

**PECOS DISTRICT  
DRILLING OPERATIONS  
CONDITIONS OF APPROVAL**

**HOBBS OCD  
OCT 17 2018  
RECEIVED**

<b>OPERATOR'S NAME:</b>	Regeneration Energy Corp.
<b>LEASE NO.:</b>	NMNM-106916
<b>WELL NAME &amp; NO.:</b>	E. Livingston 31 Federal 8H
<b>SURFACE HOLE FOOTAGE:</b>	0190' FSL & 2310' FEL
<b>BOTTOM HOLE FOOTAGE:</b>	0330' FNL & 2310' FEL
<b>LOCATION:</b>	Section 31, T. 22 S., R 32 E., NMPM
<b>COUNTY:</b>	County, New Mexico

**Operator to submit NMOCD Gas Capture Plan via sundry notice to the BLM.**

**A. DRILLING OPERATIONS REQUIREMENTS**

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

**Lea County**

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240,  
(575) 3933612

1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Bone Spring** formation. **As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM. Operator has stated that they will have monitoring equipment in place prior to drilling out of the surface shoe.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

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

## B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

### Wait on cement (WOC) for Water Basin:

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

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possibility of water flows in the Salado and Castile.

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

1. The 13-3/8 inch surface casing shall be set at approximately 870 feet (in a competent bed below the Magenta Dolomite, which is a Member of the Rustler, and if salt is encountered, set casing at least 25 feet above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

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

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing, which shall be set at approximately 4550 feet (**basal anhydrite of the Castile formation or the top of the Lamar Limestone**), is:

Cement to surface. If cement does not circulate see B.1.a, c-d above.

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

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.
4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

#### **C. PRESSURE CONTROL**

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API 53.
2. **In the case where the only BOP installed is an annular preventer, it shall be tested to a minimum of 2000 psi (which may require upgrading to 3M or 5M annular).**
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be psi.

4. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8 intermediate casing shoe shall be psi.
5. The appropriate BLM office shall be notified a minimum of hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
  - a. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
  - b. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
  - c. The results of the test shall be reported to the appropriate BLM office.
  - d. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
  - e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

**D. DRILL STEM TEST**

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

**E. WASTE MATERIAL AND FLUIDS**

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

**JAM 052918**

**PECOS DISTRICT  
SURFACE USE  
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	Regeneration Energy
LEASE NO.:	NM106916
WELL NAME & NO.:	8H – E Livingston 31 Federal
SURFACE HOLE FOOTAGE:	190'/S & 2310'/E
BOTTOM HOLE FOOTAGE:	330'/N & 2310'/E
LOCATION:	Section 31, T. 22 S., R. 32 E., NMPM
COUNTY:	Lea County, New Mexico

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

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## **I. GENERAL PROVISIONS**

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

## **II. PERMIT EXPIRATION**

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

## **III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES**

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

## **IV. NOXIOUS WEEDS**

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

## V. SPECIAL REQUIREMENT(S)

### **Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:**

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period.

Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted.

Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

**Ground-level Abandoned Well Marker to avoid raptor perching:** Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

### **Cattleguards**

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s). Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations. A gate shall be constructed on one side of the cattleguard and fastened securely to H-braces.

### **Fence Requirement**

Where entry granted across a fence line, the fence must be braced and tied off on both sides of the passageway prior to cutting. Once the work is completed, the fence will be restored to its prior condition, or better. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

### **Livestock Watering Requirement**

Structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, will be avoided by moving the proposed action.



## **VI. CONSTRUCTION**

### **A. NOTIFICATION**

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

### **B. TOPSOIL**

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

### **C. CLOSED LOOP SYSTEM**

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

### **D. FEDERAL MINERAL MATERIALS PIT**

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

### **E. WELL PAD SURFACING**

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

### **F. EXCLOSURE FENCING (CELLARS & PITS)**

**Exclosure Fencing**

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

**G. ON LEASE ACCESS ROADS****Road Width**

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

**Surfacing**

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

**Crowning**

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

**Ditching**

Ditching shall be required on both sides of the road.

