OCD Hobbs

Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD
DEC 12 2018
RECEIVED

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: NMNM013647

6. If Indian, Allotee or Tribe Name:

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

1a. Type of work: ☑ DRILL ☐ REENTER
1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other
1c. Type of Completion: ☐ Hydraulic Fracturing ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.: CAVE LION FEDERAL 26 35 5 TB 14H (319699)

2. Name of Operator: MARATHON OIL PERMIAN LLC (372098)

9. API Well No.: 30-025-45423

3a. Address: 5555 San Felipe St. Houston TX 77056

3b. Phone No. *(include area code)*: (713)629-6600

10. Field and Pool, or Exploratory: BONE SPRING / WC-025 G-08 S2535340 (97088)

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface: SESE / 450 FSL / 1148 FEL / LAT 32.0663104 / LONG -103.3846752
At proposed prod. zone: NENE / 150 FNL / 990 FEL / LAT 32.079187 / LONG -103.384182

11. Sec., T. R. M. or Blk. and Survey or Area: SEC 5 / T26S / R35E / NMP

14. Distance in miles and direction from nearest town or post office*: 12.2 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): 0 feet

16. No of acres in lease: 1281.31

17. Spacing Unit dedicated to this well: 160

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: 3680 feet

19. Proposed Depth: 12424 feet / 17292 feet

20. BLM/BIA Bond No. in file: FED: NMB001555

21. Elevations (Show whether DF, KDB, RT, GL, etc.): 3226 feet

22. Approximate date work will start*: 08/01/2018

23. Estimated duration: 30 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

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 requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
(Electronic Submission)	Jennifer Van Curen / Ph: (713)296-2500	06/06/2018

Title: Sr. Regulatory Compliance Rep

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
(Electronic Submission)	Cody Layton / Ph: (575)234-5959	11/06/2018

Title	Office
Assistant Field Manager Lands & Minerals	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.

GCP Rec 12/12/18

APPROVED WITH CONDITIONS

Approval Date: 11/06/2018

KZ 11/7/18

Double sided

(Continued on page 2)

*(Instructions on page 2)

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 I: 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 wen, 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 directionany 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.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

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 wen 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 win 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 conects this information to anow 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 Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

Additional Operator Remarks

Location of Well

1. SHL: SESE / 450 FSL / 1148 FEL / TWSP: 26S / RANGE: 35E / SECTION: 5 / LAT: 32.0663104 / LONG: -103.3846752 (TVD: 0 feet, MD: 0 feet)
   PPP: SESE / 150 FSL / 989 FEL / TWSP: 26S / RANGE: 35E / SECTION: 5 / LAT: 32.0654863 / LONG: -103.3841625 (TVD: 12424 feet, MD: 12784 feet)
   BHL: NENE / 150 FNL / 990 FEL / TWSP: 26S / RANGE: 35E / SECTION: 5 / LAT: 32.079187 / LONG: -103.384182 (TVD: 12424 feet, MD: 17292 feet)

BLM Point of Contact

Name: Katrina Ponder
Title: Geologist
Phone: 5752345969
Email: kponder@blm.gov

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.

AFMSS

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

Operator Certification Data Report

11/09/2018

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: Jennifer Van Curen **Signed on:** 06/04/2018

Title: Sr. Regulatory Compliance Rep

Street Address: 5555 San Felipe St.

City: Houston **State:** TX **Zip:** 77056

Phone: (713)296-2500

Email address: jvancuren@marathonoil.com

Field Representative

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

AFMSS

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

Application Data Report

11/09/2018

APD ID: 10400030840 **Submission Date:** 06/06/2018

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Show Final Text

Well Type: OIL WELL **Well Work Type:** Drill

Section 1 - General

APD ID: 10400030840 **Tie to previous NOS?** **Submission Date:** 06/06/2018

BLM Office: CARLSBAD **User:** Jennifer Van Curen **Title:** Sr. Regulatory Compliance Rep

Federal/Indian APD: FED **Is the first lease penetrated for production Federal or Indian?** FED

Lease number: NMNM013647 **Lease Acres:** 1281.31

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:** MARATHON OIL PERMIAN LLC

Operator letter of designation:

Operator Info

Operator Organization Name: MARATHON OIL PERMIAN LLC

Operator Address: 5555 San Felipe St.

Zip: 77056

Operator PO Box:

Operator City: Houston **State:** TX

Operator Phone: (713)629-6600

Operator Internet Address:

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: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H **Well API Number:**

Field/Pool or Exploratory? Field and Pool **Field Name:** BONESPRING **Pool Name:** WC-025 G-08 S2535340

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

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:** CAVE LION FEDERAL 26 35 5 **Number:** 300-3

Well Class: HORIZONTAL **Number of Legs:** 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 12.2 Miles **Distance to nearest well:** 3680 FT **Distance to lease line:** 0 FT

Reservoir well spacing assigned acres Measurement: 160 Acres

Well plat: App_2___signed_CAVE_LION_FEDERAL_26_35_5_TB__14H_REV2_CERT__FORM_C_102__20180604125250.pdf

Well work start Date: 08/01/2018 **Duration:** 30 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83 **Vertical Datum:** NAVD88

Survey number: 21653

	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	[redacted]	FSL	1148	FEL	26S	35E	5	Aliquot SESE	32.0663104	-103.3846752	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 013647	3226	0	0
KOP Leg #1	[redacted]	FSL	989	FEL	26S	35E	5	Aliquot SESE	32.0652222	-103.3835386	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 013647	-8625	11884	11851
PPP Leg #1	[redacted]	FSL	989	FEL	26S	35E	5	Aliquot SESE	32.0654863	-103.3841625	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 013647	-9198	12784	12424

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

	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
EXIT Leg #1	[redacted]	FNL	990	FEL	26S	35E	5	Aliquot NENE	32.079187	-103.384182	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 013647	-9198	17292	12424
BHL Leg #1	[redacted]	FNL	990	FEL	26S	35E	5	Aliquot NENE	32.079187	-103.384182	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 013647	-9198	17292	12424

APD ID: 10400030840 **Submission Date:** 06/06/2018

Highlighted data reflects the most recent changes

Show Final Text

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Well Type: OIL WELL **Well Work Type:** Drill

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical Depth	Measured Depth	Lithologies	Mineral Resources	Producing Formation
1	RUSTLER	2182	1044	1044	DOLOMITE,ANHYDRITE	OTHER : Brine	No
2	SALADO	701	1483	1483	SALT,ANHYDRITE	OTHER : Brine	No
3	CASTILE	-1337	3521	3547	SALT	OTHER : Brine	No
4	BASE OF SALT	-2894	5078	5111	LIMESTONE,SANDSTONE	OTHER : Brine	No
5	LAMAR	-3159	5343	5376	OTHER : Sand/Shales	OIL	No
6	BELL CANYON	-3187	5371	5404	SHALE,SANDSTONE	OIL	No
7	BRUSHY CANYON	-5796	7980	8013	OTHER : Sands/Carbonate	OIL	No
8	BONE SPRING	-7087	9271	9304	OTHER : Sands/Carbonate	OIL	No
9	BONE SPRING 1ST	-8207	10391	10424	OTHER : Sands/Carbonate	OIL	No
10	BONE SPRING 2ND	-8756	10940	10973	OTHER : Sands/Carbonates	OIL	No
11	BONE SPRING 3RD	-9841	12025	12060	OTHER : Sands/Carbonates	OIL	Yes

Section 2 - Blowout Prevention

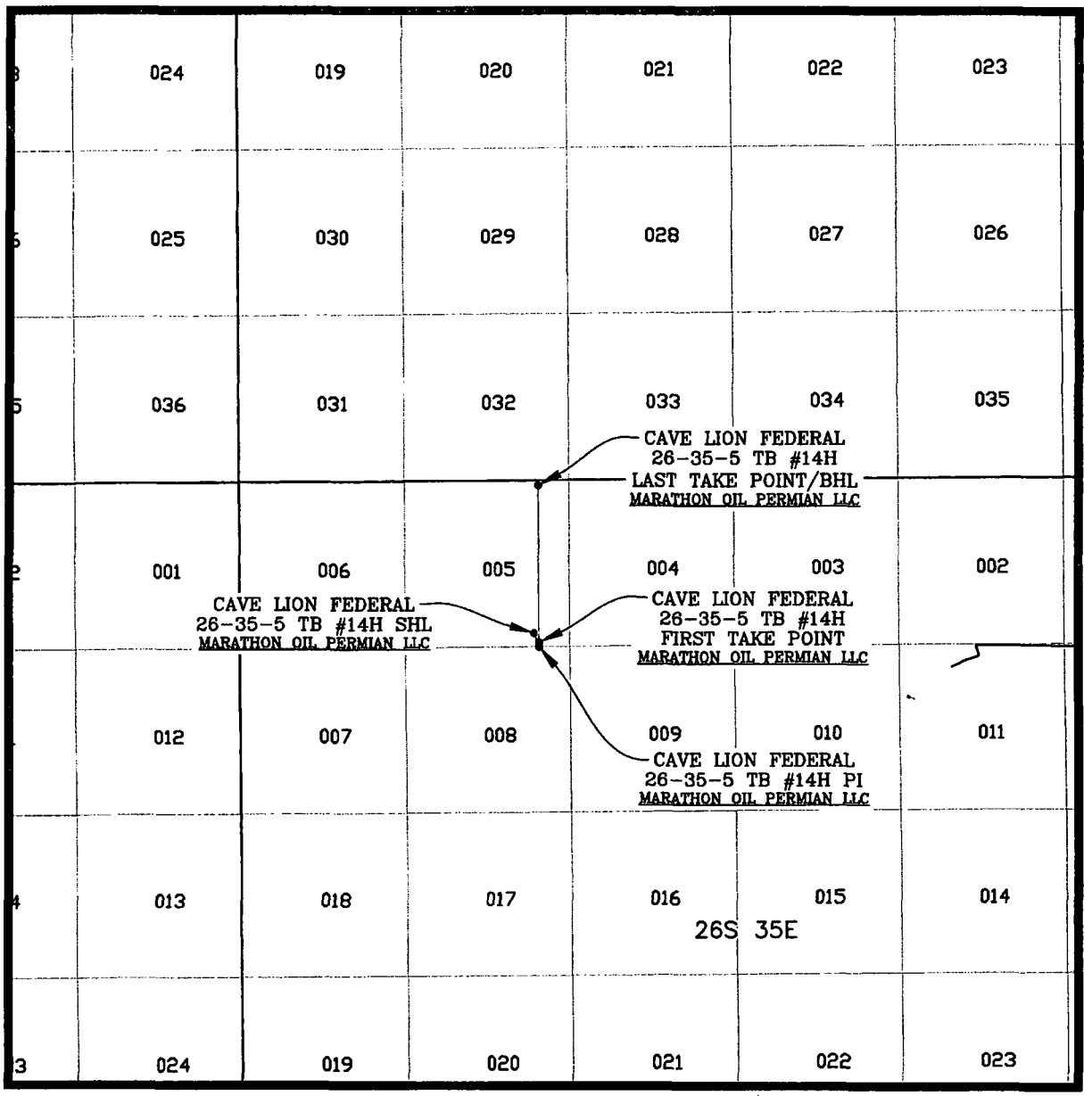
Pressure Rating (PSI): 10M **Rating Depth:** 15000

Equipment: 13-5/8 5M Annular, 10M pipe ram, and 10M double ram will be installed and tested for each of the 12 ¼, 8 ¾, and 6 1/8 hole sections.

