

**HOBBS OCD**  
**DEC 26 2017**

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

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

FIP

|   |   |
|---|---|
| 5. Lease Serial No.<br>NMNM128366   |   |
| 6. If Indian, Allottee or Tribe Name  |   |
| 7. If Unit or CA Agreement, Name and No.<br>NMNM70976B  |   |
| 8. Lease Name and Well No.<br>LEA UNIT 52H (302802)   |   |
| 9. API Well No.<br>30-025-44301   |   |
| 10. Field and Pool, or Exploratory<br>LEA / BONE SPRING (37570)   | 11. Sec., T. R. M. or Blk. and Survey or Area<br>SEC 1 / T20S / R34E / NMP  |
| 12. County or Parish<br>LEA   | 13. State<br>NM   |
| 14. Distance in miles and direction from nearest town or post office*<br>26 miles   |   |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>330 feet | 16. No. of acres in lease<br>602.04   |
| 17. Spacing Unit dedicated to this well<br>160  | 18. Distance from proposed location* to nearest well, drilling, completed, 230 feet applied for, on this lease, ft. |
| 19. Proposed Depth<br>10500 feet / 15832 feet   | 20. BLM/BIA Bond No. on file<br>FED: NMB001015  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>3680 feet  | 22. Approximate date work will start*<br>06/05/2017   |
| 23. Estimated duration<br>45 days   |   |

**24. Attachments**

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

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

|  |  |                    |
|--|--|--------------------|
| 25. Signature<br>(Electronic Submission) | Name (Printed/Typed)<br>Brian Wood / Ph: (505)466-8120 | Date<br>06/02/2017 |
|--|--|--------------------|

Title  
President

|  |   |                    |
|--|---|--------------------|
| Approved by (Signature)<br>(Electronic Submission) | Name (Printed/Typed)<br>Bobby Ballard / Ph: (575)234-2235 | Date<br>12/20/2017 |
|--|---|--------------------|

Title  
Natural Resource Specialist  
Office  
CARLSBAD

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

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

(Continued on page 2)

\*(Instructions on page 2)

**APPROVED WITH CONDITIONS**  
Approval Date: 12/20/2017

KZ  
12/27/17

OCD Hobbs?

17-741



U.S. Department of the Interior  
Bureau of Land Management

Application for Permit to Drill

APD Package Report

Date Printed: 12/21/2017 10:12 AM

|   |                              |
|---|------------------------------|
| APD ID: 10400014769                             | Well Status: AAPD            |
| APD Received Date: 06/02/2017 08:56 AM (240974) | Well Name: LEA UNIT (302802) |
| Operator: LEGACY RESERVES OPERATING I           | Well Number: 52H             |

APD Package Report Contents

- Form 3160-3
- Operator Certification Report
- Application Report
- Application Attachments
  - Operator Letter of Designation: 1 file(s)
  - Well Plat: 1 file(s)
- Drilling Plan Report
- Drilling Plan Attachments
  - Blowout Prevention Choke Diagram Attachment: 1 file(s)
  - Blowout Prevention BOP Diagram Attachment: 1 file(s)
  - Casing Design Assumptions and Worksheet(s): 4 file(s)
  - Hydrogen sulfide drilling operations plan: 1 file(s)
  - Proposed horizontal/directional/multi-lateral plan submission: 1 file(s)
- SUPO Report
- SUPO Attachments
  - Existing Road Map: 1 file(s)
  - Attach Well map: 1 file(s)
  - Production Facilities map: 1 file(s)
  - Water source and transportation map: 1 file(s)
  - Well Site Layout Diagram: 1 file(s)
  - Recontouring attachment: 1 file(s)
- PWD Report
- PWD Attachments
  - None
- Bond Report
- Bond Attachments
  - None

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|  |                                    |  |
|--|------------------------------------|--|
| <b>APD ID:</b> 10400014769                         | <b>Submission Date:</b> 06/02/2017 | Highlighted data reflects the most recent changes<br><a href="#">Show Final Text</a> |
| <b>Operator Name:</b> LEGACY RESERVES OPERATING LP |                                    |  |
| <b>Well Name:</b> LEA UNIT                         | <b>Well Number:</b> 52H            |  |
| <b>Well Type:</b> OIL WELL                         | <b>Well Work Type:</b> Drill       |  |

**Section 1 - General**

|   |  |                                    |
|---|--|------------------------------------|
| <b>APD ID:</b> 10400014769                  | <b>Tie to previous NOS?</b>  | <b>Submission Date:</b> 06/02/2017 |
| <b>BLM Office:</b> CARLSBAD                 | <b>User:</b> Brian Wood  | <b>Title:</b> President            |
| <b>Federal/Indian APD:</b> FED              | <b>Is the first lease penetrated for production Federal or Indian?</b> FED |                                    |
| <b>Lease number:</b> NMNM128366             | <b>Lease Acres:</b> 602.04   |                                    |
| <b>Surface access agreement in place?</b>   | <b>Allotted?</b>   | <b>Reservation:</b>                |
| <b>Agreement in place?</b> YES              | <b>Federal or Indian agreement:</b> FEDERAL                                |                                    |
| <b>Agreement number:</b> NMNM70976B         |  |                                    |
| <b>Agreement name:</b> INT BONE SPRING PA B |  |                                    |
| <b>Keep application confidential?</b> NO    |  |                                    |
| <b>Permitting Agent?</b> YES                | <b>APD Operator:</b> LEGACY RESERVES OPERATING LP                          |                                    |
| <b>Operator letter of designation:</b>      | Lea_52H_letter_desig_06-01-2017.pdf  |                                    |

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**Operator Info**

**Operator Organization Name:** LEGACY RESERVES OPERATING LP  
**Operator Address:** 303 West Wall St., Ste 1800  
**Operator PO Box:** Zip: 79701  
**Operator City:** Midland **State:** TX  
**Operator Phone:** (432)689-5287  
**Operator Internet Address:**

**Section 2 - Well Information**

|  |  |                               |
|--|--|-------------------------------|
| <b>Well in Master Development Plan?</b> EXISTING   | <b>Mater Development Plan name:</b> Lea Unit Master Dev Plan |                               |
| <b>Well in Master SUPO?</b> NO   | <b>Master SUPO name:</b>                                     |                               |
| <b>Well in Master Drilling Plan?</b> NO  | <b>Master Drilling Plan name:</b>                            |                               |
| <b>Well Name:</b> LEA UNIT   | <b>Well Number:</b> 52H                                      | <b>Well API Number:</b>       |
| <b>Field/Pool or Exploratory?</b> Field and Pool   | <b>Field Name:</b> LEA                                       | <b>Pool Name:</b> BONE SPRING |
| <b>Is the proposed well in an area containing other mineral resources?</b> USEABLE WATER,NATURAL GAS,CO2,OIL |  |                               |

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 52H

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? YES New surface disturbance? N