**Turnouts**

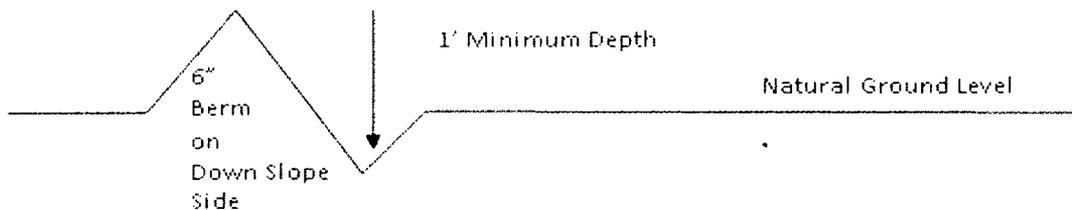
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

**Drainage**

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

### Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

### Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

### Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

### Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

### Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

**Construction Steps**

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

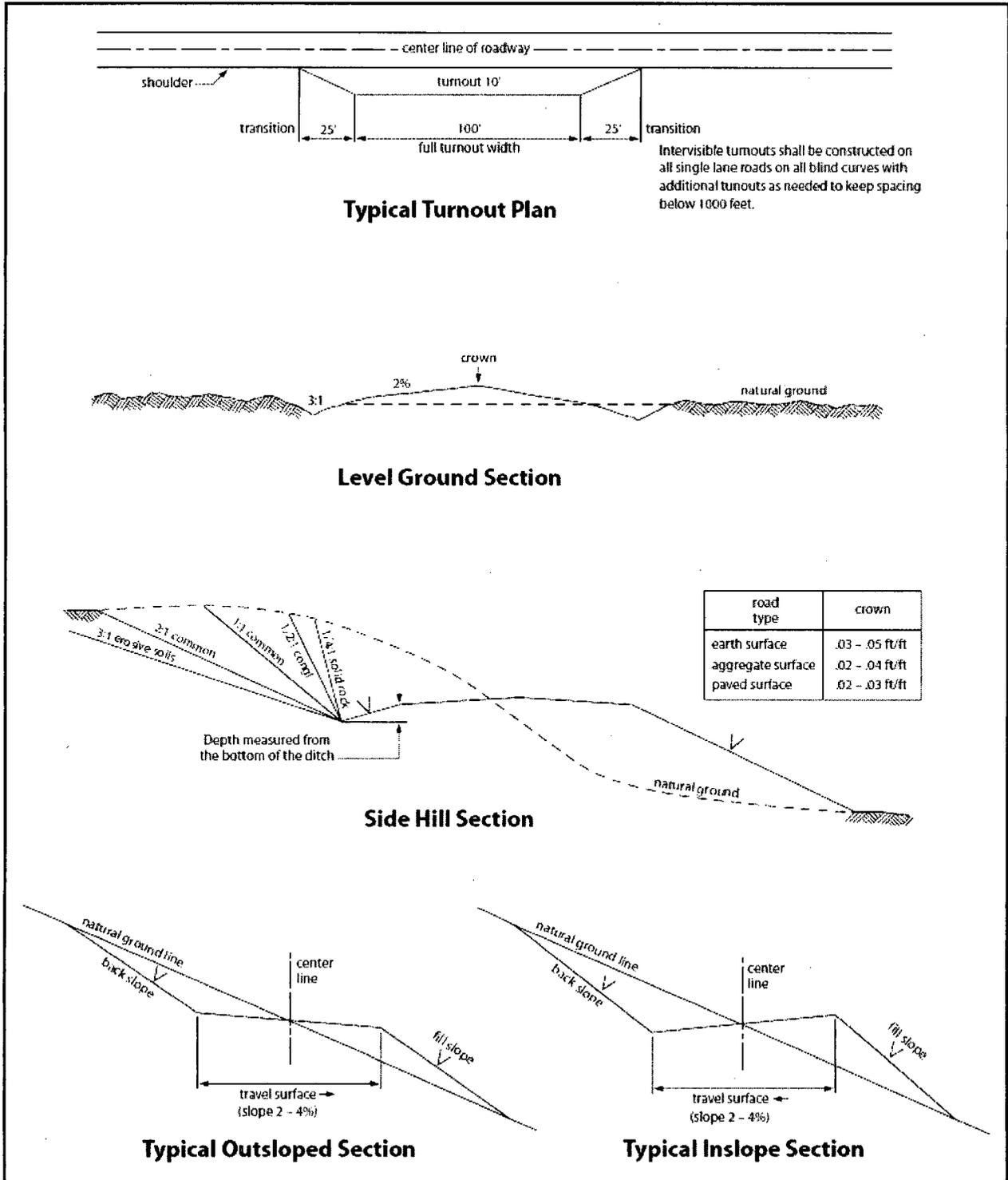


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

## **VII. PRODUCTION (POST DRILLING)**

### **A. WELL STRUCTURES & FACILITIES**

#### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

#### **Exclosure Netting (Open-top Tanks)**

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

#### **Chemical and Fuel Secondary Containment and Exclosure Screening**

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

#### **Open-Vent Exhaust Stack Exclosures**

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

#### **Containment Structures**

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

#### **Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

### **VIII. INTERIM RECLAMATION**

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

### **IX. FINAL ABANDONMENT & RECLAMATION**

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory

revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Below Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

