Form 3160-5
(August 2007)

HOBBS OCD
OCT 06 2016
RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

Carlsbad Field Office
OCD Hobbs

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMNM115421

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
JENNINGS 27 W0AP FED COM 3H

2. Name of Operator
MEWBOURNE OIL COMPANY
Contact: JACKIE LATHAN
E-Mail: jlathan@mewbourne.com

9. API Well No.
30-025-43353-00-X1

3a. Address
HOBBS, NM 88241

3b. Phone No. (include area code)
Ph: 575-393-5905

10. Field and Pool, or Exploratory
WILDCAT

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 27 T25S R32E NENE 185FNL 580FEL

11. County or Parish, and State
LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original APD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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

Mewbourne Oil Co. requests approval to make the following changes to the approved APD:

Change well name to Jennings 27 W0AP Fed Com #3H. Change TVD to 12,133'.

See attachment for directional plan, casing & cementing details.

NEW PROP-ID 316866

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #353518 verified by the BLM Well Information System
For MEWBOURNE OIL COMPANY, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/04/2016 (17PP0009SE)

Name *(Printed/Typed)* ANDREW TAYLOR — Title ENGINEER

Signature (Electronic Submission) — Date 10/04/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By TEUNGKU MUCHLIS KRUENG — Title PETROLEUM ENGINEER — Date 10/05/2016

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

Office Hobbs

KD

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.

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

Mewbourne Oil Company, Jennings 27 W0AP Fed Com #3H
Sec 27, T25S, R32E
SL: 185' FNL & 580' FEL
BHL: 330' FSL & 450' FEL

1. Geologic Formations

TVD of target	12133'	Pilot hole depth	NA
MD at TD:	16590'	Deepest expected fresh water:	275'

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface		
Rustler	739		
Top of Salt	1110		
Castile		Barren	
Base of Salt	4447		
Lamar	4670	Oil	
Bell Canyon	4711		
Cherry Canyon	5722		
Manzanita Marker	5873		
Brushy Canyon	7450		
Bone Spring	8712	Oil/Gas	
1st Bone Spring Sand	9732		
2nd Bone Spring Sand	10287		
3rd Bone Spring Sand	11457		
Abo			
Wolfcamp	11907	Target Zone	
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

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

2. Casing Program

Hole Size	Casing Interval From	Casing Interval To	Csg. Size	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
17.5"	0'	765'	13.375"	48	H40	STC	1.94	4.35	8.77
12.25"	0'	3453'	9.625"	36	J55	LTC	1.13	1.96	2.67
12.25"	3453'	4393'	9.625"	40	J55	LTC	1.13	1.73	11.43
12.25"	4393'	4590'	9.625"	40	N80	LTC	1.29	2.41	93.61
8.75"	0'	12286'	7"	26	HCP110	LTC	1.30	1.66	2.17
6.125"	11547'	16590'	4.5"	13.5	P110	LTC	1.30	1.51	4.96
BLM Minimum Safety Factor			1.125	1	1.6 Dry 1.8 Wet				

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H_20 gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf.	380	12.5	2.12	11	10	Lead: Class C (35:65:4) + 5% Sodium Chloride +5#/sk LCM +0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	8	Tail: Class C + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
Inter.	725	12.5	2.12	11	10	Lead: Class C (35:65:4) + 5% Sodium Chloride +5#/sk LCM +0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	8	Tail: Class C + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
Prod.	480	12.5	2.12	11	9	Lead: 60:40:0 Class C + 15.00 lb/sk BA-90 + 4.00% MPS-5 + 3.00% SMS + 5.00% A-10 + 1.00% BA-10A + 0.80% ASA-301 + 2.90% R-21 + 8.00 lb/sk LCM-1 + 0.005 lb/sk Static Free
	400	15.6	1.18	5.2	10	Tail: Class H + 0.65% FL-52 + 0.10% R-3 + 0.005 lb/sk Static Free
Liner	205	11.2	2.97	18	16	Class C (60:40:0)+4% MPA5+1.2% BA10A+10#/sk BA90+5%A10+0.65%ASA301+1.5%SMS+1.2%R21

A copy of cement test will be available on location at time of cement job providing pump times & compressive strengths.

