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AUG 16 2018

Form 3160-3
(March 2012)

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

Carlsbad Field Office
OCD Hobbs

MIN F
SURP S

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

5. Lease Serial No.
NMMN014164

6. If Indian, Allottee or Tribe Name

1a. Type of work: DRILL REENTER

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

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

8. Lease Name and Well No. (322259)
FASCINATOR FEDERAL COM 701H

2. Name of Operator
COG OPERATING LLC (229137)

9. API Well No.
30-025-45111

3a. Address
600 West Illinois Ave Midland TX 79701

3b. Phone No. (include area code)
(432)683-7443

10. Field and Pool, or Exploratory
WILDCAT / WOLFGAMP WOLFPAINE

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface NENW / 210 FNL / 2160 FWL / LAT 32.195173 / LONG -103.408179
At proposed prod. zone SESW / 200 FSL / 2310 FWL / LAT 32.167269 / LONG -103.40763

11. Sec., T., R. M. or Blk. and Survey or Area
SEC 30 / T24S / R35E / NMP

14. Distance in miles and direction from nearest town or post office*
12 miles

12. County or Parish
LEA

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
200 feet

16. No. of acres in lease
1961.36

17. Spacing Unit dedicated to this well
320

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
1226 feet

19. Proposed Depth
12761 feet / 22726 feet

20. BLM/BIA Bond No. on file
FED: NMB000215

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3345 feet

22. Approximate date work will start*
07/01/2018

23. Estimated duration
30 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.
- 2. A Drilling Plan.
- 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).
- 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature
(Electronic Submission)

Name (Printed/Typed)
Mayte Reyes / Ph: (575)748-6945

Date
03/22/2018

Title
Regulatory Analyst

Approved by (Signature)
(Electronic Submission)

Name (Printed/Typed)
Christopher Walls / Ph: (575)234-2234

Date
08/07/2018

Title
Petroleum Engineer

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)
GCP Rec 08/16/18

*(Instructions on page 2)
K2
08/17/18

APPROVED WITH CONDITIONS
Approval Date: 08/07/2018

Doublesided

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN-HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: NENW / 210 FNL / 2160 FWL / TWSP: 24S / RANGE: 35E / SECTION: 30 / LAT: 32.195173 / LONG: -103.408179 (TVD: 0 feet, MD: 0 feet)
PPP: NENW / 0 FNL / 2310 FWL / TWSP: 24S / RANGE: 35E / SECTION: 31 / LAT: 32.180952 / LONG: -103.407662 (TVD: 12684 feet, MD: 17500 feet)
PPP: NESW / 2640 FSL / 2310 FWL / TWSP: 24S / RANGE: 35E / SECTION: 30 / LAT: 32.188351 / LONG: -103.407679 (TVD: 12646 feet, MD: 14900 feet)
PPP: NENW / 330 FNL / 2310 FWL / TWSP: 24S / RANGE: 35E / SECTION: 30 / LAT: 32.194844 / LONG: -103.407694 (TVD: 12616 feet, MD: 12900 feet)
BHL: SESW / 200 FSL / 2310 FWL / TWSP: 24S / RANGE: 35E / SECTION: 31 / LAT: 32.167269 / LONG: -103.40763 (TVD: 12761 feet, MD: 22726 feet)

BLM Point of Contact

Name: Priscilla Perez

Title: Legal Instruments Examiner

Phone: 5752345934

Email: pperez@blm.gov

CONFIDENTIAL

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

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APD ID: 10400028700

Submission Date: 03/22/2018

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Well Type: OIL WELL

Well Work Type: Drill

Highlighted data
reflects the most
recent changes

Show Final Text

Section 1 - General

APD ID: 10400028700

Tie to previous NOS?

Submission Date: 03/22/2018

BLM Office: CARLSBAD

User: Mayte Reyes

Title: Regulatory Analyst

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM014164

Lease Acres: 1961.36

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: COG OPERATING LLC

Operator letter of designation:

Operator Info

Operator Organization Name: COG OPERATING LLC

Operator Address: 600 West Illinois Ave

Zip: 79701

Operator PO Box:

Operator City: Midland

State: TX

Operator Phone: (432)683-7443

Operator Internet Address: RODOM@CONCHO.COM

Section 2 - Well Information

Well in Master Development Plan? NO

Mater Development Plan name:

Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO

Master Drilling Plan name:

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WILDCAT

Pool Name: WOLFCAMP

Is the proposed well in an area containing other mineral resources? USEABLE WATER

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: FASCINATOR FEDERAL COM

Number: 601H, 701H AND 702H

Well Class: HORIZONTAL

Number of Legs:

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 12 Miles

Distance to nearest well: 1226 FT

Distance to lease line: 200 FT

Reservoir well spacing assigned acres Measurement: 320 Acres

Well plat: COG_Fascinator_701H_C102_20180322091034.pdf

Well work start Date: 07/01/2018

Duration: 30 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

| | 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 | 210 | FNL | 2160 | FWL | 24S | 35E | 30 | Aliquot NENW 3 | 32.195173 | -103.408179 | LEA | NEW MEXI CO | NEW MEXI CO | S | STATE | 3345 | 0 | 0 |
| KOP Leg #1 | 210 | FNL | 2160 | FWL | 24S | 35E | 30 | Aliquot NENW 3 | 32.195173 | -103.408179 | LEA | NEW MEXI CO | NEW MEXI CO | S | STATE | 3345 | 0 | 0 |
| PPP Leg #1 | 330 | FNL | 2310 | FWL | 24S | 35E | 30 | Aliquot NENW 4 | 32.194844 | -103.407694 | LEA | NEW MEXI CO | NEW MEXI CO | S | STATE | -9271 | 12900 | 12616 |



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Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Well Type: OIL WELL

Well Work Type: Drill

Highlighted data
reflects the latest
recent changes

Show Final Text

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|--------------|--------------------|-----------|---------------------|----------------|-------------|-------------------|---------------------|
| 1 | UNKNOWN | 3345 | 0 | 0 | | NONE | No |
| 2 | RUSTLER | 2270 | 1076 | 1076 | | NONE | No |
| 3 | TOP SALT | 2086 | 1260 | 1260 | SALT | NONE | No |
| 4 | BOTTOM SALT | -1762 | 5108 | 5108 | ANHYDRITE | NONE | No |
| 5 | LAMAR | -2088 | 5434 | 5434 | LIMESTONE | NATURAL GAS,OIL | No |
| 6 | BELL CANYON | -2111 | 5457 | 5457 | | NONE | No |
| 7 | CHERRY CANYON | -3086 | 6432 | 6432 | | NATURAL GAS,OIL | No |
| 8 | BRUSHY CANYON | -4694 | 8040 | 8040 | | NATURAL GAS,OIL | No |
| 9 | BONE SPRING LIME | -5937 | 9283 | 9283 | SANDSTONE | NATURAL GAS,OIL | No |
| 10 | UPPER AVALON SHALE | -6287 | 9633 | 9633 | | NATURAL GAS,OIL | No |
| 11 | --- | -6528 | 9874 | 9874 | | NATURAL GAS,OIL | No |
| 12 | BONE SPRING 1ST | -7096 | 10442 | 10442 | | NATURAL GAS,OIL | No |
| 13 | BONE SPRING 2ND | -7802 | 11148 | 11148 | | NATURAL GAS,OIL | No |
| 14 | BONE SPRING 3RD | -8752 | 12098 | 12098 | | NATURAL GAS,OIL | No |
| 15 | WOLFCAMP | -9160 | 12506 | 12506 | SHALE | NATURAL GAS,OIL | Yes |

Section 2 - Blowout Prevention

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Pressure Rating (PSI): 10M

Rating Depth: 12761

Equipment: Annular, Blind Ram, Pipe Ram. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. See attached for specs and hydrostatic test chart.

Testing Procedure: 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.

Choke Diagram Attachment:

COG_Fascinator_701H_10M_Choke_20180322090452.pdf

BOP Diagram Attachment:

COG_Fascinator_701H_10M_BOP_20180322090459.pdf

COG_Fascinator_701H_Flex_Hose_20180723130141.pdf

Pressure Rating (PSI): 5M

Rating Depth: 12100

Equipment: Annular. Accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to the choke manifold. See attached for specs and hydrostatic test chart.

Testing Procedure: 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.

Choke Diagram Attachment:

COG_Fascinator_701H_5M_Choke_20180322090529.pdf

BOP Diagram Attachment:

COG_Fascinator_701H_5M_BOP_20180322090535.pdf

COG_Fascinator_701H_Flex_Hose_20180723130153.pdf

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

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 | 1145 | 0 | 1145 | -9411 | -10581 | 1145 | J-55 | 54.5 | STC | 2.21 | 6.15 | DRY | 8.24 | DRY | 8.24 |
| 2 | INTERMEDIATE | 12.25 | 9.625 | NEW | API | N | 0 | 12100 | 0 | 12100 | -9411 | -21491 | 12100 | HCL-80 | 47 | OTHER - BTC | 1.46 | 1.03 | DRY | 1.97 | DRY | 1.97 |
| 3 | PRODUCTION | 8.5 | 5.5 | NEW | API | N | 0 | 22726 | 0 | 22726 | -9411 | -29318 | 22726 | P-110 | 23 | OTHER - BTC | 1.75 | 2.07 | DRY | 2.47 | DRY | 2.47 |

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Fascinator_701H_Casing_Plan_20180322090620.pdf

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Fascinator_701H_Casing_Plan_20180322090628.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Fascinator_701H_Casing_Plan_20180322090647.pdf

Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-----------------------|-----------|
| SURFACE | Lead | | 0 | 1145 | 500 | 1.75 | 13.5 | 8.75 | 50 | Class C | 4% Gel |
| SURFACE | Tail | | 0 | 1145 | 250 | 1.34 | 14.8 | 335 | 50 | Class C | 2% CaCl2 |
| INTERMEDIATE | Lead | | 0 | 1210 0 | 1000 | 2.8 | 11 | 2800 | 50 | Lead: NEOCEM | As needed |
| INTERMEDIATE | Tail | | 0 | 1210 0 | 300 | 1.1 | 16.4 | 330 | 50 | Class H | As needed |
| PRODUCTION | Lead | | 0 | 2227 6 | 400 | 2 | 12.7 | 800 | 35 | Lead: 35:65:6 H BLEND | As needed |

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|-------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|--------------------------------|-----------|
| PRODUCTION | Tail | | 0 | 2227 6 | 2930 | 1.24 | 14.4 | 3633 | 35 | Tail: 50:50:2 Class H Blend | As needed |

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 to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

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 |
|-----------|--------------|----------------------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 1210 0 | 2227 6 | OIL-BASED MUD | 10.5 | 12.5 | | | | | | | OBM |
| 0 | 1145 | OTHER : FW Gel | 8.4 | 8.6 | | | | | | | FW Gel |
| 1145 | 1210 0 | OTHER : Diesel Brine Emulsion | 8.6 | 9.4 | | | | | | | Diesel Brine Emulsion |

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Section 6 - Test, Logging, Coring

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

None planned

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

CNL,GR

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 8295

Anticipated Surface Pressure: 5521.24

Anticipated Bottom Hole Temperature(F): 180

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:

COG_Fascinator_701H_H2S_Schem_20180322090914.pdf

COG_Fascinator_701H_H2S_SUP_20180322090923.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_Fascinator_701H_Direct_Plan_20180322090949.pdf