## Seed Mixture for LPC Sand/Shinnery Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

**Regeneration Energy Corp.**  
**HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

**1. HYDROGEN SULFIDE TRAINING**

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- a. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- d. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- a. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- b. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- c. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

**2. H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS**

Note: All H<sub>2</sub>S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H<sub>2</sub>S. If H<sub>2</sub>S greater than 100 ppm is encountered in the gas stream we will shut in and install H<sub>2</sub>S equipment.

- a. Well Control Equipment:
  - Flare line.
  - Choke manifold with remotely operated choke.
  - Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
  - Auxiliary equipment to include: annular preventer, mud-gas

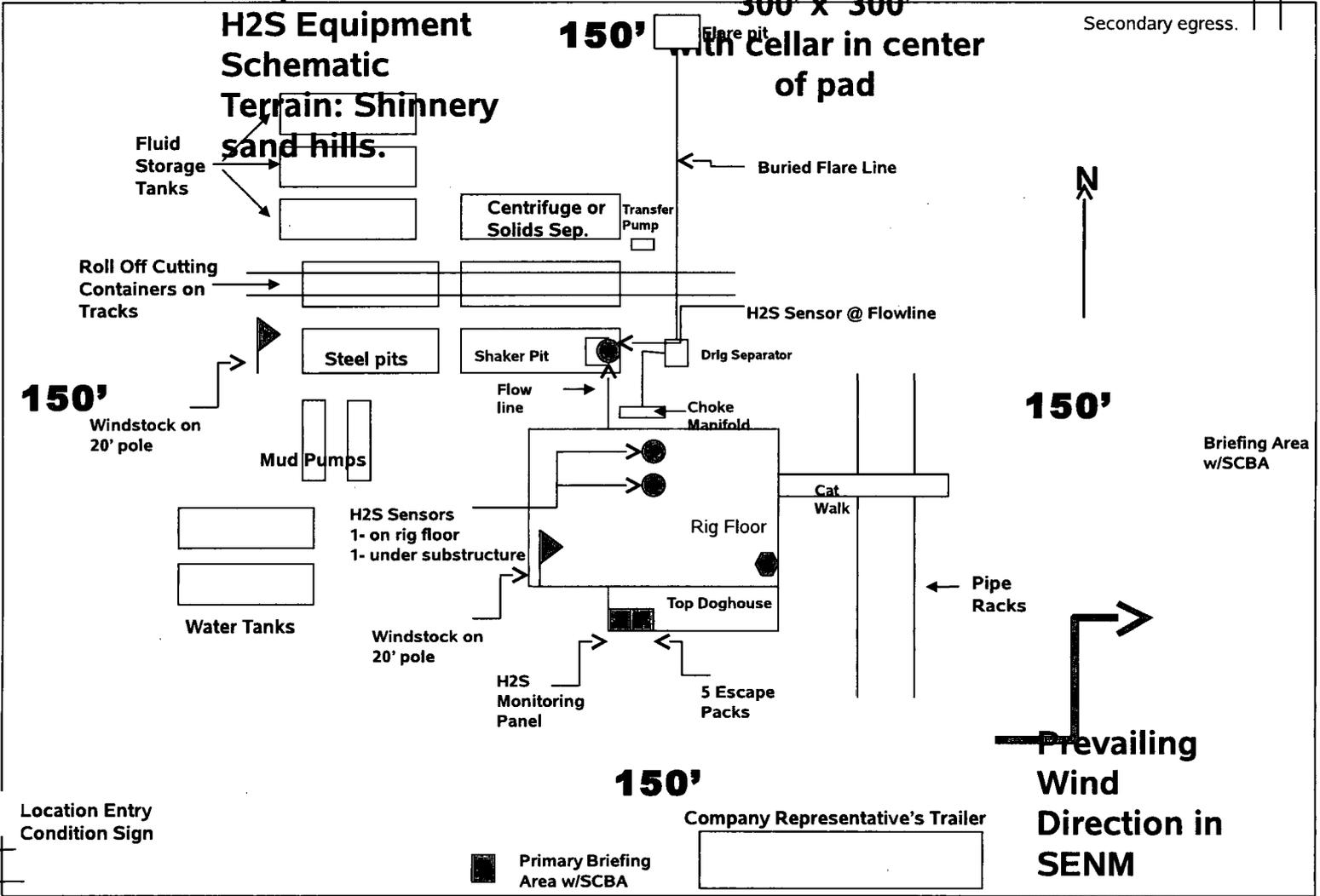
Regeneration Energy Corp.

