow monitoring equipment will be on location. ConocoPhillips Company will maintain sufficient mud and weighted material on location at all times.

7. The anticipated testing, logging, and coring procedures to be used, including drill stem testing procedures, equipment, and safety measures.

a. DST Program: None
b. Mud Logging: Two-Man – 950-TD (Vertical & Horizontal Sections)
Logs to be run: Triple Combo + Spectral Gamma + Sonic + FMI + VSP Seismic + Gamma (MWD) + Sonic Scanner + Caliper + Resistivity+Sonic+CMI

8. List the expected bottom-hole pressure and any anticipated abnormal pressures, temperatures or potential hazards that are expected to be encountered, such as lost circulation zones and hydrogen sulfide. The operator's plans for mitigating such hazards shall be discussed. Should the potential to encounter hydrogen sulfide exist, the mitigation procedures shall comply with the provisions of the BLM.

The maximum anticipated bottom hole pressure is .65 psi/ft
No hydrogen sulfide is expected during drilling operations; however, the potential does exist for H2S. Please see attached H2S contingency plan to be used in the event of occurrence.

Any other facets of the proposed operation which the operator wishes to be considered in reviewing the application.
Anticipated construction date is October 1, 2013 with anticipated spud date of November 1, 2013. Construction of well pad and road will begin as soon as all Agency approvals are obtained.

9. Address the proposed directional design, plan view, and vertical section in true vertical and measured depth for directional, horizontal, or coil tubing operations.

The proposed directional/horizontal documents are attached.

DRILLING PLAN

PROSPECT/FIELD	Bonespring/ Red Hills			COUNTY/STATE		Eddy County, NM
OWNERS	ConocoPhillips		LEASE			
WELL NO.	Stampede Federal WC COM 34 1H		FNL	FSL	FEL	FWL
LOCATION		Surface Location:		250		380
		Bottom Hole Location:	330			380
EST. T.D.	Leg #1 18,414' MD			GROUND ELEV.		3,138' (est)
					RKB	3,163' (est)

PROGNOSIS: Based on 3,163' KB(est)

Marker	TVD	S.S. Depth
Quaternary	Surface	
Rustler	875	2,288
Delaware Top	3,977	-814
Ford Shale	4,042	-879
Cherry Canyon	4,932	-1,769
Bone Spring Top	7,697	-4,534
Bone Spring 1st Carbonate Top	7,977	-4,814
Avalon Top	8,248	-5,085
1st Bone Spring Sand	8,913	-5,750
2nd Bone Spring Carbonate	9,289	-6,126
2nd Bone Spring Sand	9,585	-6,422
3rd Bone Spring Carbonate	9,995	-6,832
3rd Bone Spring Sand	10,765	-7,602
Wolfcamp Top	11,322	-8,159
Wolfcamp 1 Target LP	11,516	-8,353
Wolfcamp 1 Target BHL	11,549	-8,386
Wolfcamp 2	11,738	-8,575
Pilot TD	11,910	-8,747

LOGS:

	Type	Interval
12 1/4" E Logs	Triple Combo + Spectral Gamma + Sonic + FMI + VSP Seismic + Gamma (MWD)	
8 3/4" E Logs	Triple Combo + Spectral Gamma + Sonic Scanner + FMI + VSP Seismic + Gamma (MWD)	
6 1/8" E Logs	Caliper+Spectral Gamma+Resist+Sonic+CMI (FMI)+Gamma (MWD)	

DEVIATION:

Surf:	3° max, svy every 500'
Int1/2:	8° max, svy every 90'
Pilot:	3° max, INC or MWD every 200ft/ Gyro at TD
Production:	93° max, svy every 90'

DST'S: None

CORES: Optional Core in Avalon/ Bone Spring and Wolfcamp 8260' - 11960ft TVD

SAMPLES:

	Start	End
Mudlogging:		
Two-Man:		950' TD
Dry Samples:	Every 30ft Starting 3500'	
Isotubes:	Every 50ft to 7600'	Every 30ft from 7600' to TD
Gas Tracer:	In Pilot from 7600' to TD	

BOP:

	COP Category 3 Well Control Requirements
BOPE:	13-5/8"-5Mpsi Annular
(With Rotating Head)	13-5/8"-10Mpsi Blind Ram
	13-5/8"-10Mpsi Cross / Choke & Kill Lines
	13-5/8"-10M psi Pipe Ram
	13-5/8"-10Mpsi Spacer Spool

Dip Rate: Slight Down Dip

Max. Anticipated BHP: 0.65 psi/ft

Surface Formation:

MUD:

	Interval	Type	Max. MW	Vis	WL	Remarks
Surface:	0-930'	Aquagel / Spud Mud	9.3	32-36	NC	
Intermediate 1:	930-4960'	Brine	10.5	28-30	5-8	
Pilot:	4960'-11850'	Cut Brine	9.8	30-39	<=4	
Production:	11850'-18414'	Cut Brine 9BW	12.5	30-40	<=5	

CASING:

	Size	Wt ppf	Hole	Depth	Cement	WOC	Remarks
Surface:	13-3/8"	54.5	17-1/2"	930' 1025	To Surface	18hrs	
Intermediate 1:	9-5/8"	40	12-1/4"	4,960'	To Surface	18hrs	
Intermediate 2:	7"	29	8-3/4"	11,850'	500' into Intermediate	18hrs	
Production Liner:	4-1/2"	15	6 1/8"	18,414'	To TOL	18hrs	18-32 Stages Plug & Perf Job or OH

packers & Sleevs stage count will be determined based on lateral logs

DIRECTIONAL PLAN

	MD	TVD	AZ
Surface:	N/A	N/A	0
Vertical KOP:	10,953'	10,943'	0
End Build:	11,850'	11,516'	0
Tangent:	N/A	N/A	0
Turn:	N/A	N/A	0
TD:	18,414'	11,549'	0

Directional Company: DDC/Baker/Weatherford
Vertical Build Rate: 10.0 °/100'
Tan Leg Turn Rate: 0.0 °/100'

Comments:
Exact Depth of Logging Intervals and Core Points will be determined while drilling based on Gamma Readings.

Prep By: Katie Fillna Date: 4/11/13 Doc: REV.0

Stampede Federal WC COM 34 1H

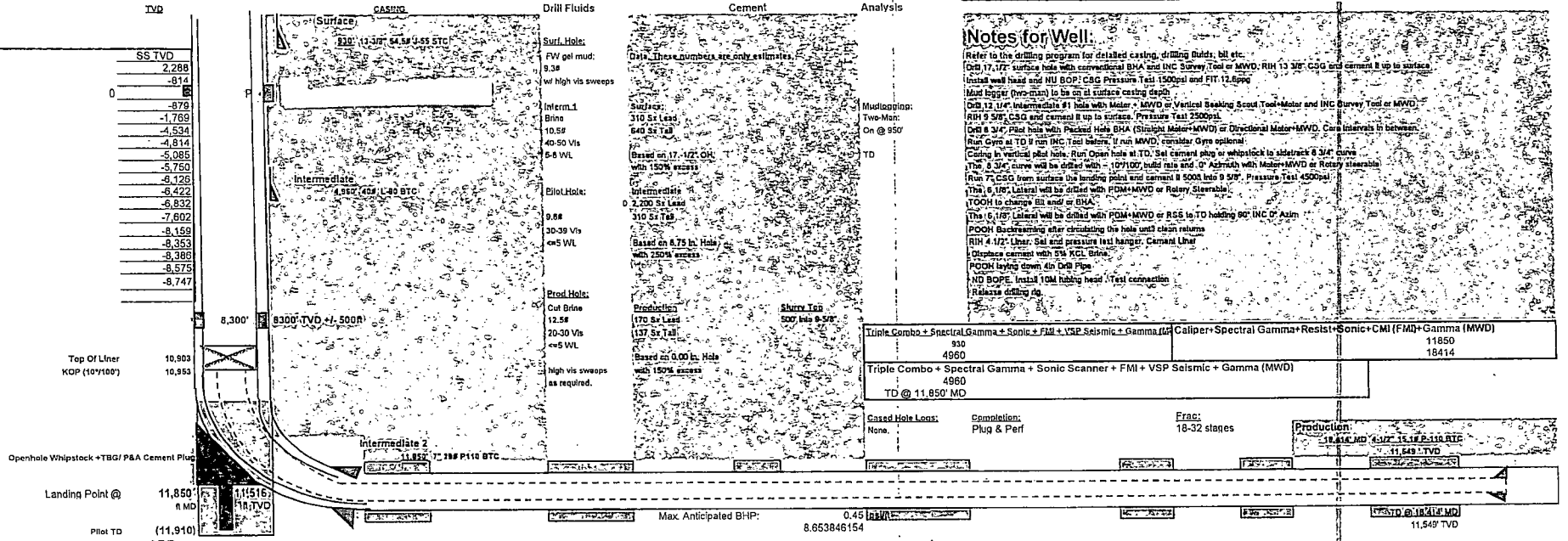
Surface Location: 250 0

Bottom Hole Location 0 0

Directional:

	MD	TVD	FNL/FSL	FEL/FWL	S-T-R	AZI
Vertical KOP :	10953'	10943'	0	0	0	0
End Build :	11,850'	11,516'	0	0	0	0.0
Tangent:	N/A	N/A	0	0	0	0.0
Turn:	N/A	N/A	0	0	0	0.0
TD:	18,414'	11,549'	0	0	0	0.0

Formation	TVD
	SS TVD
Quaternary	2,288
Rustler	-814
Delaware Top	0
Ford Shale	-879
Cherry Canyon	-1,769
Bone Spring Top	-4,534
Bone Spring 1st Carbonate Top	-4,814
Avalon Top	-5,085
1st Bone Spring Sand	-5,750
2nd Bone Spring Carbonate	-6,126
2nd Bone Spring Sand	-6,422
3rd Bone Spring Carbonate	-6,832
3rd Bone Spring Sand	-7,602
Wolfcamp Top	-8,159
Wolfcamp 1 Target LP	-8,353
Wolfcamp 1 Target BHL	-8,386
Wolfcamp 2	-8,575
Pilot TD	-8,747



Notes for Well:

Refer to the drilling program for detailed casing, drilling fluids, bit etc.
Drill 17 1/2" surface hole with conventional BHA and INC Survey Tool or MWD. RIH 13 3/8" CSG and cement it up to surface.
Install well head and NU BOP. CSG Pressure Test 1500psi and FIT 12.5ppg
Mud logger (two-man) to be on at surface casing depth
Drill 12 1/4" Intermediate #1 hole with Motor + MWD or Vertical Seeking Scout Tool+Motor and INC Survey Tool or MWD.
RIH 9 5/8" CSG and cement it up to surface. Pressure Test 2500psi.
Drill 8 3/4" Pilot hole with Packed Hole BHA (Straight Motor+MWD) or Directional Motor+MWD. Core intervals in between.
Run Gyro at TD if run INC Tool before. If run MWD, consider Gyro optional
Coring in vertical pilot hole. Run Open hole at TD. Set cement plug or whipstock to sidetrack 8 3/4" curve
The 8 3/4" curve will be drilled with ~ 10°/100' build rate and ~0° Azimuth with Motor+MWD or Rotary steerable
Run 7" CSG from surface the landing point and cement it 500ft into 9 5/8". Pressure Test 4500psi
The 6 1/8" Lateral will be drilled with PDM+MWD or Rotary Steerable
TOOH to change Bit and/ or BHA
The 6 1/8" Lateral will be drilled with PDM+MWD or RSS to TD holding 90° INC 0° Azim
POOH Backreaming after circulating the hole until clean returns
RIH 4 1/2" Liner. Set and pressure test hanger. Cement Liner
Displace cement with 5% KCL Brine
POOH laying down 4in Drill Pipe
ND BOPE. Install 10M tubing head . Test connection
Release drilling rig.

Triple Combo + Spectral Gamma + Sonic + FMI + VSP Seismic + Gamma (MWD)	Caliper+Spectral Gamma+Resist+Sonic+CMI (FMI)+Gamma (MWD)
930	11850
4960	18414
Triple Combo + Spectral Gamma + Sonic Scanner + FMI + VSP Seismic + Gamma (MWD)	
4960	
TD @ 11,850' MD	

Cased Hole Logs: None.