Requesting Variance? YES

Variance request: 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. BOP variance is requested for the annular to be 5000 psi on 10000 psi BOP stack. 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 attached. If the system is upgraded all the components installed will be functional and tested. The Annular will be tested to 70% of 5000 working pressure (see attached BOP plan). The working pressure of 10000 for the Single Pipe Ram and Double Ram (Pipe & Blind) will be tested to 10000 psi. Pipe rams will be operationally checked

VICINITY MAP



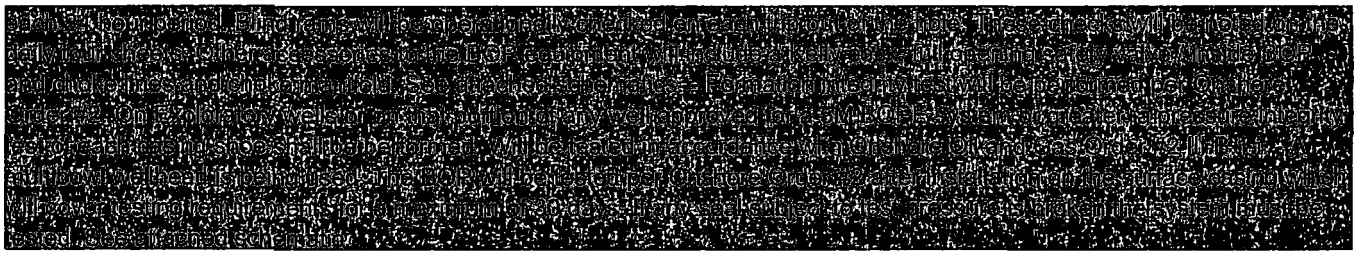
SEC. 5 TWP. 26-S RGE. 35-E
SURVEY: N.M.P.M.
COUNTY: LEA
DESCRIPTION: 450' FSL & 1148' FEL
ELEVATION: 3226'
OPERATOR: MARATHON OIL PERMIAN LLC
LEASE: CAVE LION FEDERAL 26-35-5
U.S.G.S. TOPOGRAPHIC MAP: ANDREWS PLACE, N.M.

SCALE: 1" = 1 MILE

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-6900 OFFICE
JOB No. R3757_009

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H



Choke Diagram Attachment:

Drill_2_Choke___Choke_Line_Test_Chart_SN_63393_20180601074819.pdf

Drill_2_Choke___Contitech_Hose_SN_663393_20180601074828.pdf

Drill_2_Choke___Choke_Line_Flex_III_Rig_20180601074809.pdf

Drill_2_Choke___10M.THREE_CHOKE_MANIFOLD.BLM_20180601074758.pdf

BOP Diagram Attachment:

Drill_2_BOP___10M_Flex.BOPE_x_5M_ANNULAR.BLM_20180601074850.pdf

Drill_2_BOP___Well_Control_Plan___Permian_20180601074907.pdf

Drill_2_BOP___WH_TH_DESIGN__2_DRAWING_20180604114138.pdf

PT_10K_DRAWING_20181011134856.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	1060	0	1060	3226	2166	1060	J-55	54.5	STC	5.52	2.5	BUOY	2.5	BUOY	2.5
2	INTERMEDIATE	12.25	9.625	NEW	API	N	0	5413	0	5380	3226	-2154	5413	J-55	40	LTC	1.74	1.15	BUOY	2.19	BUOY	2.19
3	INTERMEDIATE	8.75	7.0	NEW	API	N	0	11784	0	11751	3226	-8525	11784	P-110	29	BUTT	2.21	1.18	BUOY	1.9	BUOY	1.9
4	PRODUCTION	6.125	4.5	NEW	API	N	11484	17292	11451	12424	-8225	-9198	5808	P-110	13.5	BUTT	1.33	1.56	BUOY	1.88	BUOY	1.88

Casing Attachments

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Casing Attachments

Casing ID: 1 **String Type:** SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Drill_3___Red_Hills_3_csg___liner__Surface_Csg_20180604130308.pdf

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Drill_3___Red_Hills_3_csg___liner__Int_I_Csg_20180604114415.pdf

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Drill_3___Red_Hills_3_csg___liner__Int_II_Csg_20180604130523.pdf

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Casing Attachments

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

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Drill_3___Red_Hills_3_csg___liner__Prod_Liner_20180604130648.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
PRODUCTION	Lead		0	0	0	0	0	0	0	N/A, tail cement only.	N/A
PRODUCTION	Tail		11484	17292	583	1.22	14.5	711	30	Class H	0.1% retarder + 3.5% extender + 0.3% fluid loss + 0.1% Dispersant
SURFACE	Lead		0	848	674	1.75	13.5	1178	100	Class C	3 lbm/sk granular LCM + 0.1250 lbm/sk Poly-E-Flake
SURFACE	Tail		848	1060	216	1.33	14.8	295	100	Class C	N/A
INTERMEDIATE	Lead		0	4400	1394	1.75	12.8	2412	75	Class C	0.02 Gal/Sx Defoamer + 0.5% Extender + 1% Accelerator
INTERMEDIATE	Tail		4400	5413	358	1.33	14.8	476	50	Class C	0.03 % Retarder
INTERMEDIATE	Lead		5113	10700	529	2.7	11	1428	70	Class C	0.85% retarder + 10% extender + 0.02 gal/sk defoamer + 2.0% Extender + 0.15% Viscosifier
INTERMEDIATE	Tail		10700	11784	194	1.09	15.6	212	30	Class H	3% extender + 0.15% Dispersant + 0.03 gal/sk retarder

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

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: The necessary mud products for additional weight and fluid loss control will be on location at all times.

Describe the mud monitoring system utilized: Losses or gains in the mud system will be monitored visually/manually as well as with an electronic PVT.

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
11784	17292	OIL-BASED MUD	11.5	13.5							
1060	5413	OTHER : Brine	9.9	10.2							
0	1060	WATER-BASED MUD	8.4	8.8							
5413	11784	OTHER : Cut Brine	8.8	9.4							

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:

GR

Coring operation description for the well:

None Planned.

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Section 7 - Pressure

Anticipated Bottom Hole Pressure(F): 195

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

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

Drill_7___Marathon_Carlsbad___CAVE_LION_FED_26_35_5_12H_14H_15H_18H_Contingency_Plan_20180604120712.pdf

Drill_7___H2S_Contingency_Plan_Summary_20180604120703.pdf

Drill_7___Pad_Flex_III_20180604120719.pdf

Drill_8_OPOF___GasCapturePlanFormFinal_Cave_Lion_26_35_5__12__14__15__18__20181011135548.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Drill_8_PD___Cave_Lion_Federal_Unit___Federal_Minerals_20180601080729.pdf

Drill_8_PD___Marathon_CaveLionFedTB_14H_PrelimA_36x48WM_20180604131302.PDF

Drill_8_PD___Marathon_CaveLionFedTB_14H_PrelimA_WPReport_20180604131309.pdf

Other proposed operations facets description:

- Kelly cock will be in the drill string at all times.
- A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor unobstructed and readily accessible at all times.
- Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production casing is cemented. Breathing equipment will be on location upon drilling the surface casing shoe until total depth is reached. If Hydrogen Sulfide is encountered , measured amounts and formations will be reported to the BLM.

Potential Hazards:
- H2S detection equipment will be in operation after drilling out the surface casing shoe until the production casing has been cemented. Breathing equipment will be on location from drilling out the surface shoe until production casing is cemented. If H2S is encountered the operator will comply with Onshore Order #6.
- No abnormal temperatures or pressures are anticipated. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.
- No losses are anticipated at this time.
- All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well.
- Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

Other proposed operations facets attachment:

Drill_8_OV___Batch_Drilling_Plan_and_Surface_Rig_Request_20181011135650.pdf

Drill_8_PD___CAVE_LION_FEDERAL_26_35_5_TB_14H_DRILLING_PLAN_20181011135721.pdf

Other Variance attachment:

Certificate of Conformity

ContiTech

Certificate Number	COM Order Reference	Customer Name & Address
953233-4	953233	HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA
Customer Purchase Order No:	740053080	
Project:		

Test Center Address	Accepted by COM Inspection	Accepted by Client Inspection
ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Signed: Roger Suarez Date: 5/11/17	

We certify that the items detailed below meet the requirements of the customer's Purchase Order referenced above, and are in conformance with the specifications given below.

Item #	Part No	Description	Qty	Serial Number	Specification
30		RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL	1	63393	ContiTech Standard

Hydrostatic Test Certificate

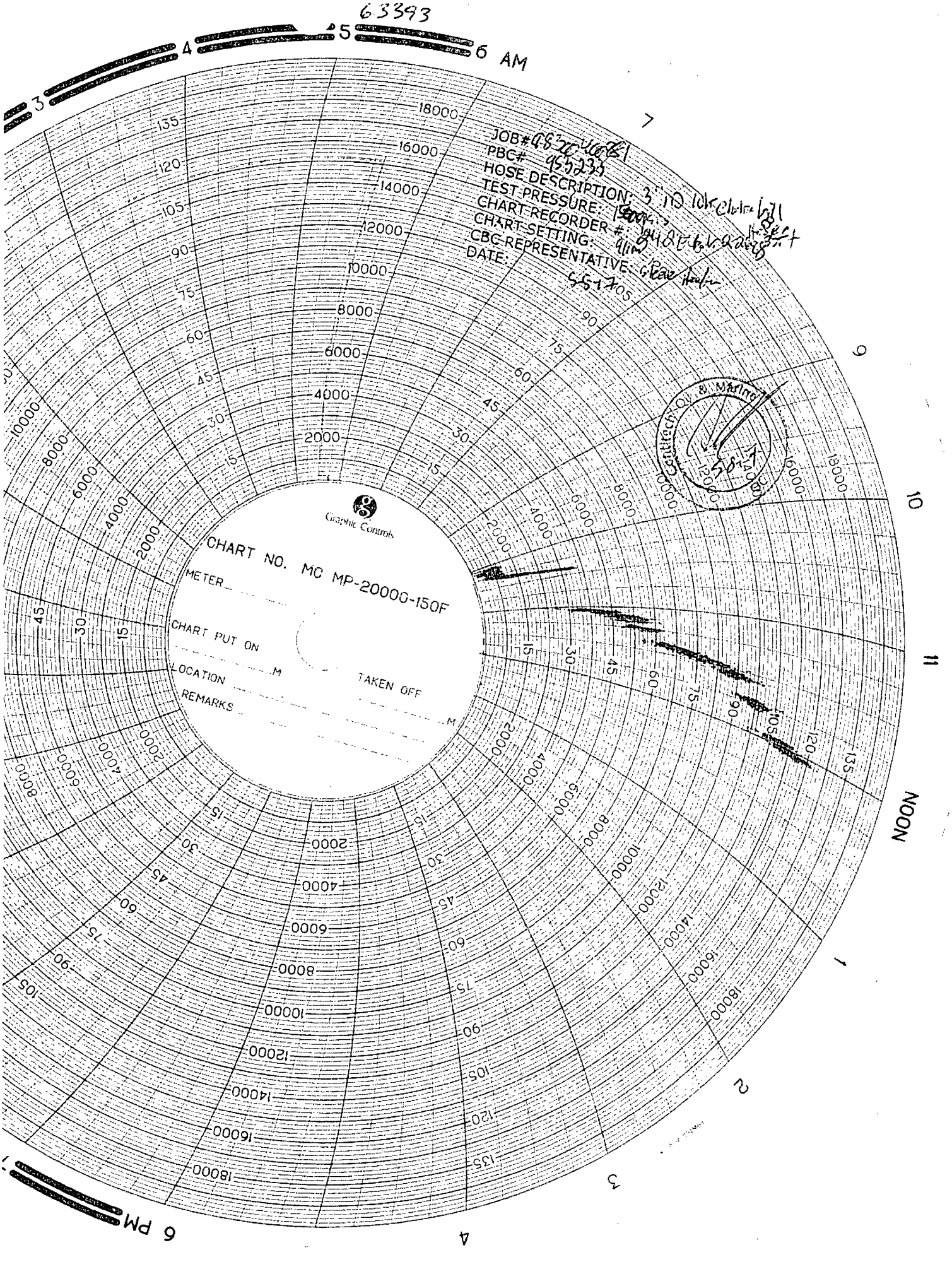
ContiTech

Certificate Number	COM Order Reference	Customer Name & Address
953233-4	953233	HELMERICH & PAYNE DRILLING CO 1434 SOUTH BOULDER AVE TULSA, OK 74119 USA
Customer Purchase Order No:	740053080	
Project:		

Test Center Address	Test Accepted by COM Inspection		Test Accepted by Client Inspection
ContiTech Oil & Marine Corp. 11535 Brittmoore Park Drive Houston, TX 77041 USA	Signed: Date:	Roger Suarez 5/11/17	

We certify that the goods detailed hereon have been inspected as described below by our Quality Management System, and to the best of our knowledge are found to conform the requirements of the above referenced purchase order as issued to ContiTech Oil & Marine Corporation.