COG_Fascinator_701H_AC_Rpt_20180322090955.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

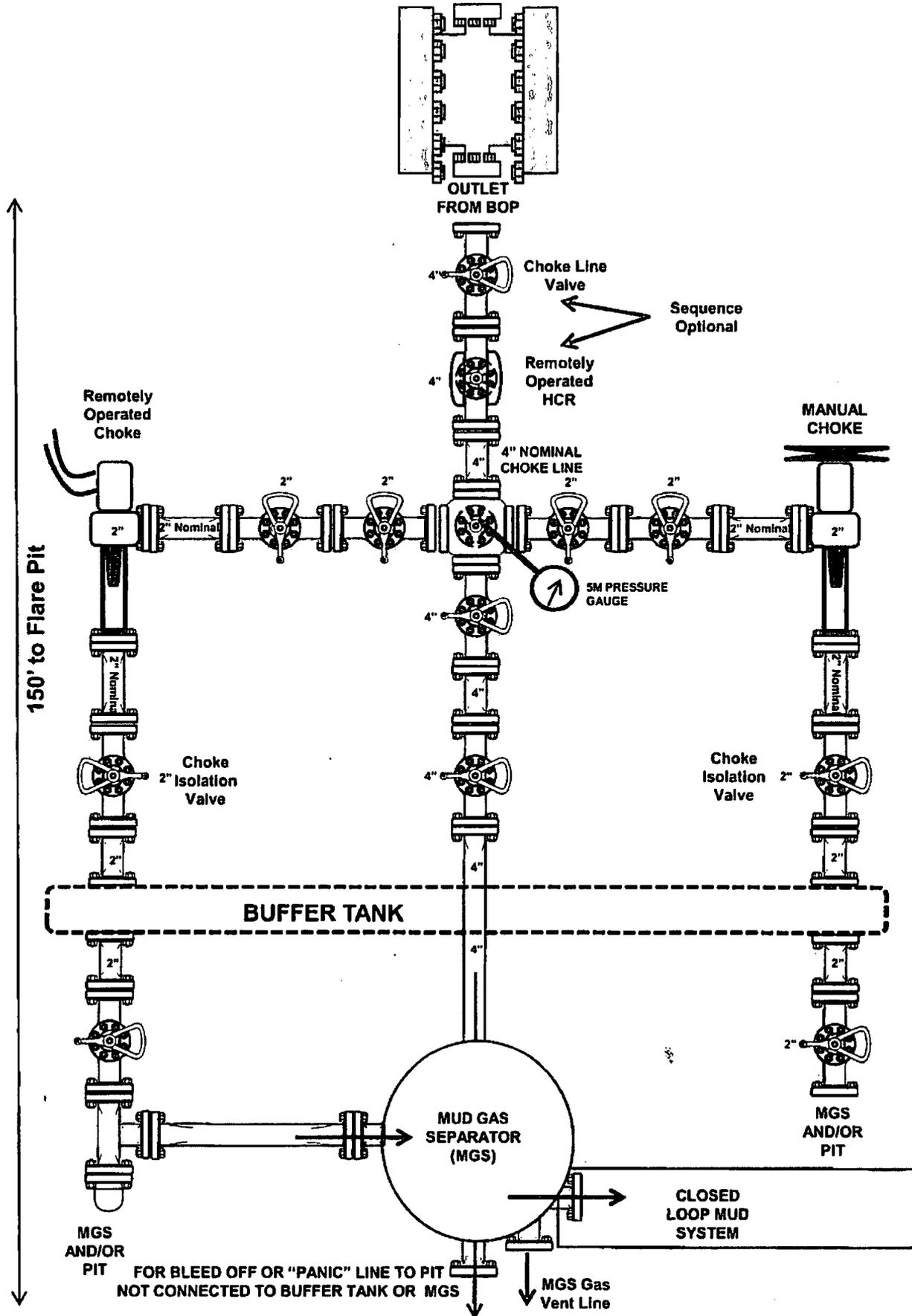
COG_Fascinator_701H_Drill_Prog_20180716083224.pdf

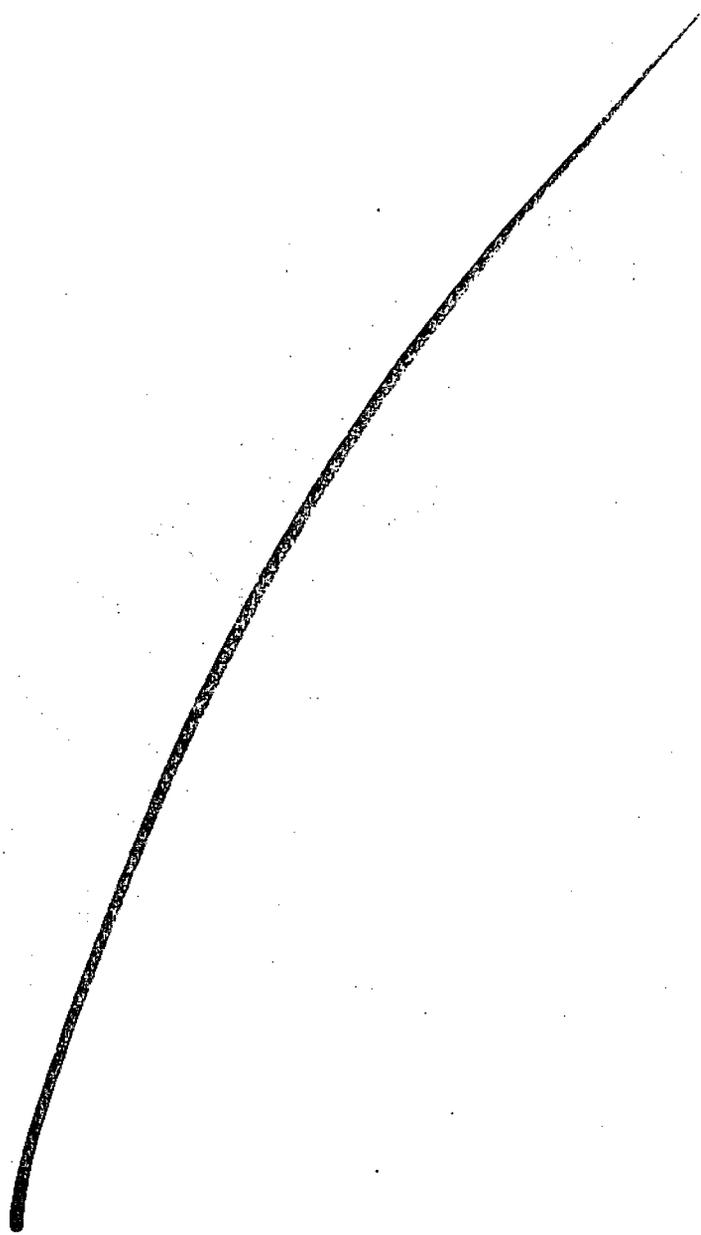
COG_Fascinator_701H_GCP_20180716083230.pdf

Other Variance attachment:

COG_5M_Annular_Variance_WCP_20180322084749.pdf

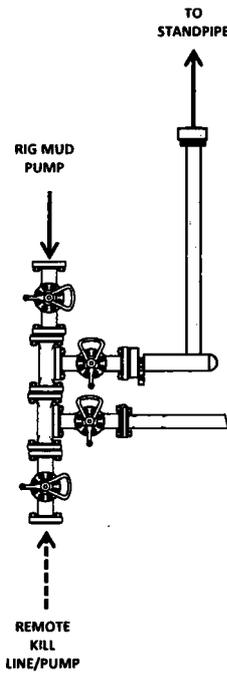
5M Choke Manifold Equipment (WITH MGS + CLOSED LOOP)



