District 1 1625 N. French I Phone: (575) 393	Dr., Hobbs, NM -6161 Fax: (57	88240 5) 393-0720		DEnergy M Oi	State of No	ew M	lexico			Form C-101 Revised July 18, 2013		
District II 811 S. First St., A	Artesia, NM 882	10	BBS OC	Energy M	linerals and	d Nat	tural Re	DEOE	r			
District III 1000 Rio Brazos	Road, Aztec, N	M 87410	2017	Oi	l Conserva	tion	Division	RECEIV	EDO	AMENDED REPORT		
District IV	-61/8 Fax: (505	3) 334-01/0			20 South S	t. Fra	ancis Dr	ZOLT DEC .	91			
1220 S. St. Franc Phone: (505) 476		, NM 87505 5) 476-3462	RECEIV	ED	Santa Fe,	NM 8	87505	ZOIT DEC - I	P 2:	19		
APPLI	CATIO	N FOR	PERMIT T	O DRILL, R	E-ENTEF	R, DE	EPEN	, PLUGBAC	K, OR A	ADD A ZONE		
			¹ . Operator Name a		500 Dol				² OGRID N 3726			
		3B	ear Field Ser	vices, LLC	GANTAI	E, I	UM 87	30-0	API Nui			
4. Prop	erty Code	36		^{5.} Pr	operty Name I	libby	y Berry	Fee SWD	#1	^{o.} Well No.		
70	077	7		7. Surf	ace Location	1						
UL - Lot	Section	Township	Range	Lot Idn	Feet from		/S Line	Feet From	E/W Line			
H	26	20S	34E	8 Proposed	2510 Bottom Hole			710	TEL	Lea		
UL - Lot	Section	Township	Range	Lot Idn	Feet from		/S Line	Feet From	E/W Line	e County		
Н	26	20S	34E		2510	F	NL	710	FEL	Lea		
				^{9.} Pool	Information	1						
				Pool Nar	me					9 63 19		
				SWD; Miss-	Devonian					96319		
ll m	1.77		12 337 -11 77		Well Inform Cable/Rotary	ation		14. 1	15	5. Ground Level Elevation		
	ork Type		^{12.} Well Type S		R			P P		3620		
	¹⁶ Multiple ¹⁷ Proposed Depth ¹⁸ Forma Yes 14,600 Miss-D					an	Silver	Oak Drilling	g Dece	December 15, 2017+		
Depth to Gro			,	nce from nearest fres					ance to nearest surface water			
└─We will b	be using a o	closed-loop	system in lieu of									
	_			Proposed Casin			0					
Type Hole Size Casing Size Casing Weight/ft									Estimated TOC			
Ple	ase see	attachec	Addendum	to Drilling P	ermit							
				10 10			2					
P1e	2262 622	attache		g/Cement Prog to Drilling F		onal	ommen	ts				
		attache										
	T			Proposed Blow	out Preventi	on Pr				Marchat		
P	Type	e attache		Vorking Pressure n to Driling I	Permit		Test Pres	ssure	Manufacturer			
	icase se	e attacht	eu gruuenau	ii to Dining I	crimity							
			on given above is tr	ue and complete to	the		OII	CONSERVAT		JISION		
best of my ki			ied with 19.15.14.9	(A) NMAC 🗌 an	id/or		_	CONSERVAL	ION DIV	VISION		
19.15.14.9 (1					Appro	oved B	y:	Th	-			
Signature:	- Kor	\sim				l	1	Carry	Pet	roleum Engineer		
Printed name		McMin	n		Title:	Title:						
Title:	Adviso				Appro	oved D	ate: 12	115/17	Stalcou	1 124 pl 2/19		
E-mail Addr		~		5/626-7100			C					
Date: Nov	vember	30, 2017	7 Phone: 57.					Attached	40.00	L'AN LO COLO		
				× 1	NER	FO	RGU	D FROM	SANT	AFE MMOCD		

ADDENDUM to APPLICATION TO DRILL Libby Berry Fee SWD #1 3Bear Field Services, LLC Unit Letter H, 2510' FNL & 710' FEL, Section 26 T20S, R34E, N.M.P.M Survey Lea County, NM

This attachment is a continuation of responses to the questions asked within the NM OCD Form C-101 Application to Drill.

- 1. <u>Location:</u> SHL 2507 FNL & 709 FEL BHL 2507 FNL & 709 FEL
- 2. Elevation above Sea Level at Ground Reference: 3707'
- 3. Geologic name of surface formation: Quaternary Alluvium Deposits

4. <u>Drilling tools and associated equipment</u>: Conventional rotary drilling rig utilizing a managed fluid as the circulating medium for well control and for solids removal.