Item	Part No.	Description	Qty	Serial Number	Working Pressure	Test Pressure	Test Time (in min)
30		RECERTIFICATION - 3" ID 10K Choke and Kill Hose x 35 ft OAL	1	63393	10,000 psi	15,000 psi	60


63393
6 AM
NOON
6 PM
JOB#
PBC#
HOSE DESCRIPTION:
TEST PRESSURE:
CHART RECORDER #:
CHART SETTING:
CBC REPRESENTATIVE:
DATE:
Graphic Controls
CHART NO. MC MP-20000-150F
METER
CHART PUT ON
M
TAKEN OFF
M
LOCATION
REMARKS

Continental
CONTITECH

QUALITY CONTROL	No.: QC-DB- 380 / 2012
	Page : 1 / 61
Hose No.: 63389, 63390, 63391 63392, 63393	Revision : 0
	Date: 28. August 2012.
	Prepared by : [signature]
	Appr. by: [signature]

CHOKE AND KILL HOSES

id.: 3" 69 MPa x 35 ft (10,67 m)

DATA BOOK

Purchaser: H & P

Purchaser Order No.:

ContiTech Rubber Order No.: 531895

ContiTech Beattie Co. Order No.: 006227

NOT DESIGNED FOR WELL TESTING

ContiTech Rubber Industrial Kft.
Budapesti út 10., Szeged H-6728
P.O.Box 152 Szeged H-6701
Hungary

Phone: +36 62 566 737
Fax: +36 62 566 738
e-mail: info@fluid.contitech.hu
Internet: www.contitech-rubber.hu

The Court of Csongrád County as Registry Court
Registry Court No: HU 06-09-002502
EU VAT No: HU11087209

Bank data
Commercial and Creditbank
Szeged
10402805-28014250-00000000

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ContiTech Rubber
Industrial Kft.
Quality Control Dept.
(1)

QMS REGISTERED

Certificate of Registration

APIQR REGISTRATION NUMBER
0760

This certifies that the quality management system of

CONTITECH RUBBER INDUSTRIAL LTD.
Budapesti ut 10
Szeged
Hungary

has been assessed by the American Petroleum Institute Quality Registrar (APIQR®) and found it to be in conformance with the following standard:

ISO 9001:2008

The scope of this registration and the approved quality management system applies to the
Design and Manufacture of High Pressure Hoses

APIQR® approves the organization's justification for excluding:
No Exclusions Identified as Applicable

COPY

Effective Date: October 15, 2010
Expiration Date: October 15, 2013
Registered Since: October 15, 2007

W. Don Whittaker
Manager of Operations, APIQR

Accredited by Member of the International Accreditation Forum Multilateral Recognition Arrangement for Quality Management Systems

This certificate is valid for the period specified herein. The registered organization must continually meet all requirements of APIQR's Registration Program and the requirements of the Registration Agreement. Registration is maintained and regularly monitored through annual full system audits. Further clarifications regarding the scope of this certificate and the applicability of ISO 9001 standard requirements may be obtained by consulting the registered organization. This certificate has been issued from APIQR offices located at 1220 L Street, N.W., Washington, D.C. 20005-4070, U.S.A. It is the property of APIQR, and must be returned upon request. To verify the authenticity of this certificate, go to www.api.org/compositelist.

QUALITY REGISTRAR

Certificate of Authority to use the Official API Monogram

License Number: 16C-0004 **ORIGINAL**

The American Petroleum Institute hereby grants to

CONTITECH RUBBER INDUSTRIAL LTD.
Budapesti ut 10
Szeged
Hungary

the right to use the Official API Monogram® on manufactured products under the conditions in the official publications of the American Petroleum Institute entitled API Spec Q1® and **API Spec 16C** and in accordance with the provisions of the License Agreement.

In all cases where the Official API Monogram is applied, the API Monogram should be used in conjunction with this certificate number: **16C-0004**

The American Petroleum Institute reserves the right to revoke this authorization to use the Official API Monogram for any reason satisfactory to the Board of Directors of the American Petroleum Institute.

The scope of this license includes the following product: Flexible Choke and Kill Lines

QMS Exclusions: No Exclusions Identified as Applicable

American Petroleum Institute

Effective Date: OCTOBER 15, 2010
Expiration Date: OCTOBER 15, 2013

To verify the authenticity of this license, go to www.api.org/compositelist.

Director of Global Industry Services

QUALITY CONTROL INSPECTION AND TEST CERTIFICATE

CERT. N°: 1599

PURCHASER:	ContiTech Beattie Co.			P.O. N°:	006227
CONTITECH ORDER N°:	531895	HOSE TYPE:	3" ID	Choke and Kill Hose	
HOSE SERIAL N°:	63393	NOMINAL / ACTUAL LENGTH:		10,67 m / 10,72 m	
W.P. 68,9 MPa	10000 psi	T.P. 103,4 MPa	15000 psi	Duration: 60	min.

Pressure test with water at ambient temperature

See attachment. (1 page)

↑ 10 mm = 10 Min.

→ 10 mm = 20 MPa

COUPLINGS Type	Serial N°	Quality	Heat N°
3" coupling with	2156 2153	AISI 4130	20231
4 1/16" 10K API Flange end		AISI 4130	34031

NOT DESIGNED FOR WELL TESTING

API Spec 16 C

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.

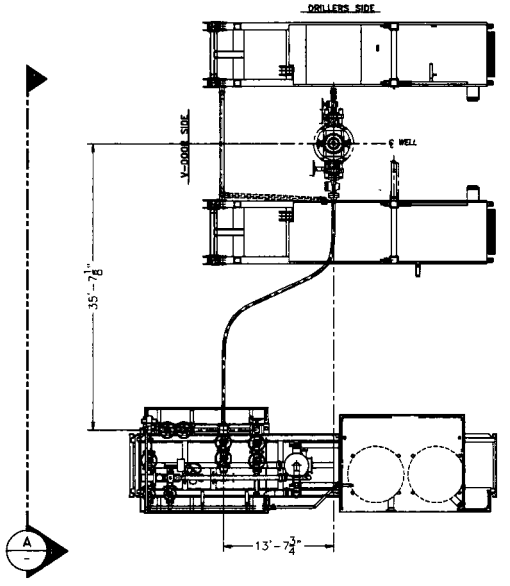
COUNTRY OF ORIGIN HUNGARY/EU

Date:	Inspector	Quality Control
23. August 2012.		ContiTech Rubber Industrial Kft. Quality Control Dept. (1)

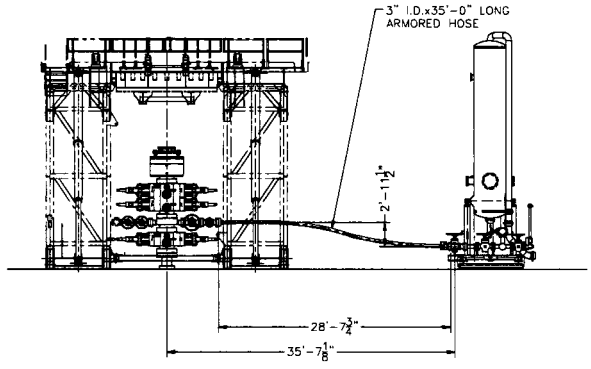
Continental CONTITECH

Hose Data Sheet

CRI Order No.	531895
Customer	ContiTech Beattie Co.
Customer Order No	PO6227 Pbc13080-H&P
Item No.	1
Hose Type	Flexible Hose
Standard	**API SPEC 16 C**
Inside dia in inches	3
Length	35 ft
Type of coupling one end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI C/W BX155RING GROOVE
Type of coupling other end	FLANGE 4 1/16" API SPEC 6A TYPE 6BX FOR 10000 PSI C/W BX155 RING GROOVE
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	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	St.steel outer wrap
Internal stripwound tube	No
Lining	OIL RESISTANT
Safety clamp	No
Lifting collar	No
Element C	No
Safety chain	No
Safety wire rope	No
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
MBR operating [m]	1,60
MBR storage [m]	1,40
Type of packing	WOODEN CRATE ISPM-15



PLAN VIEW



SECTION "A"

ISSUED FOR FABRICATION
December-19-2007
DRAFTSMAN
ENGINEER

REV	DATE	DESCRIPTION	BY
1	12/18/07	REMOVED SHEET TOTAL CALLOUT	JAV

ENGINEERING APPROVAL | DATE

HELMERICH & PAYNE
INTERNATIONAL DRILLING CO.

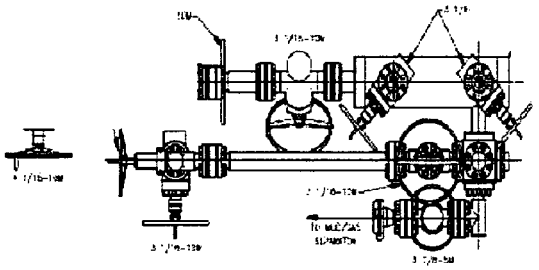
TITLE: CHOKE LINE SYSTEM
FLEXRIG3

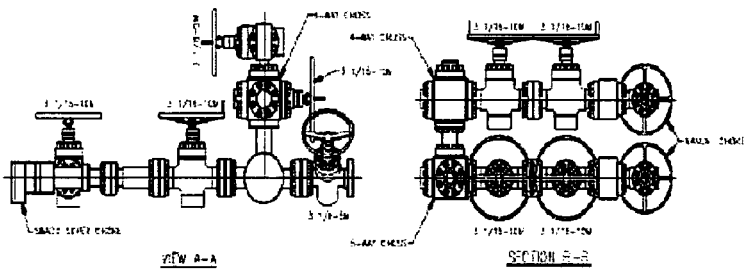
CUSTOMER:

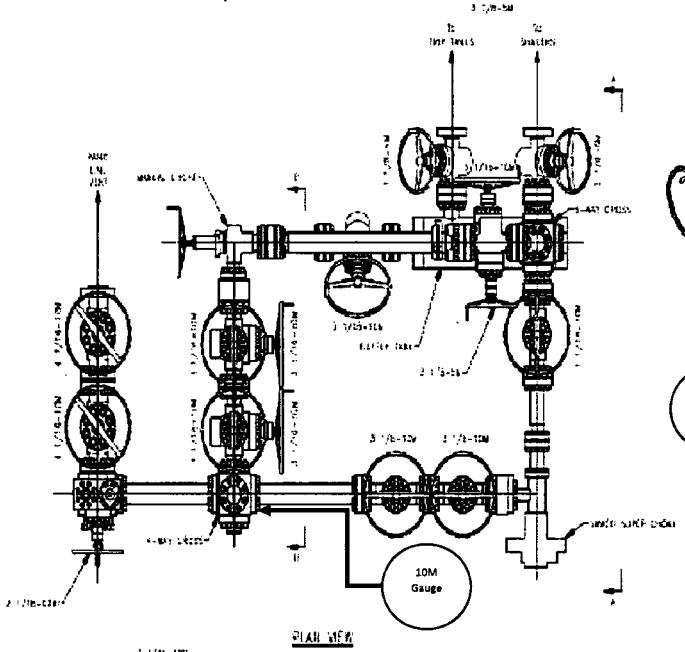
PROJECT:

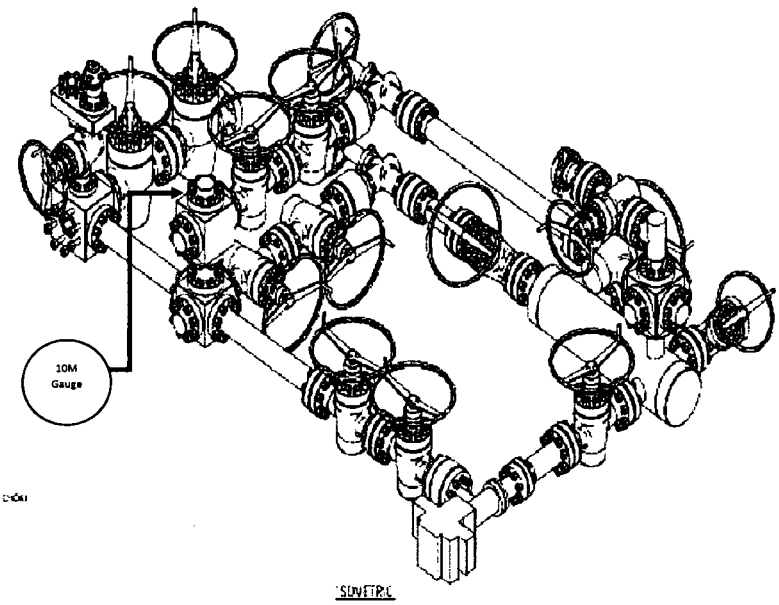
DRAWN: JBG | DATE: 4-10-07 | DWG NO.: 210-P1-07 | REV: A