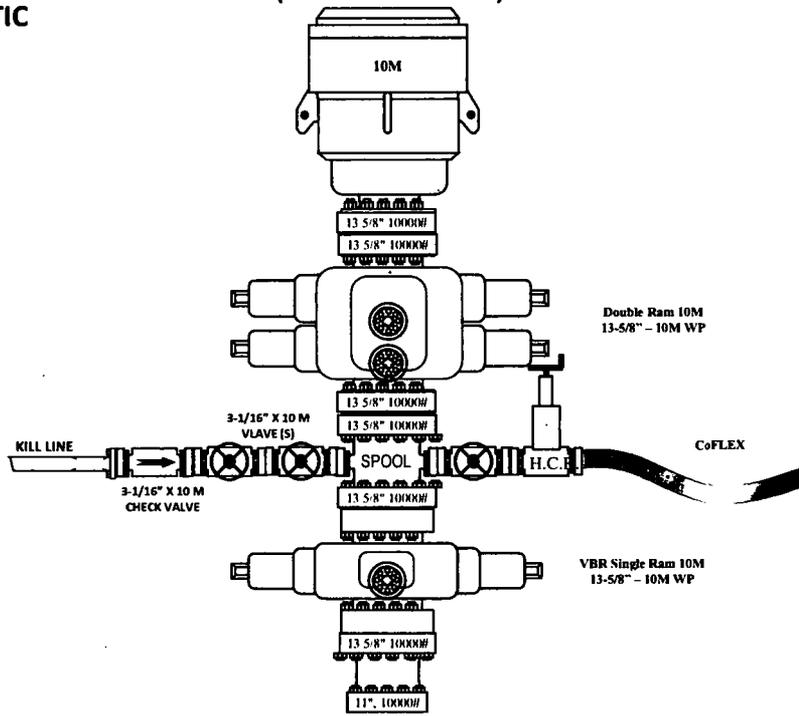


10M BOP Stack

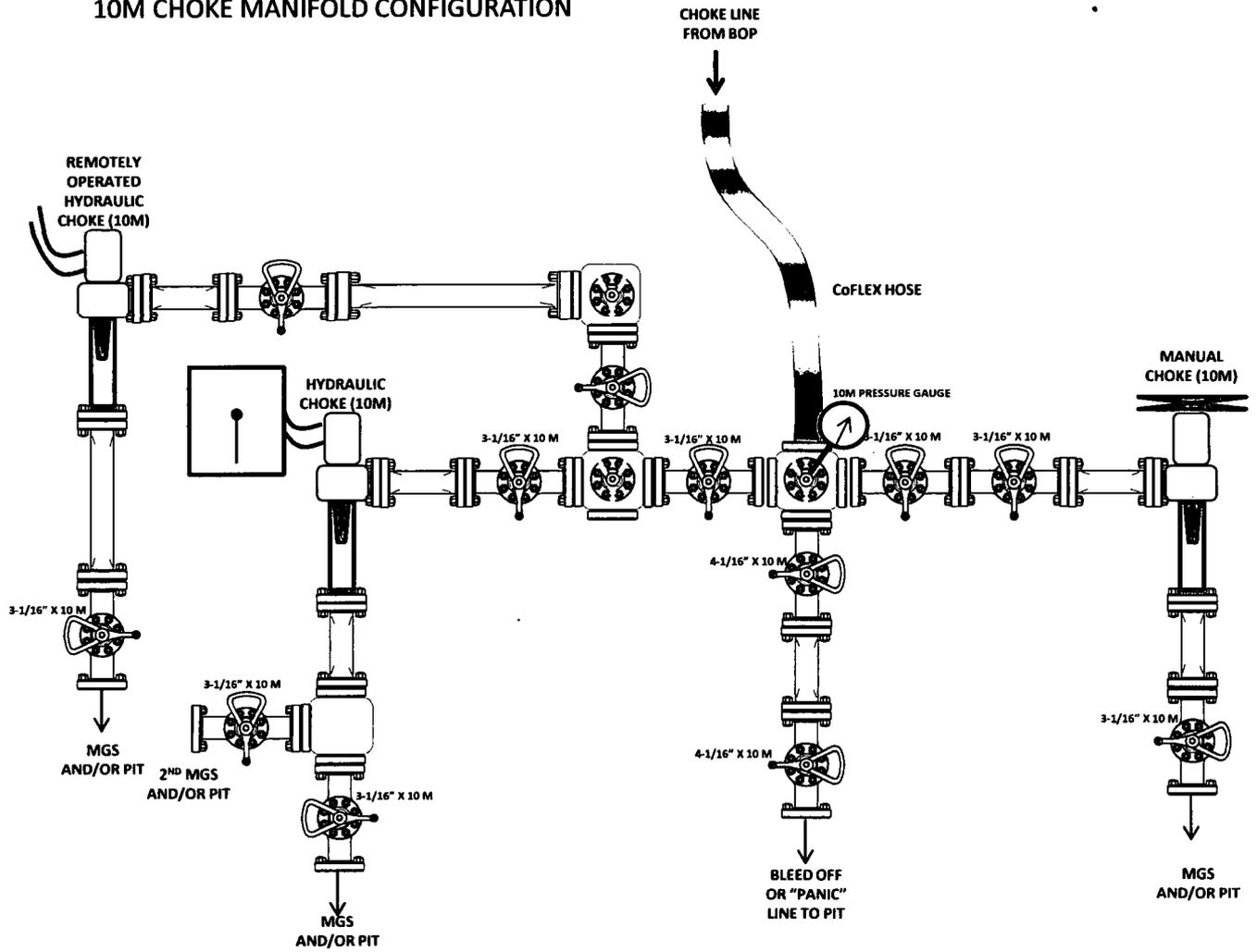
10M REMOTE KILL SCHEMATIC



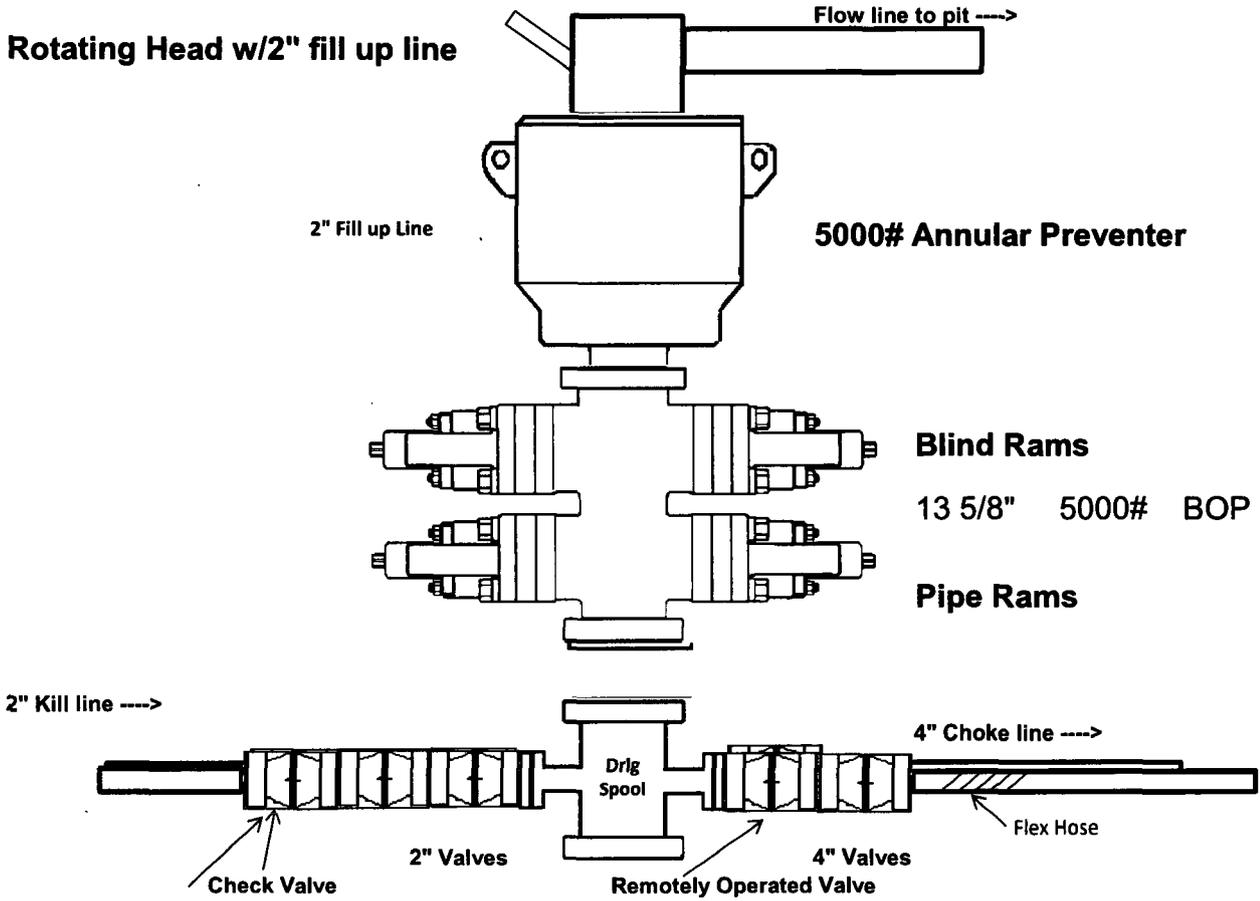
10M BOP Stack (10M Annular)



10M CHOKE MANIFOLD CONFIGURATION



5,000 psi BOP Schematic





ContiTech

| | |
|--------------------|------------------------------------|
| QUALITY CONTROL | No.: QC-DB- 351 / 2016 |
| | Page : 1 / 88 |
| Hose No.: 72879 | Revision : 0 |
| | Date: 05. September 2016. |
| | Prepared by : <i>András Kőrösi</i> |
| | Appr. by: <i>[Signature]</i> |

CHOKE AND KILL HOSE

id.: 3" 69 MPa x 13,72 m (45 ft)

DATA BOOK

Purchaser: SCANDRILL

Purchaser Order No.: 143799

ContiTech Rubber Order No.: 543951

ContiTech Oil & Marine Corp. Order No.:
4500795683 COM880841

NOT DESIGNED FOR WELL TESTING



| | |
|-------------------------------------|-----------------------|
| CONTITECH RUBBER Industrial Kft. | No: QC-DB- 351 / 2016 |
| | Page: 5 / 88 |

ContiTech

| QUALITY CONTROL INSPECTION AND TEST CERTIFICATE | | CERT. N°: | 1050 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| PURCHASER: ContiTech Oil & Marine Corp. | | P.O. N°: | 4500795683 |
| CONTITECH RUBBER order N°: 543951 | HOSE TYPE: 3" ID | Choke and Kill Hose | |
| HOSE SERIAL N°: 72879 | NOMINAL / ACTUAL LENGTH: 13,72 m / 13,80 m | | |
| W.P. 69,0 MPa 10000 psi | T.P. 103,5 MPa 15000 psi | Duration: | 60 min. |
| Pressure test with water at ambient temperature <p style="text-align: center;">See attachment (1 page)</p> | | | |
| COUPLINGS Type | Serial N° | Quality | Heat N° |
| 3" coupling with 3 1/16" 10K API Swivel Flange end Hub | 2587 | AISI 4130 | J5251 |
| | | AISI 4130 | 036809 |
| | | AISI 4130 | J6433 |
| 3" coupling with 3 1/16" 10K API b.w. Flange end | 2584 | AISI 4130 | J5251 |
| | | AISI 4130 | 62580 |
| Not Designed For Well Testing | | API Spec 16 C 2nd Edition- FSL2 | |
| Temperature rate:"B" | | | |
| All metal parts are flawless | | | |
| WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT. | | | |
| STATEMENT OF CONFORMITY: We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements. | | | |
| COUNTRY OF ORIGIN HUNGARY/EU | | | |
| Date: | Inspector | Quality Control | |
| 30. August 2016. | | Contitech Rubber Industrial Kft. Quality Control Dept.   | |

ATTACHMENT OF QUALITY CONTROL
 INSPECTION AND TEST CERTIFICATE
 No: 1050

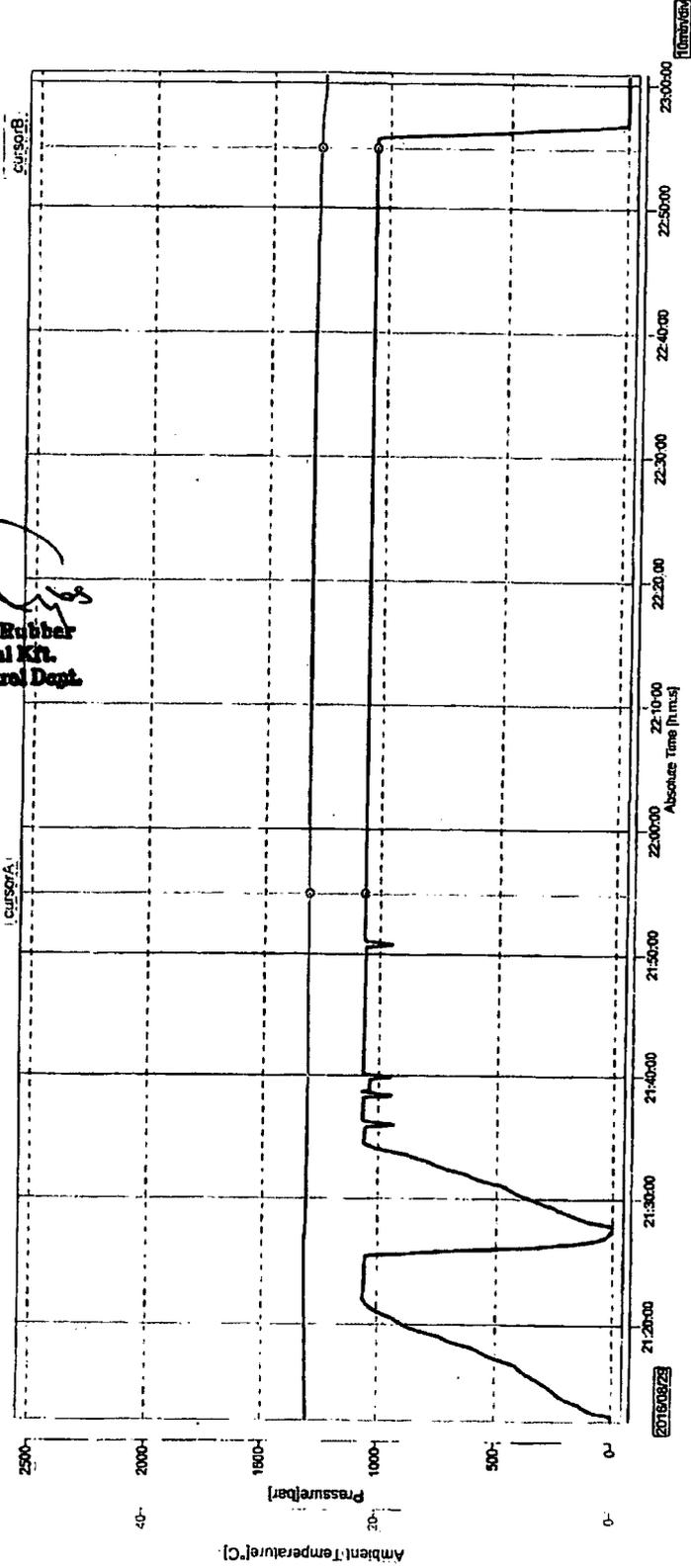
1/1

File Name : 014988_72879.GEV,,,,,014986_72879.GEV
 File Message : 72879
 Device Type : GX10
 Serial No. : SSP606389
 Data Count : 1302
 Print Group :
 Print Range : 2016/08/29 21:12:25.000 - 2016/08/29 23:00:50.000
 Comment : 142056635