**H2S Equipment Schematic**

Terrain: Shinnery sand hills.

Well pad will be 300' x 300' with cellar in center of pad

Secondary egress.



150'

150'

150'

Prevailing Wind Direction in SENM

Primary Briefing Area w/SCBA

Company Representative's Trailer

Location Entry Condition Sign

Briefing Area w/SCBA

Mud Pumps

Water Tanks

H2S Sensors  
1- on rig floor  
1- under substructure

Windstock on 20' pole

H2S Monitoring Panel

5 Escape Packs

Pipe Racks

Cat Walk

Drlg Separator

Choke Manifold

Flow line

Steel pits

Roll Off Cutting Containers on Tracks

Fluid Storage Tanks

Centrifuge or Solids Sep.

Transfer Pump

Buried Flare Line

Flare pit

N

separator, rotating head.

- b. Protective equipment for essential personnel:  
Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:  
2 - portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- d. Visual warning systems:  
Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
- e. Mud Program:  
The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:  
All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- g. Communication:  
Company vehicles equipped with cellular telephone.
- h. Emergency Contact Number:  
Dean Cleamer 575-499-4815  
Raye Miller 575-513-0176  
William Miller 575-616-1314

Regeneration Energy Corp. has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

# **W A R N I N G**

**YOU ARE ENTERING AN H<sub>2</sub>S AREA  
AUTHORIZED PERSONNEL ONLY**

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED**
- 2. HARD HATS REQUIRED**
- 3. SMOKING IN DESIGNATED AREAS ONLY**
- 4. BE WIND CONSCIOUS AT ALL TIMES**
- 5. CK WITH COG OPERATING LLC FOREMAN AT MAIN OFFICE**

Regeneration Energy Corp.