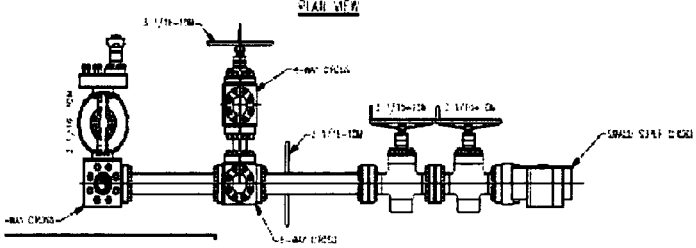
SCALE: 3/16"=1' | SHEET: 2 OF 0



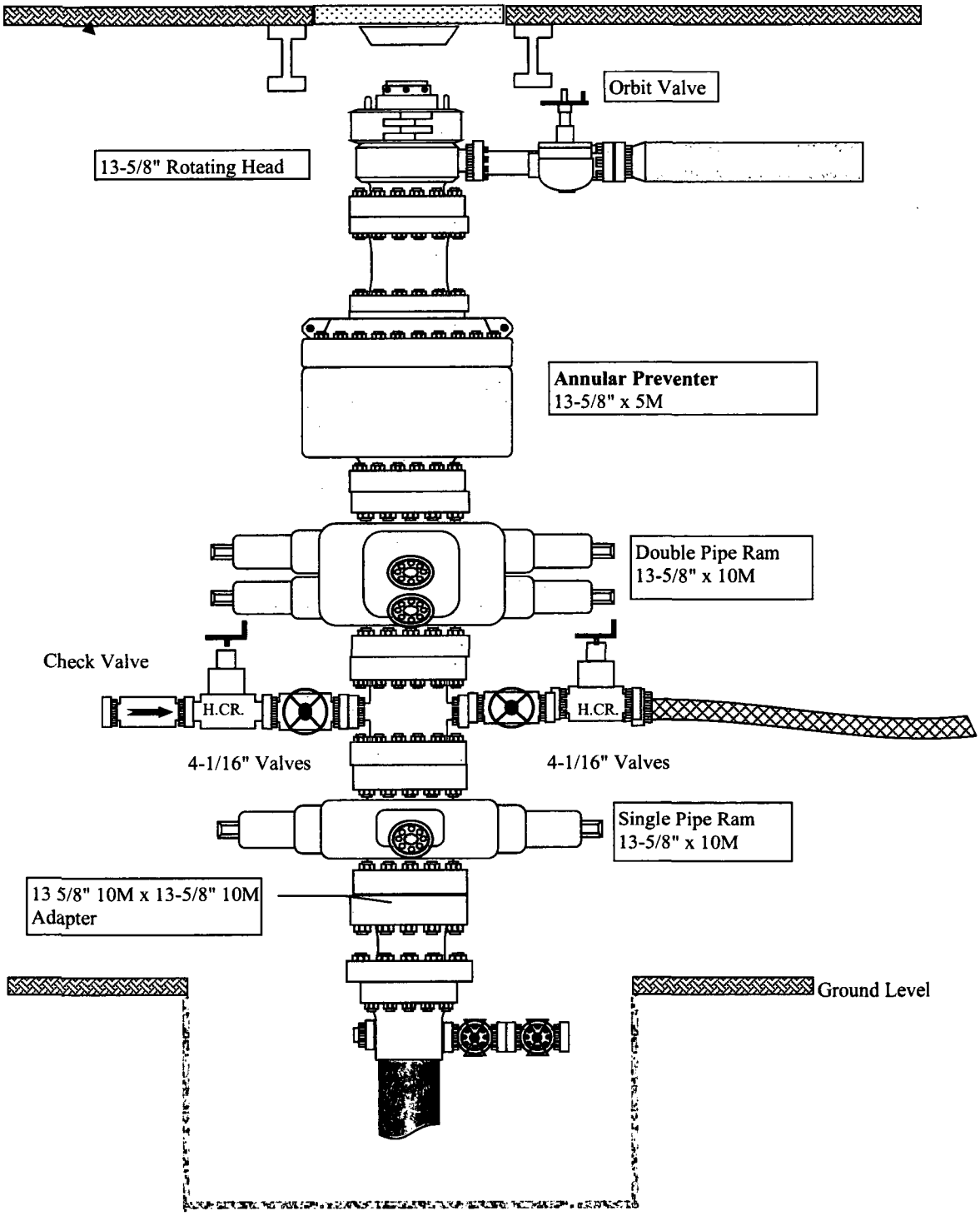

VIEW A-A
SECTION B-B


10M
Gauge
PLAN VIEW


10M
Gauge
ISOMETRIC



Operator : **Marathon Oil**



1. DRILLING WELL CONTROL PLAN

1.1 WELL CONTROL - CERTIFICATIONS

Required IADC/IWCF Well Control Certifications Supervisor Level:

Any personnel who supervises or operates the BOP must possess a valid current IADC training certification and photo identification. This would include the onsite drilling supervisor, tool pusher/rig manager, driller, and any personnel that will be acting in these capacities. Another example of this may be a wireline or snubbing crew rigged up on the rig to assist the rig, the operator of each system must also have a valid control certification for their level of operation.

BLM recognizes IADC training as the industry approved accredited training. Online self-certifications will not be acceptable. Enforcement actions for the lack of a valid Supervisory Level certificate shall be prompt action to correct the deficiency. **Enforcement actions include but are not limited to immediate replacement of personnel lacking certifications, drilling operations being shut down or installment of a 10M annular.**

IADC Driller Level for all Drillers and general knowledge for the Assistant Driller, Derrick Hands, Floor Hands and Motor Hands is recognized by the BLM; however, a Driller Level certification will need to be presented only if acting in a temporary Driller Level certification capacity.

Well Control-Position/Roles

IADC Well control training and certification is targeted toward each role, e.g., Supervisor Level toward those who direct, Driller Level to those who act, Introductory to those who need to know.

- **Supervisor Level**
  - Specifies and has oversight that the correct actions are carried out
  - Role is to supervise well control equipment, training, testing, and well control events
  - Directs the testing of BOP and other well control equipment
  - Regularly direct well control crew drills
  - Land based rigs – usually runs the choke during a well kill operation
  - Due to role on the rig, training and certification is targeted more toward management of well control and managing an influx out of the well

- **Driller Level**
  - Performs an action to prevent or respond to well control accident
  - Role is to monitor the well via electronic devices while drilling and detect unplanned influxes
  - Assist with the testing of BOP and other well control equipment
  - Regularly assist with well control crew drills
  - When influx is detected, responsible to close the BOP
  - Due to role on the rig, training and certification is targeted more toward monitoring and shutting the well in (closing the BOP) when an influx is detected

(Well Control-Positions/Roles Continued)

- **Derrick Hand, Assistant Driller Introductory Level**
  - Role is to assist Driller with kick detection by physically monitoring the well at the mixing pits/tanks
  - Regularly record mud weights/viscosity for analysis by the Supervisor level and mud engineer so pre-influx signs can be detected
  - Mix required kill fluids as directed by Supervisor or Driller
  - Due to role on the rig, training and certification is targeted more toward monitoring for influxes, either via mud samples or visual signs on the pits/tanks

- **Motorman, Floor Hand Introductory Level**
  - Role is to assist the Supervisor, Driller, or Derrick Hand with detecting influxes
  - Be certain all valves are aligned for proper well control as directed by Supervisor
  - Perform Supervisor or Driller assigned tasks during a well control event
  - Due to role on the rig, training and certification is targeted more toward monitoring for influxes

1.2 WELL CONTROL-COMPONENT AND PREVENTER COMPATIBILITY CHECKLIST

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

- **Example 8-3/4" Production hole section, 10M requirement**

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

- VBR = Variable Bore Ram. Compatible range listed in chart.

1.3 WELL CONTROL-BOP TESTING

BOP Test will be completed per Onshore Oil and Gas Order #2 Well Control requirements. The 5M Annular Preventer on a required 10M BOP stack will be tested to 70 % of rated working pressure including a 10 minute low pressure test. Pressure shall be maintained at least 10 minutes.

1.4 WELL CONTROL - DRILLS

The following drills are conducted and recorded in the Daily Drilling Report and the Contractor's reporting system while engaged in drilling operations:

Type	Frequency	Objective	Comments
Shallow gas kick drill - drilling	Once per well with crew on tour	Response training to a shallow gas influx	To be done prior to drilling surface hole if shallow gas is noted
Kick drill - drilling	Once per week per crew	Response training to an influx while drilling (bit on bottom)	Only one kick drill per week per crew is required, alternating between drilling and tripping.
Kick drill - tripping	Once per week per crew	Response training to an influx while tripping (bit off bottom). Practice stabbing TIW valve	
Choke drill	Once per well with crew on tour	Practice in operating the remotely operated choke with pressure in the well	Before drilling out of the last casing set above a prospective reservoir Include the scenario of flowing well with gas on drill floor as a table top
H_2S drill	Prior to drilling into a potential H_2S zone/reservoir	Practice in use of respiratory equipment	

1.5 WELL CONTROL – MONITORING

- Drilling operations which utilize static fluid levels in the wellbore as the active barrier element, a means of accurately monitoring fill-up and displacement volumes during trips are available to the driller and operator. A recirculating trip tank is installed and equipped with a volume indicator easily read from the driller's / operator's position. This data is recorded on a calibrated chart recorder or digitally. The actual volumes are compared to the calculated volumes.
- The On-Site Supervisor ensures hole-filling and pit monitoring procedures are established and documented for every rig operation.
- The well is kept full of fluid with a known density and monitored at all times even when out of the hole.
- Flow checks are a minimum of 15 minutes.
- A flow check is made:
    - In the event of a drilling break.
    - After indications of down hole gains or losses.
    - Prior to all trips out of the hole.
    - After pulling into the casing shoe.
    - Before the BHA enters the BOP stack.
    - If trip displacement is incorrect.

- Prior to dropping a survey instrument.
- Prior to dropping a core ball.
- After a well kill operation.
- When the mud density is reduced in the well.

- Flow checks may be made at any time at the sole discretion of the driller or his designate. The Onsite Supervisor ensures that personnel are aware of this authority and the authority to close the well in immediately without further consultation.
- Record slow circulating rates (SCR) after each crew change, bit trip, and 500' of new hole drilled and after any variance greater than 0.2 ppg in MW. Slow pump rate recordings should include return flow percent, TVD, MD & pressure. SCR's will be done on all pumps at 30, 40 & 50 SPM. Pressures will be recorded at the choke panel. SCR will be recorded in the IADC daily report and MRO Wellview daily report
- Drilling blind (i.e. without returns) is permissible only in known lithology where the absence of hydrocarbons has been predetermined and written approval of the Drilling Manager.
- All open hole logs to be run with pack-off, lubricator or Drilling Manager approved alternative means.
- The Drilling Contractor has a fully working pit level totalizer / monitoring system with read out for the driller and an audible alarm set to 10 BBL gain / loss volume. Systems are selectable to enable monitoring of all pits in use. Pit volumes are monitored at all times, especially when transferring fluids. Both systems data is recorded on a calibrated chart recorder or electronically.
- The Drilling Contractor has a fully working return mud flow indicator with drillers display and an audible alarm, and is adjustable to record any variance in return volumes.

1.6 WELL CONTROL – SHUT IN

- The "hard shut in" method (i.e. against a closed choke using either an annular or ram type preventer) is the Company standard.
- The HCR(s) or failsafe valves are left closed during drilling to prevent any erosion and buildup of solids. The adjustable choke should also be left closed.
- The rig specific shut in procedure, the BOP configuration along with space-out position for the tool joints is posted in the Driller's control cabin or doghouse.
- No well kill operation commences until there is a plan agreed by the Superintendent, On-Site Supervisor and the Drilling Manager.
- During a well kill by circulation, constant bottom hole pressure is maintained throughout.
- Kill sheets are maintained by the Driller and posted in the Driller's control cabin or doghouse. The sheet is updated at a minimum every 500 feet.