Sampling Int. : 5.000 sec
 Start Time : 2016/08/29 21:12:25.000
 Stop Time : 2016/08/29 23:00:50.000

| Data No. | Cursor A | Cursor B | Difference |
|------------------------|-------------------------|-------------------------|--------------|
| 720 | 509 | 1229 | 720 |
| Absolute Time | 2016/08/29 21:54:50.000 | 2016/08/29 22:54:50.000 | 01:00:00.000 |
| Tag Comment | Value A | Value B | Value B-A |
| Pressure[bar] | 1088.16 | 1054.43 | -33.73 |
| Ambient Temperature[C] | 28.17 | 25.88 | -2.29 |

Zsuzsanna
**ContiTech Rubber
 Industrial Kft.
 Quality Control Dept.**
 (2)





CONTITECH RUBBER
Industrial Kft.

No: QC-DB- 351 / 2016

Page: 7 / 88

ContiTech

Hose Data Sheet

| | |
|--------------------------------|------------------------------------------------------------------------------------|
| CRI Order No. | 543951 |
| Customer | ContiTech Oil & Marine Corp. |
| Customer Order No | 4500795683 COM880841 |
| Item No. | 1 |
| Hose Type | Flexible Hose |
| Standard | API SPEC 16C 2ND EDITION FSL2 |
| Inside dia in inches | 3 |
| Length | 45 ft |
| Type of coupling one end | FLANGE 3.1/16" 10K API SPEC 6A TYPE 6BX, BUTT WELDED, BX154ST.ST. LINED R.GR. SOUR |
| Type of coupling other end | FLANGE 3.1/16" 10K API SPEC 17D SV SWIVEL FLANGE, BX154 ST.ST. LINED R.GR. SOUR |
| H2S service NACE MR0175 | Yes |
| Working Pressure | 10 000 psi |
| Design Pressure | 10 000 psi |
| Test Pressure | 15 000 psi |
| Safety Factor | 2,25 |
| Marking | CONTINENTAL CONTITECH |
| Cover | NOT FIRE RESISTANT |
| Outside protection | St. steel outer wrap |
| Internal stripwound tube | No |
| Lining | OIL + GAS RESISTANT SOUR |
| Safety clamp | Yes |
| Lifting collar | Yes |
| Element C | Yes |
| Safety chain | Yes |
| Safety wire rope | No |
| Max. design temperature [°C] | 100 |
| Min. design temperature [°C] | -20 |
| Min. Bend Radius operating [m] | 0,90 |
| Min. Bend Radius storage [m] | 0,90 |
| Electrical continuity | The Hose is electrically continuous |
| Type of packing | WOODEN CRATE ISPM-15 |

Solo Sudo
ContiTech Rubber
Industrial Kft.
QC2



ContiTech Fluid Technology

| ContiTech Oil & Marine Corp. # 11535 Brittmoores Park Dr., Houston, TX 77041-6918 USA ScanDrill Inc. 9395 HWY 2767 TYLER TX 75708 | | Delivery Note Document No. 83352143 Document Date 10/05/2016 Customer Number 15483 Customer VAT No. Supplier Number N° EORI: FR41027953300021 Purchase Order No. 143799 Purchase Order Date 07/01/2016 Sales Order Number 880841 Sales Order Date 07/05/2016 Unloading Point Page 1 of 3 | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Transport-Details - Shipping | | Weights (Gross / Net) Total Weight 2,323 LB Net Weight 1,643 LB | |
| Conditions Shipping Conditions 0 days Inco Terms EXW Houston, TX Ex Works | | | |
| <p>Buyer: Joe Ward E-mail: jward@scandrift.com Tel: 903.597.5368</p> <p>Payment Terms: 50% Due at order Placement 50% Due Prior to Dispatch</p> <p>Rev 01 - 092116 - Sales Tax added to the order.</p> | | | |
| Item | Material/Description | Quantity | Weight |
| 10 | HCK3FA45IPSIVS 3" x 45ft, Choke and Kill Hose, WP 10K End A: 3.1/16" 10K Flange, API Spec. 6A Type 6BX, Butt Welded, BX154 Stainless Steel 316 Lined Ring Groove - Sour End B: 3.1/16" 10K Flange, API Spec 17D SV Swivel Flange, BX154 Stainless Steel 316 Lined Ring Groove - Sour Standard: API SPEC 16C 2ND EDITION FSL2 - Monogrammed Working Pressure: 10000 psi Test Pressure: 15000 psi Fire Rated: No Armoured: Yes - Stainless Steel 316L Interlock Design Temperature: -20 to 100°C High Temperature Exposure / Survival @ 177 Deg C (internal in a kick situation) As Per API 16C B.12.5! | 1 PC | 1,643 LB |

ContiTech Oil & Marine Corp.
 11535 Brittmoores Park Drive
 Houston, TX 77041
 USA

Phone: (832)-327-0141
 Fax: (832)-327-0148
 www.contitech-oil-gas.com
 sales@fluid.contitech.us

Managing Director
 (President)
 Zuzana Czovek

Bank: JPMorgan Chase,
 707 Travis St. 9 Floor N, Houston, TX 77002
 Account: 08100044552
 ABA/Routing: 021000021, ACH: 111000614



ContiTech Fluid Technology

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <p>Conditions Shipping Conditions 0 days Inco Terms EXW Houston, TX Ex Works</p> | <p>Delivery Note Document No. 83352143 Document Date 10/05/2016 Page 2 of 3</p> |
| <p>Brand Name: Continental Contitech</p> <p>serial no:72879</p> <p>Supplied with: 2 x Safety Clamps 2 x Lifting Collars Double Eyed 2 x Safety Chains c/w Shackles Each End x 8ft</p> <p>Packing to ISPM-15 Heat Treated Packing type: Wooden Crate, Gross weight: 1056 kg / 2323 lbs Dimensions: 2870 x 640 x 2800 mm (L x W x H) 113 x 25.2 x 110.2 inch To be handled/shipped in a vertical position</p> <p>HTS# 4009.42.0050 ECCN: EAR99 COO: Hungary</p> <p>20 00TAX-SALES 1 PC 0 LB SALES TAX %8.25</p> <p>Buyer: Joe Ward E-mail: jward@scandrift.com Tel: 903.597.5368</p> <p>Payment Terms: 50% Due at order Placement 50% Due Prior to Dispatch</p> <p>Rev 01 - 092116 - Sales Tax added to the order.</p> <p>Order/Item 880841/20 07/05/2016 Customer's PO no./item 143799</p> | |
| <p>Inner packages</p> | |



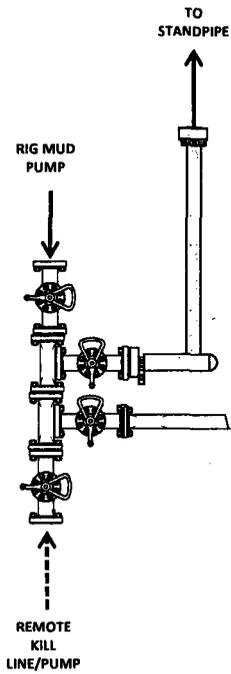
ContiTech Fluid Technology

| | | | |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------|
| Conditions Shipping Conditions 0 days Inco Terms EXW Houston, TX Ex Works | | Delivery Note Document No. 83352143 Document Date 10/05/2016 Page 3 of 3 | |
| Quantity | Packaging | Material | Charge |
| 1 | 113 X 25.2 X 110.2 INCH -Wooden crate | HCK3FA45IPSIVS | 1 |
| Package number | 118448718 | | |

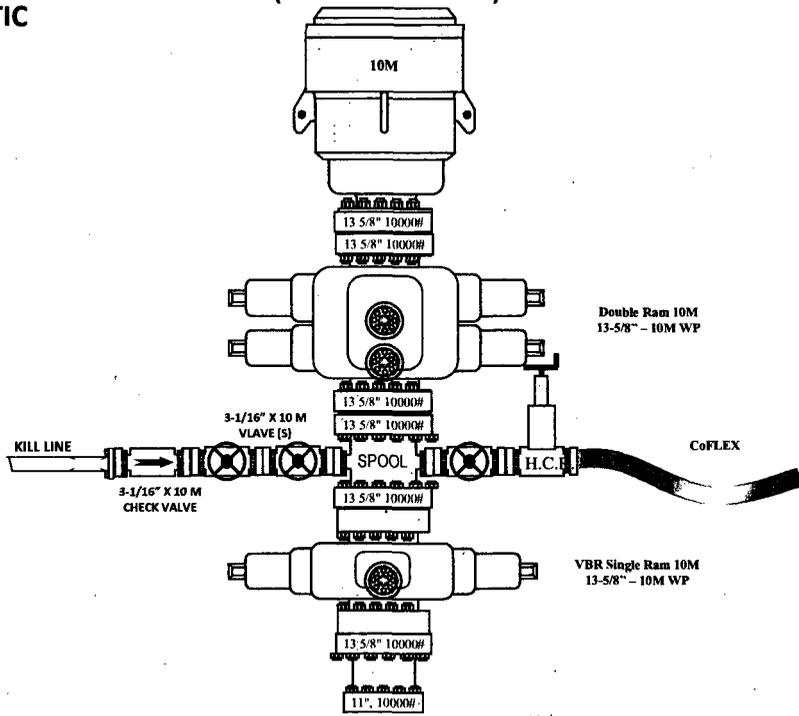
| | | | |
|-------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| (1) Ship-to party ScanDrill Inc. 9395 HWY 2767 TYLER TX 75708 | | (2) Unloading point - storage location - usage | |
| (3) Delivery note no. 83352143  | | (4) Vendor address (short name, plant, ZIP, city) ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston TX 77041-6916 | |
| (8) Supplier ref. no. | | | |
| (9) Quantity | | (5) Net weight 1,643 LB | (6) Gross weight 2,323 LB |
| SN: 72879 | | (7) Number of packages 1 | |
| | | (10) Description of delivery, service | |
| (12) ContiTech Sales order no. | | (13) Packing date 10/07/16 | (14) Engineering change status |
| (15) Package no. 118448718  | | (16) Customer PO no. 143799  | |