Completion: Plug & Perf

Frac: 18-32 stages

Igor Uvarov Geologist	Date 4/11/2013	Katia Filina Drilling Engineer	Date 4/11/2013

Bonespring/ Red Hills
ConocoPhillips
Stampede Federal WC COM 34 1H
0

ConocoPhillips

Surface Casing:	13.5ppg
Surface Casing Depth (Ft)	930
Surface Casing O.D. (In.)	13.375
Surface Casing ID (In)	12.715
Hole O.D. (In)	17.5
Excess (%)	150%
Volume Tail (Sx)	310
Yield Tail (Cu. Ft./Sx)	1.35
Yield Lead (Cu. Ft./Sx)	1.73
Shoe Joint (Ft)	40
Shoe Volume (Cu. Ft)	35.3
Tail feet of cement	300
Calculated Total Volume (Cu. Ft.)	1,546
Calc. Tail Volume (Cu. Ft.)	417
Calc. Lead Volume (Cu. Ft.)	1,094
Calc. Lead Volume (Sx)	640
	14.8 ppg

Pilot Hole P&A Plug #1	15.6ppg
Hole O.D. (In)	8.75
Excess (%)	135%
cap 8-3/4" bls/ft	0.0744
Calculated fill:	555'
Yield Lead (Cu. Ft./Sx)	1.2
Calculated Total Lead (Cu. Ft.)	313
Calc. Lead Volume (Sx)	270

Pilot Hole P&A Plug #2	17.2ppg
Hole O.D. (In)	8.75
Excess (%)	135%
cap 8-3/4" bls/ft	0.0744
Calculated fill:	550'
Yield Lead (Cu. Ft./Sx)	1.0
Calculated Total Lead (Cu. Ft.)	310
Calc. Lead Volume (Sx)	330

Intermediate 9-5/8 Casing (Lead):	12.9ppg
Intermediate Casing O.D. (In.)	9.625
Intermediate Casing ID (In)	8.921
Hole O.D. (In)	12.25
Excess (%)	200%
cap 12-1/4 - 9-5/8"	0.0558
Calculated fill:	4,460'
Yield Lead (Cu. Ft./Sx)	1.91
Calculated Total Lead (Cu. Ft.)	4,191
Calc. Lead Volume (Sx)	2200

Intermediate 9-5/8 Casing (Tail):	14.8ppg
Intermediate Casing O.D. (In.)	9-5/8"
Production Casing ID (In)	8.921
Hole O.D. (In)	12.25
Excess (%)	250%
cap 12-1/4 - 9-5/8"	0.0558
Calculated fill:	500'
Yield Tail (Cu. Ft./Sx)	1.33
Shoe Joint (Ft)	40
Shoe Volume (Cu. Ft)	17.4
Calc. Tail Volume (Cu. Ft.)	409
Required Tail Volume (Sx)	310

7in Casing (Lead): Stage #1	10.2ppg
Intermediate Casing O.D. (In.)	7.000
Intermediate Casing ID (In)	6.184
Hole O.D. (In)	8.75
Excess (%)	135%
cap 7" - 8-3/4" bls/ft	0.0268
cap 7" - 9-5/8" bls/ft	0.02823
Calculated fill: (DV TOOL)	2540.0
Yield Lead (Cu. Ft./Sx)	3.1
Calculated Total Lead (Cu. Ft.)	516
Calc. Lead Volume (Sx)	170
	4460

7in Casing (Tail): Stage #1	13.2 ppg
Intermediate Casing O.D. (In.)	7.000
Intermediate Casing ID (In)	6.184
Hole O.D. (In)	8.75
Excess (%)	150%
cap 7" - 8-3/4" bls/ft	0.0268
Calculated fill:	1,010'
Yield Lead (Cu. Ft./Sx)	1.66
Calculated Total Tail (Cu. Ft.)	228
Required Tail Volume (Sx)	137

7in Casing (Lead): Stage #2	10.2ppg
Intermediate Casing O.D. (In.)	7.000
Intermediate Casing ID (In)	6.184
Hole O.D. (In)	8.75
Excess (%)	135%
cap 7" - 8-3/4" bls/ft	0.0268
cap 7" - 9-5/8" bls/ft	0.02823
Calculated fill: (500' into 9-5/8")	3,840'
Yield Lead (Cu. Ft./Sx)	3.1
Calculated Total Lead (Cu. Ft.)	780
Calc. Lead Volume (Sx)	250
	4460

DV+ACP placed around 8300ft TVD +/- 300ft

Gel Spacer WG19 or Polymer Spacer Ultra Seal
1 Stage with LCM Kol Seal + Fiber
2 Stage no Fiber LCM to reduce risk plugging DV Tool

Proceed with stage 2 right after circulating stage 1

Production 4.5" Liner (Lead):	15.0ppg
Intermediate Casing O.D. (In.)	4.500
Intermediate Casing ID (In)	3.826
Hole O.D. (In)	6.125
Excess (%)	120%
cap 4-1/2" - 6-1/8" bls/ft	0.0168
cap 4-1/2 - 7" bls/ft	0.0175
Calculated fill: (to TOL)	947'
Yield Lead (Cu. Ft./Sx)	2.6
Calculated Total Lead (Cu. Ft.)	112
Calc. Lead Volume (Sx)	50

Production 4.5" Liner (Tail):	15.0 ppg
Intermediate Casing O.D. (In.)	4.500
Intermediate Casing ID (In)	3.826
Hole O.D. (In)	6.125
Excess (%)	135%
cap 4-1/2" - 6-1/8" bls/ft	0.0168
Calculated fill: (To LP)	6,564'
Yield Lead (Cu. Ft./Sx)	2.61
Calculated Total Tail (Cu. Ft.)	836
Required Tail Volume (Sx)	320

Request for Variance

ConocoPhillips Company
Lease Number: LC 068282A
Well: Stampede Federal WC COM 34 1H
Location: Sec. 34, T26S, R31E
Rig: H&P 486
Date: 2/5/2014

Request:

ConocoPhillips Company respectfully requests a variance to install a flexible choke line instead of a straight choke line prescribed in the Onshore Order No. 2, III.A.2.b Minimum standards and enforcement provisions for choke manifold equipment. This request is made under the provision of Onshore Order No. 2, IV Variances from Minimum Standard. The rig to be used to drill this well is equipped with a flexible choke line if the requested variance is approved and determined that the proposed alternative meets the objectives of the applicable minimum standards.

Justifications:

The applicability of the flexible choke line will reduce the number of target tees required to make up from the choke valve to the choke manifold. This configuration will facilitate ease of rig up and BOPE Testing.

Attachments:

- Attachment # 1 Specification from Manufacturer
- Attachment # 2 Mill & Test Certification from Manufacturer

Contact Information:

Program prepared by:
Jason A. Levinson
Drilling Engineer, ConocoPhillips Company
Phone (281) 206-5335
Cell (281) 682-2783
Date: 05 February 2014

ConocoPhillips MCBU

Permian Delaware Hz New Mexico
Stampede Federal WC COM 34 1H
Stampede Federal WC COM 34 1H

Original Borehole Pilot

Plan: Design #1

Standard Planning Report - Geographic

11 April, 2013

ConocoPhillips

Planning Report - Geographic

Database:	EDM Central Planning	Local Co-ordinate Reference:	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	TVD Reference:	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	MD Reference:	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	North Reference:	Grid
Well:	Stampede Federal WC COM 34 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Borehole Pilot		
Design:	Design #1		

Project Permian Delaware Hz New Mexico, Mexico

Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site Stampede Federal WC COM 34 1H

Site Position:		Northing:	364,450.30 usft	Latitude:	32° 0' 2.698 N
From:	Map	Easting:	673,744.80 usft	Longitude:	103° 46' 22.282 W
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/8 "	Grid Convergence:	0.30 °

Well Stampede Federal WC COM 34 1H

Well Position	+N/-S	0.0 usft	Northing:	364,450.30 usft	Latitude:	32° 0' 2.698 N
	+E/-W	0.0 usft	Easting:	673,744.80 usft	Longitude:	103° 46' 22.282 W
Position Uncertainty		0.0 usft	Wellhead Elevation:		Ground Level:	3,138.0 usft

Wellbore Original Borehole Pilot

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2012	2/11/2014	7.44	59.79	48,151

Design Design #1

Audit Notes:

Version:		Phase:	PROTOTYPE	Tie On Depth:	0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	0.00

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,500.0	6.00	179.68	1,499.3	-20.9	0.1	1.50	1.50	0.00	179.68	
3,100.0	6.00	179.68	3,090.5	-188.2	1.1	0.00	0.00	0.00	0.00	
3,500.0	0.00	0.00	3,489.8	-209.1	1.2	1.50	-1.50	0.00	180.00	
12,010.2	0.00	0.00	12,000.0	-209.1	1.2	0.00	0.00	0.00	0.00	

ConocoPhillips

Planning Report - Geographic

Database:	EDM Central Planning	**Local Co-ordinate Reference:**	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	**TVD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	**MD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	**North Reference:**	Grid
Well:	Stampede Federal WC COM 34 1H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Borehole Pilot		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.0	0.00	0.00	0.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
200.0	0.00	0.00	200.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
400.0	0.00	0.00	400.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
600.0	0.00	0.00	600.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
800.0	0.00	0.00	800.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
1,000.0	0.00	0.00	1,000.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
1,100.0	0.00	0.00	1,100.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
1,200.0	1.50	179.68	1,200.0	-1.3	0.0	364,448.99	673,744.80	32° 0' 2.685 N	103° 46' 22.282 W
1,400.0	4.50	179.68	1,399.7	-11.8	0.1	364,438.52	673,744.86	32° 0' 2.581 N	103° 46' 22.282 W
1,500.0	6.00	179.68	1,499.3	-20.9	0.1	364,429.37	673,744.91	32° 0' 2.491 N	103° 46' 22.282 W
1,600.0	6.00	179.68	1,598.7	-31.4	0.2	364,418.92	673,744.97	32° 0' 2.387 N	103° 46' 22.281 W
1,800.0	6.00	179.68	1,797.6	-52.3	0.3	364,398.02	673,745.09	32° 0' 2.180 N	103° 46' 22.281 W
2,000.0	6.00	179.68	1,996.5	-73.2	0.4	364,377.11	673,745.20	32° 0' 1.973 N	103° 46' 22.281 W
2,200.0	6.00	179.68	2,195.4	-94.1	0.5	364,356.20	673,745.32	32° 0' 1.766 N	103° 46' 22.281 W
2,400.0	6.00	179.68	2,394.3	-115.0	0.6	364,335.30	673,745.44	32° 0' 1.560 N	103° 46' 22.281 W
2,600.0	6.00	179.68	2,593.2	-135.9	0.8	364,314.39	673,745.55	32° 0' 1.353 N	103° 46' 22.281 W
2,800.0	6.00	179.68	2,792.1	-156.8	0.9	364,293.49	673,745.67	32° 0' 1.146 N	103° 46' 22.281 W
3,000.0	6.00	179.68	2,991.1	-177.7	1.0	364,272.58	673,745.79	32° 0' 0.939 N	103° 46' 22.281 W
3,100.0	6.00	179.68	3,090.5	-188.2	1.1	364,262.13	673,745.85	32° 0' 0.835 N	103° 46' 22.281 W
3,200.0	4.50	179.68	3,190.1	-197.3	1.1	364,252.98	673,745.90	32° 0' 0.745 N	103° 46' 22.281 W
3,400.0	1.50	179.68	3,389.8	-207.8	1.2	364,242.52	673,745.96	32° 0' 0.641 N	103° 46' 22.281 W
3,500.0	0.00	0.00	3,489.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
3,600.0	0.00	0.00	3,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
3,800.0	0.00	0.00	3,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,000.0	0.00	0.00	3,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,200.0	0.00	0.00	4,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,400.0	0.00	0.00	4,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,600.0	0.00	0.00	4,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,800.0	0.00	0.00	4,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,000.0	0.00	0.00	4,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,200.0	0.00	0.00	5,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,400.0	0.00	0.00	5,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,600.0	0.00	0.00	5,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,800.0	0.00	0.00	5,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,000.0	0.00	0.00	5,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,200.0	0.00	0.00	6,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,400.0	0.00	0.00	6,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,600.0	0.00	0.00	6,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,800.0	0.00	0.00	6,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,000.0	0.00	0.00	6,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,200.0	0.00	0.00	7,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,400.0	0.00	0.00	7,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,600.0	0.00	0.00	7,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,800.0	0.00	0.00	7,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,000.0	0.00	0.00	7,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,200.0	0.00	0.00	8,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,400.0	0.00	0.00	8,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,600.0	0.00	0.00	8,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,800.0	0.00	0.00	8,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,000.0	0.00	0.00	8,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,200.0	0.00	0.00	9,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,400.0	0.00	0.00	9,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,600.0	0.00	0.00	9,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,800.0	0.00	0.00	9,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,000.0	0.00	0.00	9,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W

Database:	EDM Central Planning	**Local Co-ordinate Reference:**	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	**TVD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	**MD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	**North Reference:**	Grid
Well:	Stampede Federal WC COM 34 1H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Borehole Pilot		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,200.0	0.00	0.00	10,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,400.0	0.00	0.00	10,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,600.0	0.00	0.00	10,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,800.0	0.00	0.00	10,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
11,000.0	0.00	0.00	10,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
11,200.0	0.00	0.00	11,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
11,400.0	0.00	0.00	11,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
11,600.0	0.00	0.00	11,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
11,800.0	0.00	0.00	11,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
12,000.0	0.00	0.00	11,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
12,010.2	0.00	0.00	12,000.0	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W