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: LEA UNIT Number: 51H

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 26 Miles

Distance to nearest well: 230 FT

Distance to lease line: 330 FT

Reservoir well spacing assigned acres Measurement: 160 Acres

Well plat: Lea\_52H\_plat\_20170905142818.pdf

Well work start Date: 06/05/2017

Duration: 45 DAYS

### Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 23263

|            | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude   | Longitude    | County | State       | Meridian    | Lease Type | Lease Number | Elevation | MD   | TVD  |
|------------|---------|--------------|---------|--------------|------|-------|---------|-------------------|------------|--------------|--------|-------------|-------------|------------|--------------|-----------|------|------|
| SHL Leg #1 | 630     | FSL          | 610     | FEL          | 20S  | 34E   | 1       | Aliquot SESE 51   | 32.5966051 | -103.5071421 | LEA    | NEW MEXI CO | NEW MEXI CO | F          | NMNM 128366  | 3680      | 0    | 0    |
| KOP Leg #1 | 630     | FSL          | 610     | FEL          | 20S  | 34E   | 1       | Aliquot SESE 51   | 32.5966051 | -103.5071421 | LEA    | NEW MEXI CO | NEW MEXI CO | F          | NMNM 128366  | 3680      | 0    | 0    |
| PPP Leg #1 | 630     | FSL          | 610     | FEL          | 20S  | 34E   | 1       | Aliquot SESE 51   | 32.5966051 | -103.5071421 | LEA    | NEW MEXI CO | NEW MEXI CO | F          | NMNM 128366  | -6247     | 9927 | 9927 |



APD ID: 10400014769

Submission Date: 06/02/2017

Highlighted data reflects the most recent changes

Operator Name: LEGACY RESERVES OPERATING LP

Well Number: 52H **HOBBS OCD**

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Well Name: LEA UNIT

Well Work Type: Drill **DEC 26 2017**

Well Type: OIL WELL

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**Section 1 - Geologic Formations**

| Formation ID | Formation Name    | Elevation | True Vertical Depth | Measured Depth | Lithologies        | Mineral Resources   | Producing Formation |
|--------------|-------------------|-----------|---------------------|----------------|--------------------|---------------------|---------------------|
| 1            | —                 | 3680      | 0                   | 0              | OTHER : Quaternary | USEABLE WATER       | No                  |
| 2            | RUSTLER ANHYDRITE | 1983      | 1680                | 1680           | ANHYDRITE          | NONE                | No                  |
| 3            | TOP SALT          | 1943      | 1720                | 1720           | SALT               | NONE                | No                  |
| 4            | CAPITAN REEF      | 513       | 3150                | 3150           |                    | USEABLE WATER       | No                  |
| 5            | BOTTOM SALT       | 513       | 3150                | 3150           | SALT               | NONE                | No                  |
| 6            | SAN ANDRES        | -1030     | 4710                | 4710           | LIMESTONE          | NATURAL GAS,CO2,OIL | No                  |
| 7            | DELAWARE SAND     | -1986     | 5666                | 5666           | SANDSTONE          | NATURAL GAS,CO2,OIL | No                  |
| 8            | BONE SPRING LIME  | -4542     | 8205                | 8205           | LIMESTONE          | NATURAL GAS,CO2,OIL | No                  |
| 9            | AVALON SAND       | -5080     | 8760                | 8760           | SHALE              | NATURAL GAS,CO2,OIL | No                  |
| 10           | BONE SPRING 1ST   | -5838     | 9501                | 9501           |                    | NATURAL GAS,CO2,OIL | No                  |
| 11           | BONE SPRING 2ND   | -6820     | 10500               | 15832          |                    | NATURAL GAS,CO2,OIL | Yes                 |

**Section 2 - Blowout Prevention**

Pressure Rating (PSI): 5M

Rating Depth: 11000

**Equipment:** Legacy Reserves plans to use a 13-5/8" 5000-psi working pressure BOP system consisting of a double ram BOP with one ram being pipe and one ram being blind, a 5000-psi annular type preventer, a 5000-psi choke manifold and 80 gallon accumulator with floor, five remote operating stations and an auxiliary power system. A rotating head will be utilized as needed. A drill string safety valve in the open position will be available on the rig floor. A mud gas separator will be available for use if needed. A 3M BOP will be used to drill from the surface casing shoe (~1800') to the intermediate casing shoe (~5600'). The BOP will be a 5M system, however the "A" section wellhead will be a 3M wellhead (see attached BOP Diagram). The BOP unit will be hydraulically operated. The BOP will be operated at least once per day while drilling and the blind rams will be operated when out of hole during trips. No abnormal pressure or temperature is expected while drilling.

Requesting Variance? NO

Variance request:

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 52H

Testing Procedure: The BOPs will be tested by an independent service company to 250 psi low and 5000 psi high.

Choke Diagram Attachment:

Lea\_52H\_choke\_06-01-2017.pdf

BOP Diagram Attachment:

Lea\_52H\_BOP\_06-01-2017.pdf

### Section 3 - Casing

| Casing ID | String Type  | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade  | Weight | Joint Type  | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|--------|--------|-------------|-------------|----------|---------------|----------|--------------|---------|
| 1         | SURFACE      | 17.5      | 13.375   | NEW       | API      | N              | 0          | 1800          | 0           | 1800           |             |                | 1800                        | J-55   | 54.5   | STC         | 1.42        | 3.86     | DRY           | 2.59     | DRY          | 2.59    |
| 2         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 0          | 4000          | 0           | 4000           |             |                | 4000                        | J-55   | 40     | LTC         | 1.25        | 1.41     | DRY           | 1.6      | DRY          | 1.6     |
| 3         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 4000       | 5600          | 4000        | 5600           |             |                | 1600                        | HCK-55 | 40     | LTC         | 1.45        | 1.27     | DRY           | 4.23     | DRY          | 4.23    |
| 4         | PRODUCTION   | 8.75      | 5.5      | NEW       | API      | N              | 0          | 15832         | 0           | 10500          |             |                | 15832                       | P-110  | 20     | OTHER - BTC | 2.03        | 1.28     | DRY           | 1.72     | DRY          | 1.72    |

#### Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Lea\_52H\_casing\_surf\_06-01-2017.pdf

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

**Casing Attachments**

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**Casing ID:** 2      **String Type:** INTERMEDIATE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

Lea\_52H\_casing\_interm\_06-01-2017.pdf

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**Casing ID:** 3      **String Type:** INTERMEDIATE

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

Lea\_52H\_casing\_sub\_06-01-2017.pdf

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**Casing ID:** 4      **String Type:** PRODUCTION