2. SHUT-IN PROCEDURES:

2.1 PROCEDURE WHILE DRILLING

- Sound alarm (alert crew)
- Space out drill string – Stop rotating, pick the drill string up off bottom, and space out to ensure no tool joint is located in the BOP element selected for initial closure.
- Shut down pumps (stop pumps and observe well.)
- Shut-in Well - If flow is suspected or confirmed, close uppermost applicable BOP element. (HCR and choke will already be in the closed position.)
    - **Note:** Either the uppermost pipe ram or annular preventer can be used.
- Confirm shut-in
- Notify toolpusher/company representative
- Gather all relevant data required:
    - SIDPP and SICP
    - Hole Depth and Hole TVD
    - Pit gain
    - Time
    - Kick Volume
    - Pipe depth
    - MW in, MW out
    - SPR's (Slow Pump Rate's)
- Regroup and identify forward plan (let well stabilize, update kill sheet, inventory mud additives and mud volumes on location)
- Company Representative, Drilling Superintendent, Drilling Engineer and Drilling Manager will discuss well control kill method to be utilized. A verbal Risk Assessment and preferred kill method will be finalized. Initial Risk Assessment will be finalized within 1 hour of initial shut in.
- No well kill operation commences until there is a plan agreed by the Superintendent, On-Site Supervisor and the Drilling Contractor PIC.
- Recheck all pressures and fluid volume on accumulator unit
- **If pressure has built or is anticipated during the kill to reach 2,500 psi or greater, the annular preventer CANNOT be used as per Oil Company Well Control Policy, swap to the upper BOP pipe ram.**

2.2 PROCEDURE WHILE TRIPPING

- Sound alarm (alert crew)
- Stab full opening safety valve in the drill string and close.
- Space out drill string (ensure no tool joint is located in the BOP element selected for initial closure).
- Shut down pumps (stop pumps and observe well.)
- Shut-in Well - If flow is suspected or confirmed, close uppermost applicable BOP element. (HCR and choke will already be in the closed position.)
    - **Note:** Either the uppermost pipe ram or annular preventer can be used.
- Confirm shut-in
- Notify tool pusher/company representative
- Gather all relevant data required:
    - SIDPP and SICP
    - Hole Depth and Hole TVD
    - Pit gain

Procedure While Tripping (Continued)

- Time
- Kick Volume
- Pipe depth
- MW in, MW out
- SPR's (Slow Pump Rate's)

- Regroup and identify forward plan (let well stabilize, update kill sheet, inventory mud additives and mud volumes on location)
- Company Representative, Drilling Superintendent, Drilling Engineer and Drilling Manager will discuss well control kill method to be utilized. A verbal Risk Assessment and preferred kill method will be finalized. Initial Risk Assessment will be finalized within 1 hour of initial shut in.
- <u>No well kill operation commences until there is a plan agreed by the Superintendent, On-Site Supervisor and the Drilling Contractor PIC</u>.
- Recheck all pressures and fluid volume on accumulator unit
  If pressure has built or is anticipated during the kill to reach X,XXX psi or greater, the annular preventer CANNOT be used as per Company Well Control Policy, swap to the upper BOP pipe ram.

2.3 PROCEDURE WHILE RUNNING CASING

- Sound alarm (alert crew)
- Stab crossover and full opening safety valve and close
- Space out casing (ensure no coupling is located in the BOP element selected for initial closure).
- Shut down pumps (stop pumps and observe well.)
- Shut-in Well - If flow is suspected or confirmed, close uppermost applicable BOP element. (HCR and choke will already be in the closed position.)
  - **Note:** Either the uppermost pipe ram or annular preventer can be used.
- Confirm shut-in
- Notify tool pusher/company representative
- Gather all relevant data required:
  - SIDPP and SICP
  - Hole Depth and Hole TVD
  - Pit gain
  - Time
  - Kick Volume
  - Pipe depth
  - MW in, MW out
  - SPR's (Slow Pump Rate's)
- Regroup and identify forward plan (let well stabilize, update kill sheet, inventory mud additives and mud volumes on location)
- Company Representative, Drilling Superintendent, Drilling Engineer and Drilling Manager will discuss well control kill method to be utilized. A verbal Risk Assessment and preferred kill method will be finalized. Initial Risk Assessment will be finalized within 1 hour of initial shut in.
- <u>No well kill operation commences until there is a plan agreed by the Superintendent, On-Site Supervisor and the Drilling Contractor PIC</u>.
- Recheck all pressures and fluid volume on accumulator unit
  If pressure has built or is anticipated during the kill to reach 2,500 psi or greater, the annular preventer CANNOT be used, swap to the upper BOP pipe ram.

2.4 PROCEDURE WITH NO PIPE IN HOLE (OPEN HOLE)

- Sound alarm (alert crew)
- Shut-in with blind rams or BSR. (HCR and choke will already be in the closed position.)
- Confirm shut-in
- Notify toolpusher/company representative
- Gather all relevant data required:
    - Shut-In Pressure
    - Hole Depth and Hole TVD
    - Pit gain
    - Time
    - Kick Volume
    - MW in, MW out
    - SPR's (Slow Pump Rate's)
- Regroup and identify forward plan (let well stabilize, update kill sheet, inventory mud additives and mud volumes on location)
- Company Representative, Drilling Superintendent, Drilling Engineer and Drilling Manager will discuss well control kill method to be utilized. A verbal Risk Assessment and preferred kill method will be finalized. Initial Risk Assessment will be finalized within 1 hour of initial shut in.
- No well kill operation commences until there is a plan agreed by the Superintendent, On-Site Supervisor and the Drilling Contractor PIC.
- Recheck all pressures and fluid volume on accumulator unit.

2.5 PROCEDURE WHILE PULLING BHA THRU STACK

- PRIOR to pulling last joint of drill pipe thru the stack.
- Perform flow check, if flowing.
- Sound alarm (alert crew).
- Stab full opening safety valve and close
- Space out drill string with tool joint just beneath the upper pipe ram.
- Shut-in using upper pipe ram. (HCR and choke will already be in the closed position).
- Confirm shut-in.
- Notify toolpusher/company representative
- Read and record the following:
    - SIDPP and SICP
    - Pit gain
    - Time
- Regroup and identify forward plan

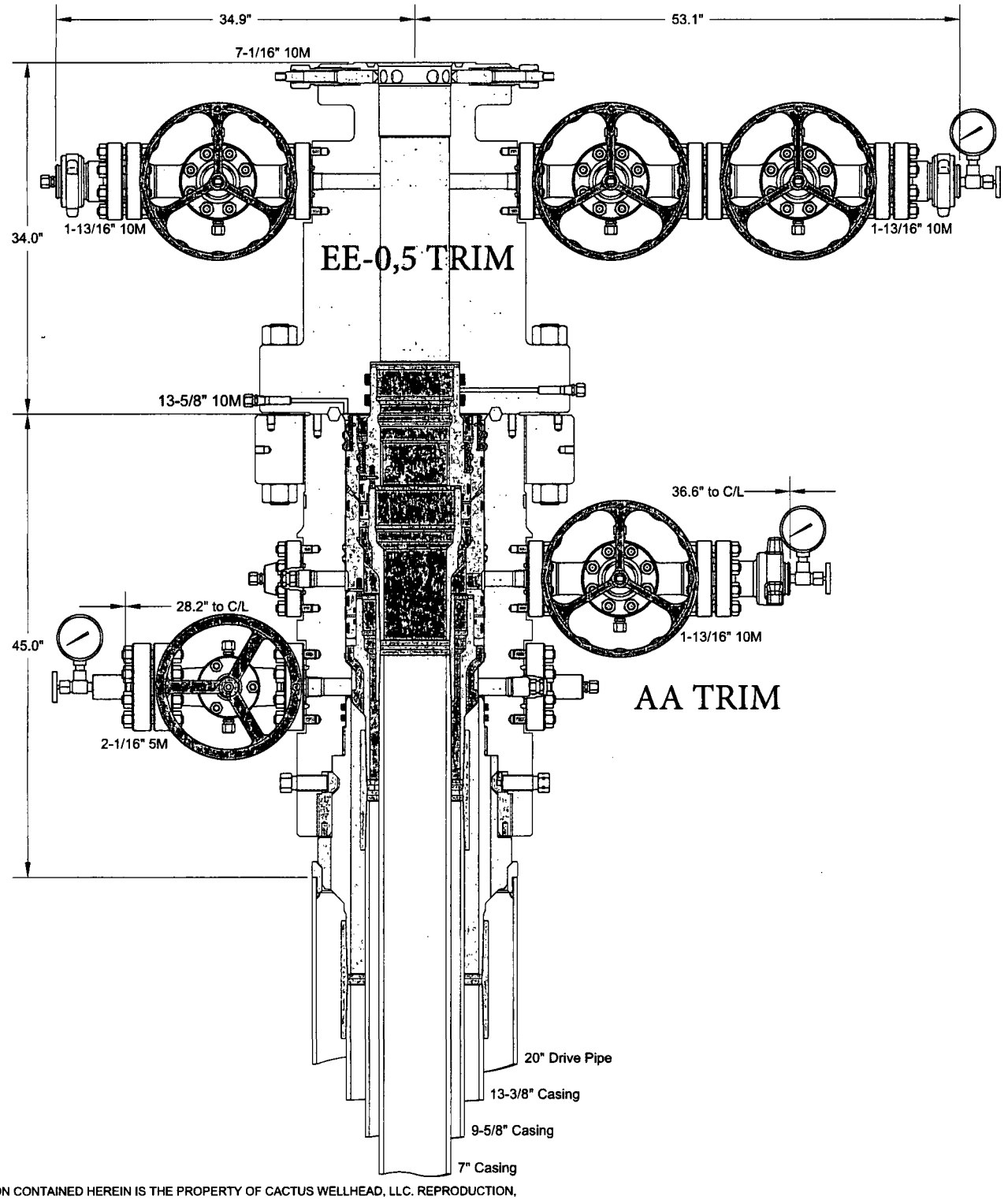
- **With BHA in the stack and compatible ram preventer and pipe combo immediately available.**
    - Sound alarm (alert crew)
    - Stab crossover and full opening safety valve and close
    - Space out drill string with upset just beneath the compatible pipe ram.
    - Shut-in using compatible pipe ram. (HCR and choke will already be in the closed position.)
    - Confirm shut-in
    - Notify toolpusher/company representative
    - Read and record the following:
        - SIDPP and SICP
        - Pit gain

Procedures While Pulling BHA thru Stack (Continued)

    - Time
  - Regroup and identify forward plan

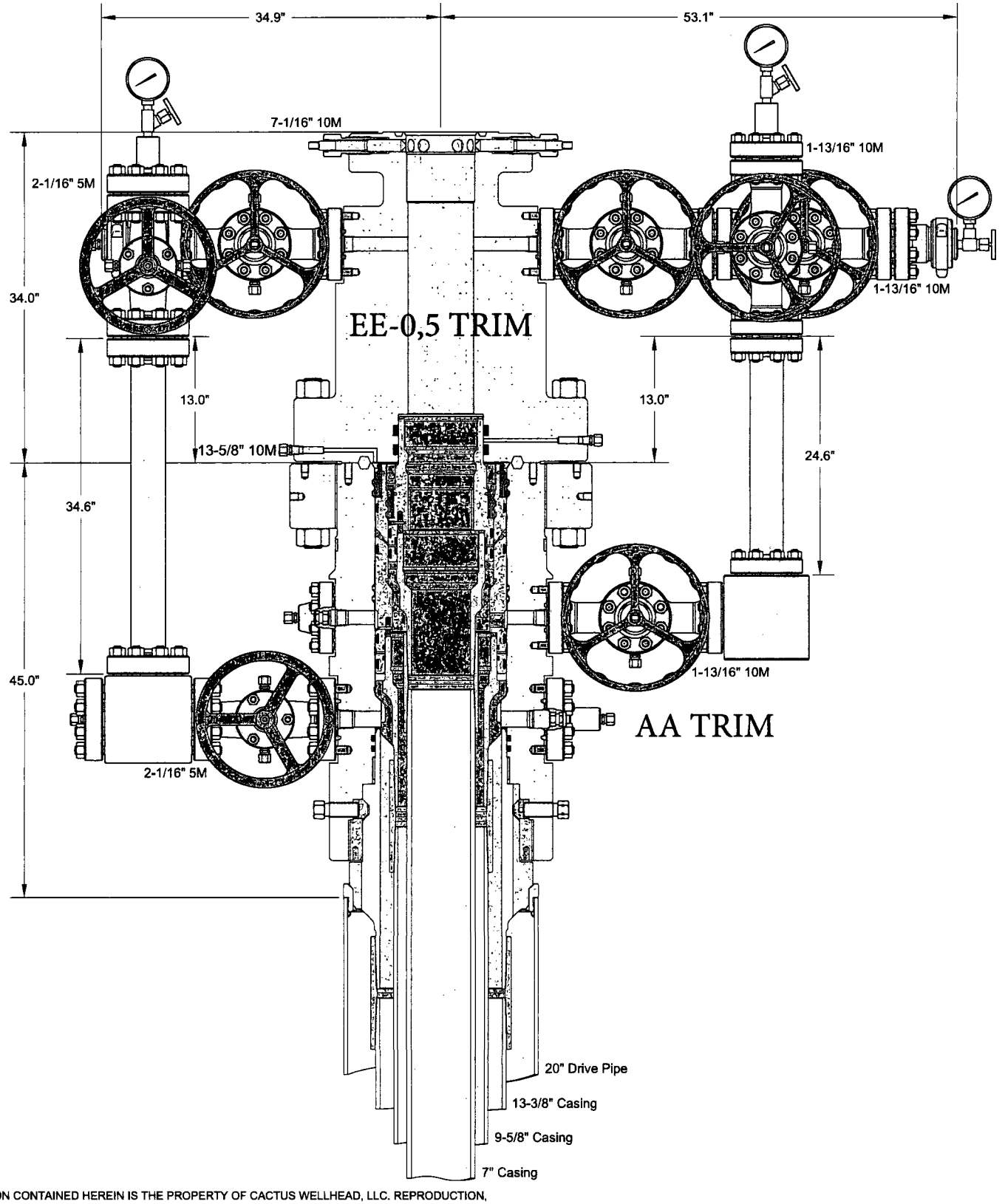
- **With BHA in the stack and <u>NO</u> compatible ram preventer and pipe combo immediately available.**
  - Sound alarm (alert crew)
  - If possible to pick up high enough, pull string clear of the stack and follow "Open Hole" scenario.
  - If impossible to pick up high enough to pull the string clear of the stack:
  - Stab crossover, make up one joint/stand of drill pipe, and full opening safety valve and close
  - Space out drill string with tool joint just beneath the upper pipe ram.
  - Shut-in using upper pipe ram. (HCR and choke will already be in the closed position.)
  - Confirm shut-in
  - Notify toolpusher/company representative
  - Read and record the following:
    - SIDPP and SICP
    - Pit gain
    - Time

