RI	Form 3160-5 (August 2007) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT OCD Hobbs				
	SOCD ^{5.} Lease Serial No. NMNM26394	July 31, 2010			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an BBS OCT abandoned well. Use form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRII	PLICATE - Other instruction	ns on reverse side.	and the second division of the second divisio	ement, Name and/or No.	
1. Type of Well ☐ Oil Well ☐ Gas Well ⊠ Oth		re Orgen REC	8. Well Name and No. 7811 JV P VACA	DRAW UNIT SWD 1	
2. Name of Operator BTA OIL PRODUCERS		YLA MCCONNELL taoil.com	9. API Well No. 30-025-23895-0	00-X1	
3a. Address 104 SOUTH PECOS STREET MIDLAND, TX 79701		b. Phone No. (include area code h: 432.682.3753	e) 10. Field and Pool, or SWD	Exploratory	
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)		11. County or Parish,	and State	
Sec 21 T25S R33E SESE 658	FSL 662FEL		LEA COUNTY,	NM	
leho					
12. CHECK APPF	ROPRIATE BOX(ES) TO IN	NDICATE NATURE OF	NOTICE, REPORT, OR OTHE	R DATA	
TYPE OF SUBMISSION	1	ТҮРЕ С	OF ACTION		
Disting of Intent	Acidize	Deepen	Production (Start/Resume)	□ Water Shut-Off	
Notice of Intent	Alter Casing	Fracture Treat	□ Reclamation	U Well Integrity	
Subsequent Report	Casing Repair	□ New Construction	□ Recomplete	Other	
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily Abandon	Change to Origina PD	
	Convert to Injection	Plug Back	Water Disposal		
BTA Oil Producers, LLC respe Original:SWD;Devonian Change to:SWD;Siluro-Devoni					
Original: 17,909'TVD Change to: 19,042'TVD					
See the attached Drilling Prog	ram.				
	SEE ATTACHED CONDITIONS O				
14. I hereby certify that the foregoing is	Electronic Submission #339 For BTA OIL hitted to AFMSS for procession	PRODUCERS, sent to the g by KENNETH RENNICK of	ell Information System Hobbs on 05/23/2016 (16KGR0069SE UCTION ASSISTAN	IVED	
			hi		
Comm Name (Printed/Typed) KAYLA MO Signature (Electronic S	ubmission)	Date 05/23/2	2016	0 2016	
Name (Printed/Typed) KAYLA MC		FEDERAL OR STATE	OFFICE USE	F	
Name (Printed/Typed) KAYLA MC Signature (Electronic S	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE	F	
Name (Printed/Typed) KAYLA MC	THIS SPACE FOR	FEDERAL OR STATE		F	
Name (Printed/Typed) KAYLA MC Signature (Electronic S Approved By_EDWARD FERNANI onditions of approval, if any, are attached rtify that the applicant holds legal or equ	THIS SPACE FOR DEZ A. Approval of this notice does not itable title to those rights in the sub ct operations thereon. U.S.C. Section 1212, make it a crim	FEDERAL OR STATE TitlePETROLE warrant or ject lease Office Hobbs are for any person knowingly and	OFFICE USE EUM ENGINEER BUREAU OF LA GARLSBAT	Z ND MAINAGEMENT FIEL Date 06/10/2	
Name (Printed/Typed) KAYLA MO Signature (Electronic S Approved By_EDWARD FERNANI onditions of approval, if any, are attached rtify that the applicant holds legal or equ hich would entitle the applicant to conduct itle 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent st	THIS SPACE FOR DEZ A. Approval of this notice does not itable title to those rights in the sub ct operations thereon. U.S.C. Section 1212, make it a crim tatements or representations as to a	FEDERAL OR STATE TitlePETROLE warrant or ject lease Office Hobbs the for any person knowingly and ny matter within its jurisdiction	OFFICE USE EUM ENGINEER BUREAU OF LA CARL SBA	ND NANAGEMENT ND NANAGEMENT FIEL Date 06/10/2 Kæ	
Name (Printed/Typed) KAYLA MC Signature (Electronic S Approved By_EDWARD FERNANI onditions of approval, if any, are attached ertify that the applicant holds legal or equi hich would entitle the applicant to conduct itle 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent st ** BLM REVI	THIS SPACE FOR DEZ A. Approval of this notice does not itable title to those rights in the sub ct operations thereon. U.S.C. Section 1212, make it a crim tatements or representations as to a SED ** BLM REVISED **	FEDERAL OR STATE TitlePETROLE warrant or ject lease Office Hobbs the for any person knowingly and ny matter within its jurisdiction BLM REVISED ** BLI	OFFICE USE EUM ENGINEER BUREAU OF LA GARLSBAT	ND MAIN GEMENT ND MAIN OFFICE FIEL Date 06/10/2 Ke	