10M BOP Stack

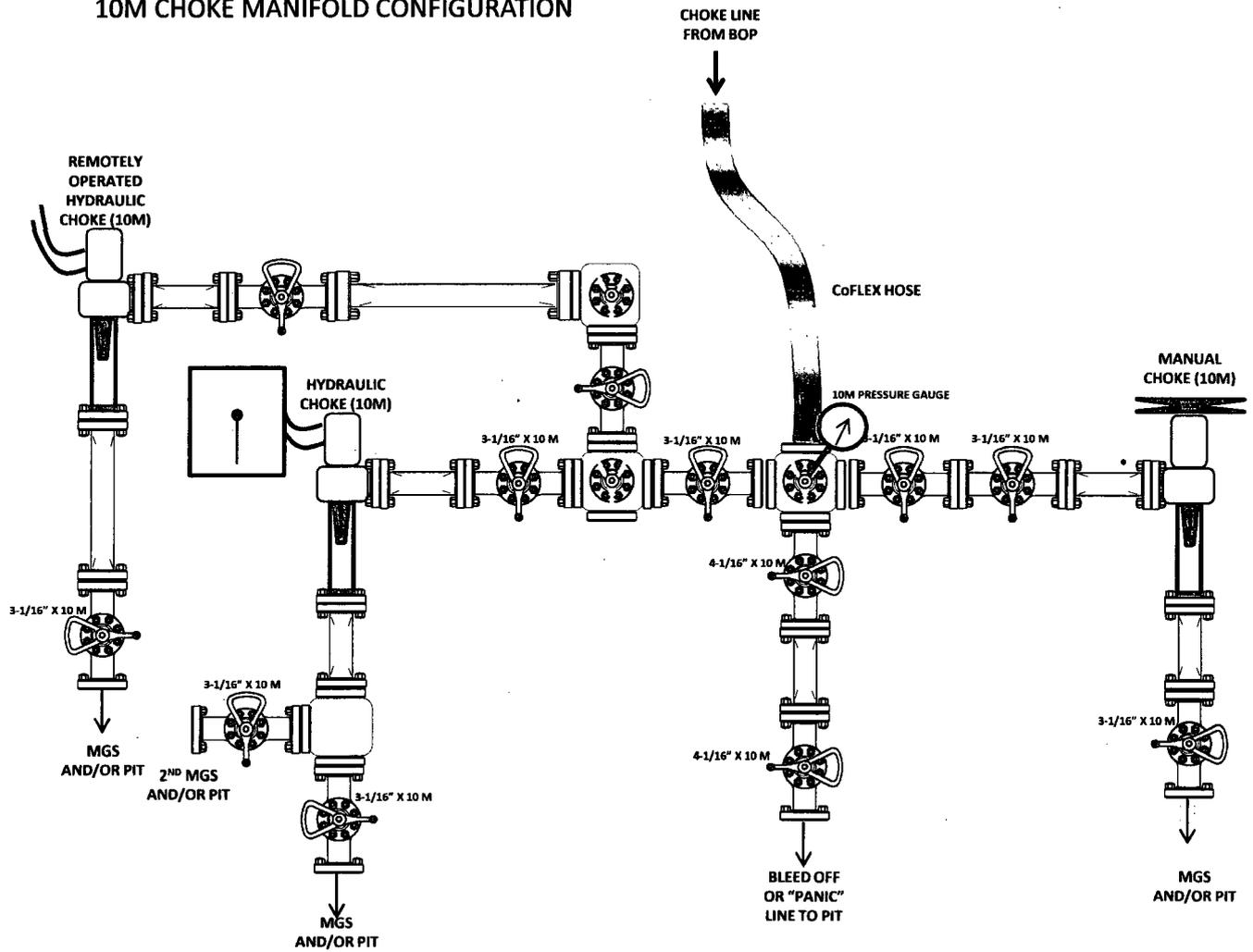
10M REMOTE KILL SCHEMATIC



10M BOP Stack (10M Annular)



10M CHOKE MANIFOLD CONFIGURATION





ContiTech

| | |
|--------------------|-------------------------------------|
| QUALITY CONTROL | No.: QC-DB- 351 / 2016 |
| | Page : 1 / 88 |
| Hose No.: 72879 | Revision : 0 |
| | Date: 05. September 2016. |
| | Prepared by : <i>Mohu 9 Li 2016</i> |
| | Appr. by: <i>[Signature]</i> |

CHOKER AND KILL HOSE

id.: 3" 69 MPa x 13,72 m (45 ft)

DATA BOOK

Purchaser: SCANDRILL

Purchaser Order No.: 143799

ContiTech Rubber Order No.: 543951

ContiTech Oil & Marine Corp. Order No.:
4500795683 COM880841

NOT DESIGNED FOR WELL TESTING



| | |
|-------------------------------------|-----------------------|
| CONTITECH RUBBER Industrial Kft. | No: QC-DB- 351 / 2016 |
| | Page: 5 / 88 |

ContiTech

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------|
| QUALITY CONTROL INSPECTION AND TEST CERTIFICATE | | CERT. N°: 1050 | |
| PURCHASER: ContiTech Oil & Marine Corp. | | P.O. N°: 4500795683 | |
| CONTITECH RUBBER order N°: 543951 | HOSE TYPE: 3" ID | Choke and Kill Hose | |
| HOSE SERIAL N°: 72879 | NOMINAL / ACTUAL LENGTH: 13,72 m / 13,80 m | | |
| W.P. 69,0 MPa 10000 psi | T.P. 103,5 MPa 15000 psi | Duration: | 60 min. |
| Pressure test with water at ambient temperature | | | |
| See attachment (1 page) | | | |
| COUPLINGS Type | Serial N° | Quality | Heat N° |
| 3" coupling with 3 1/16" 10K API Swivel Flange end Hub | 2587 | AISI 4130 | J5251 |
| | | AISI 4130 | 036809 |
| | | AISI 4130 | J6433 |
| 3" coupling with 3 1/16" 10K API b.w. Flange end | 2584 | AISI 4130 | J5251 |
| | | AISI 4130 | 62580 |
| Not Designed For Well Testing | | API Spec 16 C 2nd Edition- FSL2 | |
| Temperature rate: "B" | | | |
| All metal parts are flawless | | | |
| WE CERTIFY THAT THE ABOVE HOSE HAS BEEN MANUFACTURED IN ACCORDANCE WITH THE TERMS OF THE ORDER INSPECTED AND PRESSURE TESTED AS ABOVE WITH SATISFACTORY RESULT. | | | |
| STATEMENT OF CONFORMITY: We hereby certify that the above items/equipment supplied by us are in conformity with the terms, conditions and specifications of the above Purchaser Order and that these items/equipment were fabricated inspected and tested in accordance with the referenced standards, codes and specifications and meet the relevant acceptance criteria and design requirements. | | | |
| COUNTRY OF ORIGIN HUNGARY/EU | | | |
| Date: 30. August 2016. | Inspector | Quality Control ContiTech Rubber Industrial Kft. Quality Control Dept. <i>Robert Mikolcs</i> ⁽¹⁾ <i>Yves Cijss</i> | |

ATTACHMENT OF QUALITY CONTROL
INSPECTION AND TEST CERTIFICATE
No: 1050

| | |
|-------------------------------------|-----------------------|
| CONTITECH RUBBER Industrial Kft. | No: QC-DB- 351 / 2016 |
| | Page: 6 / 88 |

1/1

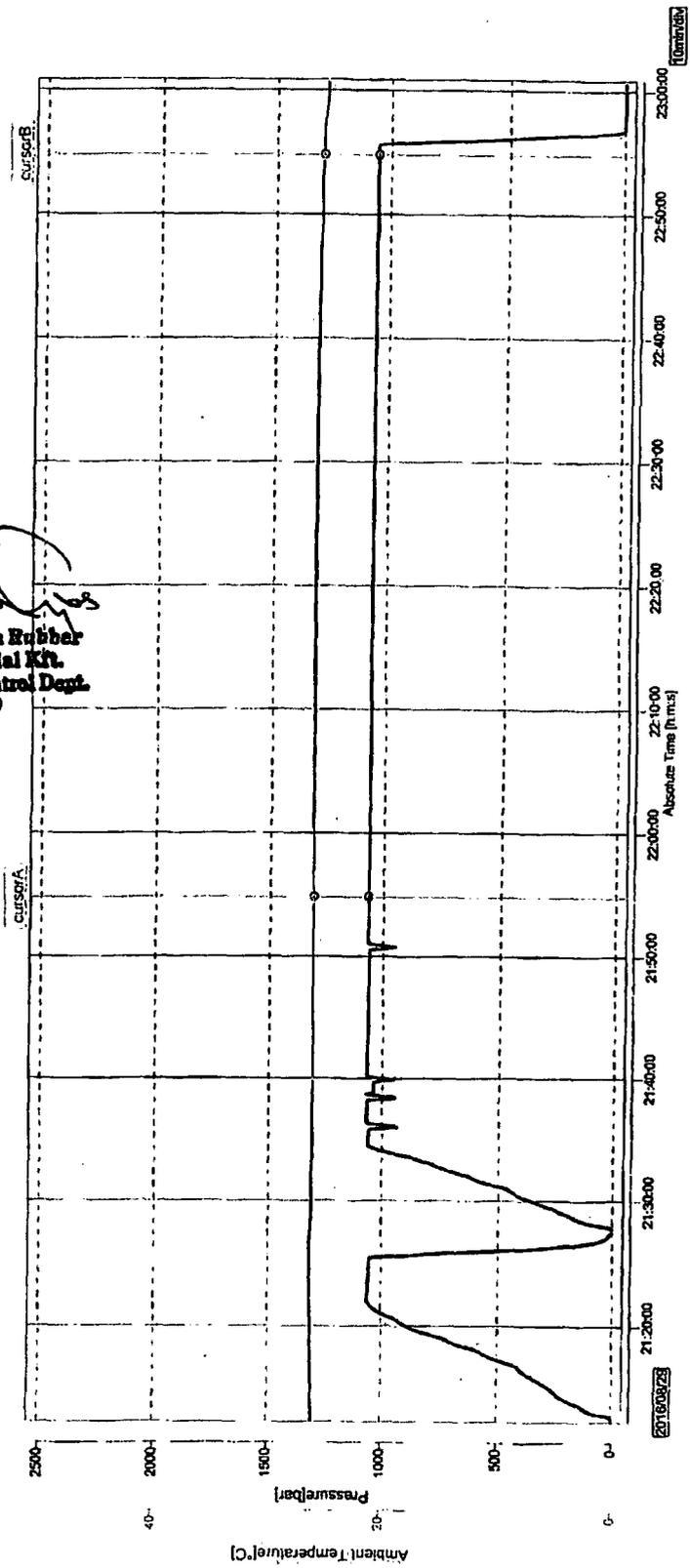
File Name : 014986_72878.GEV, ..., 014986_72879.GEV
 File Message : 72879
 Device Type : GX10
 Serial No. : SFP606389
 Data Count : 1302

Sampling Int. : 5.000 sec
 Start Time : 2016/08/29 21:12:25.000
 Stop Time : 2016/08/29 23:00:50.000

Print Group : Press-Temp
 Print Range : 2016/08/29 21:12:25.000 - 2016/08/29 23:00:50.000
 Comment : 1420566635

| Data No. | Cursor A | Cursor B | Difference |
|-------------------------|-------------------------|-------------------------|--------------|
| 508 | 2016/08/29 21:54:50.000 | 2016/08/29 22:54:50.000 | 01:00:00.000 |
| 720 | 2016/08/29 21:54:50.000 | 2016/08/29 22:54:50.000 | 01:00:00.000 |
| Tag Comment | Value A | Value B | Value B-A |
| Pressure[bar] | 1088.16 | 1054.43 | -33.73 |
| Ambient Temperature [C] | 28.17 | 25.88 | -2.29 |

2016/08/29
**ContiTech Rubber
 Industrial Kft.
 Quality Control Dept.**
 (2)





CONTITECH RUBBER
Industrial Kft.