1-575-736-3535

## **Emergency Contact**

Dean Cleamer--(575) 499-4815

Raye Miller – (575) 513-0176

William Miller – (575) 616-1314

**Regeneration Energy  
Lea County, NM  
E Livingston 31 Federal  
8H  
Est KB= 20'  
Plan #2**



**DESIGN TARGET DETAILS**

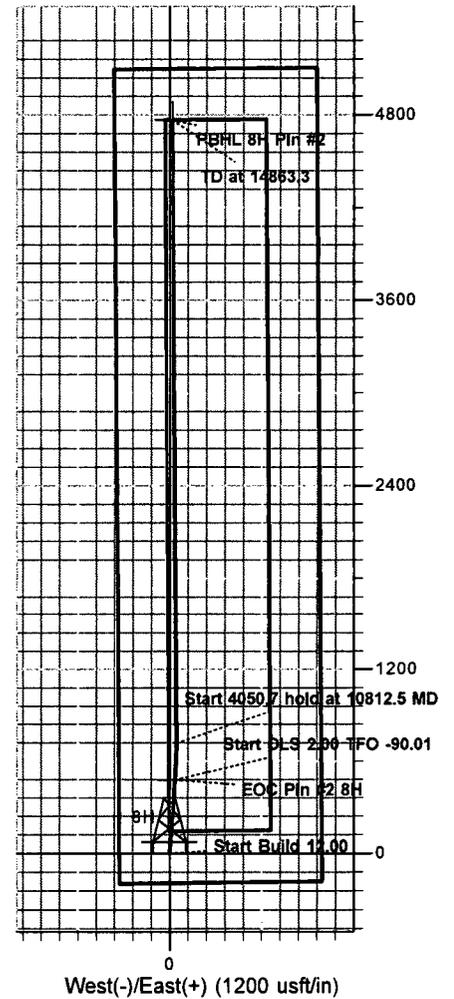
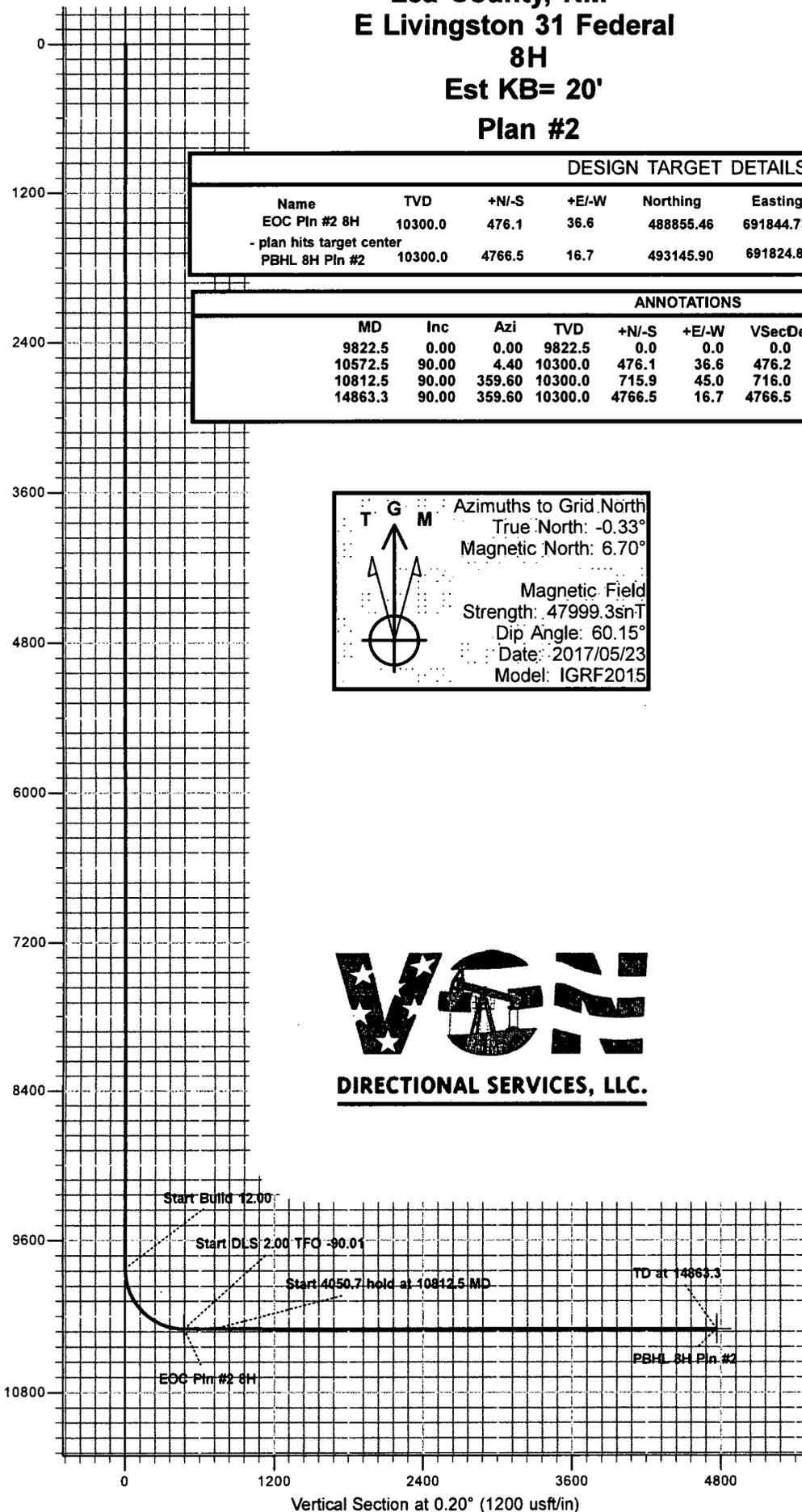
Name	TVD	+NI-S	+E-W	Northing	Easting	Latitude	Longitude
EOC Pln #2 8H - plan hits target center	10300.0	476.1	36.6	488855.46	691844.73	32° 20' 32.820 N	103° 42' 43.755 W
PBHL 8H Pln #2	10300.0	4766.5	16.7	493145.90	691824.80	32° 21' 15.278 N	103° 42' 43.697 W

**ANNOTATIONS**

MD	Inc	Azi	TVD	+NI-S	+E-W	VSec	Departure	Annotation
9822.5	0.00	0.00	9822.5	0.0	0.0	0.0	0.0	Start Build 12.00
10572.5	90.00	4.40	10300.0	476.1	36.6	476.2	477.5	Start DLS 2.00 TFO -90.01
10812.5	90.00	359.60	10300.0	715.9	45.0	716.0	717.5	Start 4050.7 hold at 10812.5 MD
14863.3	90.00	359.60	10300.0	4766.5	16.7	4766.5	4768.2	TD at 14863.3