APPLICATION FOR DRILLING

BTA OIL PRODUCERS, LLC

#1, Vaca Draw Unit SWD, 7811 JV-P 658' FSL & 662' FEL Sec. 21, T25S, R33E Surface Lea County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill, BTA Oil Producers submits the following 10 items for pertinent information in accordance with BLM requirements:

1. Geologic surface formation is Quaternary.

2. Estimated top of geologic markers & depths of anticipated fresh water, oil or gas:

Anhydrite	1006'
Delaware	4955'
Bone Spring	9067'
Barnett	15575'
Wolfcamp	12368'
Strawn	14185'
Miss. Lime	16938'
Devonian	17498'
Fusselmen	18652'
Montoya	19082'

This is a reentry application, the 20" casing was set at 902' and circulated to surface. No formations are expected to yield oil, gas, or fresh water in measurable volumes. The Delaware and Bone Spring intervals are protected, as the 10-3/4" casing was set at 13,004' and circulated to surface.

3. Existing and Proposed* Casing Program:

Hole Size	OD Casing	Setting from	Depth to	Weight	Grade	Joint
26"	20"	0	920'	94.0#	1.5	
17-1/2"	13-3/8"	0	4,986'	61# & 68#		
12-1/4"	10-3/4"	0	13,004'	51#, 55# & 60.7#		
	7-3/4" Liner	12,715'	17,055'			
	5" Liner	16,782'	17,609'	4		
Side Track 8-3/4"*	7" Liner*	12,550'*	17,498'*			
	Open Hole*	17,498'*	19,042'*			

Note: BTA plans to exit thru the 10 1/4" casing at approximately 12,690' with an estimated 50' of departure from existing wellbore into the Wolfcamp formation to bypass the multiple fish in the 7-3/4" liner, then drop back to vertical and naturally drift.

Drilling Plan #1, Vaca Draw Unit SWD, 7811 JV-P

Minimum Casing Design Factors:

Collapse	1.125		
Burst	1.0		
Tensile	1.8		

4. Cement Program (Existing):

II.

- I. Surface Casing: 20" Existing
 - 1550 sx Class-C. •
 - Cement circulated to surface. .
 - Intermediate Casing: 13 3/8" Existing
 - 3200 sx •
 - Cement circulated to surface. .
- III. Production Casing: 10 3/4" Existing
 - 3375 sx
 - Cement circulated to surface. .
 - o 7-3/4" Drill Liner
 - o 1900 sx
 - o 5" Production Liner
 - o 100 sx

Cement Program (Proposed):

- IV. 7" Liner (Proposed):
 - 12,550' 17,498' •
 - 38# P-110 LTC .
 - DV Tool at 14180' •

IV. <u>$7^{\prime\prime}$ Liner (Proposed):</u> • 12,550' - 17,498' • 38# P-110 LTC • DV Tool at 14180' χ See COA								
Setting Depth	Interval	Amount	Ft of Fill	Excess (%)	PPG	Yld ft3/sk	Volume (ft3)	Slurry Description
17498' – 14180'	Stage 1	425 sx	4180	25	16.0	1.48	629	100% Class H
14180' – 12550'	Stage 2	210 sx	2065	25	16.0	1.48	310	100% Class H

- Injection Open Hole (Proposed): ¥ See COA V.
 - 6" hole
 - 17,498' 19,042' •

5. Pressure Control Equipment: * See COA

Triple The blowout preventer equipment (BOP) shown in Exhibit A will consist of a (10M system) doubleram type (10000 psi WP) preventer and a bag-type (Hydril) preventer (10000 psi WP). Both units

2

Drilling Plan #1, Vaca Draw Unit SWD, 7811 JV-P

will be hydraulically operated and the ram type preventer will be equipped with blind rams on top and 4-1/2" drill pipe rams on bottom. The BOP's will be installed on the 20" surface casing and utilized continuously until total depth is reached. All BOP's and associated equipment will be tested as per BLM drilling Operations Order No. 2.

Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily driller's log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a Kelly cock, floor safety valve, choke lines, and choke manifold having a 10000 psi WP rating.

* See COA

6. Mud Program:

• 8 3/4" casing exit 13.8# - 14# OBM

- Deepening in the Devonian Cut Brine 8.5# 9.0#
- 7. Auxiliary Equipment:
 - a) Upper Kelly cock valve with handle available.
 - b) Lower Kelly cock valve with handle available.
 - c) Safety valves and subs to fit all drill string connections in use.
 - d) Monitoring of mud system will be mechanical.

8. Testing Logging and Coring Program:

Drill Stem Tests will be based on geological sample shows.