No: QC-DB- 351 / 2016

Page: 7 / 88

ContiTech

Hose Data Sheet

| | |
|--------------------------------|------------------------------------------------------------------------------------|
| CRI Order No. | 543951 |
| Customer | ContiTech Oil & Marine Corp. |
| Customer Order No | 4500795683 COM880841 |
| Item No. | 1 |
| Hose Type | Flexible Hose |
| Standard | API SPEC 16C 2ND EDITION FSL2 |
| Inside dia in inches | 3 |
| Length | 45 ft |
| Type of coupling one end | FLANGE 3.1/16" 10K API SPEC 6A TYPE 6BX, BUTT WELDED, BX154ST.ST. LINED R.GR. SOUR |
| Type of coupling other end | FLANGE 3.1/16" 10K API SPEC 17D SV SWIVEL FLANGE, BX154 ST.ST. LINED R.GR. SOUR |
| H2S service NACE MR0175 | Yes |
| Working Pressure | 10 000 psi |
| Design Pressure | 10 000 psi |
| Test Pressure | 15 000 psi |
| Safety Factor | 2,25 |
| Marking | CONTINENTAL CONTITECH |
| Cover | NOT FIRE RESISTANT |
| Outside protection | St. steel outer wrap |
| Internal stripwound tube | No |
| Lining | OIL + GAS RESISTANT SOUR |
| Safety clamp | Yes |
| Lifting collar | Yes |
| Element C | Yes |
| Safety chain | Yes |
| Safety wire rope | No |
| Max.design temperature [°C] | 100 |
| Min.design temperature [°C] | -20 |
| Min. Bend Radius operating [m] | 0,90 |
| Min. Bend Radius storage [m] | 0,90 |
| Electrical continuity | The Hose is electrically continuous |
| Type of packing | WOODEN CRATE ISPM-15 |

Solo Szabo
ContiTech Rubber
Industrial Kft.
QC 2



ContiTech Fluid Technology

| ContiTech Oil & Marine Corp. # 11535 Brittnmore Park Dr., Houston, TX 77041-6916 USA ScanDrill Inc. 9395 HWY 2767 TYLER TX 75708 | | Delivery Note Document No. 83352143 Document Date 10/05/2016 Customer Number 15483 Customer VAT No. Supplier Number N° EORI: FR41027953300021 Purchase Order No. 143799 Purchase Order Date 07/01/2016 Sales Order Number 880841 Sales Order Date 07/05/2016 Unloading Point Page 1 of 3 | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Transport-Details - Shipping | | Weights (Gross / Net) Total Weight 2,323 LB Net Weight 1,643 LB | |
| Conditions Shipping Conditions 0 days Inco Terms EXW Houston, TX Ex Works | | | |
| <p><i>Buyer: Joe Ward</i> <i>E-mail: jward@scandrift.com</i> <i>Tel: 903.597.5368</i></p> <p><i>Payment Terms:</i> <i>50% Due at order Placement</i> <i>50% Due Prior to Dispatch</i></p> <p><i>Rev 01 - 092116 - Sales Tax added to the order.</i></p> | | | |
| Item | Material/Description | Quantity | Weight |
| 10 | HCK3FA45IPSIVS 3" x 45ft, Choke and Kill Hose, WP 10K End A: 3.1/16" 10K Flange, API Spec. 6A Type 6BX, Butt Welded, BX154 Stainless Steel 316 Lined Ring Groove - Sour End B: 3.1/16" 10K Flange, API Spec 17D SV Swivel Flange, BX154 Stainless Steel 316 Lined Ring Groove - Sour Standard: API SPEC 16C 2ND EDITION FSL2 - Monogrammed Working Pressure: 10000 psi Test Pressure: 15000 psi Fire Rated: No Armoured: Yes - Stainless Steel 316L Interlock Design Temperature: -20 to 100°C High Temperature Exposure / Survival @ 177 Deg C (internal in a kick situation) As Per API 16C B.12.5) | 1 PC | 1,643 LB |

ContiTech Oil & Marine Corp.
 11535 Brittnmore Park Drive
 Houston, TX 77041
 USA

Phone: (832)-327-0141
 Fax: (832)-327-0148
 www.contitech-oil-gas.com
 sales@fluid.contitech.us

Managing Director
 (President)
 Zuzana Czovek

Bank: JPMorgan Chase,
 707 Travis St, 9 Floor N, Houston, TX 77002
 Account: 08100044552
 ABA/Routing: 021000021, ACH: 111000614



| | | | |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------|
| Conditions Shipping Conditions 0 days Inco Terms EXW Houston, TX Ex Works | | Delivery Note Document No. 83352143 Document Date 10/05/2016 Page 3 of 3 | |
| Quantity | Packaging | Material | Charge |
| 1 | 113 X 25.2 X 110.2 INCH -Wooden crate | HCK3FA45IPSIVS | 1 |
| Package number | 118448718 | | |

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| (1) Ship-to party ScanDrill Inc. 9395 HWY 2767 TYLER TX 75708 | | (2) Unloading point - storage location - usage | |
| (3) Delivery note no. 83352143  | | (4) Vendor address (short name, plant, ZIP, city) ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston TX 77041-6916 | |
| (8) Supplier ref. no. | | | |
| (9) Quantity | | (5) Net weight 1,643 LB | (6) Gross weight 2,323 LB |
| <i>SN: 72879</i> | | (7) Number of packages 1 | |
| | | (10) Description of delivery, service | |
| (12) ContiTech Sales order no. | | (13) Packing date 10/07/16 | (14) Engineering change status |
| (15) Package no. 118448718  | | (16) Customer PO no. 143799  | |

Material label VDA 4902 Vers. 4

Casing Program

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|-----------------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1145 | 13.375" | 54.5 | J55 | STC | 2.21 | 6.15 | 8.24 |
| 12.25" | 0 | 12100 | 9.625" | 47 | HCL80 | BTC | 1.46 | 1.03 | 1.97 |
| 8.5 | 0 | 22,726 | 5.5" | 23 | P110 | BTC | 1.75 | 2.07 | 2.47 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.

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

Casing Program

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|-----------------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1145 | 13.375" | 54.5 | J55 | STC | 2.21 | 6.15 | 8.24 |
| 12.25" | 0 | 12100 | 9.625" | 47 | HCL80 | BTC | 1.46 | 1.03 | 1.97 |
| 8.5 | 0 | 22,726 | 5.5" | 23 | P110 | BTC | 1.75 | 2.07 | 2.47 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.
 All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Casing Program

| Hole Size | Casing Interval | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|-----------------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1145 | 13.375" | 54.5 | J55 | STC | 2.21 | 6.15 | 8.24 |
| 12.25" | 0 | 12100 | 9.625" | 47 | HCL80 | BTC | 1.46 | 1.03 | 1.97 |
| 8.5 | 0 | 22,726 | 5.5" | 23 | P110 | BTC | 1.75 | 2.07 | 2.47 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.

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

COG Operating, LLC - Fasconator Fed Com 701H

1. Geologic Formations

| | | | |
|---------------|-------------|-------------------------------|------|
| TVD of target | 12,761' EOL | Pilot hole depth | NA |
| MD at TD: | 22,726' | Deepest expected fresh water: | 207' |

| Formation | Depth (TVD) from KB | Water/Mineral Bearing/ Target Zone? | Hazards* |
|----------------------|---------------------|-------------------------------------|----------|
| Quaternary Fill | Surface | Water | |
| Rustler | 1076 | Water | |
| Top of Salt | 1260 | Salt | |
| Base of Salt | 5108 | Salt | |
| Lamar | 5434 | Salt Water | |
| Bell Canyon | 5457 | Salt Water | |
| Cherry Canyon | 6432 | Oil/Gas | |
| Brushy Canyon | 8040 | Oil/Gas | |
| Bone Spring Lime | 9283 | Oil/Gas | |
| U. Avalon Shale | 9633 | Oil/Gas | |
| L. Avalon Shale | 9874 | Oil/Gas | |
| 1st Bone Spring Sand | 10442 | Oil/Gas | |
| 2nd Bone Spring Sand | 11148 | Oil/Gas | |
| 3rd Bone Spring Sand | 12098 | Oil/Gas | |
| Wolfcamp | 12506 | Target Oil/Gas | |

2. Casing Program

| Hole Size | Casing | | Csg. Size | Weight (lbs) | Grade | Conn. | SF Collapse | SF Burst | SF Tension |
|---------------------------|--------|--------|-----------|--------------|-------|-------|-------------|----------|--------------------|
| | From | To | | | | | | | |
| 17.5" | 0 | 1145 | 13.375" | 54.5 | J55 | STC | 2.21 | 6.15 | 8.24 |
| 12.25" | 0 | 12100 | 9.625" | 47 | HCL80 | BTC | 1.46 | 1.03 | 1.97 |
| 8.5 | 0 | 22,726 | 5.5" | 23 | P110 | BTC | 1.75 | 2.07 | 2.47 |
| BLM Minimum Safety Factor | | | | | | | 1.125 | 1 | 1.6 Dry 1.8 Wet |

Intermediate casing will be kept at least 1/3 full while running casing to mitigate collapse. Intermediate burst based on 0.7 frac gradient at the shoe with Gas Gradient 0.1 psi/ft to surface.