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	4390'	25%
Liner	11547'	25%

4. Pressure Control Equipment

	Variance: None

BOP installed and tested before drilling which hole?	Size?	System Rated WP	Type	✓	Tested to:
12-1/4"	13-5/8"	2M ~~3M~~	Annular	X	1500#
			Blind Ram		
			Pipe Ram		
			Double Ram		
			Other*		
8-3/4"	13-5/8"	10M	Annular	X	5000#
			Blind Ram	X	10000#
			Pipe Ram	X	
			Double Ram		
			Other*		
6-1/8"	13-5/8"	10M ~~5M~~	Annular	X	5000#
			Blind Ram	X	10000#
			Pipe Ram	X	
			Double Ram		
			Other*		

*Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

X	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
Y	A variance is requested for the use of a flexible choke line from the BOP to Choke

	Manifold. See attached for specs and hydrostatic test chart.	
	N	Are anchors required by manufacturer?
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. • Provide description here See attached schematic.	

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	765	FW Gel	8.6-8.8	28-34	N/C
765	4590	Saturated Brine	10.0	28-34	N/C
4590	11547	Cut Brine	8.6-9.5	28-34	N/C
11547	16590	OBM	10.0-13.0	30-40	<10cc

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. 13 ppg mud is for shale control. Highest mud weight needed to balance formation is expected to be 12 ppg.

What will be used to monitor the loss or gain of fluid?	Pason/PVT/Visual Monitoring

6. Logging and Testing Procedures

Logging, Coring and Testing.	
X	Will run GR/CNL from KOP (11547') to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned		Interval
X	Gamma Ray	11547' (KOP) to TD
	Density	
	CBL	
	Mud log	
	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	7571 psi
Abnormal Temperature	No

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud. scavengers in surface hole. Weighted mud for possible over-pressure in Wolfcamp formation.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
	H2S is present
X	H2S Plan attached

8. Other facets of operation

Is this a walking operation? If yes, describe.
Will be pre-setting casing? If yes, describe.

Attachments
___ Directional Plan
___ Other, describe

Database:	Hobbs	**Local Co-ordinate Reference:**	Site Jennings 27 W0AP Fed Com #3H
Company:	Mewbourne Oil Company	**TVD Reference:**	WELL @ 3428.0usft (Original Well Elev)
Project:	Lea County, New Mexico	**MD Reference:**	WELL @ 3428.0usft (Original Well Elev)
Site:	Jennings 27 W0AP Fed Com #3H	**North Reference:**	Grid
Well:	Sec 27, T25S, R32E	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	BHL: 330' FSL & 450' FEL		
Design:	Design #1		

Project	Lea County, New 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	Jennings 27 W0AP Fed Com #3H				
Site Position:		**Northing:**	403,711.00 usft	**Latitude:**	32° 6' 29.176 N
From:	Map	**Easting:**	709,830.00 usft	**Longitude:**	103° 39' 20.381 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.36 °

Well	Sec 27, T25S, R32E					
Well Position	**+N/-S**	0.0 usft	**Northing:**	403,711.00 usft	**Latitude:**	32° 6' 29.176 N
	+E/-W	0.0 usft	**Easting:**	709,830.00 usft	**Longitude:**	103° 39' 20.381 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**	3,428.0 usft	**Ground Level:**	3,401.0 usft

Wellbore	BHL: 330' FSL & 450' FEL			
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2010	10/3/2016	6.96	59.93	48,008

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	177.95	

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	
11,547.5	0.00	0.00	11,547.5	0.0	0.0	0.00	0.00	0.00	0.00	KOP @ 11548'
12,285.8	88.56	177.95	12,025.0	-465.3	16.6	12.00	12.00	0.00	177.95	
16,581.6	88.56	177.95	12,133.0	-4,757.0	170.0	0.00	0.00	0.00	0.00	BHL: 330' FSL & 450'