**Inspection Document:**

**Spec Document:**

**Tapered String Spec:**

**Casing Design Assumptions and Worksheet(s):**

Lea\_52H\_casing\_prod\_06-01-2017.pdf

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**Section 4 - Cement**

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 52H

| String Type  | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type                  | Additives  |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|------------------------------|--|
| SURFACE      | Lead      |                  | 0      | 1800      | 1100         | 1.93  | 13.5    | 2123  |         | Class C cement               | 4% bwoc bentonite II + 2% bwoc Calcium Chloride + 0.25 lbs/sack Cello Flake + 0.005% bwoc Static Free + 0.005 gps FP-6L  |
| SURFACE      | Tail      |                  |        |           | 200          | 1.34  | 14.8    | 268   |         | C cement                     | 1.5% bwoc Calcium Chloride + 0.005 lbs/sack Static Free + 0.005 gps FP-6L  |
| INTERMEDIATE | Lead      |                  | 0      | 4000      | 400          | 2.13  | 12.5    | 852   |         | Paz (fly ash) Class C        | 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL- 52 + 5 lbs/sack LCM-1 +0.125 lbs/sk cello flake + 0.005 lbs/sk defoamer + 0.005 gpsFP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride |
| INTERMEDIATE | Tail      |                  |        |           | 200          | 1.33  | 14.8    | 266   |         | Class C cement               | none   |
| INTERMEDIATE | Lead      |                  | 4000   | 5600      | 1100         | 2.13  | 12.5    | 2343  |         | Poz (fly ash) Class C cement | 4% bwoc bentonite II + 5% bwoc MPA-5 + 0.25% bwoc FL- 52 + 5 lbs/sack LCM-1 +0.125 lbs/sk cello flake+ 0.005 lbs/sk defoamer + 0.005 gpsFP-6L + 1.2% bwoc Sodium Metasilicate + 5% bwow Sodium Chloride  |
| INTERMEDIATE | Tail      |                  |        |           | 200          | 1.33  | 14.8    | 266   |         | Class C cement               | none   |
| PRODUCTION   | Lead      |                  | 0      | 1583<br>2 | 1600         | 2.38  | 11.9    | 3808  |         | Poz (fly ash) Class H cement | 10% bwoc bentonite II + 5% bwow sodium chloride + 5 pps LCM-1 + 0.005 lbs/sk Static Free + 0.005 gps FP-6L   |
| PRODUCTION   | Tail      |                  |        |           | 1200         | 1.62  | 13.2    | 1944  |         | Class H                      | CSE-2 + 4% bwow sodium chloride + 3 pps LCM- 1 + 0.6% bwoc FL-25 + 0.005 gps FP-6L + 0.005% bwoc Static Free   |

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 52H

### Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

**Describe what will be on location to control well or mitigate other conditions:** Sufficient mud materials will be kept on location at all times in order to combat lost circulation or unexpected kicks. Mud logging program: 2 man unit from approximately after setting intermediate casing. No open hole logs, DSTs, or cores are planned.

**Describe the mud monitoring system utilized:** A Pason PVT system will be rigged up prior to spudding this well. A volume monitoring system that measures, calculates, and displays readings from the mud system on the rig to alert the rig crew of impending gas kicks and lost circulation. In order to effectively run casing, the mud viscosity and fluid loss properties may be adjusted.

**Circulating Medium Table**

| Top Depth | Bottom Depth | Mud Type                  | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|---------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 5600      | 10500        | OTHER : Fresh water/brine | 8.4                  | 8.6                  |                     |                             |    |                |                |                 |                            |
| 1800      | 5600         | OTHER : Brine water       | 9.8                  | 10                   |                     |                             |    |                |                |                 |                            |
| 0         | 1800         | SPUD MUD                  | 8.4                  | 8.9                  |                     |                             |    |                |                |                 |                            |
| 10500     | 15832        | OTHER : Fresh water/brine | 8.9                  | 9.1                  |                     |                             |    |                |                |                 |                            |

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

## Section 6 - Test, Logging, Coring

**List of production tests including testing procedures, equipment and safety measures:**

Mud logging, H2S plan, BOP and choke plans all in place for testing, equipment, safety

**List of open and cased hole logs run in the well:**

MUDLOG

**Coring operation description for the well:**

No coring planned

## Section 7 - Pressure

**Anticipated Bottom Hole Pressure:** 4620

**Anticipated Surface Pressure:** 2310

**Anticipated Bottom Hole Temperature(F):** 162

**Anticipated abnormal pressures, temperatures, or potential geologic hazards?** NO

**Describe:**

**Contingency Plans geohazards description:**

**Contingency Plans geohazards attachment:**

**Hydrogen Sulfide drilling operations plan required?** YES

**Hydrogen sulfide drilling operations plan:**

Lea\_52H\_H2S\_plan\_06-01-2017.pdf

## Section 8 - Other Information

**Proposed horizontal/directional/multi-lateral plan submission:**

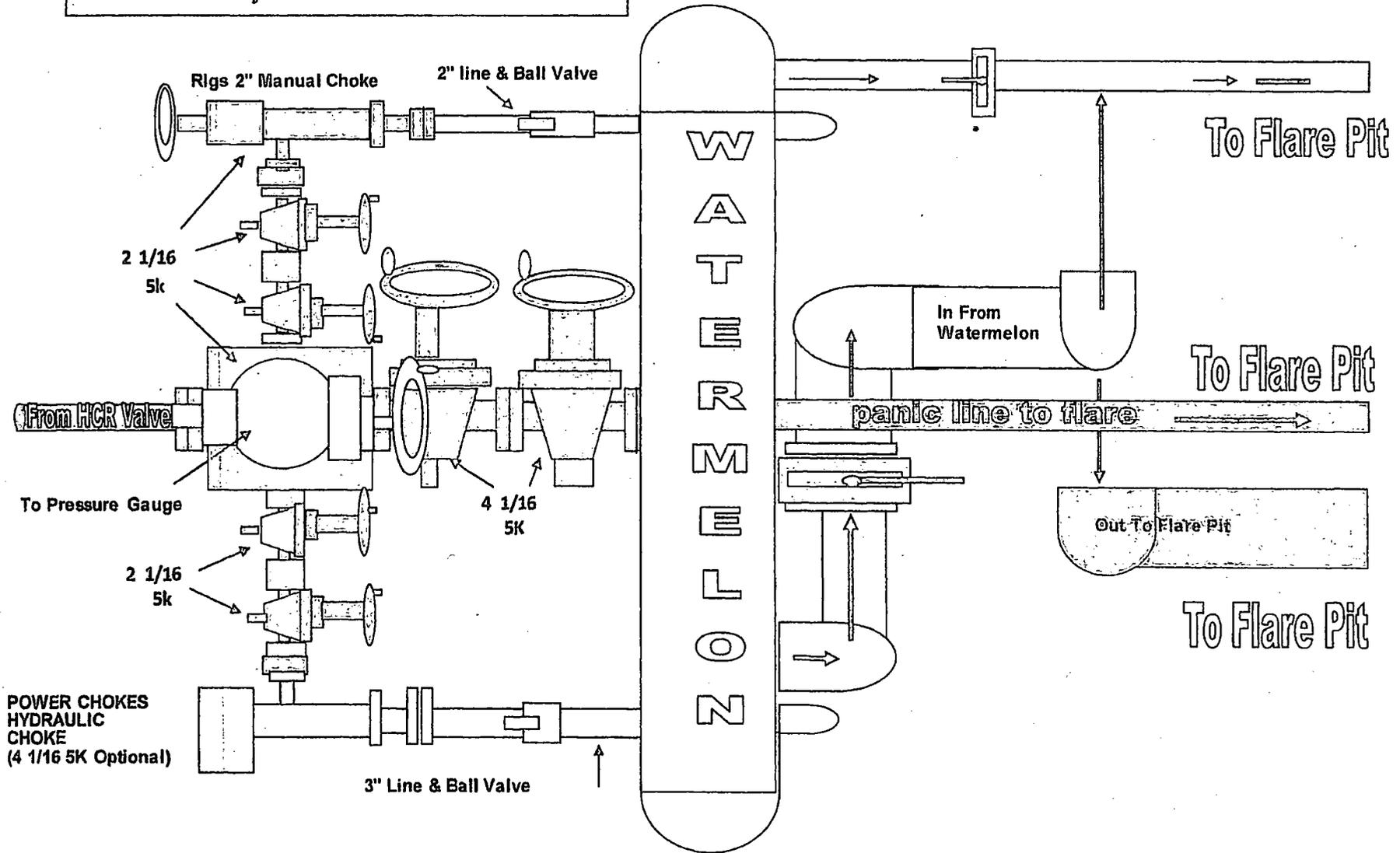
Lea\_52H\_horiz\_drill\_plan\_06-01-2017.pdf