Open electrical logging program will be:

- CBL Surface 12,615' (10 3/4" casing)
- Triple Combo 12,690' 17,498' (8 3/4" hole section)
- Mud Log 12,690' -19,042' • GR Total Depth - Surface See COA
- 9. Potential Hazards:

Abnormal pressures or temperatures are anticipated. If H2S is encountered, the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP: 8713 psi. Estimated BHT: 190° F. No H₂S is anticipated to be encountered.

-> Resistivity & Neutron porosity

10. Anticipated Starting Date and Duration of Operations:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon as possible after BLM approval and as soon as a rig is available. Move in

Drilling Plan #1, Vaca Draw Unit SWD, 7811 JV-P

operations and drilling is expected to take 45 days. An additional 30 days will be needed to complete the well and construct surface facilities and/or lay flow lines to place the well on production.



BTA Oil Producers, LLC 7811 JV-P Vaca Draw Unit SWD #1 10M BOP



10M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION MAY VARY

BTA Oil Producers, LLC 7811 JV-P Vaca Draw Unit SWD #1



Proposed

HOBBS OCD

JV P Vaca Draw Unit SWD (30-025-23895)

JUN 1 4 2016

RECEIVED

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	BTA Oil Producers, LLC
LEASE NO.:	NMNM026394
WELL NAME & NO.:	1- 7811 JV P Vaca Draw Unit SWD (30-025-23895)
SURFACE HOLE FOOTAGE:	658'/S & 662'/E
BOTTOM HOLE FOOTAGE	658'/S & 662'/E
LOCATION:	Section 21, T. 25 S., R. 33 E., NMPM
COUNTY:	Lea County, New Mexico

Original COA still applies with the following changes:

I. SPECIAL REQUIREMENT(S)

Amendment to Well Name:

'Unit' shall not be included in the Well Name since there is no association with any Units was found. Operator shall submit a Sundry to remove 'Unit' from the well name as well as to add 'Federal'.

Logging Requirements:

The operator shall supply the BLM with a copy of a <u>mudlog Resistivity log and a Gamma</u> <u>Ray/Neutron porosity log over the permitted disposal interval (all of open hole to TD)</u> and estimated <u>insitu water salinity</u> based on open-hole logs. If hydrocarbon shows occur while drilling, the operator shall notify the BLM. Also see NMOCD SWD-1571-A order.

Run CBL (or equivalent) from 17,500 feet to surface. Provide BLM with a copy of the CBL record via <u>efernand@blm.gov</u> and Paul Swartz via <u>pswartz@blm.gov</u>. This copy must be submitted before the final completion of the well.

The operator shall provide to the BLM a summary of formation depth picks based on mudlog and GR/ CNL logs along with a copy of the mudlog and open hole logs from 17,498 feet to TD.

II. 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. Hydrogen Sulfide has been reported in the area, west of the proposed project in the Morrow Formation at unknown concentration. 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.
- Unless the well has approximately reached the proposed total depth, or the well has been properly plugged, the rig shall not be removed from over the hole without prior approval. If the 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.

B. RE-ENTRY AND DEEPENING

Operator is approved to re-entry the well.

Risks

Abnormally high pressure can be expected in the Silurian-Devonian.

C. CASING

1. Existing Casing and Liners:

Surface: 920 feet, 20 inch, 94 pounds per foot, H-40 STC, cement with 1550 sacks. Cement circulated.

Intermediate: 4986 feet, 13 3/8 inch, 61 & 68 pounds per foot, cement with 3200 sacks. Cement circulated.

Production: 13,004 feet, 10 3/4 inch, 51 & 55.5 & 60.7 pounds per foot, cement in three stages:

1st Stage: 3375 sacks
2nd Stage: 10 3/4 inch DV Tool at 6601 feet with 885 sacks
3rd Stage: 10 3/4 inch DV Tool at 4965 feet with 725 sacks. Cement circulated.

Liners:

12,715 - 17,055 feet, 7 3/4 inch, 45.3 pounds per foot, S-105, STC, cement with 1900 sacks.

16,782 – 17,609 feet, 5 inch, 23 pounds per foot, C-75 Hydril Liner, cement with 100 sacks.

However, operator shall do the following before deepening the well to the proposed depth. Only then, operator shall deepen well as proposed.

- 1. Comply with State of the New Mexico, Administrative Order SWD-1571-A of May 25, 2016.
- 2. Conduct a Mechanical Integrity Test (MIT) before milling out/drilling at window at approximately 12,690 feet. <u>Make arrangements 24 hours before the test for BLM to witness</u>. This test shall be from approximately 12,690 feet to surface. <u>The MIT is to be performed on the 10-3/4" casing to max injection pressure or to 3500 psi</u>. Test should be run for 30 minutes. Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range of the test results. Submit results to BLM via efernand@blm.gov and Paul Swartz via pswartz@blm.gov.
- 3. Run CBL (or equivalent) from 17,500 feet to surface. Provide BLM with a copy of the CBL record via efernand@blm.gov and Paul Swartz via pswartz@blm.gov. This copy must be submitted before the final completion of the well.