**T G M** Azimuths to Grid North  
 True North: -0.33°  
 Magnetic North: 6.70°

Magnetic Field  
 Strength: 47999.3snT  
 Dip Angle: 60.15°  
 Date: 2017/05/23  
 Model: IGRF2015





**DIRECTIONAL SERVICES, LLC.**

# **Regeneration Energy**

**Lea County, NM  
E Livingston 31 Federal  
8H**

**Wellbore #1**

**Plan: Plan #2**

## **Standard Planning Report**

**05 June, 2017**





# Planning Report



**Database:** EDM 5000.14 Single User Db  
**Company:** Regeneration Energy  
**Project:** Lea County, NM  
**Site:** E Livingston 31 Federal  
**Well:** 8H  
**Wellbore:** Wellbore #1  
**Design:** Plan #2

**Local Co-ordinate Reference:** Well 8H  
**TVD Reference:** Well @ 3532.0usft (Est KB= 20')  
**MD Reference:** Well @ 3532.0usft (Est KB= 20')  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature

<b>Project</b>	Lea County, NM		
<b>Map System:</b>	US State Plane 1927 (Exact solution)	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	NAD 1927 (NADCON CONUS)		
<b>Map Zone:</b>	New Mexico East 3001		

<b>Site</b>	E Livingston 31 Federal				
<b>Site Position:</b>		<b>Northing:</b>	488,379.40 usft	<b>Latitude:</b>	32° 20' 28.111 N
<b>From:</b>	Map	<b>Easting:</b>	691,808.10 usft	<b>Longitude:</b>	103° 42' 44.214 W
<b>Position Uncertainty:</b>	0.0 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b>	0.33 °

<b>Well</b>	8H					
<b>Well Position</b>	<b>+N/-S</b>	0.0 usft	<b>Northing:</b>	488,379.40 usft	<b>Latitude:</b>	32° 20' 28.111 N
	<b>+E/-W</b>	0.0 usft	<b>Easting:</b>	691,808.10 usft	<b>Longitude:</b>	103° 42' 44.214 W
<b>Position Uncertainty</b>	0.0 usft		<b>Wellhead Elevation:</b>		<b>Ground Level:</b>	3,512.0 usft

<b>Wellbore</b>	Wellbore #1					
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>	
	IGRF2015	2017/05/23	7.04	60.15	47,999.31546369	

<b>Design</b>	Plan #2				
<b>Audit Notes:</b>					
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.0	
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Direction (°)</b>	
	0.0	0.0	0.0	0.20	

<b>Plan Survey Tool Program</b>	<b>Date</b>	2017/06/05			
<b>Depth From (usft)</b>	<b>Depth To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>	
1	0.0	14,863.2	Plan #2 (Wellbore #1)		

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
9,822.5	0.00	0.00	9,822.5	0.0	0.0	0.00	0.00	0.00	0.00	
10,572.5	90.00	4.40	10,300.0	476.1	36.6	12.00	12.00	0.00	4.40	
10,812.5	90.00	359.60	10,300.0	715.9	45.0	2.00	0.00	-2.00	-90.01	
14,863.3	90.00	359.60	10,300.0	4,766.5	16.7	0.00	0.00	0.00	0.00	PBHL 8H Pln #2

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**Survey Calculation Method:** Minimum Curvature