**Other proposed operations facets description:**

**Other proposed operations facets attachment:**

**Other Variance attachment:**

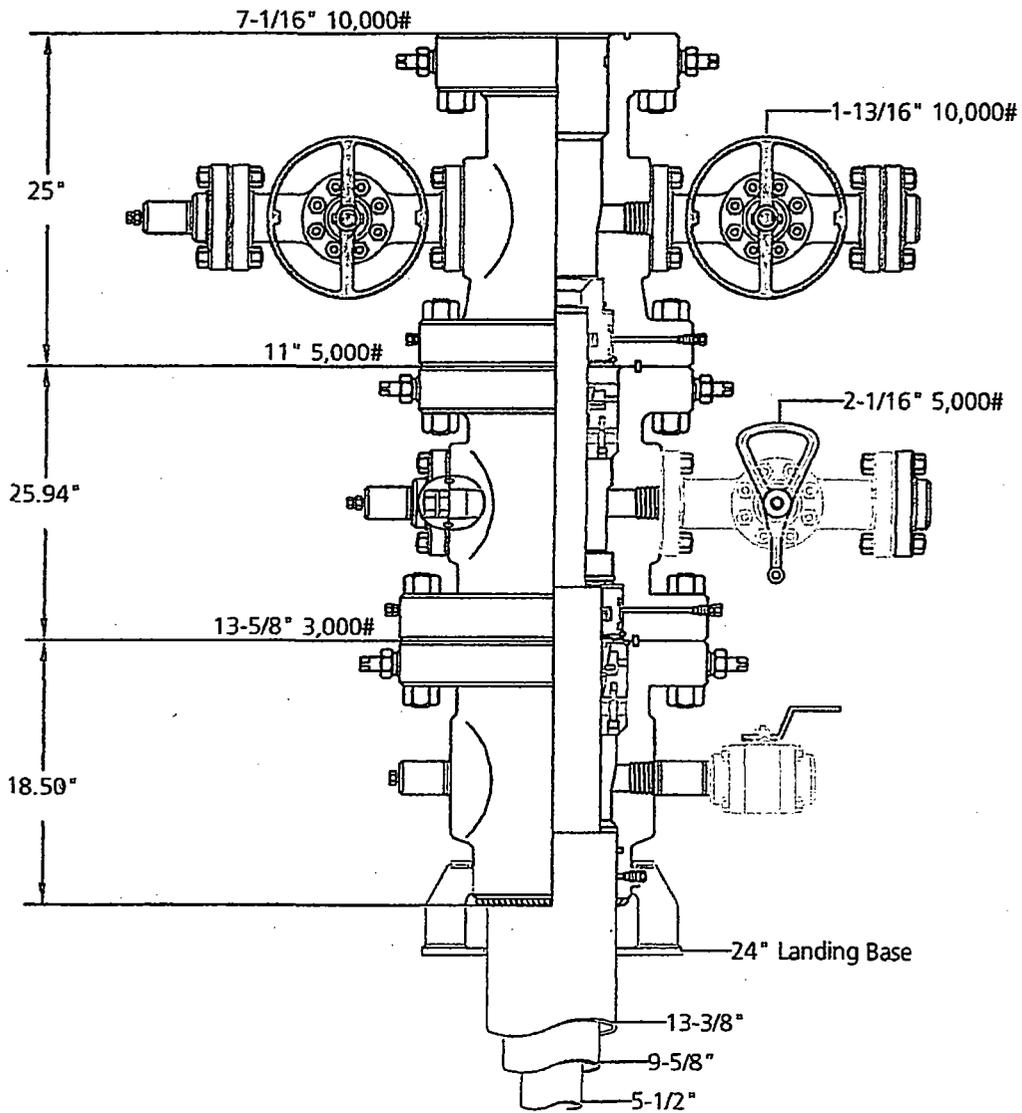
**McVay 4 Choke Manifold**



\*We use the same choke manifolds for all aspects of our operations & all are rated to 10K;

\* All connections downstream from BOP thru chokes Are Flanged, All connections downstream from chokes are Flanged .