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Site:	Jennings 27 W0AP Fed Com #3H	**North Reference:**	Grid
Well:	Sec 27, T25S, R32E	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	BHL: 330' FSL & 450' FEL		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
SL: 185' FNL & 580' FEL, Sec27									
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00

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Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,400.0	0.00	0.00	9,400.0	0.0	0.0	0.0	0.00	0.00	0.00
9,500.0	0.00	0.00	9,500.0	0.0	0.0	0.0	0.00	0.00	0.00
9,600.0	0.00	0.00	9,600.0	0.0	0.0	0.0	0.00	0.00	0.00
9,700.0	0.00	0.00	9,700.0	0.0	0.0	0.0	0.00	0.00	0.00
9,800.0	0.00	0.00	9,800.0	0.0	0.0	0.0	0.00	0.00	0.00
9,900.0	0.00	0.00	9,900.0	0.0	0.0	0.0	0.00	0.00	0.00
10,000.0	0.00	0.00	10,000.0	0.0	0.0	0.0	0.00	0.00	0.00
10,100.0	0.00	0.00	10,100.0	0.0	0.0	0.0	0.00	0.00	0.00
10,200.0	0.00	0.00	10,200.0	0.0	0.0	0.0	0.00	0.00	0.00
10,300.0	0.00	0.00	10,300.0	0.0	0.0	0.0	0.00	0.00	0.00
10,400.0	0.00	0.00	10,400.0	0.0	0.0	0.0	0.00	0.00	0.00
10,500.0	0.00	0.00	10,500.0	0.0	0.0	0.0	0.00	0.00	0.00
10,600.0	0.00	0.00	10,600.0	0.0	0.0	0.0	0.00	0.00	0.00