Wait on cement (WOC) for Water Basin:

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

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.

4. The minimum required fill of cement behind the 7 inch production liner (38# P-110 LTC) is:

Operator has proposed **DV tool** at depth of 14,180'. Operator is to submit sundry if DV tool depth varies by more than 100' from approved depth. Note: DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe.

- 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 100 feet into 10-3/4" casing string. Operator shall provide method of verification.

The Liner interval of overlap shall be sealed and tested. The liner shall be tested by a fluid entry or pressure test to determine whether a seal between the liner top and next larger string has been achieved. The test pressure shall be the maximum anticipated pressure to which the seal will be exposed.

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.

5. Open Hole completion from 17,498' to TD of 19,042 feet.

6. 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.

D. 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. The BOP/BOPE shall be tested prior to drilling/milling a window on the 10-3/4" casing
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling/milling a window on the 10-3/4" casing 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 **before deepening** the well. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

E. **DRILLING MUD**

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating **before deepening** the well.

Proposed mud weight may not be adequate.

F. WELL COMPLETION

- 1. Properly evaluate the injection zone for potential production (This well is considered a hydrocarbon producer until proven otherwise)
 - a. Swab testing shall be done in all cases.
 - b. In addition to swab testing the operator shall utilize other reservoir evaluation methods (i.e. evaluation of mud logs, petrophysical analysis of open-hole logs and formation water analysis from swab testing) to confirm that hydrocarbons cannot be produced in paying quantities. This evaluation summary report shall be reviewed by the BLM prior to injection commencing.
 - c. A "no hydrocarbon " subsequent sundry evaluation report shall be filed and reviewed by the BLM prior to injection of disposal fluids. Attach electric copies of the supportive logs and reports to this sundry submitted via BLM's Well Information System.
- 2. Restrict the injection fluid to the approved formation.
- 3. Notify BLM as work begins. Some procedures may be witnessed. In Eddy County 575-361-2822. In Lea County phone 575-393-3612. Note the contact, time, & date in your subsequent report.
- 4. If a step rate test will be run an NOI sundry shall be submitted to the BLM for approval. (Stabilized injection rates and pressures are required: after the daily disposal volume rates and injection pressures have leveled out for about 3 months a NOI for a SRT procedure may be approved.)

- 5. Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established.
- 6. The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 7. Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- Make arrangements 24 hours before the test for BLM to witness. In Eddy County phone 575-361-2822. In Lea County phone 575-393-3612. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number.
- 9. The setting depths and descriptions of inside casing injection equipment is to be included in the subsequent sundry.
- 10. Compliance with a NMOCD Administrative Order is required.
 - a. Approved injection pressure compliance is required.
 - b. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c. When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- Stimulation injection pressures are not to exceed BLM's permitted wellhead pressure or the well's frac pressure established by a BLM approved step rate test for Class II water injection wells.
- 12. Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 13. The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A "Best Management Practice" is to maintain the annulus full of packer fluid at atmospheric pressure. A BLM inspector may request verification of a full annular fluid level at any time.
- 14. Class II (production water disposal) wells will not be permitted Stimulation Pressures or "Injectivity Tests" that exceed the NMOCD/BLM generic frac pressure which is: .2 x ft depth to the topmost injection or 50psig below the frac point as clearly indicated by a BLM accepted "Step Rate Test".

- 15. File intermediate **subsequent sundry** Form 3160-**5** within 30 days of any interrupted workover procedures and a complete (dated daily) workover subsequent sundry.
- 16. Submit the BLM Form 3160-4 Recompletion Report within 30 days of the date all BLM approved procedures are complete. Include formation tops on every well Recompletion Report. The operator shall provide to the BLM their formation depth picks based on mud log and geophysical logs along with a copies of the mud log and open-hole logs.
- 17. The subsequent report is to include all stimulation injection pressures. Report maximum/minimum injection rate (BPM) and max/min stimulation injection pressures (psig).
- 18. Submit a (BLM Form 3160-5 subsequent report (daily reports) via BLM's Well Information System; <u>https://www.blm.gov/wispermits/wis/SP</u> describing (dated daily) all wellbore activity including the Mechanical Integrity Test chart document.
- 19. If off-lease water will be disposed in this well, the operator shall provide proof of rightof-way approval.
- 20. Disposal fluid from another lease, communitization, or unit agreement require BLM Reality surface right-of-way agreement **approvals** and if applicable, authorization from the surface owner prior to injection.
- 21. Disposal of fluid from another operator requires that the well be designated as a commercial well and involves BLM Reality or other surface owner right-of-way agreement **approval** prior to injection.
- 22. Reference the applicable surface right-of-way documents in the "no hydrocarbon " subsequent sundry, do not submit the documents.

G. 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.

EGF 060616