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

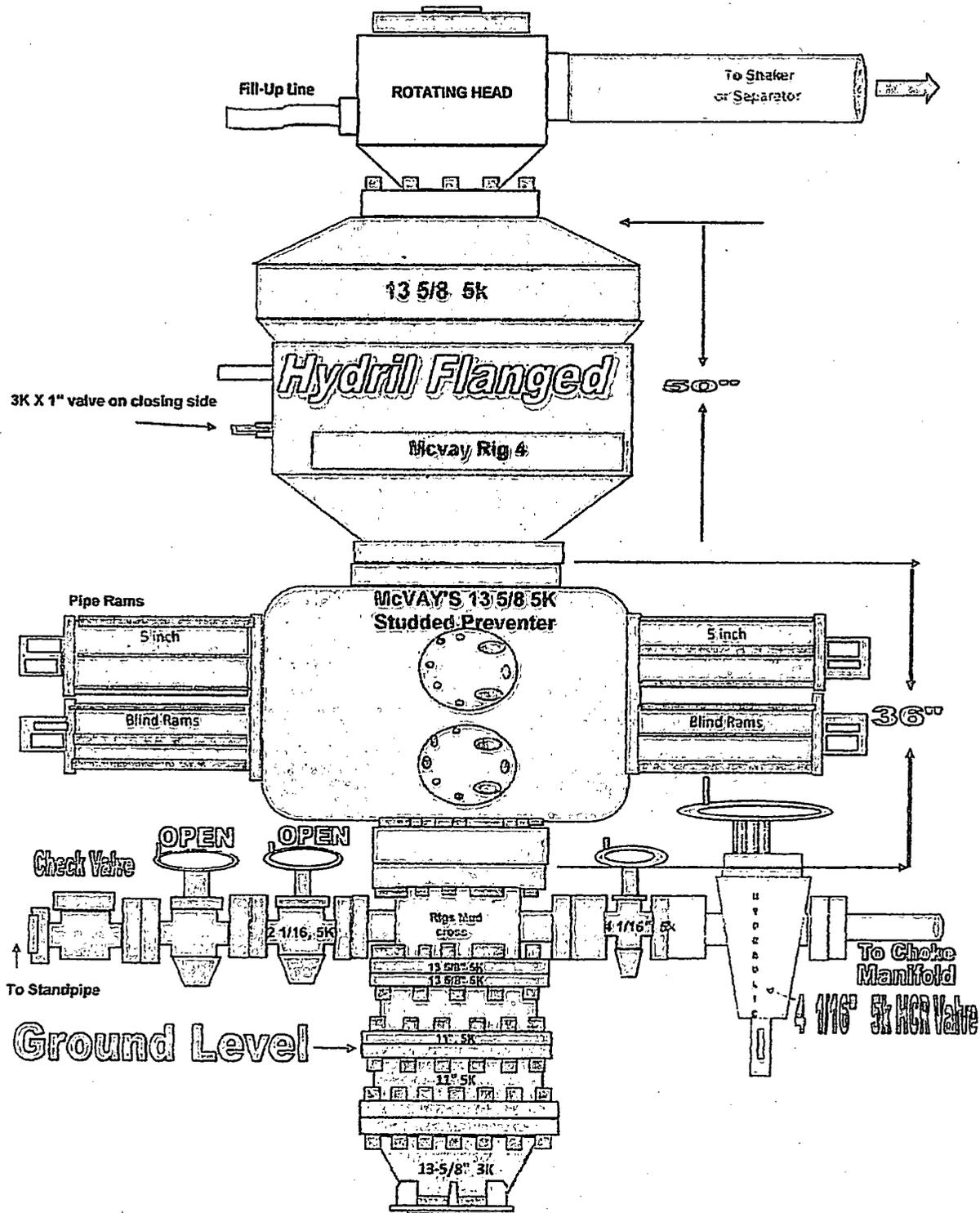


Legacy Reserves  
Conventional 3-String

 CAMERON

|                |               |                   |           |
|----------------|---------------|-------------------|-----------|
| NAME: Jeanette | DATE: 7-15-15 | Working Pressure: | # 1274616 |
|----------------|---------------|-------------------|-----------|

# McVay Rig 4



## Surface Casing

| Size    | Grade | #/ft | Collapse | Burst<br>(Internal Yield) | Tensile  | Coupling | Length | Dry<br>Weight | Mud<br>Weight |
|---------|-------|------|----------|---------------------------|----------|----------|--------|---------------|---------------|
| 13.375" | J-55  | 54.5 | 1130 psi | 2730 psi                  | 514 kips | STC      | 1800'  | 98,100<br>lbs | 8.5 ppg       |

**Collapse:**  $DF_C = 1.25$

### Base Assumptions

- Complete internal evacuation of the casing, utilizing a collapse force equivalent to the mud gradient (0.44 psi/ft) in which the casing will be ran.
- Cementing operations in which, utilizes a collapse force equivalent to the gradient of the planned cement slurry (0.77 psi/ft) and an internal force equivalent to the fresh water displacement fluid (0.433 psi/ft).

Collapse Calculations: Collapse Rating / Collapse Force

*Complete Evacuation:*

$$1,130\text{psi} / [(0.44\text{psi/ft})(1,800')] = 1.42$$

*Cementing Operations:*

$$1,130\text{psi} / [(0.77\text{psi/ft} - 0.433\text{psi/ft})(1800')] = 1.86$$

**Burst:**  $DF_B = 1.25$

### Base Assumption

- Casing pressure test as per Onshore Oil and Gas Order No. 2 (0.22 psi/ft or 1500 psi), utilizing an external force equivalent to the mud gradient (0.44 psi/ft) in which the casing will be ran.

Burst Calculations: Internal Yield Rating / Internal Force

*Casing Pressure Test:*

$$2,730\text{psi} / [(1500\text{psi}) - (0.44\text{psi/ft})(1,800')] = 3.86$$

**Tensile:**  $DF_T = 1.6$

### Base Assumption

- A downward force of 100,000 lb. overpull is applied at the base of the casing along with the weight and not considering the effects of buoyancy.

Tensile Calculations: Joint Strength / Axial Load

*Overpull:*

$$514\text{ kips} / (100,000\text{ lbs.} + 98,100\text{ lbs.}) = 2.59$$

## Intermediate Casing

| Size   | Grade  | #/ft | Collapse | Burst<br>(Internal Yield) | Tensile  | Coupling | Length | Dry<br>Weight | Mud Weight |
|--------|--------|------|----------|---------------------------|----------|----------|--------|---------------|------------|
| 9.625" | J-55   | 40   | 2570 psi | 3950 psi                  | 520 kips | LTC      | 4000'  | 160,000 lb    | 10.0 ppg   |
| 9.625" | HCK-55 | 40   | 4230 psi | 3950 psi                  | 694 kips | LTC      | 1600'  | 64,000 lb     | 10.0 ppg   |

**Collapse:  $DF_C = 1.25$**

### Base Assumptions

- Complete internal evacuation of the casing, utilizing a collapse force equivalent to the mud gradient (0.52 psi/ft) in which the casing will be ran.
- Cementing operations in which, utilizes a collapse force equivalent to the gradient of the planned cement slurry (0.77 psi/ft) and an internal back-up force equivalent to the fresh water displacement fluid (0.433 psi/ft).

Collapse Calculations: Collapse Rating / Collapse Force

#### Complete Evacuation:

$$\text{J-55: } 2570\text{psi} / [(0.52\text{psi/ft})(4,000')] = \mathbf{1.25}$$

$$\text{HCK-55: } 4230\text{psi} / [(0.52\text{psi/ft})(5,600')] = \mathbf{1.45}$$

#### Cementing Operations:

$$\text{J-55: } 2570\text{psi} / [(0.77\text{psi/ft} - 0.433\text{psi/ft})(4000')] = \mathbf{1.91}$$

$$\text{HCK-55: } 4230\text{psi} / [(0.77\text{psi/ft} - 0.433\text{psi/ft})(5600')] = \mathbf{2.24}$$

**Burst:  $DF_B = 1.25$**

### Base Assumption

- Casing pressure test as per Onshore Oil and Gas Order No. 2 (0.22 psi/ft or 1500 psi), utilizing an internal force equivalent to the displacement fluid of 8.6 ppg and external force equivalent to 8.4 ppg.
- Gas kick at the casing shoe, in which a 0.7 psi/ft shoe test is assumed, and 0.2 psi/ft gas gradient is assumed.

Burst Calculations: Internal Yield Rating / Burst Force

#### Casing Pressure Test:

$$\text{J-55: } 3950\text{psi} / [(1500\text{psi} + 1789\text{psi}) - (1747\text{psi})] = \mathbf{2.56}$$

$$\text{HCK-55: } 3950\text{psi} / [(1500\text{psi} + 2504\text{psi}) - (2446\text{psi})] = \mathbf{2.54}$$

#### Gas Kick:

$$\text{J-55: } 3950\text{psi} / [(0.7\text{psi/ft})(5600') - (0.2\text{psi/ft})(5600')] = \mathbf{1.41}$$

$$\text{HCK-55: } 3950\text{psi} / [(0.7\text{psi/ft})(5600') - (0.2\text{psi/ft})(4000')] = \mathbf{1.27}$$

*Tensile:  $DF_T = 1.6$*

Base Assumption

- A downward force of 100,000 lb. overpull is applied at the base of the casing along with the weight of the string and not considering the effects of buoyancy.