WH&TH Design # 2



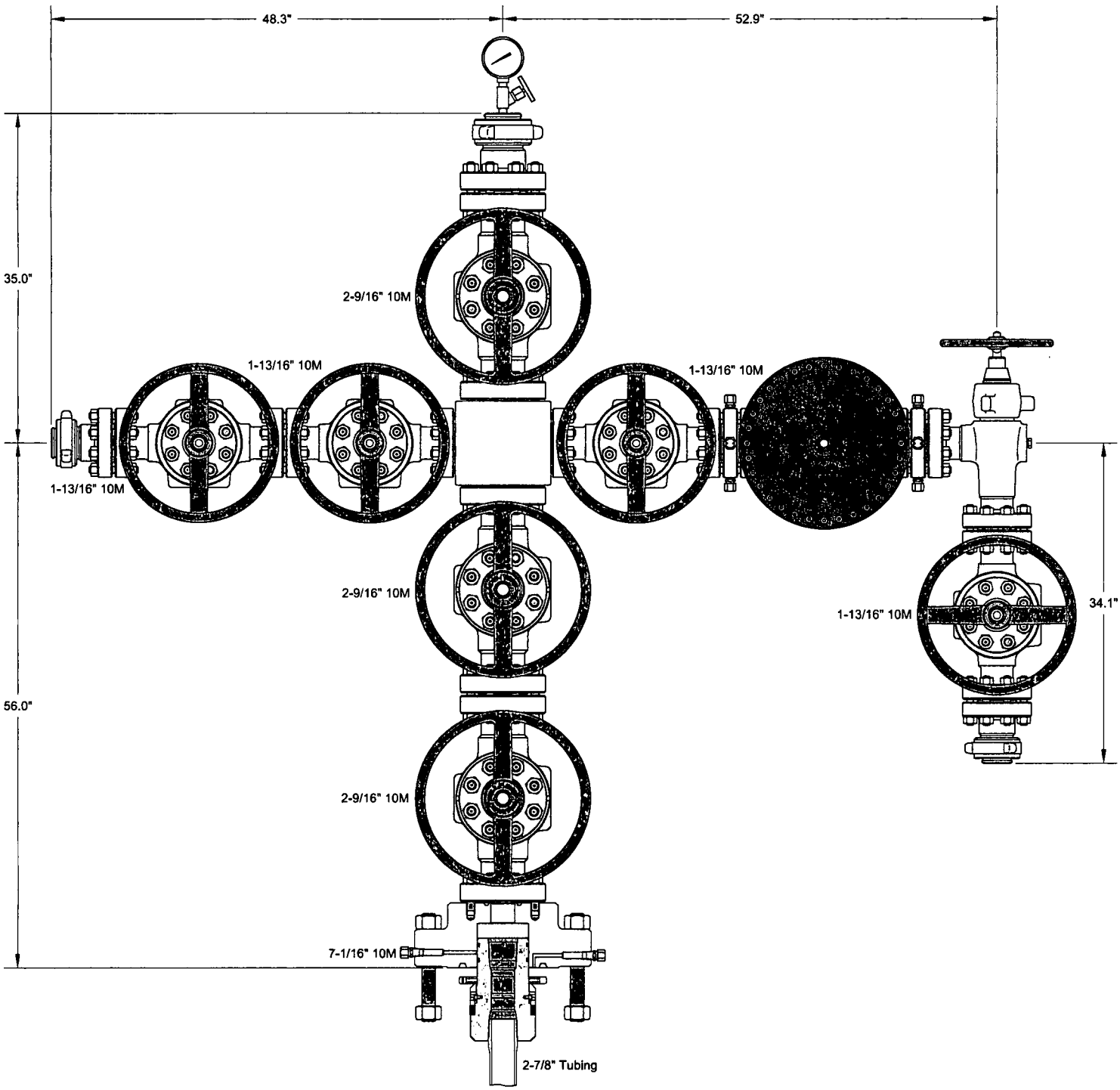
CACTUS WELLHEAD LLC	MARATHON OIL COMPANY		
20" x 13-3/8" x 9-5/8" x 7" MBU-3T-CFL-R-DBLO Wellhead 13-5/8" 10M x 7-1/16" 10M CTH-DBLHPS Tubing Head (34" LG) Utilizing Pin Down Mandrel Casing Hangers	DRAWN	DLE	23AUG17
	APPRV		
	DRAWING NO.	ODE0001825	

H&TH Design # 2

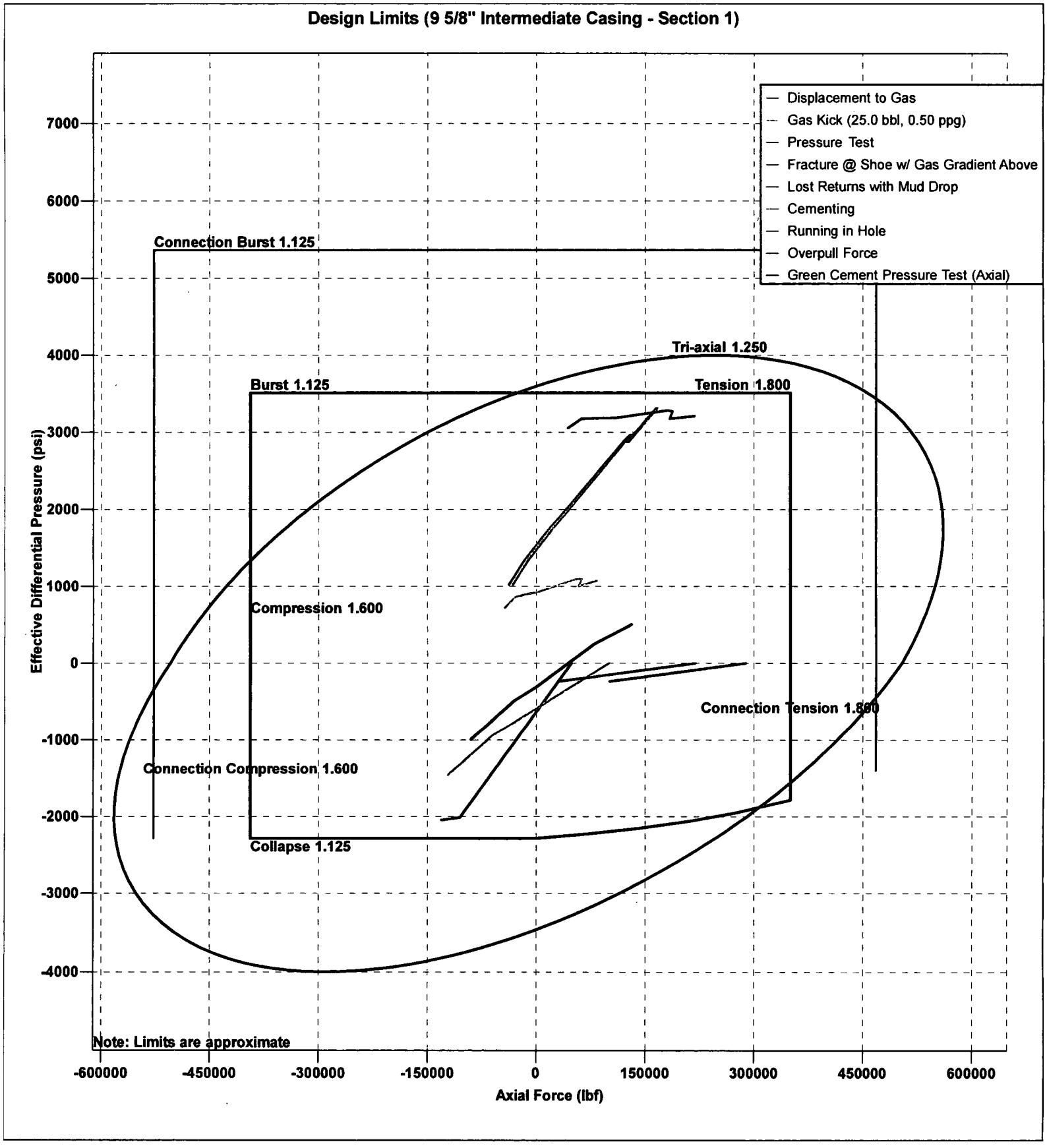


CACTUS WELLHEAD LLC	MARATHON OIL COMPANY		
20" x 13-3/8" x 9-5/8" x 7" MBU-3T-CFL-R-DBLO Wellhead 13-5/8" 10M x 7-1/16" 10M CTH-DBLHPS Tubing Head (34" LG) Utilizing Pin Down Mandrel Casing Hangers With Annulus Risers	DRAWN	DLE	23AUG17
	APPRV		
	DRAWING NO.	ODE0001825	

PT 10K: Natural Flow / Gas Lift



CACTUS WELLHEAD LLC	MARATHON OIL COMPANY ODESSA		
7-1/16" 10M x 2-9/16" 10M x 1-13/16" 10M Production Tree With CW-EN-CL Adapter and Hanger	DRAWN	DLE	12FEB18
	APPRV		
	DRAWING NO.	ODE0001831	


Design Limits (9 5/8" Intermediate Casing - Section 1)
Displacement to Gas
Gas Kick (25.0 bbl, 0.50 ppg)
Pressure Test
Fracture @ Shoe w/ Gas Gradient Above
Lost Returns with Mud Drop
Cementing
Running in Hole
Overpull Force
Green Cement Pressure Test (Axial)
Connection Burst 1.125
Tri-axial 1.250
Burst 1.125
Tension 1.800
Compression 1.600
Connection Tension 1.800
Connection Compression 1.600
Collapse 1.125
Note: Limits are approximate
Effective Differential Pressure (psi)
7000
6000
5000
4000
3000
2000
1000
0
-1000
-2000
-3000
-4000
-600000
-450000
-300000
-150000
0
150000
300000
450000
600000
Axial Force (lbf)

MARATHON OIL PERMIAN LLC

DRILLING AND OPERATIONS PLAN

WELL NAME / NUMBER: CAVE LION FEDERAL 26 53 5 TB 14H
STATE: NEW MEXICO **COUNTY:** LEA

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	TWSP	Range	Section	Aliquot/Lot/Trac	Latitude (NAD 83)	Longitude (NAD 83)	County	State	Meridian	Lease Type	Lease Number	Elevation (ft SS)	MD (RKB	TVD (RKB)
SHL	330	FSL	1148	FEL	26S	35E	5	SESE	32.06631038 N	103.38467520 W	Lea	NM	NMP	F	NMNM013647	3226	0	0
KOP	0	FSL	989	FEL	26S	35E	5	SESE	32.06522222 N	103.38353861 W	Lea	NM	NMP	F	NMNM013647	-8625	11884	11851
PPP	150	FSL	989	FEL	26S	35E	5	SESE	32.06548633 N	103.38416250 W	Lea	NM	NMP	F	NMNM013647	-9198	12784	12424
BHL	150	FNL	990	FEL	26S	35E	5	NENE	32.07918697 N	103.38418200 W	Lea	NM	NMP	F	NMNM013647	-9198	17292	12424