**Planned Survey**

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

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5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	0.00	0.00	7,800.0	0.0	0.0	0.0	0.00	0.00	0.00
7,900.0	0.00	0.00	7,900.0	0.0	0.0	0.0	0.00	0.00	0.00
8,000.0	0.00	0.00	8,000.0	0.0	0.0	0.0	0.00	0.00	0.00
8,100.0	0.00	0.00	8,100.0	0.0	0.0	0.0	0.00	0.00	0.00
8,200.0	0.00	0.00	8,200.0	0.0	0.0	0.0	0.00	0.00	0.00
8,300.0	0.00	0.00	8,300.0	0.0	0.0	0.0	0.00	0.00	0.00
8,400.0	0.00	0.00	8,400.0	0.0	0.0	0.0	0.00	0.00	0.00
8,500.0	0.00	0.00	8,500.0	0.0	0.0	0.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,600.0	0.0	0.0	0.0	0.00	0.00	0.00
8,700.0	0.00	0.00	8,700.0	0.0	0.0	0.0	0.00	0.00	0.00
8,800.0	0.00	0.00	8,800.0	0.0	0.0	0.0	0.00	0.00	0.00
8,900.0	0.00	0.00	8,900.0	0.0	0.0	0.0	0.00	0.00	0.00
9,000.0	0.00	0.00	9,000.0	0.0	0.0	0.0	0.00	0.00	0.00
9,100.0	0.00	0.00	9,100.0	0.0	0.0	0.0	0.00	0.00	0.00
9,200.0	0.00	0.00	9,200.0	0.0	0.0	0.0	0.00	0.00	0.00
9,300.0	0.00	0.00	9,300.0	0.0	0.0	0.0	0.00	0.00	0.00
9,400.0	0.00	0.00	9,400.0	0.0	0.0	0.0	0.00	0.00	0.00
9,500.0	0.00	0.00	9,500.0	0.0	0.0	0.0	0.00	0.00	0.00
9,600.0	0.00	0.00	9,600.0	0.0	0.0	0.0	0.00	0.00	0.00
9,700.0	0.00	0.00	9,700.0	0.0	0.0	0.0	0.00	0.00	0.00
9,800.0	0.00	0.00	9,800.0	0.0	0.0	0.0	0.00	0.00	0.00
9,822.5	0.00	0.00	9,822.5	0.0	0.0	0.0	0.00	0.00	0.00
<b>Start Build 12.00</b>									
9,900.0	9.30	4.40	9,899.7	6.3	0.5	6.3	12.00	12.00	0.00
10,000.0	21.30	4.40	9,995.9	32.5	2.5	32.5	12.00	12.00	0.00
10,100.0	33.30	4.40	10,084.6	78.2	6.0	78.2	12.00	12.00	0.00
10,200.0	45.30	4.40	10,161.9	141.2	10.9	141.2	12.00	12.00	0.00
10,300.0	57.30	4.40	10,224.3	218.9	16.8	218.9	12.00	12.00	0.00
10,400.0	69.30	4.40	10,269.1	307.8	23.7	307.9	12.00	12.00	0.00