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

COG Operating, LLC - Fasconator Fed Com 701H

| | Y or N |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Y |
| Does casing meet API specifications? 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 intermediate 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 3 rd 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 2 nd 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? | |

COG Operating, LLC - Fasconator Fed Com 701H

3. Cementing Program

| Casing | # Sks | Wt. lb/ gal | Yld ft³/ sack | H₂O gal/sk | 500# Comp. Strength (hours) | Slurry Description |
|------------------------|--------------|------------------------|-------------------------------------|------------------------------|--------------------------------------------|--------------------------------------|
| Surf. | 500 | 13.5 | 1.75 | 9 | 12 | Lead: Class C + 4% Gel |
| | 250 | 14.8 | 1.34 | 6.34 | 8 | Tail: Class C + 2% CaCl ₂ |
| Inter. Stage1 | 1000 | 11 | 2.8 | 19 | 48 | Lead: NeoCem |
| | 300 | 16.4 | 1.1 | 5 | 8 | Tail: Class H |
| DV Tool @ 5440' | | | | | | |
| Inter. Stage2 | 750 | 11 | 2.8 | 19 | 48 | Lead: NeoCem |
| | 100 | 14.8 | 1.35 | 6.34 | 8 | Tail: Class C + 2% CaCl |
| 5.5 Prod | 400 | 12.7 | 2 | 10.6 | 16 | Lead: 35:65:6 H Blend |
| | 2930 | 14.4 | 1.24 | 5.7 | 19 | Tail: 50:50:2 Class H Blend |

Volumes Subject to Observed Hole Conditions and/or Fluid Caliper Results
 Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

| Casing String | TOC | % Excess |
|------------------------------|------------|-----------------|
| Surface | 0' | 50% |
| 1 st Intermediate | 0' | 50% |
| Production | 11,100' | 35% |

4. Pressure Control Equipment

| | |
|---|------------------------------------------------------------------------------------------------------|
| N | A variance is requested for the use of a diverter on the surface casing. See attached for schematic. |
|---|------------------------------------------------------------------------------------------------------|

| BOP installed and tested before drilling which hole? | Size? | Min. Required WP | Type | x | Tested to: |
|------------------------------------------------------|---------|------------------|------------|---|------------|
| 12-1/4" | 13-5/8" | 5M | Annular | x | 2500 psi |
| | | | Blind Ram | | |
| | | | Pipe Ram | x | 5M |
| | | | Double Ram | x | |
| | | | Other* | | |
| 8-3/4" | 13-5/8" | 10M | 5M Annular | x | 5000 psi |
| | | | Blind Ram | | 10M |
| | | | Pipe Ram | x | |
| | | | Double Ram | x | |
| | | | Other* | | |

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.

| | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Y | 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. |

COG Operating, LLC - Fasconator Fed Com 701H

5. Mud Program

| Depth | | Type | Weight (ppg) | Viscosity | Water Loss |
|----------|------------|-------------------|--------------|-----------|------------|
| From | To | | | | |
| 0 | Surf. Shoe | FW Gel | 8.4 - 8.6 | 28-29 | N/C |
| Surf csg | Int shoe | Diesel Brine Emul | 8.6 - 9.4 | 30-40 | N/C |
| Int shoe | Lateral TD | OBM | 10.5 - 12.5 | 30-40 | 20 |

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

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

6. Logging and Testing Procedures

| Logging, Coring and Testing. | |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Y | Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM. |
| N | Are Logs are planned based on well control or offset log information. |
| N | Drill stem test? If yes, explain. |
| N | Coring? If yes, explain. |

| Additional logs planned | | Interval |
|-------------------------|-------------|------------------------------------------------------------|
| N | Resistivity | Pilot Hole TD to ICP |
| N | Density | Pilot Hole TD to ICP |
| Y | CBL | Production casing (If cement not circulated to surface) |
| Y | Mud log | Intermediate shoe to TD |
| N | PEX | |

COG Operating, LLC - Fasconator Fed Coll 701H

7. Drilling Conditions

| Condition | Specify what type and where? |
|----------------------------|-------------------------------------|
| BH Pressure at deepest TVD | 8295 psi at 12761' TVD |
| Abnormal Temperature | NO 180 Deg. F. |

No abnormal pressure or temperature conditions are anticipated. Sufficient mud materials to maintain mud properties and weight increase requirements will be kept on location at all times.

Sufficient supplies of Paper/LCM for periodic sweeps to control seepage and losses will be maintained on location.

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 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. | |
| N | H2S is present |
| Y | H2S Plan attached |

8. Other Facets of Operation

| | |
|---|----------------------------|
| Y | Is it a walking operation? |
| N | Is casing pre-set? |

| | |
|---|-------------------------|
| x | H2S Plan. |
| x | BOP & Choke Schematics. |
| x | Directional Plan |
| x | 5M Annular Variance |

1. Component and Preventer Compatibility Table

The table below covers drilling and casing of the 10M MASP portion of the well and outlines the tubulars and the compatible preventers in use. Combined with the mud program, the below documents that two barriers to flow can be maintained at all times, independent of the rating of the annular preventer.

| Component | OD | Preventer | RWP |
|-----------------------------|------------|--------------------------------------|------------|
| Drill pipe | 5" | Upper 4.5-7" VBR Lower 4.5-7" VBR | 10M |
| HWDP | 5" | | |
| Jars | 5" | | |
| Drill collars and MWD tools | 6.25-6.75" | | |
| Mud Motor | 6.75" | | |
| Production casing | 5.5" | | |
| ALL | 0-13-5/8" | Annular | 5M |
| Open-hole | - | Blind Rams | 10M |

VBR = Variable Bore Ram with compatible range listed in chart.

2. Well Control and Shut-In Procedures

Well control procedures are specific to the rig equipment and the operation at the time the kick occurs. Below are minimum tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. The maximum pressure at which well control is transferred from the annular to another compatible ram is 2500 psi.

Drilling:

1. Sound the alarm (alert rig crew)
2. Space out the drill string
3. Shut down pumps and stop the rotary
4. Shut-in the well with the annular with HCR and choke in closed position
5. Confirm the well is shut-in
6. Notify contractor and company representatives
7. Read and record the following data
 - Time of shut-in
 - SIDPP and SICP
 - Pit gain
8. If pressure has increased to or is anticipated to increase to 2500 psi, confirm spacing and close the upper pipe rams.
9. Prepare for well kill operation.

Tripping:

1. Sound alarm (alert rig crew)
2. Stab full opening safety valve and close the valve
3. Space out the drill string
4. Shut-in the well with the annular with HCR and choke in closed position
5. Confirm shut-in
6. Notify contractor and company representatives
7. Read and record the following data:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 1/12/2018

Original Operator & OGRID No.: COG Operating LLC, OGRID 229137
 Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

| Well Name | API | Well Location (ULSTR) | Footages | Expected MCF/D | Flared or Vented | Comments |
|---------------------------|---------|-----------------------|---------------------|----------------|------------------|------------------------------|
| Fascinator Fed. Com #701H | 30-025- | C-30-24S-35E | 210' FNL & 2160' FW | 2,337 MCF | | Gas will connect to CTB TBD. |
| | | | | | | |

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Versado, and will be connected to Eunice low/high pressure gathering system located in Lea County, New Mexico. It will require 0' to an undetermined amount of feet of pipeline to connect the facility to low/high pressure gathering system. COG Operating LLC provides (periodically) to Versado a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, COG Operating LLC and Versado have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Eunice Processing Plant located in Sec 3, Twn 22S, Rng 37E, Lea County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Versado system at that time. Based on current information, it is COG Operating LLC's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

- Time of shut-in
 - SIDPP and SICP
 - Pit gain
8. If pressure has increased to or is anticipated to increase to 2500 psi, confirm spacing and close the upper pipe rams.
 9. Prepare for well kill operation.

Running Casing

1. Sound alarm (alert rig crew)
2. Stab crossover and valve and close the valve
3. Shut-in the well with annular with HCR and choke in closed position
4. Confirm shut-in
5. Notify contractor and company representatives
6. Read and record the following data
 - Time of shut-in
 - SIDPP and SICP
 - Pit gain
7. If pressure has increased to or is anticipated to increase to 2500 psi, confirm spacing and close the upper pipe rams.
8. Prepare for well kill operation

No Pipe in Hole (Open Hole)

1. At any point when pipe or BHA are not in BOP stack, well will be shut in with blind rams, HCR will be open and choke will be closed. If pressure increase is observed:
2. Sound alarm (alert crew)
3. Confirm shut-in
4. Notify contractor and company representatives
5. Read and record the following data
 - Time of shut-in
 - Time of pressure increase
 - SICP
6. Prepare for well kill operation

Pulling BHA through BOP Stack

1. Prior to pulling last joint/stand of drillpipe through the stack, perform a flow check. If well is flowing:
 - a. Sound alarm (alert crew)
 - b. Stab full opening safety valve and close the valve
 - c. Space out drill string with tooljoint just beneath the upper pipe ram.
 - d. Shut-in the well with upper pipe ram with HCR and choke in closed position
 - e. Confirm shut-in
 - f. Notify contractor and company representatives
 - g. Read and record the following data
 - Time of shut-in
 - SIDPP and SICP
 - Pit gain
 - h. Prepare for well kill operation.

2. With BHA in the stack:
 - a. If possible to pick up high enough, pull BHA clear of the stack
 - i. Follow "Open Hole" procedure above
 - b. If impossible to pick up high enough to pull BHA clear of the stack:
 - i. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
 - ii. Space out drill string with tool joint just beneath the upper pipe ram.
 - iii. Shut-in the well with upper pipe ram with HCR and choke in closed position
 - iv. Confirm shut-in
 - v. Notify contractor and company representatives
 - vi. Read and record the following:
 - Time of shut-in
 - SIDPP and SICP
 - Pit gain
 - vii. Prepare for well kill operation.

3. Well Control Drills

Well control drills are specific to the rig equipment, personnel and operation at the time a kick occurs. Each crew will execute one drill weekly relevant to ongoing operations, but will make a reasonable attempt to vary the type of drills. The drills will be recorded in the daily drilling log. Below are minimum tasks for respective well control drills.

Drilling/Pit:

| Action | Responsible Party |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Initiate Drill <ul style="list-style-type: none"> • Lift Flow Sensor or Pit Float to indicate a kick • Immediately record start time | Company Representative / Rig Manager |
| Recognition <ul style="list-style-type: none"> • Driller and/or Crew recognizes indicator • Driller stop drilling, pick up off bottom and spaces out drill string, stop pumps and rotary • Conduct flow check | Driller |
| Initiate Action <ul style="list-style-type: none"> • Sound alarm, notify rig crew that the well is flowing | Company Representative / Rig Manager |
| Reaction <ul style="list-style-type: none"> • Driller moves BOP remote and stands by • Crew is at their assigned stations • Time is stopped • Record time and drill type in the Drilling Report | Driller / Crew |

Tripping Pit Drills (either in the hole or out of the hole)

| Action | Responsible Party |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Initiate Drill <ul style="list-style-type: none"> • Lift Flow Sensor or Pit Float to indicate a kick • Immediately record start time | Company Representative / Rig Manager |
| Recognition <ul style="list-style-type: none"> • Driller recognizes indicator • Suspends tripping operations • Conduct Flow Check | Driller |
| Initiate Action <ul style="list-style-type: none"> • Sound alarm, notify rig crew that the well is flowing | Company Representative / Rig Manager |
| Reaction <ul style="list-style-type: none"> • Position tool joint above rotary and set slips • Stab FOSV and close valve • Driller moves to BOP remote and stands by • Crew is at their assigned stations • Time is stopped • Record time and drill type in the Drilling Report | Driller / Crew |

Choke

| Action | Responsible Party |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <ul style="list-style-type: none"> • Have designated choke operator on station at the choke panel • Close annular preventer • Pressure annulus up 200-300 psi • Pump slowly to bump the float and obtain SIDPP • At choke operator instruction, slowly bring pumps online to slow pump rate while holding casing pressure constant at the SICP. • Allow time for the well to stabilize. Mark and record circulating drillpipe pressure. • Measure time lag on drillpipe gauge after choke adjustments. • Hold casing pressure constant as pumps are slowed down while choke is closed. • Record time and drill type in the Drilling Report | Company Man / Rig Manager & Rig Crew |



APD ID: 10400028700

Submission Date: 03/22/2018

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Well Type: OIL WELL

Well Work Type: Drill



[Show Final Text](#)

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

COG_Fascinator_701H_Exist_Rd_20180322085207.pdf

Existing Road Purpose: ACCESS

Row(s) Exist? NO

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? YES

New Road Map:

COG_Fascinator_701H_MapsPlats_20180322085223.pdf

New road type: TWO-TRACK

Length: 3079

Feet

Width (ft.): 30

Max slope (%): 33

Max grade (%): 1

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Blading

Access other construction information: No turnouts are planned. Re-routing access road around proposed well location.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: None necessary.