Database:	Hobbs	**Local Co-ordinate Reference:**	Site Jennings 27 W0AP Fed Com #3H
Company:	Mewbourne Oil Company	**TVD Reference:**	WELL @ 3428.0usft (Original Well Elev)
Project:	Lea County, New Mexico	**MD Reference:**	WELL @ 3428.0usft (Original Well Elev)
Site:	Jennings 27 W0AP Fed Com #3H	**North Reference:**	Grid
Well:	Sec 27, T25S, R32E	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	BHL: 330' FSL & 450' FEL		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,700.0	0.00	0.00	10,700.0	0.0	0.0	0.0	0.00	0.00	0.00
10,800.0	0.00	0.00	10,800.0	0.0	0.0	0.0	0.00	0.00	0.00
10,900.0	0.00	0.00	10,900.0	0.0	0.0	0.0	0.00	0.00	0.00
11,000.0	0.00	0.00	11,000.0	0.0	0.0	0.0	0.00	0.00	0.00
11,100.0	0.00	0.00	11,100.0	0.0	0.0	0.0	0.00	0.00	0.00
11,200.0	0.00	0.00	11,200.0	0.0	0.0	0.0	0.00	0.00	0.00
11,300.0	0.00	0.00	11,300.0	0.0	0.0	0.0	0.00	0.00	0.00
11,400.0	0.00	0.00	11,400.0	0.0	0.0	0.0	0.00	0.00	0.00
11,500.0	0.00	0.00	11,500.0	0.0	0.0	0.0	0.00	0.00	0.00
11,547.5	0.00	0.00	11,547.5	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ 11548'									
11,600.0	6.29	177.95	11,599.9	-2.9	0.1	2.9	12.00	12.00	0.00
11,700.0	18.29	177.95	11,697.4	-24.1	0.9	24.1	12.00	12.00	0.00
11,800.0	30.29	177.95	11,788.4	-65.1	2.3	65.2	12.00	12.00	0.00
11,900.0	42.28	177.95	11,868.9	-124.2	4.4	124.3	12.00	12.00	0.00
12,000.0	54.28	177.95	11,935.3	-198.6	7.1	198.8	12.00	12.00	0.00
12,100.0	66.27	177.95	11,984.8	-285.3	10.2	285.4	12.00	12.00	0.00
12,200.0	78.27	177.95	12,015.2	-380.3	13.6	380.5	12.00	12.00	0.00
12,285.8	88.56	177.95	12,025.0	-465.3	16.6	465.6	12.00	12.00	0.00
LP: 650' FNL & 565' FEL									
12,300.0	88.56	177.95	12,025.4	-479.5	17.1	479.8	0.01	0.01	0.00
12,400.0	88.56	177.95	12,027.9	-579.4	20.7	579.8	0.00	0.00	0.00
12,500.0	88.56	177.95	12,030.4	-679.3	24.3	679.8	0.00	0.00	0.00
12,600.0	88.56	177.95	12,032.9	-779.2	27.8	779.7	0.00	0.00	0.00
12,700.0	88.56	177.95	12,035.4	-879.2	31.4	879.7	0.00	0.00	0.00
12,800.0	88.56	177.95	12,037.9	-979.1	35.0	979.7	0.00	0.00	0.00
12,900.0	88.56	177.95	12,040.4	-1,079.0	38.6	1,079.6	0.00	0.00	0.00
13,000.0	88.56	177.95	12,043.0	-1,178.9	42.1	1,179.6	0.00	0.00	0.00
13,100.0	88.56	177.95	12,045.5	-1,278.8	45.7	1,279.6	0.00	0.00	0.00
13,200.0	88.56	177.95	12,048.0	-1,378.7	49.3	1,379.6	0.00	0.00	0.00
13,300.0	88.56	177.95	12,050.5	-1,478.6	52.8	1,479.5	0.00	0.00	0.00
13,400.0	88.56	177.95	12,053.0	-1,578.5	56.4	1,579.5	0.00	0.00	0.00
13,500.0	88.56	177.95	12,055.5	-1,678.4	60.0	1,679.5	0.00	0.00	0.00
13,600.0	88.56	177.95	12,058.0	-1,778.3	63.6	1,779.4	0.00	0.00	0.00
13,700.0	88.56	177.95	12,060.6	-1,878.2	67.1	1,879.4	0.00	0.00	0.00
13,800.0	88.56	177.95	12,063.1	-1,978.1	70.7	1,979.4	0.00	0.00	0.00
13,900.0	88.56	177.95	12,065.6	-2,078.0	74.3	2,079.3	0.00	0.00	0.00
14,000.0	88.56	177.95	12,068.1	-2,177.9	77.8	2,179.3	0.00	0.00	0.00
14,100.0	88.56	177.95	12,070.6	-2,277.8	81.4	2,279.3	0.00	0.00	0.00
14,200.0	88.56	177.95	12,073.1	-2,377.7	85.0	2,379.2	0.00	0.00	0.00
14,300.0	88.56	177.95	12,075.6	-2,477.6	88.5	2,479.2	0.00	0.00	0.00
14,400.0	88.56	177.95	12,078.2	-2,577.5	92.1	2,579.2	0.00	0.00	0.00
14,500.0	88.56	177.95	12,080.7	-2,677.4	95.7	2,679.1	0.00	0.00	0.00
14,600.0	88.56	177.95	12,083.2	-2,777.3	99.3	2,779.1	0.00	0.00	0.00
14,700.0	88.56	177.95	12,085.7	-2,877.2	102.8	2,879.1	0.00	0.00	0.00
14,800.0	88.56	177.95	12,088.2	-2,977.1	106.4	2,979.0	0.00	0.00	0.00
14,900.0	88.56	177.95	12,090.7	-3,077.1	110.0	3,079.0	0.00	0.00	0.00
15,000.0	88.56	177.95	12,093.2	-3,177.0	113.5	3,179.0	0.00	0.00	0.00
15,100.0	88.56	177.95	12,095.8	-3,276.9	117.1	3,279.0	0.00	0.00	0.00
15,200.0	88.56	177.95	12,098.3	-3,376.8	120.7	3,378.9	0.00	0.00	0.00
15,300.0	88.56	177.95	12,100.8	-3,476.7	124.2	3,478.9	0.00	0.00	0.00
15,400.0	88.56	177.95	12,103.3	-3,576.6	127.8	3,578.9	0.00	0.00	0.00
15,500.0	88.56	177.95	12,105.8	-3,676.5	131.4	3,678.8	0.00	0.00	0.00
15,600.0	88.56	177.95	12,108.3	-3,776.4	135.0	3,778.8	0.00	0.00	0.00