ConocoPhillips MCBU

Permian Delaware Hz New Mexico
Stampede Federal WC COM 34 1H
Stampede Federal WC COM 34 1H

ST01

Plan: Design #2

Standard Planning Report - Geographic

11 April, 2013

ConocoPhillips

Planning Report - Geographic

Database:	EDM Central Planning	**Local Co-ordinate Reference:**	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	**TVD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	**MD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	**North Reference:**	Grid
Well:	Stampede Federal WC COM 34 1H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

Project	Permian Delaware Hz New Mexico, Mexico

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Stampede Federal WC COM 34 1H				
Site Position:		**Northing:**	364,450.30 usft	**Latitude:**	32° 0' 2.698 N
From:	Map	**Easting:**	673,744.80 usft	**Longitude:**	103° 46' 22.282 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/8 "	**Grid Convergence:**	0.30 °

Well	Stampede Federal WC COM 34 1H					
Well Position	**+N/-S**	0.0 usft	**Northing:**	364,450.30 usft	**Latitude:**	32° 0' 2.698 N
	+E/-W	0.0 usft	**Easting:**	673,744.80 usft	**Longitude:**	103° 46' 22.282 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**		**Ground Level:**	3,138.0 usft

Wellbore	ST01				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	BGGM2012	1/11/2014	7.45	59.80	48,162

Design	Design #2				
Audit Notes:					
Version:		**Phase:**	PROTOTYPE	**Tie On Depth:**	0.0
Vertical Section:	**Depth From (TVD) (usft)**	**+N/-S (usft)**	**+E/-W (usft)**	**Direction (°)**	
	0.0	0.0	0.0	359.68	

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,500.0	6.00	179.68	1,499.3	-20.9	0.1	1.50	1.50	0.00	179.68	
3,100.0	6.00	179.68	3,090.5	-188.2	1.1	0.00	0.00	0.00	0.00	
3,500.0	0.00	0.00	3,489.8	-209.1	1.2	1.50	-1.50	0.00	180.00	
10,953.0	0.00	0.00	10,942.8	-209.1	1.2	0.00	0.00	0.00	0.00	
11,850.5	89.71	359.68	11,516.0	361.2	-2.0	10.00	10.00	0.00	359.68	
18,413.5	89.71	359.68	11,549.0	6,924.0	-38.7	0.00	0.00	0.00	-7.50	Stampede 34 1H BHL

Database:	EDM Central Planning	**Local Co-ordinate Reference:**	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	**TVD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	**MD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	**North Reference:**	Grid
Well:	Stampede Federal WC COM 34 1H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.0	0.00	0.00	0.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
200.0	0.00	0.00	200.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
400.0	0.00	0.00	400.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
600.0	0.00	0.00	600.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
800.0	0.00	0.00	800.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
960.0	0.00	0.00	960.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
13 3/8"									
1,000.0	0.00	0.00	1,000.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
1,100.0	0.00	0.00	1,100.0	0.0	0.0	364,450.30	673,744.80	32° 0' 2.698 N	103° 46' 22.282 W
1,200.0	1.50	179.68	1,200.0	-1.3	0.0	364,448.99	673,744.80	32° 0' 2.685 N	103° 46' 22.282 W
1,400.0	4.50	179.68	1,399.7	-11.8	0.1	364,438.52	673,744.86	32° 0' 2.581 N	103° 46' 22.282 W
1,500.0	6.00	179.68	1,499.3	-20.9	0.1	364,429.37	673,744.91	32° 0' 2.491 N	103° 46' 22.282 W
1,600.0	6.00	179.68	1,598.7	-31.4	0.2	364,418.92	673,744.97	32° 0' 2.387 N	103° 46' 22.281 W
1,800.0	6.00	179.68	1,797.6	-52.3	0.3	364,398.02	673,745.09	32° 0' 2.180 N	103° 46' 22.281 W
2,000.0	6.00	179.68	1,996.5	-73.2	0.4	364,377.11	673,745.20	32° 0' 1.973 N	103° 46' 22.281 W
2,200.0	6.00	179.68	2,195.4	-94.1	0.5	364,356.20	673,745.32	32° 0' 1.766 N	103° 46' 22.281 W
2,400.0	6.00	179.68	2,394.3	-115.0	0.6	364,335.30	673,745.44	32° 0' 1.560 N	103° 46' 22.281 W
2,600.0	6.00	179.68	2,593.2	-135.9	0.8	364,314.39	673,745.55	32° 0' 1.353 N	103° 46' 22.281 W
2,800.0	6.00	179.68	2,792.1	-156.8	0.9	364,293.49	673,745.67	32° 0' 1.146 N	103° 46' 22.281 W
3,000.0	6.00	179.68	2,991.1	-177.7	1.0	364,272.58	673,745.79	32° 0' 0.939 N	103° 46' 22.281 W
3,100.0	6.00	179.68	3,090.5	-188.2	1.1	364,262.13	673,745.85	32° 0' 0.835 N	103° 46' 22.281 W
3,200.0	4.50	179.68	3,190.1	-197.3	1.1	364,252.98	673,745.90	32° 0' 0.745 N	103° 46' 22.281 W
3,400.0	1.50	179.68	3,389.8	-207.8	1.2	364,242.52	673,745.96	32° 0' 0.641 N	103° 46' 22.281 W
3,500.0	0.00	0.00	3,489.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
3,600.0	0.00	0.00	3,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
3,800.0	0.00	0.00	3,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,000.0	0.00	0.00	3,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,200.0	0.00	0.00	4,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,400.0	0.00	0.00	4,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,600.0	0.00	0.00	4,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,800.0	0.00	0.00	4,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
4,940.2	0.00	0.00	4,930.0	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9 5/8"									
5,000.0	0.00	0.00	4,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,200.0	0.00	0.00	5,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,400.0	0.00	0.00	5,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,600.0	0.00	0.00	5,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
5,800.0	0.00	0.00	5,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,000.0	0.00	0.00	5,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,200.0	0.00	0.00	6,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,400.0	0.00	0.00	6,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,600.0	0.00	0.00	6,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
6,800.0	0.00	0.00	6,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,000.0	0.00	0.00	6,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,200.0	0.00	0.00	7,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,400.0	0.00	0.00	7,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,600.0	0.00	0.00	7,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
7,800.0	0.00	0.00	7,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,000.0	0.00	0.00	7,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,200.0	0.00	0.00	8,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,400.0	0.00	0.00	8,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,600.0	0.00	0.00	8,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
8,800.0	0.00	0.00	8,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,000.0	0.00	0.00	8,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W

Database:	EDM Central Planning	**Local Co-ordinate Reference:**	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	**TVD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	**MD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	**North Reference:**	Grid
Well:	Stampede Federal WC COM 34 1H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
9,200.0	0.00	0.00	9,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,400.0	0.00	0.00	9,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,600.0	0.00	0.00	9,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
9,800.0	0.00	0.00	9,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,000.0	0.00	0.00	9,989.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,200.0	0.00	0.00	10,189.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,400.0	0.00	0.00	10,389.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,600.0	0.00	0.00	10,589.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,800.0	0.00	0.00	10,789.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
10,953.0	0.00	0.00	10,942.8	-209.1	1.2	364,241.21	673,745.96	32° 0' 0.628 N	103° 46' 22.281 W
11,000.0	4.70	359.68	10,989.7	-207.2	1.2	364,243.13	673,745.95	32° 0' 0.647 N	103° 46' 22.281 W
11,200.0	24.69	359.68	11,182.2	-156.7	0.9	364,293.60	673,745.67	32° 0' 1.147 N	103° 46' 22.281 W
11,400.0	44.68	359.68	11,345.8	-43.5	0.2	364,406.83	673,745.04	32° 0' 2.268 N	103° 46' 22.281 W
11,600.0	64.67	359.68	11,460.9	118.9	-0.7	364,569.18	673,744.13	32° 0' 3.874 N	103° 46' 22.282 W
11,800.0	84.66	359.68	11,513.5	310.8	-1.7	364,761.08	673,743.06	32° 0' 5.773 N	103° 46' 22.283 W
11,850.5	89.71	359.68	11,516.0	361.2	-2.0	364,811.50	673,742.78	32° 0' 6.272 N	103° 46' 22.283 W
7"									
12,000.0	89.71	359.68	11,516.8	510.7	-2.9	364,960.99	673,741.94	32° 0' 7.752 N	103° 46' 22.284 W
12,200.0	89.71	359.68	11,517.8	710.7	-4.0	365,160.99	673,740.83	32° 0' 9.731 N	103° 46' 22.285 W
12,400.0	89.71	359.68	11,518.8	910.7	-5.1	365,360.98	673,739.71	32° 0' 11.710 N	103° 46' 22.286 W
12,600.0	89.71	359.68	11,519.8	1,110.7	-6.2	365,560.98	673,738.59	32° 0' 13.690 N	103° 46' 22.287 W
12,800.0	89.71	359.68	11,520.8	1,310.7	-7.3	365,760.97	673,737.47	32° 0' 15.669 N	103° 46' 22.288 W
13,000.0	89.71	359.68	11,521.8	1,510.7	-8.4	365,960.97	673,736.36	32° 0' 17.648 N	103° 46' 22.289 W
13,200.0	89.71	359.68	11,522.8	1,710.7	-9.6	366,160.96	673,735.24	32° 0' 19.627 N	103° 46' 22.290 W
13,400.0	89.71	359.68	11,523.8	1,910.7	-10.7	366,360.95	673,734.12	32° 0' 21.607 N	103° 46' 22.291 W
13,600.0	89.71	359.68	11,524.8	2,110.6	-11.8	366,560.95	673,733.00	32° 0' 23.586 N	103° 46' 22.291 W
13,800.0	89.71	359.68	11,525.8	2,310.6	-12.9	366,760.94	673,731.89	32° 0' 25.565 N	103° 46' 22.292 W
14,000.0	89.71	359.68	11,526.9	2,510.6	-14.0	366,960.94	673,730.77	32° 0' 27.544 N	103° 46' 22.293 W
14,200.0	89.71	359.68	11,527.9	2,710.6	-15.1	367,160.93	673,729.65	32° 0' 29.524 N	103° 46' 22.294 W
14,400.0	89.71	359.68	11,528.9	2,910.6	-16.3	367,360.93	673,728.53	32° 0' 31.503 N	103° 46' 22.295 W
14,600.0	89.71	359.68	11,529.9	3,110.6	-17.4	367,560.92	673,727.42	32° 0' 33.482 N	103° 46' 22.296 W
14,800.0	89.71	359.68	11,530.9	3,310.6	-18.5	367,760.91	673,726.30	32° 0' 35.461 N	103° 46' 22.297 W
15,000.0	89.71	359.68	11,531.9	3,510.6	-19.6	367,960.91	673,725.18	32° 0' 37.441 N	103° 46' 22.298 W
15,200.0	89.71	359.68	11,532.9	3,710.6	-20.7	368,160.90	673,724.06	32° 0' 39.420 N	103° 46' 22.299 W
15,400.0	89.71	359.68	11,533.9	3,910.6	-21.8	368,360.90	673,722.95	32° 0' 41.399 N	103° 46' 22.300 W
15,600.0	89.71	359.68	11,534.9	4,110.6	-23.0	368,560.89	673,721.83	32° 0' 43.378 N	103° 46' 22.301 W
15,800.0	89.71	359.68	11,535.9	4,310.6	-24.1	368,760.89	673,720.71	32° 0' 45.358 N	103° 46' 22.302 W
16,000.0	89.71	359.68	11,536.9	4,510.6	-25.2	368,960.88	673,719.59	32° 0' 47.337 N	103° 46' 22.303 W
16,200.0	89.71	359.68	11,537.9	4,710.6	-26.3	369,160.87	673,718.47	32° 0' 49.316 N	103° 46' 22.304 W
16,400.0	89.71	359.68	11,538.9	4,910.6	-27.4	369,360.87	673,717.36	32° 0' 51.295 N	103° 46' 22.305 W
16,600.0	89.71	359.68	11,539.9	5,110.6	-28.6	369,560.86	673,716.24	32° 0' 53.275 N	103° 46' 22.306 W
16,800.0	89.71	359.68	11,540.9	5,310.6	-29.7	369,760.86	673,715.12	32° 0' 55.254 N	103° 46' 22.307 W
17,000.0	89.71	359.68	11,541.9	5,510.6	-30.8	369,960.85	673,714.00	32° 0' 57.233 N	103° 46' 22.307 W
17,200.0	89.71	359.68	11,542.9	5,710.5	-31.9	370,160.85	673,712.88	32° 0' 59.212 N	103° 46' 22.308 W
17,400.0	89.71	359.68	11,543.9	5,910.5	-33.0	370,360.84	673,711.76	32° 1' 1.192 N	103° 46' 22.309 W
17,600.0	89.71	359.68	11,544.9	6,110.5	-34.2	370,560.84	673,710.65	32° 1' 3.171 N	103° 46' 22.310 W
17,800.0	89.71	359.68	11,545.9	6,310.5	-35.3	370,760.83	673,709.53	32° 1' 5.150 N	103° 46' 22.311 W
18,000.0	89.71	359.68	11,546.9	6,510.5	-36.4	370,960.82	673,708.41	32° 1' 7.129 N	103° 46' 22.312 W
18,200.0	89.71	359.68	11,547.9	6,710.5	-37.5	371,160.82	673,707.29	32° 1' 9.109 N	103° 46' 22.313 W
18,400.0	89.71	359.68	11,548.9	6,910.5	-38.6	371,360.81	673,706.17	32° 1' 11.088 N	103° 46' 22.314 W
18,413.5	89.71	359.68	11,549.0	6,924.0	-38.7	371,374.30	673,706.10	32° 1' 11.221 N	103° 46' 22.314 W

Database:	EDM Central Planning	**Local Co-ordinate Reference:**	Site Stampede Federal WC COM 34 1H
Company:	ConocoPhillips MCBU	**TVD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Project:	Permian Delaware Hz New Mexico	**MD Reference:**	KB PLAT @ 3163.0usft (HNP486)
Site:	Stampede Federal WC COM 34 1H	**North Reference:**	Grid
Well:	Stampede Federal WC COM 34 1H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

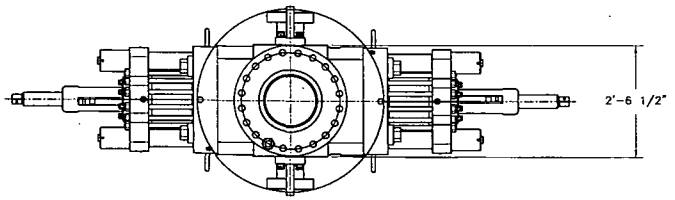
Design Targets

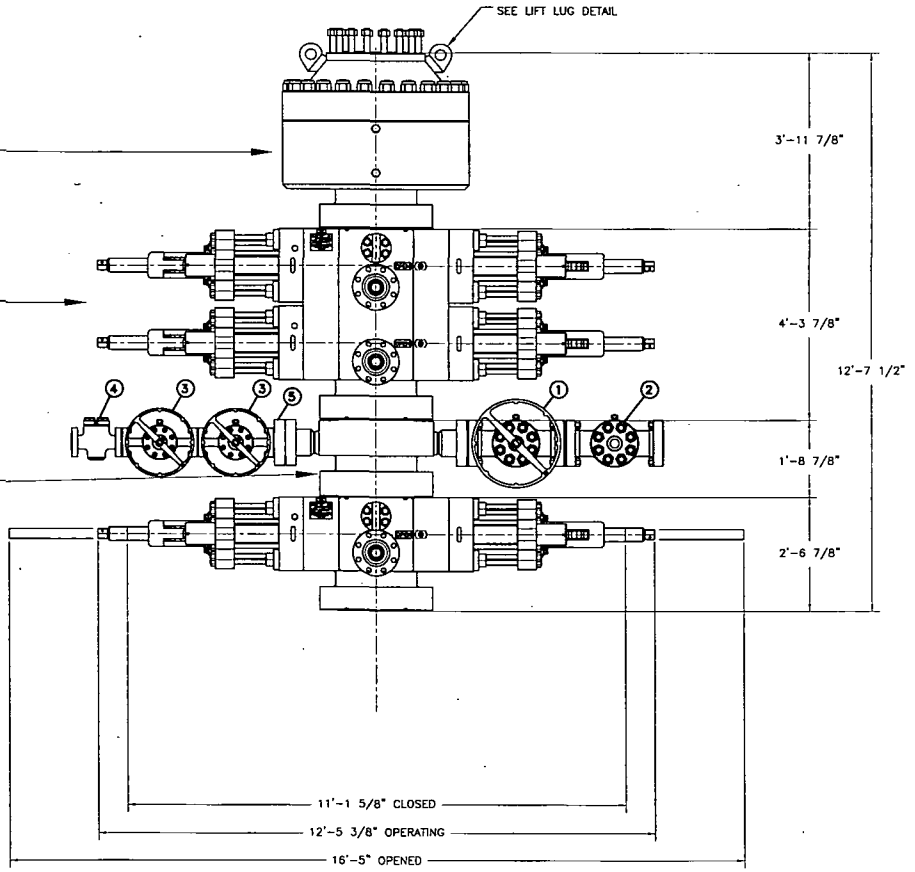
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Stampede 34 1H BHL - plan hits target center - Point	0.00	0.00	11,549.0	6,924.0	-38.7	371,374.30	673,706.10	32° 1' 11.221 N	103° 46' 22.314 W

Casing Points

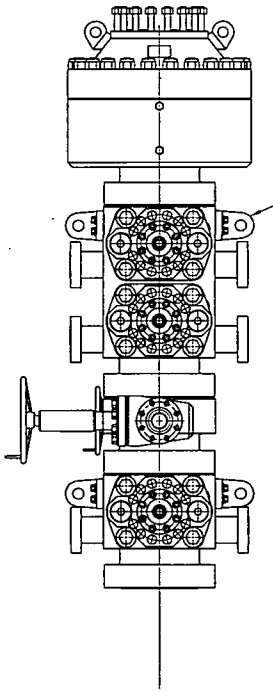
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
960.0	960.0	13 3/8"	13-3/8	17-1/2
4,940.2	4,930.0	9 5/8"	9-5/8	12-1/4
11,850.5	11,516.0	7"	7	8-3/4

LEGEND
1— 4 1/16"–10M FLANGED END GATE VALVE-
2— 4 1/16"–10M FLANGED END GATE VALVE WITH DOUBLE ACTING HYDRAULIC ACTUATOR
3— 2 1/16"–10M FLANGED END GATE VALVE
4— 2 1/16"–10M FLANGED END CHECK VALVE
5— DOUBLE STUDDED ADAPTER





13 5/8-10M STACK



PRELIMINARY
April-14-2011
DRAFTSMAN
ENGINEER

API 6A MONOGRAMMED CAMERON CHOKE AND KILL WING VALVE ASSEMBLIES ARE NOT SHOWN FOR CLARITY

WEIGHTS DO NOT INCLUDE HOSES, ADAPTER SPOOLS OR QUICK CONNECT FITTINGS

REV	DATE	DESCRIPTION	BY
E	12/18/07	ADDED SHEET 03	JAV
D	4-10-07	ORIENTATION REVISED, DOUBLE STUDDED ADAPTER, VALVES 1, 2, & 3, AND HIS CHECK VALVE ADDED	JBG
C	4-04-07	8" ADDED TO SPACER ADAPTER SPOOL	JBG
B	02-07-07	ADDED ADAPTER SPOOL	MWL
A	08-13-02	CORRECTED BOP STACK	MWL

ENGINEERING APPROVAL | DATE

HELMERICH & PAYNE
INTERNATIONAL DRILLING CO.

TITLE: 13 5/8"–10M BOP 3 RAM STACK FLEXRIG3

CUSTOMER: H&P

PROJECT: FLEXRIG3

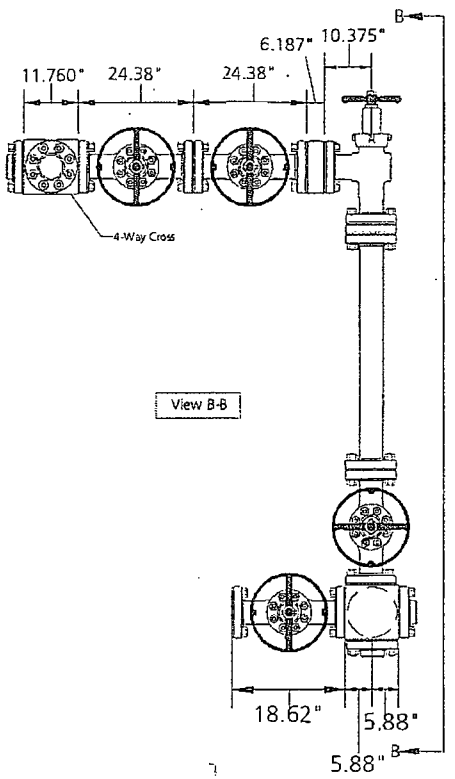
DRAWN: MTS | DATE: 6-5-02 | DWG. NO.: 210-P1-07 | REV: E

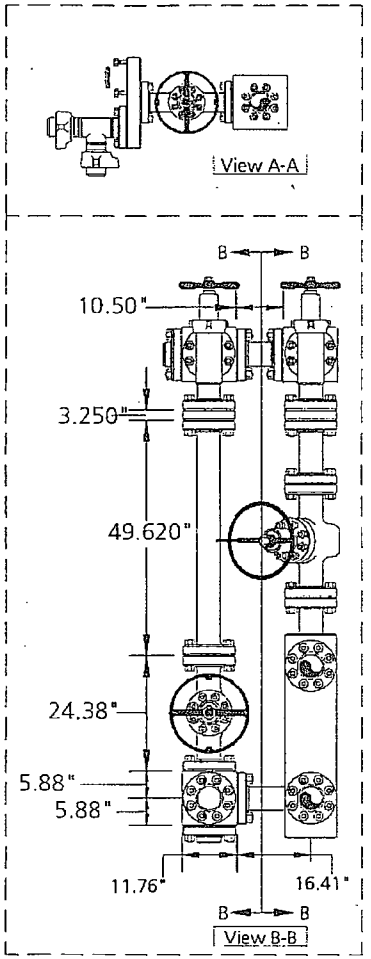
SCALE: 3/4"=1' | SHEET: 1 OF 1

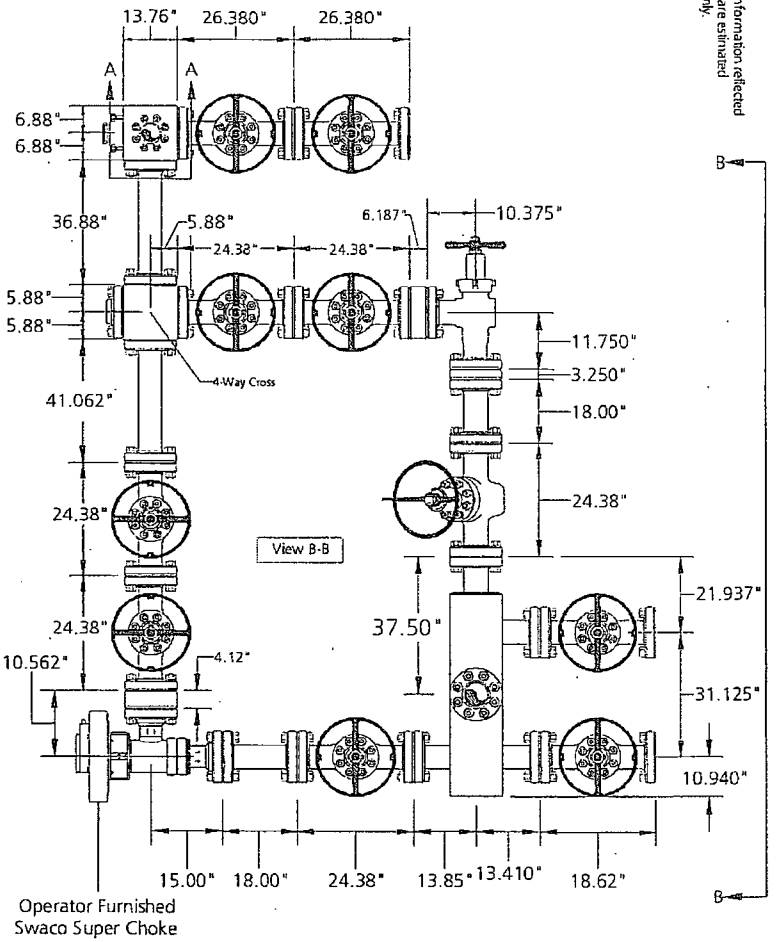
Helmerich & Payne

Rig Flex 3 Manifold with 3rd Choke Run

Note: Dimensional information reflected on this drawing are estimated measurements only.

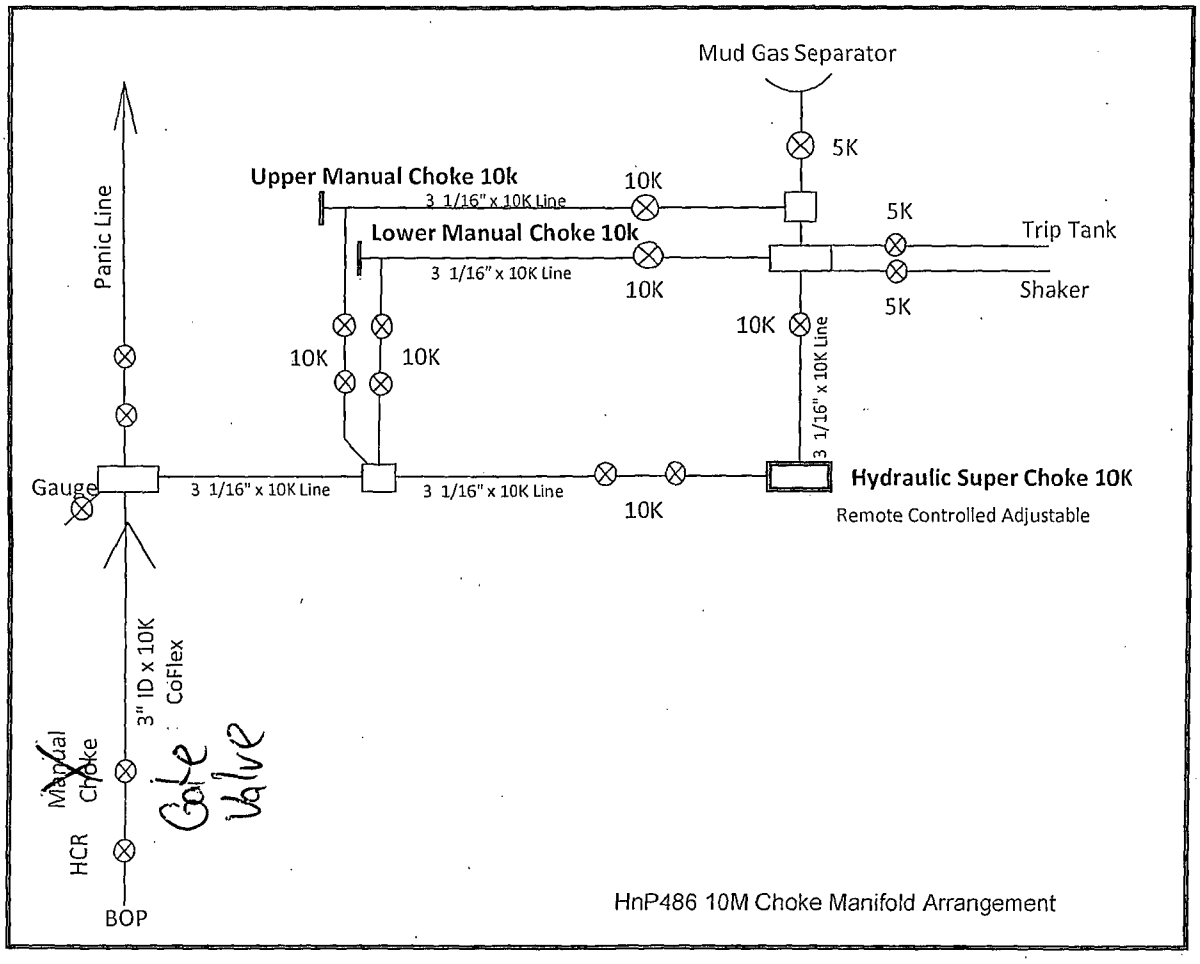






Name	Jeanette
Date	9-9-08
Working Pressure	
#	J-3737-3

CAMERON


Mud Gas Separator
5K
Upper Manual Choke 10k
10K
3 1/16" x 10K Line
5K
Trip Tank
Lower Manual Choke 10k
3 1/16" x 10K Line
10K
5K
Shaker
Panic Line
10K
10K
10K
3 1/16" x 10K Line
Gauge
3 1/16" x 10K Line
3 1/16" x 10K Line
10K
Hydraulic Super Choke 10K
Remote Controlled Adjustable
3" ID x 10K CoFlex
Manual Choke
HCR
Gate Valve
BOP
HnP486 10M Choke Manifold Arrangement

Request for Variance

ConocoPhillips Company
Lease Number: LC 068282A
Well: Stampede Federal WC COM 34 1H
Location: Sec. 34, T26S, R31E
Rig: H&P 486
Date: 2/5/2014

Request:

ConocoPhillips Company respectfully requests a variance to install a flexible choke line instead of a straight choke line prescribed in the Onshore Order No. 2, III.A.2.b Minimum standards and enforcement provisions for choke manifold equipment. This request is made under the provision of Onshore Order No. 2, IV Variances from Minimum Standard. The rig to be used to drill this well is equipped with a flexible choke line if the requested variance is approved and determined that the proposed alternative meets the objectives of the applicable minimum standards.

Justifications:

The applicability of the flexible choke line will reduce the number of target tees required to make up from the choke valve to the choke manifold. This configuration will facilitate ease of rig up and BOPE Testing.

Attachments:

- Attachment # 1 Specification from Manufacturer
- Attachment # 2 Mill & Test Certification from Manufacturer

Contact Information:

Program prepared by:
Jason A. Levinson
Drilling Engineer, ConocoPhillips Company
Phone (281) 206-5335
Cell (281) 682-2783
Date: 05 February 2014

Attachment # 1

CONTITECH RUBBER Industrial Kft.	No: QC-DB- 45 / 2012
	Page: 9 / 50

Continental CONTITECH

Hose Data Sheet

CRI Order No.	516273
Customer	ContiTech Beattie Co.
Customer Order No	PO5438 STOCK
Item No.	3
Hose Type	Flexible Hose
Standard	**API SPEC 16 C**
Inside dia in inches	3
Length	35 ft
Type of coupling one end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSIBX155 RING GROOVE
Type of coupling other end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI BX155 RING GROOVE
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psi
Test Pressure	15 000 psi
Safety Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St.steel outer wrap
Internal stripwound tube	No
Lining	OIL RESISTANT
Safety clamp	No
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
MBR operating [m]	1,60
MBR storage [m]	1,40
Type of packing	WOODEN CRATE ISPM-15

OC-DB- 45/2012
Page: 7/50

Continental CONTITECH

Fluid Technology
Quality Document

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE				CERT. N°:	184	
PURCHASER:	ContiTech Beattie Co.			P.O. N°:	005438	
CONTITECH ORDER N°:	516273	HOSE TYPE:	3" ID	Choke and Kill Hose		
HOSE SERIAL N°:	61477	NOMINAL / ACTUAL LENGTH:		10,67 m / 10,71 m		
W.P. 68,9 MPa	10000 psi	T.P. 103,4 MPa	15000 psi	Duration:	60	min.

Pressure test with water at ambient temperature

See attachment. (1 page)

↑ 10 mm = 10 Min.
→ 10 mm = 20 MPa

COUPLINGS Type	Serial N°	Quality	Heat N°
3" coupling with	10178 10173	AISI 4130	20231
4 1/16" 10K API Flange end		AISI 4130	33051

NOT DESIGNED FOR WELL TESTING

API Spec 16 C

Temperature rate:"B"

All metal parts are flawless

WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT.

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

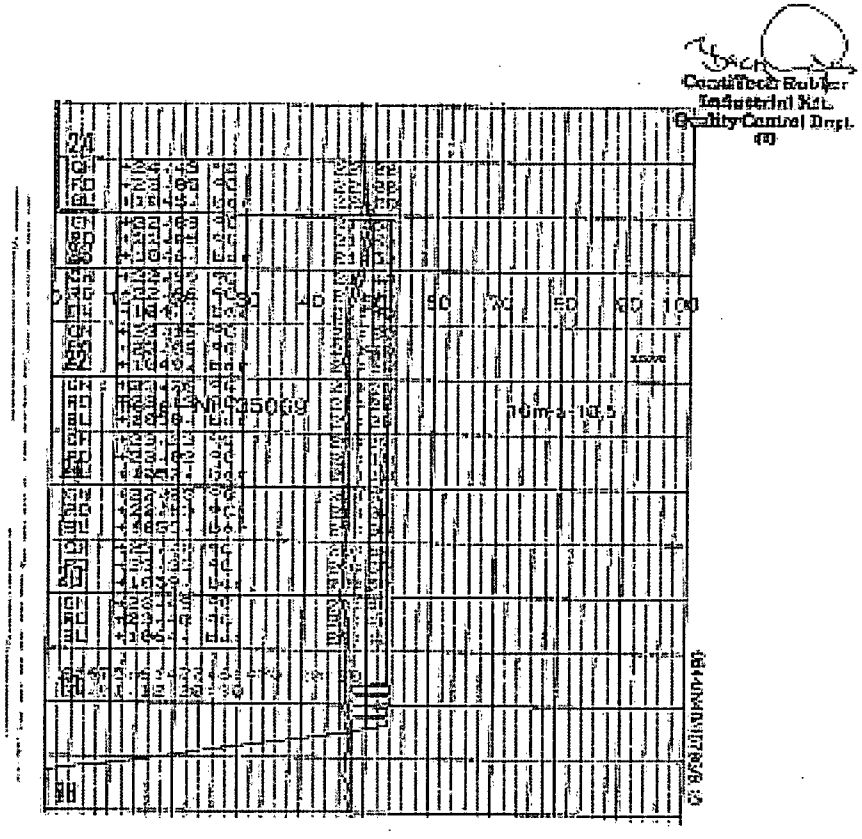
Date:	Inspector	Quality Control
30. January 2012.		ContiTech Rubber Industrial Kft. Quality Control Dept.

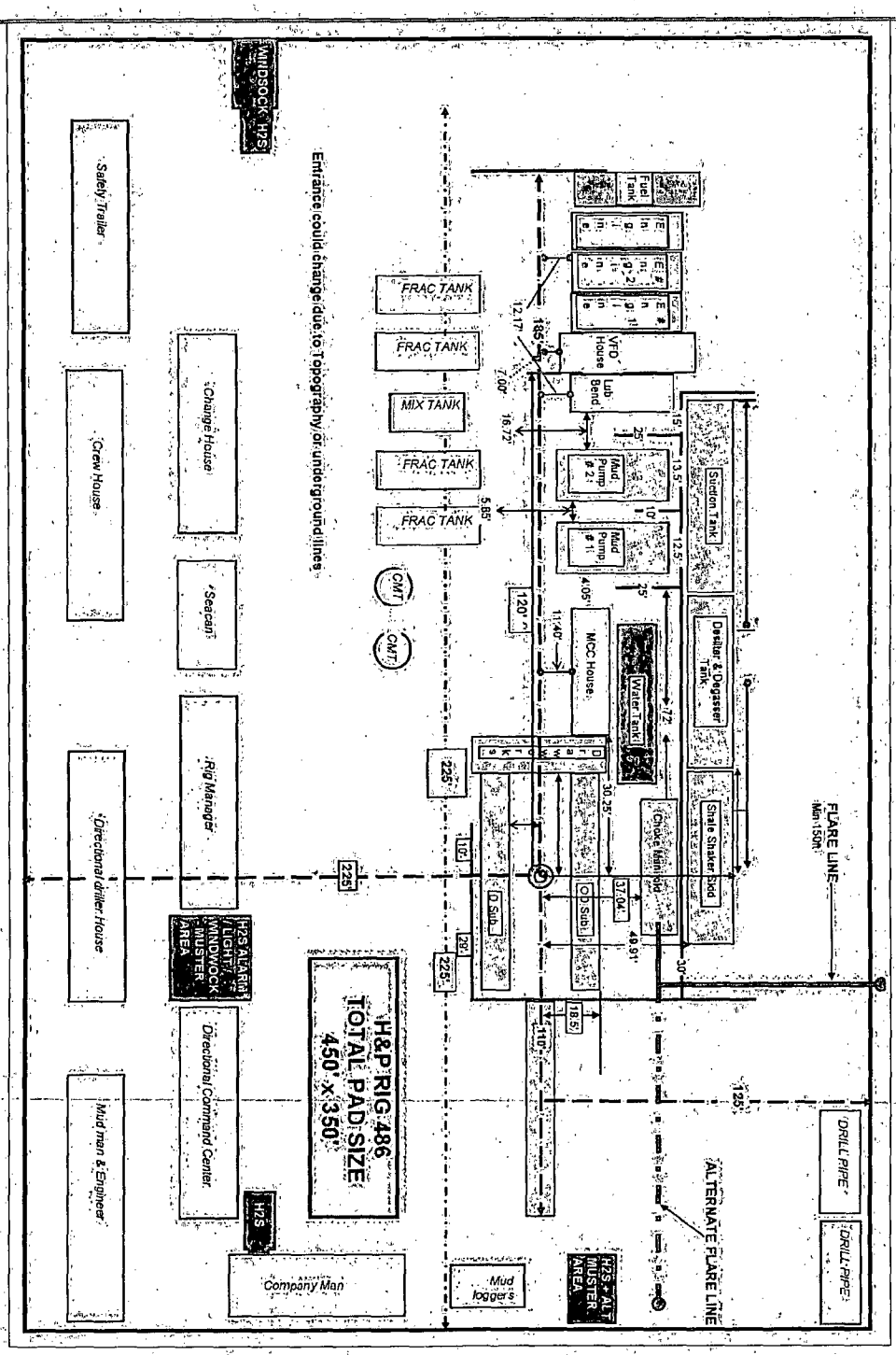
ContiTech Rubber Industrial Kft.
Budapesti út 10., Szeged H-6728
P.O.Box 152, Szeged H-6701
Hungary

Phone: +36 62 566 737
Fax: +36 62 566 736
e-mail: [illegible]
Internet: www.conti-online.hu

The Court of Csongrad County as Registry Court
Registry Court No: [illegible]
EU VAT No. HU [illegible]

Bankdata
Commerzbank Rt.
Budapest
[illegible]


Quality Control Dept.



STAMPEDE FEDERAL WC COM 34 #1H
Located 250' FSL and 380' FWL
Section 34, Township 26 South, Range 31 East,
N.M.P.M., Eddy County, New Mexico.

Basin Surveys
focused on excellence in the oilfield
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: JMS 28235
Survey Date: 02-28-2013
Scale: 1" = NONE
Date: 03-11-2013

ConocoPhillips

ConocoPhillips

H_2S Contingency Plan

H_2S Contingency Plan Holders:

Attached is an H_2S Contingency Plan for COPC Permian Drilling working in the West Texas and Southeastern New Mexico areas operated by ConocoPhillips Company.

If you have any questions regarding this plan, please call Tom Samarripa at ConocoPhillips Company, 432.368.1263.

Table of Contents

Section

ConocoPhillips

HYDROGEN SULFIDE (H_2S) OPERATIONS

Contingency Plan
For
Permian Drilling Operations

ConocoPhillips Company
Mid-Continent Business Unit
Permian Asset Area

I. PURPOSE

The purpose of this Contingency Plan is to provide an organized plan of action for alerting and protecting the public following the release of a potentially hazardous volume of hydrogen sulfide. This plan prescribes mandatory safety procedures to be followed in the event of a release of H_2S into the atmosphere from exploration and production operations included in the scope of this plan. The extent of action taken will be determined by the supervisor and will depend on the severity and extent of H_2S release. Release of H_2S must be reported to the Drilling Superintendent and documented on the IADC and in Wellview.

II. SCOPE

This Contingency plan shall cover the West Texas and Southeastern New Mexico areas, which contain H2S gas and could result in a release where the R.O.E. is greater than 100 ppm at 50' and less than 3000' and does not include a public area and 500 ppm R.O.E. does not include a public road. Radius of exposure is defined as the maximum distance from the source of release that a specified calculated average concentration of H_2S could exist under specific weather conditions.

III. PROCEDURES

First Employee on Scene

____ Assess the incident and ensure your own safety.

Note the following:

____ Location of the incident.
____ Nature of the incident.
____ Wind direction and weather conditions.
____ Other assistance that may be needed.

____ Call local supervisory personnel (refer to Section V: Emergency Call List) until personal contact is made with a person on the list.

____ Perform emergency assessment and response as needed. The response may include rescue and/or evacuation of personnel, shutting in a system and/or notification of nearby residents/public (refer to Section VII: Public Notification/Evacuation).

____ Secure the site.

____ Follow the direction of the On-scene Incident Commander (first ConocoPhillips supervisor arriving on-scene).

First Supervisor on Scene (ConocoPhillips On-scene Incident Commander)

____ Becomes ConocoPhillips' On-scene Incident Commander upon arrival to location.

____ Follow the principles of the **D.E.C.I.D.E.** process below to assess the incident. (Note wind direction and weather conditions and ensure everyone's safety).

DETECT the problem
ESTIMATE likely harm without intervention
CHOOSE response objectives
IDENTIFY action options
DO the best option
EVALUATE the progress

____ Complete the Preliminary Emergency Information Sheet (refer to Section VIII: Forms/Reports).

____ Call your supervisor (refer to Section V: Emergency Call List).

—— Perform emergency response as necessary. (This may include notification & evacuation of all personnel and/or nearby residents/public (refer to Section VII: Public Notification/Evacuation), requesting assistance from ConocoPhillips personnel or outside agencies (refer to Section V: Emergency Call List) and obtaining any safety equipment that may be required (refer to Section IV: Emergency Equipment and Maintenance).

—— Notify appropriate local emergency response agencies of the incident as needed. Also notify the appropriate regulatory agencies. (refer to Section V: Emergency Call List).

—— Ensure site security.

—— Set barricades and /or warning signs at or beyond the calculated 100 ppm H_2S radius of exposure (ROE). All manned barricades must be equipped with an H_2S monitor and a 2-way radio.

—— Set roadblocks and staging area as determined.

—— Establish the Incident Command Structure by designating appropriate on-scene response personnel as follows:

Recording Secretary _____
Public Information Officer _____
Safety/Medical Officer _____
Decontamination Officer _____

—— Have the "Recording Secretary" begin documenting the incident on the "Incident Log" (refer to Section VIII: Forms/Reports).

—— If needed, request radio silence on all channels that use your radio tower stating that, until further notice, the channels should be used for emergency communications only.

—— Perform a Site Characterization and designate the following:

Hot Zone	--	Hazardous Area
Warm Zone	--	Preparation & Decontamination Area
Cold Zone	--	Safe Area

AND

On-Scene Incident Command Post	(Cold Zone)
Public Relations Briefing Area	(Cold Zone)
Staging Area	(Cold Zone)
Triage Area	(Cold Zone)
Decontamination Area	(Warm Zone)

____ Refer all media personnel to ConocoPhillips' On-Scene Public Information Officer (refer to Section VI: Public Media Relations).

____ Coordinate the attempt to stop the release of H_2S. You should consider closing upstream and downstream valves to shut-off gas supply sources, and/or plugging or clamping leaks. Igniting escaping gas to reduce the toxicity hazard should be used **ONLY AS A LAST RESORT**. (It must first be determined if the gas can be safely ignited, taking into consideration if there is a possibility of a widespread flammable atmosphere.)

____ Once the emergency is over, return the situation to normal by:

Confirming the absence of H_2S and combustible gas throughout the area,

Discontinuing the radio silence on all channels, stating that the emergency incident is over,

Removing all barricades and warning signs,

Allowing evacuees to return to the area, and

Advising all parties previously notified that the emergency has ended.

____ Ensure the proper regulatory authorities/agencies are notified of the incident (refer to Section V: Emergency Call List).

____ Clean up the site. (Be sure all contractor crews have had appropriate HAZWOPER training.)

____ Report completion of the cleanup to the Asset Environmentalist. (Environmentalist will report this to the proper State and/or Federal agencies.)

_____ Fill out all required incident reports and send originals to the Safety Department. (Keep a copy for your records.)

- Company employee receiving occupational injury or illnesses.

- Company employee involved in a vehicle accident while driving a company vehicle.

- Company property that is damaged or lost.

- Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company.

- Hazardous Material Spill/Release Report Form

- Emergency Drill Report

_____ Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.

_____ If this incident was simulated for practice in emergency response, complete the Emergency Drill Report found in Section VIII: Forms/Reports and submit a copy to the Drilling Manager. (Keep one copy in area files to document exercising of the plan.)

Emergency Procedures
Responsibility

In the event of a release of potentially hazardous amounts of H2S, all personnel will immediately proceed upwind/ crosswind to the nearest designated briefing area. The COPC Drilling Rep. will immediately, upon assessing the situation, set this into action by taking the proper procedures to contain the gas and notify appropriate people and agencies.

1. In an emergency situation, the Drilling Rep. on duty will have complete responsibility and will take whatever action is deemed necessary in an emergency situation to insure the personnel's safety, to protect the well and to prevent property damage.

2. The Toolpusher will assume all responsibilities of the Drilling Rep. in an emergency situation in the event the Drilling Rep. becomes incapacitated.

3. Advise each contractor, service company, and all others entering the site that H2S may be encountered and the potential hazards that may exist.

4. Authorize the evacuation of local residents if H2S threatens their safety.

5. Keep the number of persons on location to a minimum during hazardous operations.

6. Direct corrective actions to control the flow of gas.

7. Has full responsibility for igniting escaping gas to reduce the toxicity hazard. This should be used **ONLY AS A LAST RESORT**.

IV. EMERGENCY EQUIPMENT and MAINTENANCE

Emergency Equipment Suppliers

Safety International – Odessa, Tx. 432.580.3770
H_2S monitors
Breathing air includes cascade systems
First aid and medical supplies
Safety equipment
H2S Specialist

Total Safety US Odessa, Tx/ Hobs, NM 432.561.5049 Odessa, Tx.
575.392.2973 Hobbs, NM
H_2S monitors
Breathing air includes cascade systems
Fire fighting equipment
First aid and medical supplies
Safety equipment

Indian Fire & Safety – Hobbs, NM 575.393.3093
H_2S monitors
Breathing air including cascade systems trailer mounted
30 minute air packs
Safety Equipment

Emergency Equipment and Maintenance (continued)

General Information

Materials used for repair should be suitable for use where H_2S concentrations exceed 100 ppm. In general, carbon steels having low-yield strengths and a hardness below RC-22 are suitable. The engineering staff should be consulted if any doubt exists on material specifications.

Appropriate signs should be maintained in good condition at location entrance and other locations as specified in Texas Rule 36 and NMOCD Rule 118.

All notification lists should be kept current with changes in names, telephone numbers, etc.

All shutdown devices, alarms, monitors, breathing air systems, etc., should be maintained in accordance with applicable regulations.

All personnel working in H_2S areas shall have received training on the hazards, characteristics, and properties of H_2S, and on procedures and safety equipment applicable for use in H_2S areas.

H2S Safety Equipment and Monitoring Systems

An H2S emergency response package will be maintained at locations requiring H2S monitoring. The package will contain at a minimum the following:

3 – Fixed H2S sensors located as follows:
- 1 – on the rig floor
- 1 – at the Bell Nipple
- 1 – at the Shale Shaker or Flowline

1 – Entrance Warning Sign located at the main entrance to the location, with warning signs and colored flags to determine the current status for entry into the location.

2 – Windsocks that are clearly visible.

1 – Audible warning system located on rig floor

2 – Visual warning systems (Beacon Lights)
- 1 – located at the rig floor
- 1 – located in the mud mixing room

Note: All alarms (audible and visual) should be set to alarm at 10 ppm.

2 - Briefing areas clearly marked
- 2 - SCBA's at each briefing area
- 1- SCBA located at the Drilling Reps office

Note:

1. All SCBA's must be positive pressure type only!!!

2. All SCBA's must either be Scott or Drager brand.

3. All SCBA's face pieces should be size large, unless otherwise specified by the Drilling Supervisor.

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5 – Emergency Escape Paks located at Top Doghouse.
- Note: Ensure provisions are included for any personnel working above rig floor in derrick.

1 – Tri or Quad gas monitor located at the Drilling Reps office. This will be used to determine if the work area if safe to re-enter prior to returning to work following any alarm.

V. EMERGENCY CALL LIST:

The following is a priority list of personnel to contact in an emergency situation:

Supervisory Personnel	Office No.	Home	Cellular
R.W. "Cottton" Hair Permian Drilling Supt.	432.368.1302	432.563.9467	432.556.9116
Dennis Paschall Permian Drilling Field Supt.	432.368.1517	432.683.9400	432.238.3150
Tom Samarripa WSER	423.368.1263	432.367.4961	432.556.9113
Ty Maxey Permian Asset Operations Manager	432.368.1100		281.217.8492
Leo Gatson Safety and Environmental Coordinator	432.368.1248		432.631.066
Lynn Dooley Drilling Mngr.	832.486.2567	281.225.8063	281.435.3517

EMERGENCY CALL LIST: State Officials

Regulatory Agencies

New Mexico Oil Conservation Commission Office: 575.393.6161
P. O. Box 1980
Hobbs, New Mexico 88240-1980

Bureau of Land Mngt.
Carlsbad Field Office Office: 575.234.5972
620 E. Greene St. Fax: 575.885.9264
Carlsbad, NM 88220

EMERGENCY CALL LIST: Local Officials

Refer to the Location Information Sheet
Note: The LIS should include any area residents (i.e. rancher's house, etc)

VI. Public Media Relations

The **Public Information Officer** becomes the ConocoPhillips on-scene contact (once designated by the Phillips On-Scene Incident Commander).

Confers with Houston Office's Human Relations Representative, who is responsible for assisting in the coordination of local public relations duties.

Answer media questions honestly and **only with facts,** do not speculate about the cause, amount of damage, or the potential impact of the incident of the community, company, employees, or environment. (This information will be formally determined in the incident investigation.)

If you are comfortable answering a question or if you are unsure of the answer, use terms such as the following:

- "I do not know. I will try to find out."
- I am not qualified to answer that question, but I will try to find someone who can."
- "It is under investigation."

Note:
Do Not Say "No Comment." (This implies a cover-up.)

Do Not Disclose Names of Injured or Dead! Confer with the Houston Office's Human Relations Representative, who is responsible for providing that information.

VII. Public Notification/Evacuation

Alert and/or Evacuate People within the Exposure Area

1. Public Notification – If the escape of gas could result in a hazard to area residents, the general public, or employees, the person **first** observing the leak should take **immediate** steps to cause notification of any nearby residents. The avoidance of injury or loss of life should be of prime consideration and given top priority in all cases. If the incident is of such magnitude, or at such location as to create a hazardous situation, local authorities will be requested to assist in the evacuation and roadblocks of the designated area until the situation can be returned to normal.

   Note: Bilingual employees may be needed to assist in notification of residents.

2. Evacuation Procedures – Evacuation will proceed upwind from the source of the release of H_2S. Extreme caution should be exercised in order to avoid any depressions or low-lying areas in the terrain. The public area within the radius of exposure should be evacuated in a southwesterly and southeasterly direction so as to avoid the prevailing southern wind direction.

Roadblocks and the staging area should be established as necessary for current wind conditions.

Note: In all situations, consideration should be given to wind direction and weather conditions. H_2S is heavier than air and can settle in low spots. Shifts in wind direction can also change the location of possible hazardous areas.

VIII. FORMS & REPORTS

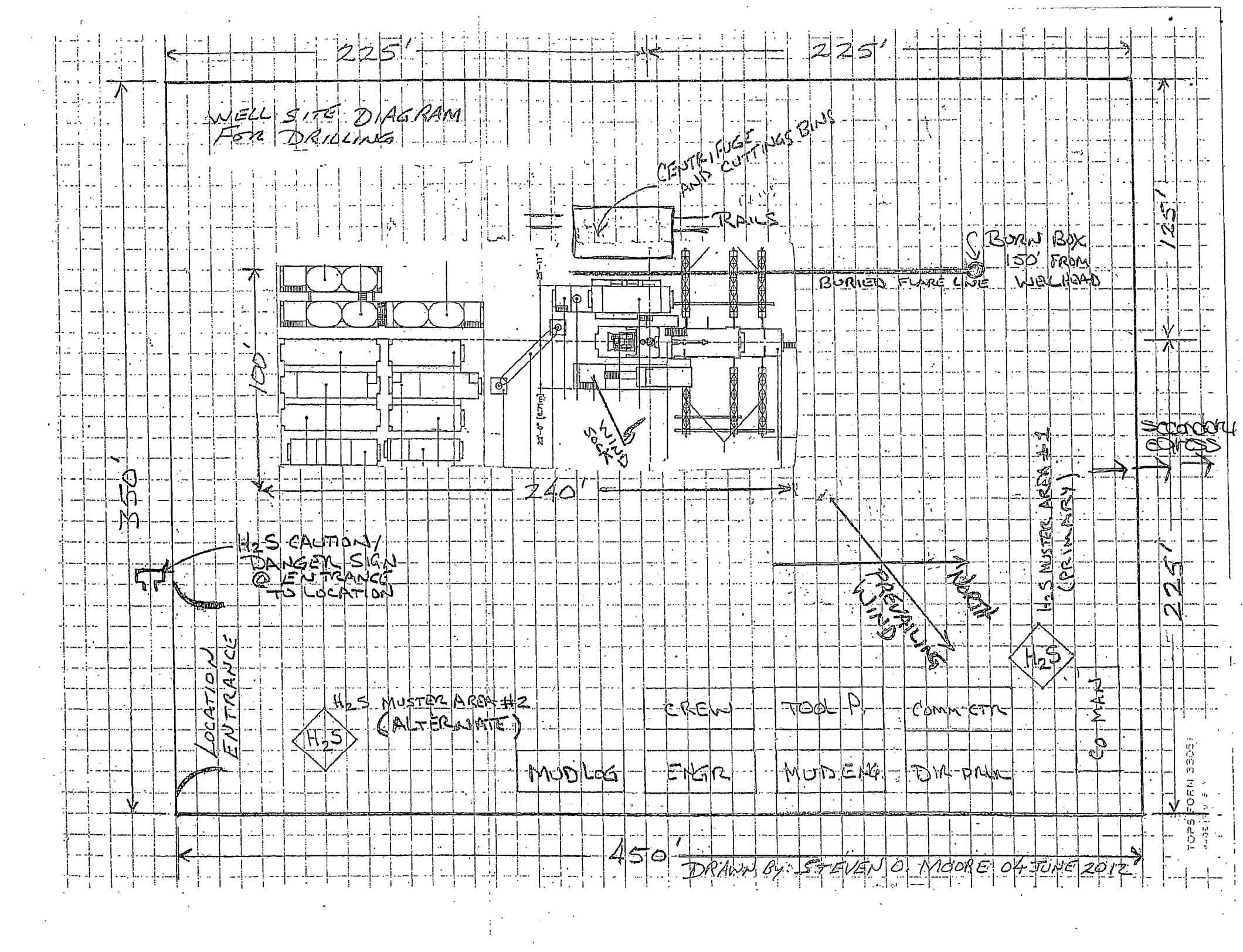
I. Incident Log

II. Preliminary Emergency Information Sheet

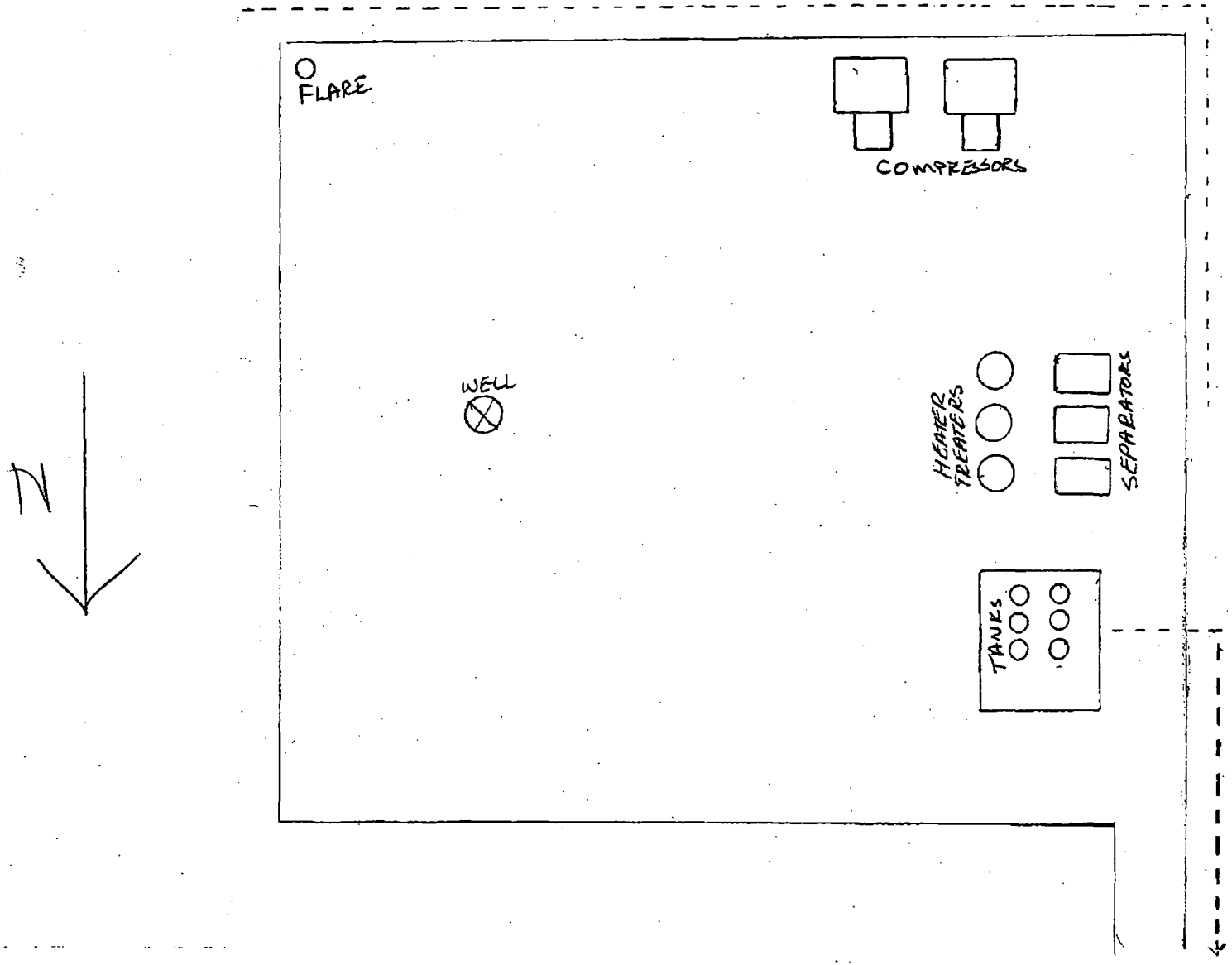
III. Emergency Drill Report

IV. Onshore Hazardous Material Spill/Release Report Form

V. Immediate Report of Occupational Injury or Illness
Report of Accident-Public Contractor
Report of Loss or Damage to Company Property
Report of Automotive Incident


WELL SITE DIAGRAM
FOR DRILLING
225'
225'
CENTRIFUGE AND CUTTINGS BINS
TRAILS
BURN BOX 150' FROM WELLHEAD
BURIED FLARE LINE
125'
100'
350'
240'
WIND SOCK
H_2S CAUTION/ DANGER SIGN @ ENTRANCE TO LOCATION
PREVAILING WIND
H_2S MUSTER AREA #1 (PRIMARY)
H_2S
225'
H_2S MUSTER AREA #2 (ALTERNATE)
H_2S
LOCATION ENTRANCE
CREW
TOOL P.
COMM CTR
MUDLOG
ENGR
MUD ENG.
DIR DRLG
CO MAN
450'
DRAWN BY: STEVEN O. MOORE 04 JUNE 2012

STAMPEDE FEDERAL WC 34-1
SECT 34
NEW MEXICO



Surface Use Plan of Operations

ConocoPhillips Company
Stampede Federal WC Com 34 # 1H
250 FSL & 380 FWL (SWSW) 34-26S-31E
Eddy County, New Mexico
Federal Lease (Surf) LC068282B; (BHL) LC068282A

1. Access Road - Existing

   A. From Junction of Orla and Battle Axe, go east on Battle Axe for 5 miles to lease road. Head south on proposed lease road for 1761.3 to location
   B. Proposed route to location - **See Enclosed County Map & Vicinity Map.**
   C. The existing road will be maintained, including Dust Suppression, in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of this drilling location.

2. Planned Access Roads

   A. There will be 1761.3' of new access road with a 30' construction right of way and a minimum travel way width of 14'. All is on federal surface.
   B. Maximum grade will not exceed 8 percent.
   C. There will be no County approach.
   D. There will be no low water crossing or culverts
   E. There will be no cattleguard installed on the access road.
   F. The proposed access road will be constructed in accordance with roading guidelines established for oil & gas exploration and development activities as referenced in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition and/or BLM Manual Section 9113 concerning road construction activities on projects under federal jurisdiction. Prior to moving in any heavy equipment, the access road will be thoroughly compacted.

3. Location of Existing Wells within a One-Mile Radius. **See Enclosed One Mile Radius Plat**

   A. There are no water wells within a one-mile radius
   B. There are no dry holes located within a one-mile radius.
   C. There are no plugged and abandoned wells within a one-mile radius.
   D. There are no saltwater disposal wells within a one-mile radius.
   E. There are no proposed drill wells within a one-mile radius.
   F. There are no producing/recently drilled wells within a one-mile radius.
   G. There are no shut-in wells within a one-mile radius.
   H. There are no injection wells within a one-mile radius.
   I. There are no monitoring or observation wells within a one-mile radius.
   J. There is no water source well within a one-mile radius.

4. Location of existing and/or Proposed Facilities

A. On Well Pad
   1. This well will be placed on oil production. Temporary production facilities could be located on this location; however, long term production may be transported to an unidentified CTB. All above ground existing facilities are painted an earth tone color that blends with the surrounding area. Any proposed new facilities will be painted a shale green.
   2. An electric line will be installed on the east side of the proposed access road (1761.3) and then head east along State Line Road on the south side for approximately 9100' to an Xcel tie in.

5. Location and Type of Water Supply

A. Fresh water will be obtained from an approved source.
B. No water well will be drilled on this location.

6. Source of Construction Materials

A. Any materials needed in addition to what can be used from location and access road will be hauled in from a supplier having a permitted source of materials.
B. If production is established, any additional construction materials required for the surfacing of the access road and for installation of the production facilities will be purchased from a supplier having a permitted source of materials.
C. No construction materials will be taken from Federal lands without a prior approval from the appropriate Surface Management Agency.