- 5. Proposed drilling depth: MD 14600' TVD 14600'
- 6. Estimated tops of geological markers:

0' to 140'	Surface Red Bed, Red Sandstone, Conglomerates & FW Sands
140'-399'	Rustler-Anhydrite
399'-1897'	Salado-Salt, Anhydrite, Dolomite stringers @ base Sand stringers & Limestone
1897'-1941'	Lamar-Limestone
1941'-5458'	Delaware section-Bell (Sand & Limestone stringers), Cherry & Brushy (Sand)
5458'-8611'	Bone Spring section-BS (Limestone), 1st through 3rd (Limestone & Sand stringers)
8611'-10977'	Wolfcamp-Limestone and Sand stringers
10977'-11185'	Strawn-Limestone, Sand & possible shale
11185'-12481'	Atoka/Morrow-Limestone, Shale & Sand
12481'-13299'	Mississippian-Limestone, Shale Stringers
13299'-14600'	Devonian-Cherty Limestone

7. <u>Potential mineral bearing formations</u>: Yates, Seven Rivers, Queen, Glorieta, Yeso, Penn, Morrow – Oil

8. Proposed Mud Circulating System:

Depth	Туре	Mud	Mud	рН	Cl-ppm	% Soilds	
	Mud	Weight	Viscosity	i i			
0-300	SPUD	8.4-9.7	32-38	10.0	1-6K	3%-8%	
300-1950	BRINE	10.0	28.0	10.0	186K	.75%-1.0%	
1,950-8,000	СВ	9.3-9.4	28.0	10.0	120-160K	.5%75%	
8,000-8,400	СВ	9.3-9.6	28.0	10.0	120-160K	.75%-1.0%	
8,400-10,850	BR/POLY	10.0-10.5	38-45	10.0	186K	3.0%-6.0%	
10,850-13,350	BR/POLY	10.5-12.0	40-50	10.0	186K	5.0%-7.0%	
13,350-14,600	СВ	8.9-9.0	28.0	10.0	3-6K	.5%75%	

Sufficient mud materials will be kept on location at all times in order to combat lost circulation or pressure. Mud viscosity and water loss may be adjusted from the above referenced table in order to run open-hole logs and casing.

9. Casing and Cementing Program:

DRILLING:							
		Bottom of	Size of	Size of	Weight	API	Thread
Description	Process	Pipe	Drill Hole	Pipe	per Foot	Grade	Туре
Conductor	Spud well	300	26	20	94	H-40	Buttress
Surface	Intermediate	1950	17-1/2	13-3/8	54.5	J-55	8rd ST&C
Production	Production	8400	12.25	9.625	43.5	HCL-80	8rd LT&C
Production	Production Liner	13350	8.75	7	29	HCP-110	8rd LT&C
COMPLETION:							
Disposal	Tubing	13300		4 1/2	12.75	P-110	CS Hydrill/PH6
							W/Teflon Ring

10. Cementing:

	Bottom of	Size of Drill Hole	Size of Pipe		Cement	Top of
Description	Pipe			Cement Type & Additives	Volume	Cement
Conductor	300	26	20	Class C w/2% KCL	675 Sacks	Surface
Surface	1950	17-1/2	13-3/8	LEAD: Class C w/2% KCL + Celloflake+Bentonite Extender	900 Sacks	Surface
				TAIL: Class C w/1% PF1 Calcium	200 Sacks	Surface
Production	8400	12.25	95/8	LEAD: 50/50 P/H _ 5% BWOW & Salt + 10% Bentonite Gel + Celloflake	1400 Sacks	Surface
				TAIL: Class 50/50 P/H + 2% PF20 Gel + 3% Fluid Loss	300 Sacks	Surface
Production	13350	8.75	7	Class H 50/50 +2% Bentonite Gel + 5% Fluid Loss	940 Sacks	Top of Line

According to Rancher, Danny Berry-former owner of site, very low volume potable groundwater can be found at 100' to 200' from surface. The closest producing water well is ³/₄ mile to 1 mile to the southeast of well site. This well produces from 1200' from surface.

11. Pressure Control Equipment;

Exhibit E. A 13-3/8" 5000 PSI working pressure BOP system tested to 3000 PSI consisting of one set of blind rams and on set of pipe rams and a 5000 PSI annular preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head as needed. A Kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor. Mud gas separator will be available if drilling into H2S areas.

BOP unit will be hydraulically operated. BOP will be nippled up and operated at least once per day while drilling and the blind rams will be operated when out of the hole during trips. No abnormal pressure or temperature is anticipated. From the base of the 13-3/8" casing through the running of the production liner, the well will be equipped with a 5000 PSI BOP system tested to 3000 PSI.

BOPS will be tested by an independent service company to 250 PSI low and 3000 PSI high. Schaffer will be tested to 250 PSI low and 1500 PSI high.

5M BOPE SCHEMATIC





Libby Berry Fee SWD #1 Op 3Bear Field Services, LLC Berry Plant Site SWD Created on 11/14/2017 12:53:36 PM



i-Handbook* - *a mark of Schlumberger



5M CHOKE MANIFOLD ARRANGEMENT