Tensile Calculations: Joint Strength / Axial Load

*Overpull:*

J-55: 520 kips / (100,000 lbs. + 224,00 lbs.) = **1.6**

HCK-55: 694 kips / (100,000 lbs. + 64,100 lbs.) = **4.23**

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

**Existing Wells description:**

## Section 4 - Location of Existing and/or Proposed Production Facilities

**Submit or defer a Proposed Production Facilities plan?** SUBMIT

**Production Facilities description:**

**Production Facilities map:**

Lea\_52H\_prod\_diagram\_06-01-2017.pdf

## Section 5 - Location and Types of Water Supply

### Water Source Table

**Water source use type:** INTERMEDIATE/PRODUCTION CASING,  
STIMULATION, SURFACE CASING

**Water source type:** GW WELL

**Describe type:**

**Source latitude:**

**Source longitude:**

**Source datum:**

**Water source permit type:** WATER WELL

**Source land ownership:** PRIVATE

**Water source transport method:** TRUCKING

**Source transportation land ownership:** FEDERAL

**Water source volume (barrels):** 16000

**Source volume (acre-feet):** 2.0622895

**Source volume (gal):** 672000

**Water source and transportation map:**

Lea\_52H\_water\_source\_06-01-2017.pdf

**Water source comments:** Water will be obtained from commercial water stations in the area and hauled to the location by transport truck using the existing roads. No water well will be drilled on the location.

**New water well?** NO

### New Water Well Info

**Well latitude:**

**Well Longitude:**

**Well datum:**

**Well target aquifer:**

**Est. depth to top of aquifer(ft):**

**Est thickness of aquifer:**

**Aquifer comments:**

**Aquifer documentation:**

**Well depth (ft):**

**Well casing type:**

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**Well Name:** LEA UNIT

**Well Number:** 52H

**Well casing outside diameter (in.):**

**Well casing inside diameter (in.):**

**New water well casing?**

**Used casing source:**

**Drilling method:**

**Drill material:**

**Grout material:**

**Grout depth:**

**Casing length (ft.):**

**Casing top depth (ft.):**

**Well Production type:**

**Completion Method:**

**Water well additional information:**

**State appropriation permit:**

**Additional information attachment:**

### **Section 6 - Construction Materials**

**Construction Materials description:** CONSTRUCTION MATERIALS: CALICHE WILL BE USED TO CONSTRUCT THISWELL PAD Any construction material that may be required for surfacing of the drill pad will be from a contractor having a permitted source of materials within the general area. No construction materials will be removed from Federal lands without prior approval from the appropriate surface management agency. See attached for source information.

**Construction Materials source location attachment:**

### **Section 7 - Methods for Handling Waste**

**Waste type:** DRILLING

**Waste content description:** Drilling fluids (flowback, water, cuttings)

**Amount of waste:** 20000 barrels

**Waste disposal frequency :** Daily

**Safe containment description:** Drilling fluids will be contained in steel mud tanks.

**Safe containmant attachment:**

**Waste disposal type:** HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** PRIVATE

**Disposal type description:**

**Disposal location description:** NMOCD approved disposal site in Halfway, NM.

### **Reserve Pit**

**Reserve Pit being used?** NO

**Temporary disposal of produced water into reserve pit?**

**Reserve pit length (ft.)** **Reserve pit width (ft.)**

**Reserve pit depth (ft.)** **Reserve pit volume (cu. yd.)**

**Is at least 50% of the reserve pit in cut?**

**Reserve pit liner**

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**Well Name:** LEA UNIT

**Well Number:** 52H

**Reserve pit liner specifications and installation description**

**Cuttings Area**

**Cuttings Area being used?** NO

**Are you storing cuttings on location?** YES

**Description of cuttings location** Drill cuttings will be held in roll-off style mud boxes and taken to an NMOCD approved disposal site in Halfway, NM.

**Cuttings area length (ft.)**

**Cuttings area width (ft.)**

**Cuttings area depth (ft.)**

**Cuttings area volume (cu. yd.)**

**Is at least 50% of the cuttings area in cut?**

**WCuttings area liner.**

**Cuttings area liner specifications and installation description**

**Section 8 - Ancillary Facilities**

**Are you requesting any Ancillary Facilities?:** NO

**Ancillary Facilities attachment:**

**Comments:**

**Section 9 - Well Site Layout**

**Well Site Layout Diagram:**

Lea\_52H\_well\_site\_layout\_06-01-2017.pdf

**Comments:**

**Section 10 - Plans for Surface Reclamation**

**Type of disturbance:** No New Surface Disturbance    **Multiple Well Pad Name:** LEA UNIT

**Multiple Well Pad Number:** 51H

**Recontouring attachment:**

Lea\_52H\_recontouring\_plat\_06-01-2017.pdf

**Drainage/Erosion control construction:** Access road and well pad already exist - no construction needed. Any maintenance or improvement necessary will be according to BLM standards. Figures below are identical for short term and long term disturbance because reclamation is already complete for this pad (Lea Unit 51H).

**Drainage/Erosion control reclamation:** • The original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors. • A self-sustaining, vigorous, diverse, native (or otherwise approved) plant community will be established on the site, with a density sufficient to control erosion and invasion by non-native plants and to re-establish wildlife habitat or forage production. At a minimum, the established plant community will

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

consist of species included in the seed mix and/or desirable species occurring in the surrounding natural vegetation. • Erosion features are equal to or less than surrounding area and erosion control is sufficient so that water naturally infiltrates into the soil and gulying, headcutting, slumping, and deep or excessive rills (greater than 3 inches) are not observed. • The site will be free of state- or county-listed noxious weeds, oil field debris and equipment, and contaminated soil. Invasive and non-native weeds are controlled.

**Wellpad long term disturbance (acres):** 3.9

**Wellpad short term disturbance (acres):** 3.9

**Access road long term disturbance (acres):** 2

**Access road short term disturbance (acres):** 2

**Pipeline long term disturbance (acres):** 8.441231

**Pipeline short term disturbance (acres):** 8.441231

**Other long term disturbance (acres):** 0

**Other short term disturbance (acres):** 0

**Total long term disturbance:** 14.34123

**Total short term disturbance:** 14.34123

**Reconstruction method:** Final reclamation to achieve restoration of the original landform and a natural vegetative community. The original landform will be restored for all disturbed areas including well pads, production facilities, roads, pipelines, and utility corridors.

**Topsoil redistribution:** Evenly

**Soil treatment:** Erosion features are equal to or less than surrounding area and erosion control is sufficient so that water naturally infiltrates into the soil and gulying, headcutting, slumping, and deep or excessive rills (greater than 3 inches) are not observed. The site will be free of state- or county-listed noxious weeds, oil field debris and equipment, and contaminated soil. Invasive and non-native weeds are controlled.