1. **GEOLOGIC NAME OF SURFACE FORMATION**
   a. Permian/Quatenary Alluvium

2. **ESTIMATED TOPS OF GEOLOGICAL MARKERS & DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS**

Formation	True Vertical Depth (ft)	Measured Depth (ft)	Lithologies	Mineral Resources	Producing Formation
Rustler	1044	1044	Anhydrite/Dolomite	BRINE	N
Salado	1483	1483	Salt/Anhydrite	BRINE	N
Castile	3521	3547	Base Salt	BRINE	N
Base of Salt	5078	5111	Limy Sands	BRINE	N
Lamar	5343	5376	Sand/Shales	OIL	Y
Bell Canyon	5371	5404	Sands/Shale	OIL	Y
Brushy Canyon	7980	8013	Sands/Carbonates	OIL	Y
Bone Spring	9271	9304	Sands/Carbonates	OIL	Y
1st Bone Spring Sand	10391	10424	Sands/Carbonates	OIL	Y
2nd Bone Spring Sand	10940	10973	Sands/Carbonates	OIL	Y
3rd Bone Spring Sand	12025	12060	Sands/Carbonates	OIL	Y
Wolfcamp	12452	N/A	Carbonates/Shales/Sands	OIL	Y
Wolfcamp X	12473	N/A	Carbonates/Shales/Sands	OIL	Y
Wolfcamp Y	12531	N/A	Carbonates/Shales/Sands	OIL	Y
Wolfcamp A	12561	N/A	Carbonates/Shales/Sands	OIL	Y

DEEPEST EXPECTED FRESH WATER: 400' TVD

ANTICIPATED BOTTOM HOLE PRESSURE: 8,697 psi

ANTICIPATED BOTTOM HOLE TEMPERATURE: 195°F

ANTICIPATED ABNORMAL PRESSURE: N

ANTICIPATED ABNORMAL TEMPERATURE: N

3. CASING PROGRAM

String Type	Hole Size	Csg Size	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Weight (lbs/ft)	Grade	Conn.	SF Collapse	SF Burst	SF Tension
Surface	17 1/2	13 3/8	0	1060	0	1060	54.5	J55	STC	5.52	2.5	2.5
Intermediate I	12 1/4	9 5/8	0	5413	0	5380	40	J55	LTC	1.74	1.15	2.19
Intermediate II	8 3/4	7	0	11784	0	11751	29	P110	BTC	2.21	1.18	1.9
Production Liner	6 1/8	4 1/2	11484	17292	11451	12424	13.5	P110	BTC	1.33	1.56	1.88

Minimum safety factors: Burst 1.125 Collapse 1.125 Tension 1.8 Wet/1.6 Dry

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

	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 3rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	

Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

4. CEMENT PROGRAM:

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity (sks)	Yield (ft3/sks)	Density (ppg)	Slurry Volume (ft3)	Excess (%)	Cement Type	Additives
Surface	Lead	--	0	848	674	1.75	13.5	1178	100	Class C	3 lbm/sk granular LCM + 0.1250 lbm/sk Poly-E-Flake
Surface	Tail	--	848	1060	216	1.33	14.8	295	100	Class C	N/A
Intermediate I	Lead	--	0	4400	1394	1.75	12.8	2412	75	Class C	0.02 Gal/Sk Defoamer + 0.5% Extender + 1% Accelerator
Intermediate I	Tail	--	4400	5413	358	1.33	14.8	476	50	Class C	0.3 % Retarder
Intermediate II	Lead	--	5113	10700	529	2.7	11	1428	70	Class C	0.85% retarder + 10% extender + 0.02 gal/sk defoamer + 2.0% Extender + 0.15% Viscosifier
Intermediate II	Tail	--	10700	11784	194	1.09	15.6	212	30	Class H	3% extender + 0.15% Dispersant + 0.03 gal/sk retarder
Production Liner	Tail	--	11484	17292	583	1.22	14.5	711	30	Class H	0.1% retarder + 3.5% extender + 0.3% fluid loss + 0.1% Dispersant

Stage tool depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. Stage tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Pilot hole depth: N/A TVD/MD
KOP: N/A TVD/MD

Plug top	Plug Bottom	Excess (%)	Quantity (sx)	Density (ppg)	Yield (ft3/sx)	Water gal/sk	Slurry Description and Cement Type

Attach plugging procedure for pilot hole.

N/A

5. PRESSURE CONTROL EQUIPMENT

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type	✓	Tested to:
12 ¼"	13 5/8	5000	Annular	x	70% of working pressure
		10000	Blind Ram	x	100% of working pressure
			Pipe Ram		
			Double Ram	x	
			Other*		
8 ¾"	13 5/8	5000	Annular	x	70% of working pressure
		10000	Blind Ram	x	100% of working pressure
			Pipe Ram		
			Double Ram	x	
			Other *		
6 1/8"	13 5/8	5000	Annular	x	70% of working pressure
		10000	Blind Ram	x	100% of working pressure
			Pipe Ram		
			Double Ram	x	
			Other *		

*Specify if additional ram is utilized.

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

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock, full opening 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?
Y	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. See attached schematic.

6. MUD PROGRAM:

Top Depth	Bottom Depth	Mud Type	Min. Weight (ppg)	Max. Weight (ppg)	Additional Characteristics
0	1060	Water Based Mud	8.4	8.8	
1060	5413	Brine	9.9	10.2	
5413	11784	Cut Brine	8.8	9.4	
11784	17292	Oil Based mud	11.5	13.5	

Losses or gains in the mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times.

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT

a. A Kelly cock will be in the drill string at all times.

b. A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor unobstructed and readily accessible at all times.

c. Hydrogen Sulfide detection equipment will be in operation after drilling out the surface casing shoe until the production casing is cemented. Breathing equipment will be on location upon drilling the surface casing shoe until total depth is reached. **If Hydrogen Sulfide is encountered , measured amounts and formations will be reported to the BLM**

8. LOGGING / CORING AND TESTING PROGRAM:

A. Mud Logger: None.

B. DST's: None.

C. Open Hole Logs: GR while drilling from Intermediate casing shoe to TD.

9. POTENTIAL HAZARDS:

A. H2S detection equipment will be in operation after drilling out the surface casing shoe until the production casing has been cemented. Breathing equipment will be on location from drilling out the surface shoe until production casing is cemented. If H2S is encountered the operator will comply with Onshore Order #6.

B. No abnormal temperatures or pressures are anticipated. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

C. No losses are anticipated at this time.

D. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well.

E. Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon as possible after BLM approval and as soon as a rig will be available. Move in operations and drilling is expected to take 30 days.

APD ID: 10400030840 **Submission Date:** 06/06/2018

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Well Type: OIL WELL **Well Work Type:** Drill

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

SUPO_1___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H_____Vacinity___Existing_Roads_Map_20180604121243.pdf

SUPO_1___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H_____Existing_Access_Road_20180604121232.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT **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:

SUPO_2___Cave_Lion_Federal_26_35_5__12__14__15__18____New_Road_Details__Section_5__20180604122407.pdf

SUPO_2___Cave_Lion_Federal_26_35_5__12__14__15__18____New_Road_Details__Section_8__20180604124230.pdf

SUPO_2___CAVE_LION_FEDERAL_26_35_5_12__14__15__18___New_Road_Plat_20180604121834.pdf

SUPO_2___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H____Certified_Cut_and_Fill_Road_Plat_20180604122019.pdf

New road type: LOCAL

Length: 654.35 Feet **Width (ft.):** 30

Max slope (%): 2 **Max grade (%):** 2

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 20

New road access erosion control: The access road will have a small low water crossing at the point of leaving the existing lease road to allow for continued drainage along existing lease road. The new road will be crowned to allow proper water

drainage and ditching will be constructed on both sides of the access road along with proper compaction to prevent water and wind erosion. All ditching areas will be seeded with BLM approved seed mix to prevent water erosion.
New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

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: The topsoil will be stripped during construction activities, spread out on edge of road, and will be seeded during the interim reclamation of the well pad.
Access other construction information:

Access miscellaneous information:

Number of access turnouts: **Access turnout map:**

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: Crowning and ditching (both sides) shall be constructed on the access road driving surface. The road crown shall have a grade of approximately 2%. The road shall conform to cross section and plans for typical road construction found in the BLM Gold Book.
Road Drainage Control Structures (DCS) description: No DCS's will be 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:

SUPO_3___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H__Existing_Wells_Location_Map_20180604122625.pdf

Existing Wells description:

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

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

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: Central Tank Battery (CTB) is proposed on the south side of the proposed well pad to allow for maximum interim reclamation of the well pad. - No permanent open top tanks will be used. - Open vent exhaust stacks will be modified to prevent birds or bats from entering, discourage perching, roosting, and nesting. - All chemical and fuel secondary containments will be covered for birds, wildlife, and livestock protection. The fluids will be disposed of as needed to prevent possible overflow. - The proposed CTB will have a secondary containment 1.5 times the holding capacity of largest storage tank plus free-board to account for precipitation. - All above ground structures not subject to safety requirements will be painted a flat non-reflective shale green for blending with the surrounding environment. - At this time, the proposed CTB will have oil and water truck hauled from the facility. Pipelines/Flowlines: All flowlines transporting production from wells to the facility will remain on the pad; therefore, no further disturbance or ROW will be required. Powerlines: No power-lines will be needed. The power to the equipment will be provided via a natural gas generator.
Production Facilities map:

SUPO_4___Cave_Lion_Federal_26_35_5_12H_14H_15H_18H___Facility_Layout_Plat_20181011140757.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING
Water source type: FRESH WATER LAKE

Describe type:

Source longitude: -103.40435

Source latitude: 32.1889

Source datum: NAD83

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 147500

Source volume (acre-feet): 19.011732

Source volume (gal): 6195000

Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING
Water source type: FRESH WATER LAKE

Describe type:

Source longitude: -103.35456

Source latitude: 32.081768

Source datum: NAD83

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 147500 **Source volume (acre-feet):** 19.011732

Source volume (gal): 6195000

Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE CASING **Water source type:** FRESH WATER LAKE

Describe type: **Source longitude:** -103.405334

Source latitude: 32.030895

Source datum: NAD83

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 147500 **Source volume (acre-feet):** 19.011732

Source volume (gal): 6195000

Water source and transportation map:

SUPO_5___CAVE_LION_FEDERAL_26_35_5_Water_Source_Map_20180601100227.pdf

Water source comments: One of the above choices will be utilized for the water supply for the proposed wells. Private ground water wells will supply water to existing fresh water ponds located in different locations that will be utilized for drilling operations pending demand and availability. The fresh water line will run parallel to the existing disturbance and will stay within 10' of the access road. Location and Types of Water Supply • All Fresh water will be obtained from a private water source. • 1st proposed (pond in Section 34,T25S,R35E) will be utilized for fresh water. • A temporary 10" expanding pipe transfer line will run South from pond along lease rd. then turn West along proposed access road approx. 3.2 Miles. • 2nd proposed (pond in Section 19,T26S-R35E will be utilized for fresh water. • A temporary 10" expanding pipe transfer line will run East from pond along access rd. Then turn North along proposed access road approx. 3.4 Miles. • 3rd proposed pond(Black Mountian in Section 30,T24S-R35E will be utilized for fresh water. • A temporary 10" expanding pipe transfer line will run North from pond along access rd. then East along proposed access road approx. 4.28 Miles. Proposed water suppliers Madera Brad Beckem Rockhouse
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: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

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 used to construct well pad and roads. Material will be purchased from the nearest federal, state, or private permitted pit. • Source 1 - Caliche will be used to construct well pad and roads. Material will be purchased from private land owner Brad Beckham (575-390-2076) caliche pit located in SEC19 , T26S , R35E , Lea County , NM.GPS Lat. 32. 0224475 N , Long. -103.40438 W • Source 2 - Caliche will be used to construct well pad and roads. Material will be purchased from BLM , caliche pit located in Sec 7 , T26S , R34E, Lea County, NM. Gps Lat. 32.059006 N Long -104.504418 W • The proposed source of construction material will be located and purchased by construction contractor. Notification shall be given to BLM at (575) 234-5909 at least 3 working days prior to commencing construction of well pad or related infrastructure.

Construction Materials source location attachment:

SUPO_6___CAVE_LION_FEDERAL_26_35_5_Caliche_Source_Map_20180601100434.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil and water from the well during drilling operations.