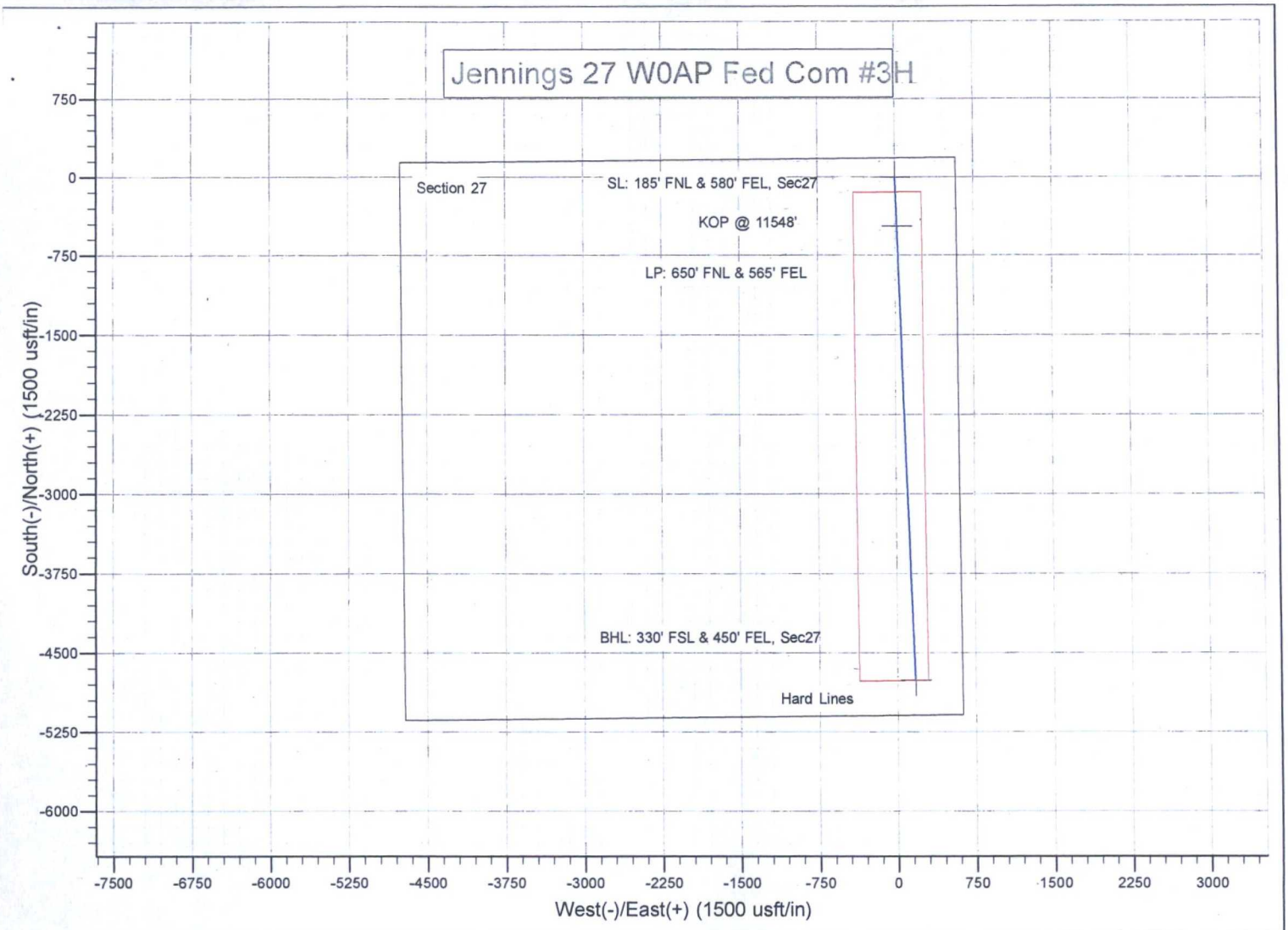
Database:	Hobbs	**Local Co-ordinate Reference:**	Site Jennings 27 W0AP Fed Com #3H
Company:	Mewbourne Oil Company	**TVD Reference:**	WELL @ 3428.0usft (Original Well Elev)
Project:	Lea County, New Mexico	**MD Reference:**	WELL @ 3428.0usft (Original Well Elev)
Site:	Jennings 27 W0AP Fed Com #3H	**North Reference:**	Grid
Well:	Sec 27, T25S, R32E	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	BHL: 330' FSL & 450' FEL		
Design:	Design #1		