7. Methods for Handling Waste Disposal

A. Hazardous substances as listed as hazardous under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) of 1980, as amended, 42 U.S.C. 9601 et seq. and the regulations issued under CERCLA, will be disposed of in the appropriate pit.
B. Any spills of oil or any other potentially hazardous material will be cleaned up and Immediately removed to an approved disposal site.
C. Sewage will be disposed of according to county and state requirements in a portable chemical toilet(s) or in a hole at least 20 feet deep excavated in the cut portion of the well pad. Other waste and chemicals may not be disposed of on location. Waste will not be burned on location.
D. Garbage and trash will be contained in portable trash cages. The contents of the trash cages will be disposed of according to county and state regulations at an approved facility. Disposal of it or burning it will not be allowed on the well location.
F. After drilling rig has moved out of area, any scattered trash and litter will be removed from site.
G. All potentially hazardous areas will be fenced, and will remain in this condition until entire area can be rehabilitated.

8. Ancillary Facilities

The production facilities are discussed under Item 4.

9. Well Site Layout

A. **See Enclosed Well Location Plat**
B. Well Site Layout – The rig to drill this well will need a 450' x 350' location. (**See Enclosed Drilling Rig Layout Plat.**
C. Topsoil will be stripped from the locations and access roads and be stockpiled and be deposited apart from other excavated material.
D. There will be a no reserve pit on location. The well will be drilled via a closed loop system and the contents will be taken to an approved disposal site.

10. Plans for Reclamation of the Surface

A. If this well is a producer, all site rehabilitation shall be completed within six months. Under normal weather conditions, the timetable for rehab will allow two months for backfill settling and two months to complete final re-contouring, and top-soiling. In the event of winter freeze-up, reclamation will be put on hold as determined by the BLM.
B. At such time as the well is abandoned, ConocoPhillips Company will contact the BLM for development of the final rehabilitation plan. Upon abandonment, a dry hole marker welded to surface casing four feet below ground level will be installed. It will contain the same information as the well sign as directed by 43 CFR 3162.6 (30 CFR 221.22). The dry hole marker sealing the casing will have an 1/8" to 1/4" weep hole which will allow pressure to dissipate and make detection of any fluid seepage easier.
C. If this well site is constructed and not drilled, the site and access road will be reclaimed or BLM approved special erosion control measures implemented within 90 days of site construction unless otherwise approved in writing by sundry notice.
D. The unused portion of the site will be ripped prior to replacing the topsoil. The soil-banked material will be spread over the area. Reseeding will be an approved mixture by the BLM. If the broadcast method is utilized, the seed mixture shall be doubled. There shall be no primary or secondary noxious weed seed in the native seed mixture
E. The entire disturbed location may be fenced after seeding. When the location has been rehabilitated and vegetation re-established, the fence shall be removed or the fenced area reduced as required by the landowner or BLM.
F. Weeds will be controlled on disturbed areas within the exterior limits of the well pad. The control methods will be in accordance with guidelines established by EPA, BLM, state, and local authorities.
G. A pre-work onsite with the BLM and ConocoPhillips Company may be held for all phases of reclamation
H. ConocoPhillips Company will utilize many best management practices. The first is location selection itself and adjusting the project area to accommodate the terrain to minimize the initial disturbance and erosion concerns. The project area will have the required interim reclamation and reseeding for the unused portion of the well site not needed for production operations. The interim reclamation will occur shortly after completion operation and facility installation has happened.

11. Surface Ownership
Bureau of Land Management
620 E. Greene Street
Carlsbad, New Mexico 88220

12. Other Information

A. The area that would be impacted by the well site and access road has been surveyed for cultural resources. The Archaeological Survey Report has been mailed to the BLM by Lone Mountain Archaeological Services, Inc.

B. ConocoPhillips Company will be responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts.

If historic or archaeological materials are uncovered, ConocoPhillips Company will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer, Bureau of Land Management.

Within five (5) working days the Authorized Officer will inform ConocoPhillips Company as to whether the materials appear eligible for the National Register of Historic Places; the mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary); and a time frame for the Authorized officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

C. ConocoPhillips Company will protect, in place, all public land survey monuments, private property corner, and Forest service boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of their rights, depending on the type of monument destroyed, the operator shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States", (2) the specifications of the county surveyor, or (3) the specification of the BLM.

D. ConocoPhillips Company will comply with the additional Conditions of Approval provided by the BLM.

PECOS DISTRICT
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	CONOCOPHILLIPS
LEASE NO.:	LC068282A
WELL NAME & NO.:	1H-STAMPEDE FEDERAL WC COM 34
SURFACE HOLE FOOTAGE:	250' FSL & 380' FWL
BOTTOM HOLE FOOTAGE	330' FNL & 380' FWL (SEC. 27)
LOCATION:	SECTION 34, T. 26 S., R 31 E., NMPM
COUNTY:	EDDY COUNTY, NEW MEXICO

TABLE OF CONTENTS

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.

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.

V. SPECIAL REQUIREMENT(S)

Communitization Agreement

A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM. The effective date of the agreement shall be prior to any sales. In addition, the well sign shall include the surface and bottom hole lease numbers. If the Communitization Agreement number is known, it shall also be on the sign. If not, it shall be placed on the sign when the sign is replaced.

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 stockpile the topsoil in a low profile manner in order to prevent wind/water erosion of the topsoil. The topsoil to be stripped is approximately inches in depth. The topsoil will be used 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)

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.

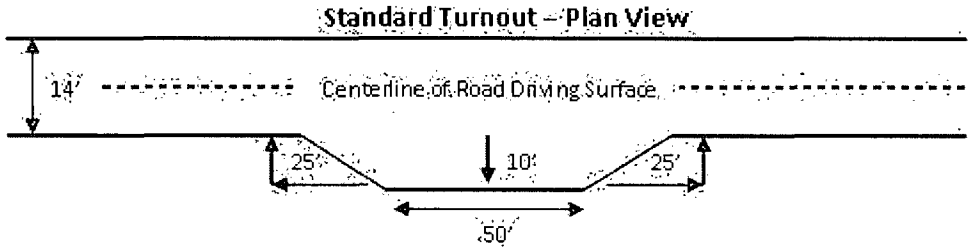
The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing 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 the uphill side 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 be constructed on all blind curves. Turnouts shall conform to the following diagram:

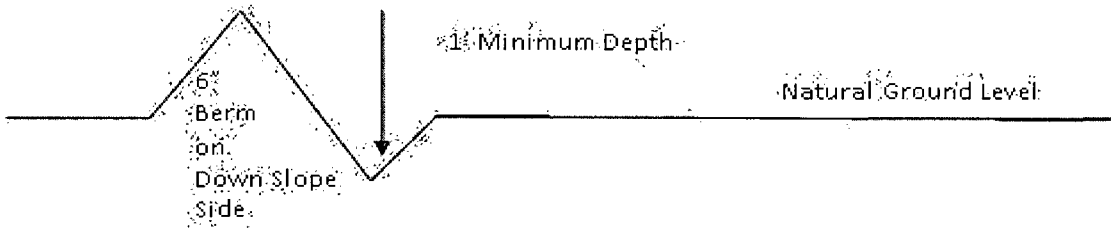


Drainage

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:

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

Culvert Installations

Appropriately sized culvert(s) shall be installed at the deep waterway channel flow crossing.

Cattleguards
An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

Any existing cattleguard(s) on the access road 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 cattleguard(s) that are in place and are utilized during lease operations.

A gate shall be constructed and fastened securely to H-braces.

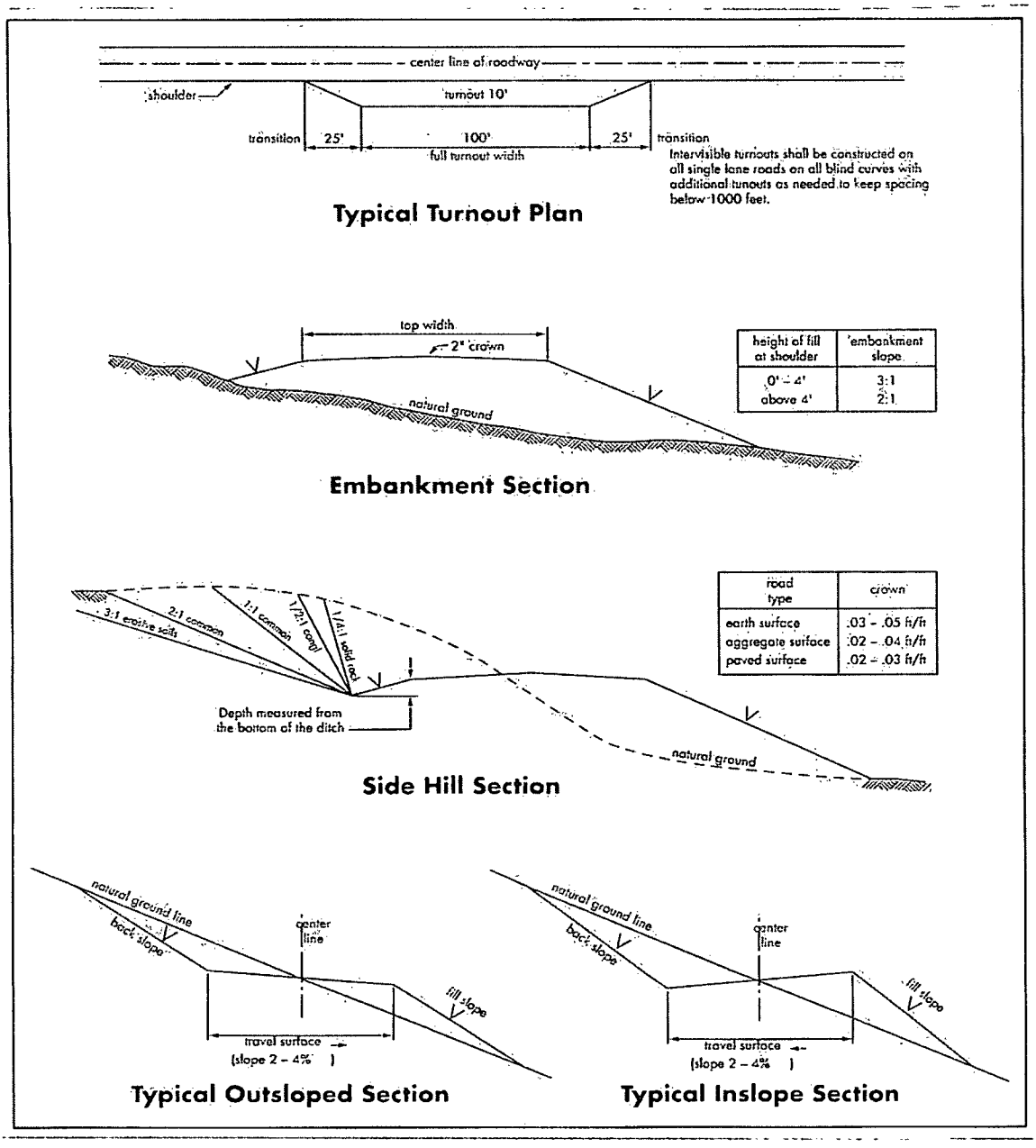
Fence Requirement

Where entry is required 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 fence(s).

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

Figure 1 – Cross Sections and Plans For Typical Road Sections



VII. DRILLING

A. DRILLING OPERATIONS 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)

☒ **Eddy County**
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

1. **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.**

2. 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. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a "Major" violation.**

3. 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 is located, this does not include the dog house or stairway area.

4. **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.**

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. 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.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Abnormal pressures may occur in the Wolfcamp.
Possible water flows in the Salt and the Castile.
Possible lost circulation in the Delaware.

1. The **13-3/8** inch surface casing shall be set at approximately **1025** feet (**in a competent bed <u>below the Magenta Dolomite</u>, a <u>Member of the Rustler</u>**) 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 is to include the lead cement slurry.

    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.

Formation below the 13-3/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

   ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the shoe (not the mud weight required to prevent dissolving the salt formation) and the mud weight for the bottom of the hole. Report results to BLM office.

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

Operator has proposed DV tool at depth of 8300'. Operator is to submit sundry if DV tool depth varies by more than 100' from approved depth.

   a. First stage to DV tool:

   ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

   b. Second stage above DV tool:

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

4. The minimum required fill of cement behind the **4-1/2** inch production liner is:

   ☒ Cement to top of liner. Operator shall provide method of verification.

5. 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.

C. 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. Variance approved to use flex line from BOP to choke manifold. 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.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **10,000 (10M)** psi. **10M 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. 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. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.

    c. 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.

d. The results of the test shall be reported to the appropriate BLM office.

e. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**

f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes 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.

g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. 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.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

F. 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.

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VIII. 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 until the operator removes 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
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, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. 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 et seq. (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 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 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.

IX. 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.

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).

X. 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).

Seed Mixture 1, for Loamy Sites

The 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 no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will 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 regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The 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. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will 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 lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

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