Amount of waste: 1000 barrels

Waste disposal frequency : Daily

Safe containment description: Lined Steel Tanks

Safe containmant attachment:

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

Disposal type description:

Disposal location description: Waste will be stored safely and disposed of properly in an NMOCD approved disposal facility.

Waste type: GARBAGE

Waste content description: Garbage and trash (solid waste).

Amount of waste: 1200 pounds

Waste disposal frequency : Weekly

Safe containment description: All garbage will be stored in secure containers with lids.

Safe containmant attachment:

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

Disposal location description: All garbage will be collected and disposed of properly at a State approved disposal facility.

Waste type: SEWAGE

Waste content description: Human waste and grey water.

Amount of waste: 600 barrels

Waste disposal frequency : Weekly

Safe containment description: Portable toilets and sewage tanks.

Safe containmant attachment:

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

Disposal location description: All sewage waste will be managed by a third party and disposed of properly at a State approved disposal facility.

Waste type: COMPLETIONS/STIMULATION

Waste content description: Oil and water from drilling operations.

Amount of waste: 1000 barrels

Waste disposal frequency : Daily

Safe containment description: Steel Tanks

Safe containmant attachment:

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

Disposal location description: Waste will be stored safely and disposed of properly in an NMOCD 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 The well will be drilled utilizing a closed loop system. Drill cutting will be properly disposed of into steel tanks and taken to a State approved disposal facility.

Cuttings area length (ft.) **Cuttings area width (ft.)**

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

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

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

SUPO_9___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H____Certified_Cut_and_Fill_20180604123505.pdf

SUPO_9___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H____Well_Location_Plat__Feet__20180604123514.pdf

SUPO_9___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H____Well_Pad_Plat__Acres__20180604123525.pdf

Comments: Attached: Well Pad Plat, Well Location Plat, Well Cut and Fill Plat. Exterior well pad dimensions are 490' by 400'. Note this pad will have 4 total wells, see Well Pad Surface Plat. Interior well pad dimensions from first point of entry (well head) are: west-240', north-180', east-250', south-220'. Tank battery will be located on the south side of the pad, dimensions are 430' by 85' for tanks and separation equipment. Total disturbance area needed for construction activities will be approximately 4.5 acres for pad surface, 6.18 acres with cut and fill. Topsoil will be places on the north side (490' by 30') of the pad to accommodate interim reclamation activities (1.91 acres of reclamation). There is more than 6' of elevation change from one corner to the other. A cut and fill diagram is attached.

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance **Multiple Well Pad Name:** CAVE LION FEDERAL 26 35 5

Multiple Well Pad Number: 300-3

Recontouring attachment:

SUPO_10___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H____Certified_Cut_and_Fill_IR_20180604123805.pdf

SUPO_10___CAVE_LION_FEDERAL_26_35_5__18H_14H_15H_12H____IR_Plat_20180604123815.pdf

Drainage/Erosion control construction: During construction, BMP will be used to control erosion, runoff and siltation of surrounding area.

Drainage/Erosion control reclamation: BMP's will be used to control erosion, runoff and siltation of surrounding area. All areas reclaimed will be ripped across the slope to prevent water erosion. The reclaimed areas will be will have a berm constructed against pad edge to prevent water erosion.

Well pad proposed disturbance (acres): 6.18	**Well pad interim reclamation (acres):** 1.91	**Well pad long term disturbance (acres):** 4.27
Road proposed disturbance (acres): 0.419	**Road interim reclamation (acres):** 0.139	**Road long term disturbance (acres):** 0.28
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: 6.599	**Total interim reclamation:** 2.049	**Total long term disturbance:** 4.55

Disturbance Comments:

Reconstruction method: • The objective of interim reclamation is to restore vegetative cover and a portion of the landform sufficient to maintain healthy, biologically active topsoil; control erosion; and minimize habitat and forage loss, visual impact, and weed infestation, during the life of the well or facilities. • The BLM will be notified at least 3 days prior to commencement of any reclamation procedures. • If circumstances allow, interim reclamation and/or final reclamation actions will be completed no later than 6 months from when the final well on the location has been completed or plugged. We will gain written permission from the BLM if more time is needed. • Reclamation will be performed by using the following procedures: For Interim Reclamation: • Within 6 months of first production, the well location and surrounding areas will be cleared of, and maintained free of, all materials, trash, and equipment not required for production. A plan will be submitted showing where interim reclamation will be completed in order to allow for safe operations, protection of the environment outside of drilled well, and following best management practices found in the BLM "Gold Book". • In areas planned for interim reclamation, all the surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. • The areas planned for interim reclamation will then be re-contoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be back-filled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be re-contoured to the above ratios during interim reclamation. • Topsoil will be evenly re-spread and aggressively re-vegetated over the entire disturbed area not needed for all-weather operations including cuts & fills. To seed the area, the proper BLM seed mixture (free of noxious weeds) will be used. • Proper erosion control methods will be used on the area to control erosion, runoff and siltation of the surrounding area. • The interim reclamation will be monitored periodically to ensure that vegetation has reestablished. For Final Reclamation: • Prior to final reclamation procedures, the well pad, road, and surrounding area will be cleared of material, trash, and equipment. • All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. • All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be re-contoured to the contour existing prior to initial construction or a contour that blends in with the surrounding landscape. Topsoil that was spread over the interim reclamation areas will be stockpiled prior to re-contouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful re-vegetation. • After all the disturbed areas have been properly prepared; the

areas will be seeded with the proper BLM seed mixture free of noxious weeds. • Proper erosion control methods will be used on the entire area to control erosion, runoff and siltation of the surrounding area.
Topsoil redistribution: The topsoil will be evenly distributed across all reclaimed areas, ripped across the slopes, and seeded accordingly. During final reclamation, Marathon will grab and evenly redistribute topsoil across the entire disturbed area, disc plowing if needed, and seeded accordingly.
Soil treatment: Topsoil will be stockpiled until interim reclamation. Topsoil and subsoil (fill) will be piled separately. The topsoil will be seeded after being spread across IR area.
Existing Vegetation at the well pad: Native Grasses, Cactus, Mesquite.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Native Grasses, Cactus, Mesquite.

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: N/A

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: OTHER

Seed source: COMMERCIAL

Seed name: BLM Sandy LPC Mix

Source name:

Source address:

Source phone:

Seed cultivar: Broadcast

Seed use location: WELL PAD

PLS pounds per acre: 38 **Proposed seeding season:** AUTUMN

Total pounds/Acre: 38

Seed Summary	
Seed Type	**Pounds/Acre**
OTHER	38

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: **Last Name:**

Phone: **Email:**

Seedbed prep: Rip native topsoil stockpiled during construction activities across the slope.

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Marathon Oil will control weeds per Federal, County and State regulations by contracting a certified third party sprayer.
Weed treatment plan attachment:

Monitoring plan description: Marathon Oil will monitor all disturbed areas and lease roads leading to well pad monthly for weeds through routine inspections.
Monitoring plan attachment:

Success standards: Maintain all disturbed areas as per Gold Book Standards.

Pit closure description: N/A

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: NEW ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Disturbance type: EXISTING ACCESS ROAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Operator Name: MARATHON OIL PERMIAN LLC

Well Name: CAVE LION FEDERAL 26 35 5 TB **Well Number:** 14H

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland: **USFS Ranger District:**

Section 12 - Other Information

Right of Way needed? NO **Use APD as ROW?**

ROW Type(s):

ROW Applications

SUPO Additional Information: Pad within PA.

Use a previously conducted onsite? YES

Previous Onsite information: Performed 03/27/2018 Marathon Oil Attendees: Nancy Pohl BLM Attendee: Colleen Cepero-Rios

Other SUPO Attachment

Section 1 - General

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

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe 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?

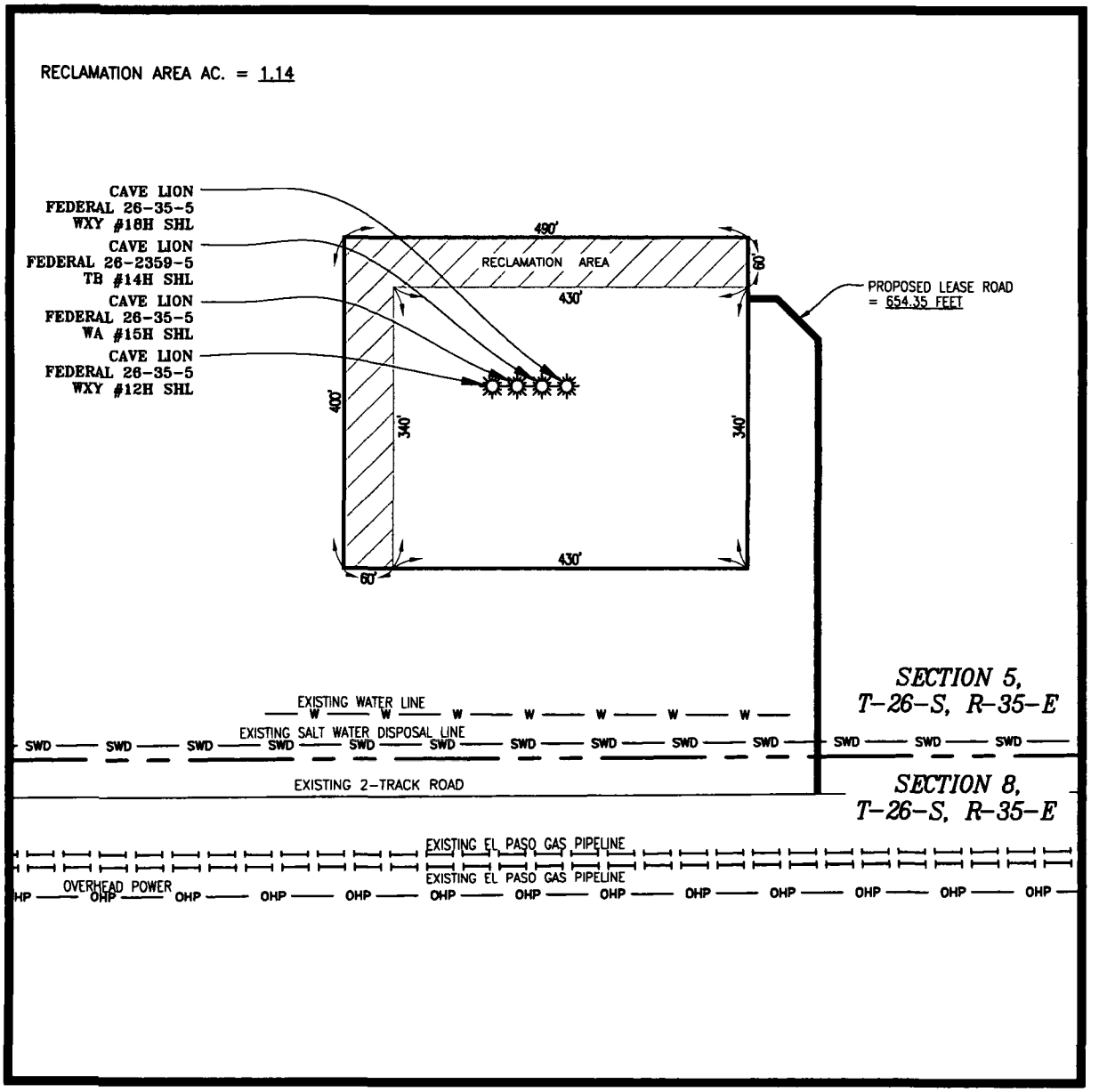
Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

INTERIM RECLAMATION (IR) PLAT

CAVE LION FEDERAL 26-35-5 (PAD 2)
SEC. 5 TWP. 26-S RGE. 35-E
SURVEY: N.M.P.M.
COUNTY: LEA
U.S.G.S. TOPOGRAPHIC MAP: ANDREW'S PLACE, N.M.



LEGEND

WATER LINE	W
SALT WATER DISPOSAL LINE	SWD
PROPOSED WELL PAD	
ARCH SURVEY LIMITS	
PROPOSED LEASE ROAD	
EXISTING LEASE ROAD	
SECTION LINE	
EXISTING PIPELINES	
OVERHEAD POWER	OHP

100' 0' 100' 200'
SCALE: 1" = 200'

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-6900 OFFICE
JOB No. R3757_006

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:

Decribe 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: **Injection well name:**

Assigned injection well API number? **Injection well API number:**

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

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:

AFMSS

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

Bond Info Data Report

11/09/2018

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001555

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: