abandoned	Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.						
SUBMIT IN	TRIPLICATE - Other instruc	tions on reverse side.	7	7. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well ☑ Oil Well □ Gas Well □			8	3. Well Name and No. TRIGG 5 8 FED (COM 1H 🖌		
2. Name of Operator		STAN WAGNER	ç	9. API Well No. 30-025-42749-00-X1			
3a. Address 333 WEST SHERIDAN AN OKLAHOMA CITY, OK 73	/E	3b. Phone No. (include area code Ph: 432-686-3689		0. Field and Pool, or ROCK LAKE	<u> </u>		
4. Location of Well (Footage, Se		HOBBS		1. County or Parish,	and State		
Sec 5 T23S R35E Lot 3 17	75FNL 1750FWL 🗸	APR 29	2016	LEA COUNTY,	NM		
12. CHECK A	PPROPRIATE BOX(ES) TO	DINDICATE NATERE OF	NÓĒC, REP	ORT, OR OTHE	R DATA		
TYPE OF SUBMISSION		ТУРЕ С	OF ACTION				
Notice of Intent	Acidize	Deepen	Production	n (Start/Resume)	□ Water Shut-Off		
— .	Alter Casing	Fracture Treat	🗖 Reclamati	on	U Well Integrity		
□ Subsequent Report	Casing Repair	□ New Construction	Recomple		Other Change to Original .		
Final Abandonment Notice	e 🔲 Change Plans	Plug and Abandon	□ Temporari	ily Abandon	PD		
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1. GEOLOGIC NAME OF SURFACE FORMATION: Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1,870'
Top of Salt	2,220'
Base of Salt	3,980'
Capitan	4,600'
Cherry Canyon	6,200'
Brushy Canyon	7,450'
Bone Spring Lime	8,760?
1 st Bone Spring Sand	9,750'
2 nd Bone Spring Carb	9,935'
2 nd Bone Spring Sand	10,285'
3 rd Bone Spring Carb	10,650'
3 rd Bone Spring Sand	11,228'
Wolfcamp	11,400'
Strawn	12,400'
Atoka	12,550'
TD	13,000'
·	

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	0- 400' Fresh Water			
Brushy Canyon	7,450'	Oil		
Bone Spring Lime	8,760'	Oil		
1 st Bone Spring Sand	9,750'	Oil		
2 nd Bone Spring Carb	9,935'	Oil [·]		
2 nd Bone Spring Sand	10,285'	Oil		
3 rd Bone Spring Carb	10,650'	Oil		
3 rd Bone Spring Sand	11,228'	Oil		
Wolfcamp	11,400'	Oil & Gas		
Strawn	12,400'	Oil & Gas		
Atoka	12,550'	Oil & Gas		

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No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 13.375" casing at 1,903' and circulating cement back to surface.

4. CASING PROGRAM - NEW

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	Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DFmin Burst	DF _{min} Tension
	17.5"	0-1,903'	13.375"	54.5#	J55	STC	1.125	1.25	1.60
	12.25"	0-4,000'	9.625"	40#	J55	LTC	1.125	1.25	1.60
0	12.25"	4,000' 6,200 '	9.625"	40#	KCK55	LTC	1.125	1.25	1.60
	8.75"	0'-10,700'	7"	26#	HCP110	LTC	1.125	1.25	1.60
	6.125"	0'-13,000'	4.5"	13.5#	P110	LTC	1.125	1.25	1.60