**Existing Vegetation at the well pad:**

**Existing Vegetation at the well pad attachment:**

**Existing Vegetation Community at the road:**

**Existing Vegetation Community at the road attachment:**

**Existing Vegetation Community at the pipeline:**

**Existing Vegetation Community at the pipeline attachment:**

**Existing Vegetation Community at other disturbances:**

**Existing Vegetation Community at other disturbances attachment:**

**Non native seed used?**

**Non native seed description:**

**Seedling transplant description:**

**Will seedlings be transplanted for this project?**

**Seedling transplant description attachment:**

**Will seed be harvested for use in site reclamation?**

**Seed harvest description:**

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**Well Name:** LEA UNIT

**Well Number:** 52H

**Seed harvest description attachment:**

### Seed Management

#### Seed Table

**Seed type:**

**Seed source:**

**Seed name:**

**Source name:**

**Source address:**

**Source phone:**

**Seed cultivar:**

**Seed use location:**

**PLS pounds per acre:**

**Proposed seeding season:**

#### Seed Summary

**Total pounds/Acre:**

| Seed Type | Pounds/Acre |
|-----------|-------------|
|-----------|-------------|

**Seed reclamation attachment:**

#### Operator Contact/Responsible Official Contact Info

**First Name:**

**Last Name:**

**Phone:**

**Email:**

**Seedbed prep:**

**Seed BMP:**

**Seed method:**

**Existing invasive species?** NO

**Existing invasive species treatment description:**

**Existing invasive species treatment attachment:**

**Weed treatment plan description:** Noxious weeds will be controlled

**Weed treatment plan attachment:**

**Monitoring plan description:** On pumper visits

**Monitoring plan attachment:**

**Success standards:** To BLM standards

**Pit closure description:** N/A (closed loop)

**Pit closure attachment:**

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

## **Section 11 - Surface Ownership**

**Disturbance type:** EXISTING ACCESS ROAD

**Describe:**

**Surface Owner:** BUREAU OF LAND MANAGEMENT

**Other surface owner description:**

**BIA Local Office:**

**BOR Local Office:**

**COE Local Office:**

**DOD Local Office:**

**NPS Local Office:**

**State Local Office:**

**Military Local Office:**

**USFWS Local Office:**

**Other Local Office:**

**USFS Region:**

**USFS Forest/Grassland:**

**USFS Ranger District:**

**Disturbance type:** WELL PAD

**Describe:**

**Surface Owner:** PRIVATE OWNERSHIP

**Other surface owner description:**

**BIA Local Office:**

**BOR Local Office:**

**COE Local Office:**

**DOD Local Office:**

**NPS Local Office:**

**State Local Office:**

**Military Local Office:**

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

**USFWS Local Office:**

**Other Local Office:**

**USFS Region:**

**USFS Forest/Grassland:**

**USFS Ranger District:**

**Disturbance type:** PIPELINE

**Describe:**

**Surface Owner:** BUREAU OF LAND MANAGEMENT, PRIVATE OWNERSHIP

**Other surface owner description:**

**BIA Local Office:**

**BOR Local Office:**

**COE Local Office:**

**DOD Local Office:**

**NPS Local Office:**

**State Local Office:**

**Military Local Office:**

**USFWS Local Office:**

**Other Local Office:**

**USFS Region:**

**USFS Forest/Grassland:**

**USFS Ranger District:**

## Section 12 - Other Information

**Right of Way needed?** NO

**Use APD as ROW?**

**ROW Type(s):**

## ROW Applications

**SUPO Additional Information:**

**Operator Name:** LEGACY RESERVES OPERATING LP

**Well Name:** LEA UNIT

**Well Number:** 52H

**Use a previously conducted onsite? YES**

**Previous Onsite information:** ON-SITE PERFORMED ON 6/6/15 RESULTED IN PROPOSED LOCATION BEING OK WHERE STAKED. IT WAS AGREED TO TURN THE LOCATION TO A V-DOOR EAST. IT WAS ALSO AGREED TO MOVE AND PLACE THE TOP SOIL TO THE NORTH, AND THE INTERIM RECLAMATION WILL BE THE NORTH, EAST, SOUTH, AND WEST PORTION OF THIS PAD. PRESENT AT ON-SITE: CRAIG SPARKMAN-LEGACY RESERVES OPERATING, L.P. TRISH BADBEAR-BLM CASSANDRA BROOKS-BLM CHRISTOPHER FREEMAN-CEHMM DOUG BURGER-LEGACY LAND & ENVIRONMENTAL SOLUTIONS KELLY POINDEXTER-WEST COMPANY OF MIDLAND-SURVEYORS