Road Drainage Control Structures (DCS) description: None needed.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

COG_FASCINATOR_701H_1Mile_Data_20180322085450.pdf

Existing Wells description:

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

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: A Central Tank Battery and facilities will be permitted and constructed at a later date (Once an onsite is completed). The battery and facilities will be installed according to API specifications.

Section 5 - Location and Types of Water Supply

Water Source Table

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Water source use type: INTERMEDIATE/PRODUCTION CASING

Water source type: OTHER

Describe type: Brine

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: COMMERCIAL

Water source transport method: TRUCKING

Source transportation land ownership: COMMERCIAL

Water source volume (barrels): 30000

Source volume (acre-feet): 3.866793

Source volume (gal): 1260000

Water source use type: STIMULATION, SURFACE CASING

Water source type: OTHER

Describe type: Fresh Water

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 450000

Source volume (acre-feet): 58.001892

Source volume (gal): 18900000

Water source and transportation map:

COG_Fascinator_701H_BrineH2O_20180322085618.pdf

COG_Fascinator_701H_FreshH2O_20180322085628.pdf

Water source comments: Fresh water will be obtained from C-01414 RRR Cattle Company water well located in Section 10, T24S, R36E. Brine water will be obtained from the Malaga II Brine station located in Section 12, T23S, R28E.

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:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

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: Caliche will be obtained from the actual well site if available. If not available onsite, caliche will be obtained from Bert Madera caliche pit located in Section 6. T25S. R35E. Phone 575-631-4444.

Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil and water during drilling and completion operations

Amount of waste: 6000 barrels

Waste disposal frequency : One Time Only

Safe containment description: All drilling waste will be stored safely and disposed of properly

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to an approved disposal facility

Waste type: SEWAGE

Waste content description: Human waste and gray water

Amount of waste: 250 gallons

Waste disposal frequency : Weekly

Safe containment description: Waste will be properly contained and disposed of properly at a state approved disposal facility

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to an approved disposal facility

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations

Amount of waste: 125 pounds

Waste disposal frequency : Weekly

Safe containment description: Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Trucked to an approved disposal facility

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

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 Roll off cuttings containers on tracks

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

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: YES

Ancillary Facilities attachment:

COG_Fascinator_701H_GCP_20180322085652.pdf

Comments: GCP Attached.

Section 9 - Well Site Layout

Well Site Layout Diagram:

COG_Fascinator_701H_Prod_Facility_20180322090139.pdf

Comments: A Central Tank Battery and facilities will be permitted and constructed at a later date (Once an onsite is completed). The battery and facilities will be installed according to API specifications.

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: FASCINATOR FEDERAL COM

Multiple Well Pad Number: 601H, 701H AND 702H

Recontouring attachment:

Drainage/Erosion control construction: If needed, immediately following pad construction approximately 400' of straw waddles will be placed on the south side and 400' on the east side of the location to reduce sediment impacts to fragile/sensitive soils.

Drainage/Erosion control reclamation: South 80' West 80'

| | | |
|----------------------------------------------------|---------------------------------------------------|-----------------------------------------------------|
| Well pad proposed disturbance (acres): 3.67 | Well pad interim reclamation (acres): 0.15 | Well pad long term disturbance (acres): 3.35 |
| Road proposed disturbance (acres): 0.99 | Road interim reclamation (acres): 0.99 | Road long term disturbance (acres): 0.99 |
| Powerline proposed disturbance (acres): 0 | Powerline interim reclamation (acres): 0 | Powerline long term disturbance (acres): 0 |
| Pipeline proposed disturbance (acres): 0 | Pipeline interim reclamation (acres): 0 | Pipeline long term disturbance (acres): 0 |
| Other proposed disturbance (acres): 0 | Other interim reclamation (acres): 0 | Other long term disturbance (acres): 0 |
| Total proposed disturbance: 4.66 | Total interim reclamation: 1.14 | Total long term disturbance: 4.34 |

Disturbance Comments:

Reconstruction method: New construction of pad.

Topsoil redistribution: South 80' West 80'

Soil treatment: None

Existing Vegetation at the well pad: Shinnery Oak/Mesquite grassland

Existing Vegetation at the well pad attachment:

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Existing Vegetation Community at the road: Shinnery Oak/Mesquite grassland

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Shinnery Oak/Mesquite grassland

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: N/A

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

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

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

First Name: Rand

Last Name: French

Phone: (432)254-5556

Email: rfrench@concho.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: N/A

Weed treatment plan attachment:

Monitoring plan description: N/A

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

COG_Fascinator_701H_ClosedLoop_20180322090222.pdf

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: STATE GOVERNMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office: STATE OF NEW MEXICO

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Operator Name: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: Onsite completed on 11/9/2017 by Gerald Herrera (COG) and Jeff Robertson (BLM).

Other SUPO Attachment

COG_Fascinator_701H_Certification_20180322090236.pdf

Surface Use Plan
COG Operating LLC
Fascinator Federal Com 701H
SHL: 210' FNL & 2160' FWL UL C
Section 30, T24S, R35E
BHL: 200' FSL & 2310' FWL UL N
Section 31, T24S, R35E
Lea County, New Mexico

OPERATOR CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access road proposed herein; that I am familiar with the conditions that presently 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 COG Operating LLC, 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. Executed this 12th day of January, 2018.

Signed: Mayte Reyes

Printed Name: Mayte Reyes

Position: Regulatory Analyst

Address: 2208 W. Main Street, Artesia, NM 88210

Telephone: (575) 748-6945

E-mail: mreyes1@concho.com

Field Representative (if not above signatory): Rand French

Telephone: (575) 748-6940. E-mail: rfrench@concho.com

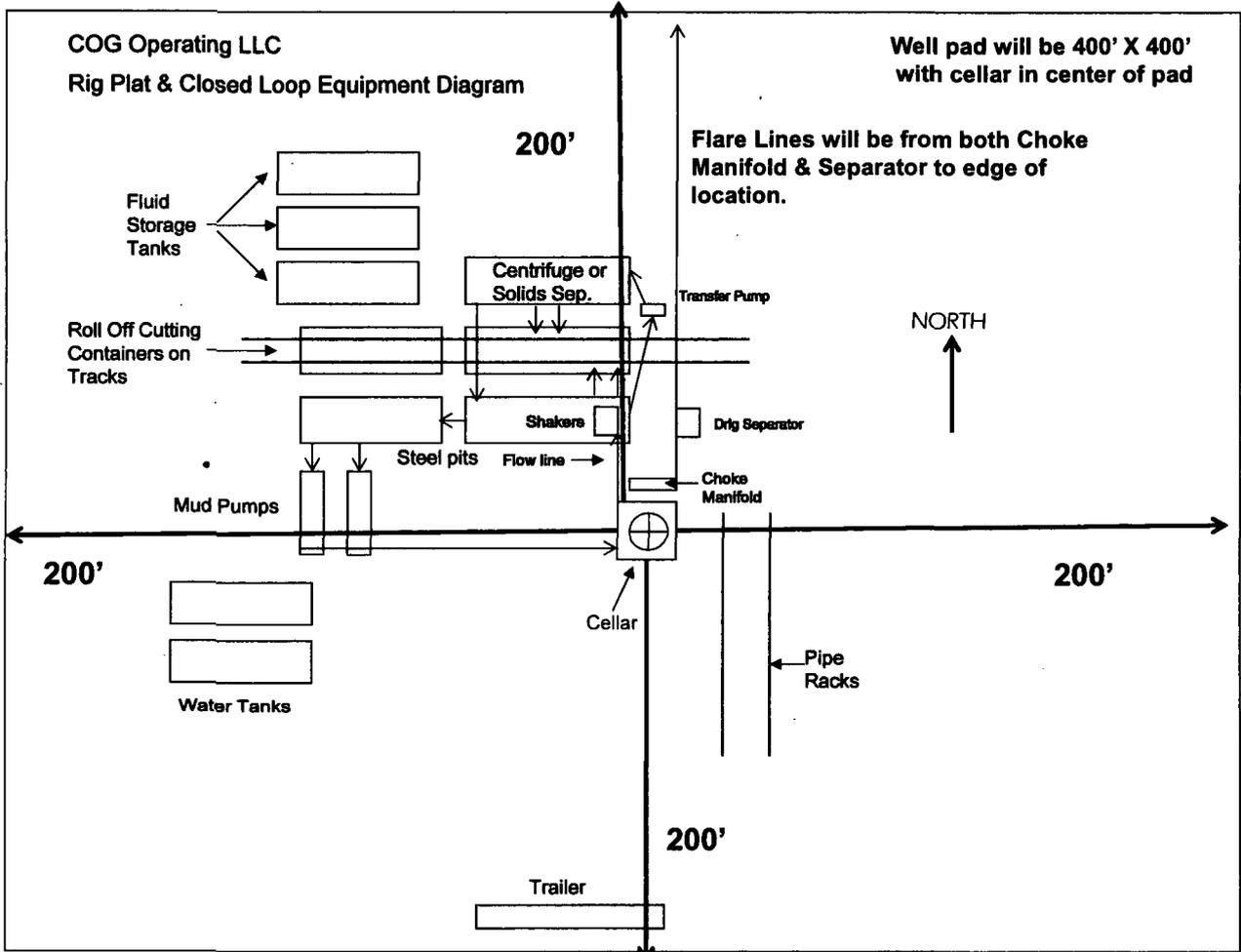


Exhibit 1

"I further certify that COG will comply with Rule 19.15.17 NMAC by using a Closed Loop System."



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:

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:



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Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000215

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: COG OPERATING LLC

Well Name: FASCINATOR FEDERAL COM

Well Number: 701H

| | 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 Leg #1 | 264 0 | FSL | 231 0 | FWL | 24S | 35E | 30 | Aliquot NESW 1 | 32.18835 1 | - 103.4076 79 | LEA | NEW MEXI CO | NEW MEXI CO | F | FEE | - 930 1 | 149 00 | 126 46 |
| PPP Leg #1 | 0 | FNL | 231 0 | FWL | 24S | 35E | 31 | Aliquot NENW 2 | 32.18095 2 | - 103.4076 62 | LEA | NEW MEXI CO | NEW MEXI CO | F | NMNM 014164 | - 933 9 | 175 00 | 126 84 |
| EXIT Leg #1 | 330 | FSL | 231 0 | FWL | 24S | 35E | 31 | Aliquot SESW 5 | 32.16762 5 | - 103.4076 31 | LEA | NEW MEXI CO | NEW MEXI CO | F | FEE | - 941 2 | 225 00 | 127 57 |
| BHL Leg #1 | 200 | FSL | 231 0 | FWL | 24S | 35E | 31 | Aliquot SESW 9 | 32.16726 9 | - 103.4076 3 | LEA | NEW MEXI CO | NEW MEXI CO | F | FEE | - 941 6 | 227 26 | 127 61 |



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

Operator Certification Data Report

08/07/2018

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: Mayte Reyes

Signed on: 03/22/2018

Title: Regulatory Analyst

Street Address: 2208 W Main Street

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State: NM

Zip: 88210

Phone: (575)748-6945

Email address: Mreyes1@concho.com

Field Representative

Representative Name: Rand French

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