<u>(</u>	Cementing Program:							
	No.	Wt.	Yld	Mix				
Depth	Sacks	lb/gal	Ft ³ /ft	Water	Slurry Description			
				Gal/sk				
13-3/8"	670	13:5	1.73	9.13	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5%			
1,903'					CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ surface)			
	450	14.8	1.34	6.34	Tail: Class C + 0.005 pps Static Free + 1% CaCl ₂ + 0.25 pps			
. •					CelloFlake + 0.005 gps FP-6L			
9-5/8"	900	12.7	2.22	12.38	Lead: Class C + 2% SMS + 0.8% R-3 + 0.25 pps CelloFlake			
- 6,200 '					+ 0.005 pps Static Free (TOC @ surface)			
5850	400	14.8	1.32	6.33	Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static			
					Free			
7"	300	10.8	3.71	21.70	Lead: 60:40:0 Class 'C' + 15.00 lb/sk BA-90 + 4.00% MPA-			
10,700'					5 + 3.00% SMS + 5.00% A-10 + 1.00% BA-10A + 0.80%			
					ASA-301 + 2.50% R-21 + 8.00 lb/sk LCM-1			
					(TOC @ 3,500')			
	200	11.9	2.35	12.79	Middle: 50:50:10 Class 'H' + 0.80% FL-52A + 0.50% ASA-			
					301 + 1.30% SMS + 2.00% Salt (2.224 lb/sk) + 0.70% R-21			
· . 			-		+ 3.00 lb/sk LCM-1 + 0.25 lb/sk Cello Flake			
	350	14.2	1.28	5.81	Tail: 50:50:2 Class 'H' + 0.65% FL-52 + 0.20% CD-32 +			
					0.15% SMS + 2.00% Salt (0.962 lb/sk) + 0.05% R-3			
4-1/2"	275	14.2	1.28	5.71	50:50 Class H + 0.005 pps Static Free + 1% EC-1 + 0.5%			
13,000'					CD-32 + 0.5% FL-25 + 0.5% FL-52 + 0.35% SMS + 0.1%			
					R-21 + 2% Bentonite (TOC @ 10,200')			

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

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5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line).

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 5000/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 5000/250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

The applicable depths and properties of the drilling fluid systems are as follows. Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

	Depth	Туре	Weight (ppg)	Viscosity	Water Loss
	0 - 1,903'	Fresh water + Gel	8.6-8.8	28-34	N/c
0	1,903' – 6,200 '	Brine	10.0-10.2	28-34	N/c
0	6,20 0' – 10,700'	Oil Base	9.0-9.2	58-68	N/c
	10,700' - 13,000'	Oil Base	10.0-11.5	58-68	3 - 6

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

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7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

(A) A kelly cock will be kept in the drill string at all times.

- (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) H₂S monitoring and detection equipment will be utilized from surface casing point to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logging is possible in the 8-3/4" and 6-1/8" hole sections. The possible logging suite for these hole sections is listed below:

LDT-CNL-HNGS w/ Pe From 2nd intermediate TD to 1st intermediate casing point and TD to 2nd intermediate casing point.

GR-CCL Will be run in cased hole during completions phase of operations from TD to surface.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:

The estimated bottom hole temperature (BHT) at TD is 195 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7774 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major loss circulation zones have been reported in offsetting wells.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The drilling operation should be finished in approximately one month. If the well is productive, an additional 90-120 days will be required for completion and testing before a decision is made to install permanent facilities.







HOBBS OCD

APR 2 9 2016

RECEIVED

Trigg 5 Fed 1 30-025-42749 EOG Resources, Inc Surface Location: Sec. 5, T. 23S, R. 35E Conditions of Approval

See below for the information on the lease suspension and changes to the conditions for the Drilling Section.

LEASE SUSPENSION

Well to be spudded within 120 days of the approval of the Sundry dated December 2, 2015.

If the drilling operations have not commenced by this time the lease suspension of Lease <u>NM114993</u> will be removed and <u>183</u> days will be remaining in its primary term.

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)

Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

- 1. Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. It is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide. 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, report measured amounts 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

- 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 or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

The initial wellhead installed on the well will remain on the well with spools used as needed.

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

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. 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. Have well specific cement details onsite prior to pumping the cement for each casing string.

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

<u>Risks:</u>

Capitan Reef

Possible water flows in the Salado and in the Yates.

Possible lost circulation in the Red Beds, in the Rustler, in the Yates, and in the Delaware.

- 1. The 13 3/8 inch surface casing shall be set at approximately 1903 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job 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 inch 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 which shall be set at approximately at 5850 feet (to avoid the Delaware Sands, and to set in the competent base of the Capitan Reef) is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Capitan Reef.

Formation below the 9 5/8 inch 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 intermediate casing is:
 - . Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Capitan Reef.

Formation below the 7 inch 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.

4. The minimum required fill of cement behind the $4 \frac{1}{2}$ inch production casing is:

Cement should tie-back at least 500 feet into previous casing string. 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 53.
- 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).
- Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.
 5M 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.

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- 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.

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D. DRILL STEM TEST

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

E. 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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