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**Planned Survey**

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
10,500.0	81.30	4.40	10,294.5	404.0	31.1	404.2	12.00	12.00	0.00	
10,572.5	90.00	4.40	10,300.0	476.1	36.6	476.2	12.00	12.00	0.00	
<b>Start DLS 2.00 TFO -90.01</b>										
10,600.0	90.00	3.85	10,300.0	503.5	38.6	503.6	2.00	0.00	-2.00	
10,700.0	90.00	1.85	10,300.0	603.4	43.6	603.5	2.00	0.00	-2.00	
10,800.0	90.00	359.85	10,300.0	703.3	45.1	703.5	2.00	0.00	-2.00	
10,812.5	90.00	359.60	10,300.0	715.9	45.0	716.0	2.00	0.00	-2.00	
<b>Start 4050.7 hold at 10812.5 MD</b>										
10,900.0	90.00	359.60	10,300.0	803.3	44.4	803.5	0.00	0.00	0.00	
11,000.0	90.00	359.60	10,300.0	903.3	43.7	903.5	0.00	0.00	0.00	
11,100.0	90.00	359.60	10,300.0	1,003.3	43.0	1,003.5	0.00	0.00	0.00	
11,200.0	90.00	359.60	10,300.0	1,103.3	42.3	1,103.5	0.00	0.00	0.00	
11,300.0	90.00	359.60	10,300.0	1,203.3	41.6	1,203.5	0.00	0.00	0.00	
11,400.0	90.00	359.60	10,300.0	1,303.3	40.9	1,303.5	0.00	0.00	0.00	
11,500.0	90.00	359.60	10,300.0	1,403.3	40.2	1,403.5	0.00	0.00	0.00	
11,600.0	90.00	359.60	10,300.0	1,503.3	39.5	1,503.5	0.00	0.00	0.00	
11,700.0	90.00	359.60	10,300.0	1,603.3	38.8	1,603.4	0.00	0.00	0.00	
11,800.0	90.00	359.60	10,300.0	1,703.3	38.1	1,703.4	0.00	0.00	0.00	
11,900.0	90.00	359.60	10,300.0	1,803.3	37.4	1,803.4	0.00	0.00	0.00	
12,000.0	90.00	359.60	10,300.0	1,903.3	36.7	1,903.4	0.00	0.00	0.00	
12,100.0	90.00	359.60	10,300.0	2,003.3	36.0	2,003.4	0.00	0.00	0.00	
12,200.0	90.00	359.60	10,300.0	2,103.3	35.3	2,103.4	0.00	0.00	0.00	
12,300.0	90.00	359.60	10,300.0	2,203.3	34.6	2,203.4	0.00	0.00	0.00	
12,400.0	90.00	359.60	10,300.0	2,303.3	33.9	2,303.4	0.00	0.00	0.00	
12,500.0	90.00	359.60	10,300.0	2,403.3	33.2	2,403.4	0.00	0.00	0.00	
12,600.0	90.00	359.60	10,300.0	2,503.3	32.5	2,503.4	0.00	0.00	0.00	
12,700.0	90.00	359.60	10,300.0	2,603.3	31.8	2,603.4	0.00	0.00	0.00	
12,800.0	90.00	359.60	10,300.0	2,703.3	31.1	2,703.4	0.00	0.00	0.00	
12,900.0	90.00	359.60	10,300.0	2,803.3	30.4	2,803.4	0.00	0.00	0.00	
13,000.0	90.00	359.60	10,300.0	2,903.3	29.7	2,903.4	0.00	0.00	0.00	
13,100.0	90.00	359.60	10,300.0	3,003.3	29.0	3,003.4	0.00	0.00	0.00	
13,200.0	90.00	359.60	10,300.0	3,103.3	28.3	3,103.4	0.00	0.00	0.00	
13,300.0	90.00	359.60	10,300.0	3,203.3	27.6	3,203.4	0.00	0.00	0.00	
13,400.0	90.00	359.60	10,300.0	3,303.3	26.9	3,303.4	0.00	0.00	0.00	
13,500.0	90.00	359.60	10,300.0	3,403.3	26.2	3,403.3	0.00	0.00	0.00	
13,600.0	90.00	359.60	10,300.0	3,503.3	25.5	3,503.3	0.00	0.00	0.00	
13,700.0	90.00	359.60	10,300.0	3,603.3	24.8	3,603.3	0.00	0.00	0.00	
13,800.0	90.00	359.60	10,300.0	3,703.3	24.1	3,703.3	0.00	0.00	0.00	
13,900.0	90.00	359.60	10,300.0	3,803.3	23.4	3,803.3	0.00	0.00	0.00	
14,000.0	90.00	359.60	10,300.0	3,903.3	22.7	3,903.3	0.00	0.00	0.00	
14,100.0	90.00	359.60	10,300.0	4,003.3	22.0	4,003.3	0.00	0.00	0.00	
14,200.0	90.00	359.60	10,300.0	4,103.3	21.3	4,103.3	0.00	0.00	0.00	
14,300.0	90.00	359.60	10,300.0	4,203.3	20.6	4,203.3	0.00	0.00	0.00	
14,400.0	90.00	359.60	10,300.0	4,303.3	19.9	4,303.3	0.00	0.00	0.00	
14,500.0	90.00	359.60	10,300.0	4,403.3	19.2	4,403.3	0.00	0.00	0.00	
14,600.0	90.00	359.60	10,300.0	4,503.2	18.5	4,503.3	0.00	0.00	0.00	
14,700.0	90.00	359.60	10,300.0	4,603.2	17.8	4,603.3	0.00	0.00	0.00	
14,800.0	90.00	359.60	10,300.0	4,703.2	17.1	4,703.3	0.00	0.00	0.00	
14,863.3	90.00	359.60	10,300.0	4,766.5	16.7	4,766.5	0.00	0.00	0.00	

**TD at 14863.3**

**Database:** EDM 5000.14 Single User Db  
**Company:** Regeneration Energy  
**Project:** Lea County, NM  
**Site:** E Livingston 31 Federal  
**Well:** 8H  
**Wellbore:** Wellbore #1  
**Design:** Plan #2

**Local Co-ordinate Reference:** Well 8H  
**TVD Reference:** Well @ 3532.0usft (Est KB= 20')  
**MD Reference:** Well @ 3532.0usft (Est KB= 20')  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature

**Design Targets**

Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape									
EOC Pln #2 8H	0.00	0.00	10,300.0	476.1	36.6	488,855.46	691,844.73	32° 20' 32.820 N	103° 42' 43.755 W
- plan hits target center									
- Point									
PBHL 8H Pln #2	0.00	0.00	10,300.0	4,766.5	16.7	493,145.90	691,824.80	32° 21' 15.278 N	103° 42' 43.697 W
- plan hits target center									
- Point									

**Plan Annotations**

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
9,822.5	9,822.5	0.0	0.0	Start Build 12.00
10,572.5	10,300.0	476.1	36.6	Start DLS 2.00 TFO -90.01
10,812.5	10,300.0	715.9	45.0	Start 4050.7 hold at 10812.5 MD
14,863.3	10,300.0	4,766.5	16.7	TD at 14863.3