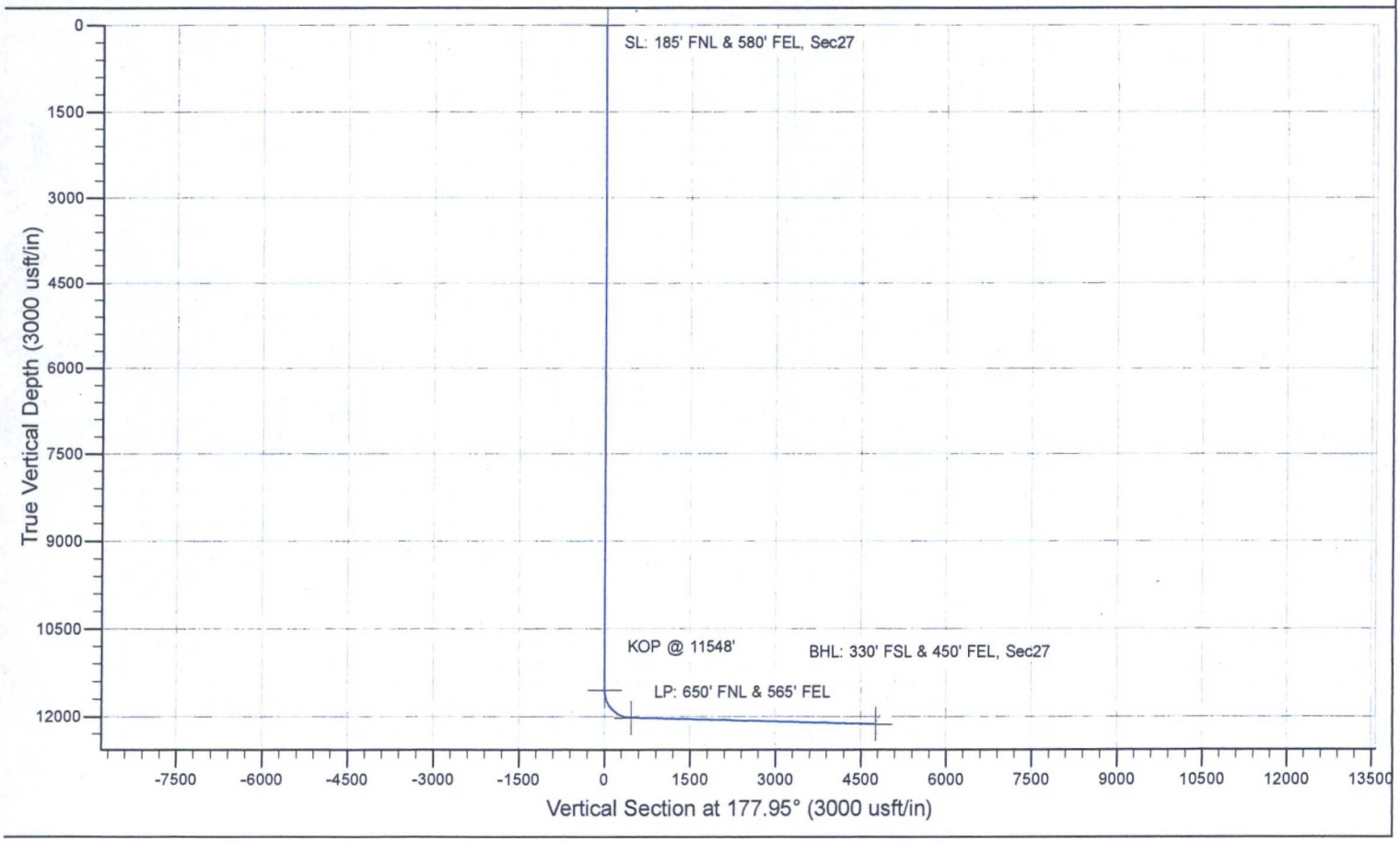
Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
15,700.0	88.56	177.95	12,110.8	-3,876.3	138.5	3,878.8	0.00	0.00	0.00
15,800.0	88.56	177.95	12,113.4	-3,976.2	142.1	3,978.7	0.00	0.00	0.00
15,900.0	88.56	177.95	12,115.9	-4,076.1	145.7	4,078.7	0.00	0.00	0.00
16,000.0	88.56	177.95	12,118.4	-4,176.0	149.2	4,178.7	0.00	0.00	0.00
16,100.0	88.56	177.95	12,120.9	-4,275.9	152.8	4,278.6	0.00	0.00	0.00
16,200.0	88.56	177.95	12,123.4	-4,375.8	156.4	4,378.6	0.00	0.00	0.00
16,300.0	88.56	177.95	12,125.9	-4,475.7	159.9	4,478.6	0.00	0.00	0.00
16,400.0	88.56	177.95	12,128.4	-4,575.6	163.5	4,578.5	0.00	0.00	0.00
16,500.0	88.56	177.95	12,130.9	-4,675.5	167.1	4,678.5	0.00	0.00	0.00
16,581.6	88.56	177.95	12,133.0	-4,757.0	170.0	4,760.0	0.00	0.00	0.00
BHL: 330' FSL & 450' FEL, Sec27									

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
SL: 185' FNL & 580' FEL - plan hits target center - Point	0.00	0.00	0.0	0.0	0.0	403,711.00	709,830.00	32° 6' 29.176 N	103° 39' 20.381 W
KOP @ 11548' - plan hits target center - Point	0.00	0.00	11,547.5	0.0	0.0	403,711.00	709,830.00	32° 6' 29.176 N	103° 39' 20.381 W
LP: 650' FNL & 565' FEL - plan hits target center - Point	0.00	0.00	12,025.0	-465.3	16.6	403,245.70	709,846.60	32° 6' 24.571 N	103° 39' 20.222 W
BHL: 330' FSL & 450' FE - plan hits target center - Point	0.00	0.00	12,133.0	-4,757.0	170.0	398,954.00	710,000.00	32° 5' 42.091 N	103° 39' 18.752 W


Jennings 27 W0AP Fed Com #3H
Section 27
SL: 185' FNL & 580' FEL, Sec27
KOP @ 11548'
LP: 650' FNL & 565' FEL
BHL: 330' FSL & 450' FEL, Sec27
Hard Lines
South(-)/North(+) (1500 usft/in)
West(-)/East(+) (1500 usft/in)


SL: 185' FNL & 580' FEL, Sec27
KOP @ 11548'
BHL: 330' FSL & 450' FEL, Sec27
LP: 650' FNL & 565' FEL
True Vertical Depth (3000 usft/in)
Vertical Section at 177.95° (3000 usft/in)

Mewbourne Oil Company

Lea County, New Mexico
Jennings 27 W0AP Fed Com #3H
Sec 27, T25S, R32E
SL: 185' FNL & 580' FEL
BHL: 330' FSL & 450' FEL

Plan: Design #1

Standard Planning Report

04 October, 2016

Lesser Prairie-Chicken.

13 3/8 surface csg in a 17 1/2 inch hole.

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	SURFACE Length	SURFACE Weight
"A"	48.00	H 40	ST&C	8.77	2.2	0.73	765	36,720
"B"							0	0
w/8.4#/g mud, 30min Sfc Csg Test psig: 877			Tail Cmt	does not	circ to sfc.	Totals:	765	36,720

Comparison of Proposed to Minimum Required Cement Volumes

Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
17 1/2	0.6946	580	1074	586	83	8.80	1375	2M	1.56

Burst Frac Gradient(s) for Segment(s) A, B = , b All > 0.70, OK.

9 5/8 casing inside the 13 3/8

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	INTERMEDIATE Length	INTERMEDIATE Weight
"A"	36.00	J 55	LT&C	2.67	1.13	0.59	3,453	124,308
"B"	40.00	J 55	LT&C	11.43	1.13	0.67	940	37,600
"C"	40.00	N 80	LT&C	93.53	1.3	0.97	197	7,880
"D"							0	0
w/8.4#/g mud, 30min Sfc Csg Test psig:						Totals:	4,590	169,788
The cement volume(s) are intended to achieve a top of				0	ft from surface or a		765	overlap.

Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
12 1/4	0.3132	925	1805	1505	20	10.00	3289	5M	0.81

Burst Frac Gradient(s) for Segment(s): A, B, C, D = 1.02, 0.9, 1.25, d
All > 0.70, OK.

7 casing inside the 9 5/8

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	PRODUCTION Length	PRODUCTION Weight
"A"	26.00	HCP 110	LT&C	2.22	1.37	1.21	11,548	300,248
"B"	26.00	HCP 110	LT&C	4.62	1.20	1.21	738	19,188
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,541						Totals:	12,286	319,436
B would be:				55.88	1.31	if it were a vertical wellbore.		

No Pilot Hole Planned	MTD	Max VTD	Csg VD	Curve KOP	Dogleg°	Severity°	MEOC
	12286	12025	12025	11548	89	12	12286

The cement volume(s) are intended to achieve a top of 4390 ft from surface or a 200 overlap.

Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
8 3/4	0.1503	880	1490	1199	24	9.50	5524	10M	0.55

MASP is within 10% of 5000psig, need exrta equip?

Tail cmt

4 1/2 Liner w/top @ 11547

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	LINER Length	LINER Weight
"A"	13.50	P 110	LT&C	2.91	1.2	1.51	739	9,977
"B"	13.50	P 110	LT&C	2.20	1.30	1.51	4,604	62,154
w/8.4#/g mud, 30min Sfc Csg Test psig: 2,669						Totals:	5,343	72,131
A Segment Design Factors would be:				4.69	1.3	if it were a vertical wellbore.		

No Pilot Hole Planned	MTD	Max VTD	Csg VD	Curve KOP	Dogleg°	Severity°	MEOC
	16890	12133	12133	11548	89	12	12286

The cement volume(s) are intended to achieve a top of 11547 ft from surface or a 739 overlap.

Hole Size	Annular Volume	1 Stage Cmt Sx	1 Stage CuFt Cmt	Min Cu Ft	1 Stage % Excess	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
6 1/8	0.0942	205	609	514	18	13.00			0.56

Class 'H' tail cmt yld > 1.20 Capitan Reef est top XXXX. MASP is within 10% of 5000psig, need exrta equip?

Jennings 27 W0AP Fed Com #3H
All previous COA still apply, except the following:

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. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Delaware** formation. **As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**

2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

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

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 8 hours. WOC time will be recorded in the driller's log. 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.

Possibility of water flows in the Salado and Rustler.
Possibility of lost circulation in the Red Beds, Rustler, and Delaware.

1. The **13-3/8** inch surface casing shall be set at approximately **850** feet (**in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet 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.

Intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.
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

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. **Excess calculates to 20% - Additional cement may be required.**

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

Formation below the 7" 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:

   ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above. **Excess calculates to 24% - Additional cement may be required.**

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

4. The minimum required fill of cement behind the **4-1/2** inch casing liner is:
   ☒ Approved for a minimum of 100' liner overlap. Operator shall provide method of verification. **Excess calculates to 18% - Additional cement may be required.**

4. 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).

3. **In the case where the only BOP installed is an annular preventer, it shall be tested to a minimum of 2000 psi (which may require upgrading to 3M or 5M annular).**

4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.

5. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** intermediate 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.**

6. 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. DRILL STEM TEST

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

E. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Third Bone Spring** formation, and shall be used until production casing is run and cemented.

Approved for aerated mud, but not air drilling.

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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