**Other SUPO Attachment**



## Section 1 - General

Would you like to address long-term produced water disposal? NO

## Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

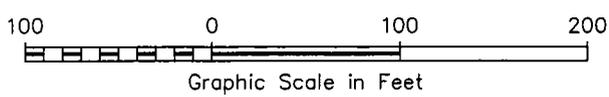
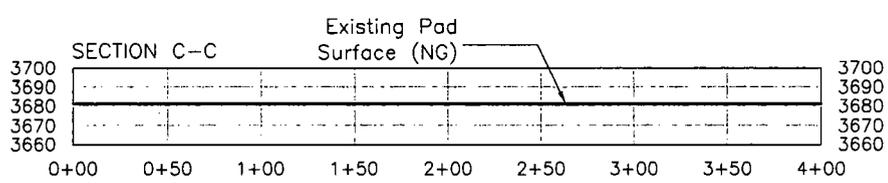
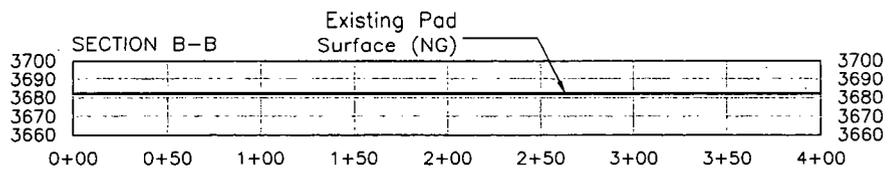
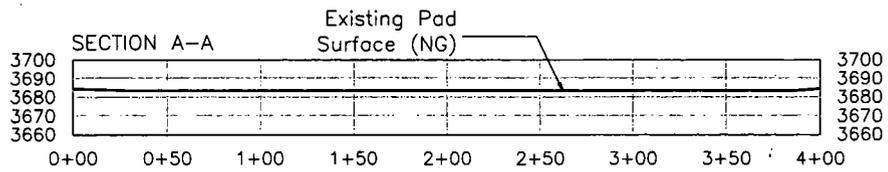
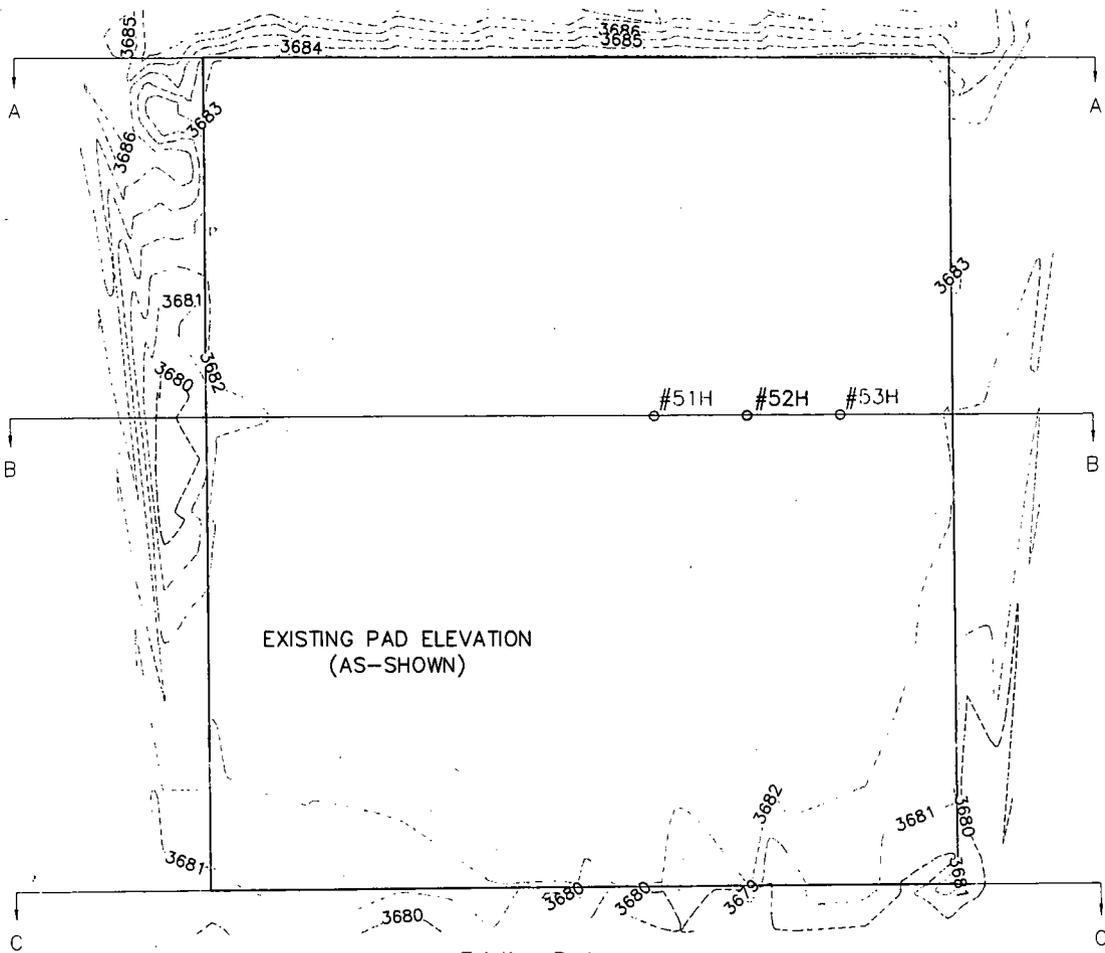
Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:



LEGACY RESERVES, LP

LEA UNIT #52H PAD

Located 630' FSL & 610' FEL, Section 01,  
Township 20 South, Range 34 East, N.M.P.M.  
Lea County, New Mexico

Scale: 1" = 100'      Date: April 20, 2017

### Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

### Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

**Injection well type:**

**Injection well number:**

**Assigned injection well API number?**

**Injection well new surface disturbance (acres):**

**Minerals protection information:**

**Mineral protection attachment:**

**Underground Injection Control (UIC) Permit?**

**UIC Permit attachment:**

**Injection well name:**

**Injection well API number:**

### **Section 5 - Surface Discharge**

**Would you like to utilize Surface Discharge PWD options? NO**

**Produced Water Disposal (PWD) Location:**

**PWD surface owner:**

**PWD disturbance (acres):**

**Surface discharge PWD discharge volume (bbl/day):**

**Surface Discharge NPDES Permit?**

**Surface Discharge NPDES Permit attachment:**

**Surface Discharge site facilities information:**

**Surface discharge site facilities map:**

### **Section 6 - Other**

**Would you like to utilize Other PWD options? NO**

**Produced Water Disposal (PWD) Location:**

**PWD surface owner:**

**PWD disturbance (acres):**

**Other PWD discharge volume (bbl/day):**

**Other PWD type description:**

**Other PWD type attachment:**

**Have other regulatory requirements been met?**

**Other regulatory requirements attachment:**



U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT

## Bond Info Data Report

12/21/2017

### Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001015

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment:

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 52H

|                   | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract     | Latitude       | Longitude            | County | State             | Meridian          | Lease Type | Lease Number   | Elevation     | MD        | TVD       |
|-------------------|---------|--------------|---------|--------------|------|-------|---------|-----------------------|----------------|----------------------|--------|-------------------|-------------------|------------|----------------|---------------|-----------|-----------|
| PPP<br>Leg<br>#1  | 0       | FNL          | 590     | FEL          | 20S  | 34E   | 12      | Aliquot<br>NENE<br>5  | 32.59494<br>5  | -<br>103.5071<br>6   | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMNM<br>02127B | -<br>682<br>0 | 114<br>31 | 105<br>00 |
| PPP<br>Leg<br>#1  | 0       | FNL          | 640     | FEL          | 20S  | 34E   | 12      | Aliquot<br>NESE<br>4  | 32.58761<br>4  | -<br>103.5072<br>38  | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMNM<br>01747  | -<br>682<br>0 | 134<br>94 | 105<br>00 |
| EXIT<br>Leg<br>#1 | 330     | FSL          | 660     | FEL          | 20S  | 34E   | 12      | Aliquot<br>SESE<br>35 | 32.58127<br>35 | -<br>103.5073<br>064 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMNM<br>01747  | -<br>682<br>0 | 158<br>32 | 105<br>00 |
| BHL<br>Leg<br>#1  | 330     | FSL          | 660     | FEL          | 20S  | 34E   | 12      | Aliquot<br>SESE<br>35 | 32.58127<br>35 | -<br>103.5073<br>064 | LEA    | NEW<br>MEXI<br>CO | NEW<br>MEXI<br>CO | F          | NMNM<br>01747  | -<br>682<br>0 | 158<br>32 | 105<br>00 |



U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT

## Operator Certification Data Report

12/21/2017

### Operator Certification

*I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.*

**NAME:** Brian Wood

**Signed on:** 06/02/2017

**Title:** President

**Street Address:** 37 Verano Loop

**City:** Santa Fe

**State:** NM

**Zip:** 87508

**Phone:** (505)466-8120

**Email address:** afmss@permitswest.com

### Field Representative

**Representative Name:** Matt Dickson

**Street Address:** P.O. Box 10848

**City:** Midland

**State:** TX

**Zip:** 79702

**Phone:** (432)689-5204

**Email address:** mdickson@legacylp.com



APD ID: 10400014769

Submission Date: 06/02/2017

Highlighted data reflects the most recent changes

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 52H

[Show Final Text](#)

Well Type: OIL WELL

Well Work Type: Drill

### Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Lea\_52H\_road\_map\_06-01-2017.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? YES

#### ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

### Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

### Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Lea\_52H\_well\_map\_06-01-2017.pdf